

The Jobs Letter

No. 112

17 November 1999

Essential Information on an Essential Issue

KEY

STATISTICS THAT MATTER

WTO SEATTLE

TAXES AND JOBS

RICH AND POOR FIGURES

GREEN MINIMUM WAGE

ELECTION WEBSITE

BEYOND COMMUNITY WAGE

JOBS FOR DOCTORS

HARD TIMES RESEARCH

DIARY

30 October 1999

Labour leader Helen Clark tells *National Radio* that her government would aim to cut unemployment to 3%.

31 October 1999

An Employers and Manufacturers Association survey finds many workers lack adequate numeracy and literacy skills. The Association says that basic literacy, analytical ability and personal skills are generally assumed to be delivered by the education system.

But secondary teachers' union president Graeme Macann says that schools are not at fault for under performing students. Macann says the growing disparity between the haves and the have-nots in NZ has created disparities in schools which contribute to the problem. He also says that schools do not have the resources to properly educate the rising number of people who are not native English speakers.

Helen Clark pulls back from her 3% unemployment target by saying it is a long-term goal and not something her party should be held accountable in the next three years.

- The official unemployment rate has **fallen to 6.8%** at the end of September, down from 7% in the June quarter. The official number of unemployed is now **128,000 people**, a fall of 11,000 people from a year ago. This is the third quarter in a row that that unemployment has fallen, and it is now at its lowest official level since December 1997. Unemployment has fallen below 10% in all regions for the first time in almost two years, with the Wellington region recording the lowest rate of 5%.

Employment levels are up to 1.75m, which is 25,000 more than a year ago. There has been **an increase in full-time employment** of 1.7% — the strongest rise in full-time jobs for three-and-a-half years.

We include our regular *Statistics That Matter* summary as an insert in this issue of *The Jobs Letter*.

- **Taxation** continues to be a **key election issue** providing a marked difference between the political parties. National and Act are promising tax cuts after the election, while Labour and the Alliance plan to raise taxes on people with incomes over \$60,000. All of them say their policies will result in more jobs.

Lobby groups such as the **Manufacturers Federation** are also urging voters to support tax cuts on businesses and employees. In a pamphlet released last week, ManFed asserts: "Higher taxes never created a single job in business or industry..."

- When you compare New Zealand's top tax rates with other OECD countries, and also compare their job creation record, it is clear that NZ **already has comparatively low taxes** and yet it is not enjoying the level of job growth seen elsewhere.

The top personal income tax rate in New Zealand (at 33%) is **actually the lowest in the OECD**. Even if Labour and the Alliance succeed in raising this rate to 39%, every other OECD country (except Mexico) will still be charging higher tax rates. The OECD average rate for top personal income tax is 47.8%, and the European Union average is 49.7%.

- Do countries with corporate tax rates higher than 33% have trouble with job creation, as Manfed suggests? **The figures do not support this notion:** Employment growth from 1987-97 was 34.3% in Luxembourg where the top corporate tax rate is 39.6%. Japan, the country with the highest corporate tax rate at 50%, has enjoyed a job growth of 11%. Australia's 36% corporate tax rate has seen job growth of 19%. New Zealand, with its 33% corporate tax rate, has had employment growth of only 8.5%.

Finland has a top corporate tax rate of only 28%. But from 1987-97 their employment numbers decreased by 10.4%.

- Labour says their plan to raise the top rate of tax won't kick in until incomes exceed \$60,000. Statistics NZ data, drawn from the 1997 tax year, show that the great bulk of NZ'ers earn below \$40,000 a year. Only 143,000 people, or less than 5% of the total, earn more than \$60,000.

The Jobs Letter : ESSENTIAL INFORMATION and MEDIA WATCH on JOBS

EMPLOYMENT, UNEMPLOYMENT, the FUTURE of WORK, and related EDUCATION and ECONOMIC issues

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The Jobs Letter

DIARY

1 November 1999

The chief executives of Australia's top 100 companies have had an average 22% pay rise in the last year. The average Australian CEO income is now \$1.84m, not including stock options and bonuses.

2 November 1999

Alliance leader Jim Anderton says that raising the minimum wage by \$20 a week would create jobs because the minimum wage workers would spend this money in their communities.

Marsden Pt is the preferred site for a huge timber processing plant planned to be built for Carter Holt Harvey. The plant is expected to eventually employ about 180 operational staff.

3 November 1999

Student borrowing is rising. The average loan last year was \$5,700, up from \$3,600 on the year before. About 70% of fulltime students took out loans last year.

Richard Prebble launches ACT's tax policy of reducing the top income tax rate to 20%, a move which he says will create 80,000 new jobs.

The Bank of New Zealand introduces its internet banking service and says it will close 20 more branches as a result. Managing director Mike Pratt says rural branches will close as the bank begins to offer services on the net. He also says that most of the BNZ's 197 branches will downsize over the next three years.

- On the election campaign, ACT party leader **Richard Prebble** has been asserting that the poor in New Zealand **have actually got richer, not poorer**. Prebble cites a Massey University study which, he says, shows "...not that the rich are getting richer and the poor are getting poorer, but the poor are getting richer, but at a slower rate than the already well-off."

Is he right? **Not according to the author** of the same report.

Massey Professor **Shrikanta Chatterjee's** 1998 study found that 80% of NZ's households have a smaller share of NZ's total income, compared to what they had before the economic reforms of the 1980s. The study found that while four out of five households have a reduced share of the total income, the top 10% got about 15% more income over a 16-year period, and the top 5% got 25% more income.

- Chatterjee's work only looked at income shares, not actual income. Richard Prebble's argument — also proposed by Treasurer **Bill Birch** when the Chatterjee study first came out — is that the national cake had grown. Prebble and Birch argue that although the poor might have a smaller share of the larger cake, the actual slice was still bigger than it was before.

When the Chatterjee report was first produced, the professor had not done the figures on actual income levels, so he couldn't say whether the "bigger cake" theory was right or wrong. But further research work by Canterbury economist **Paul Dalziel** (endorsed by Chatterjee) suggests that Prebble and Birch are wrong.

Dalziel finds that the average income of the bottom 10% of households fell nearly 9% between 1983 and 1996. The average income of the top 10% had increased by more than a quarter. Dalziel: "The data supports reports that poverty and social exclusion have caused widespread problems, particularly among low income households with children..."

- **The Green Party** is calling for a substantial **increase to the minimum wage** as part of its commitment to "social equity and local economic development". Veteran employment activist **Sue Bradford**, who is No.4 on the party list, says that an increased minimum wage would shift by New Zealand away from "a low-wage servant of globalisation to a work-rich nation".

The Greens want to lift the minimum wage **to \$8.25 an hour**, compared to the current minimum adult wage in NZ of \$7 per hour. This is 42.5% of the average wage, and still well below what Bradford says is the OECD recommended level of 68%.

Bradford: "Our current minimum wage is grossly exploitative. It is simply unjust for employers to pay people less than it costs to live, let alone support a family... Just as Greens believe those who pollute must face the true costs of their action, so we believe that the social costs of low-pay must be faced up to by business rather than passed on to the community and the taxpayer. The core of ensuring an adequate minimum income is ensuring that we create an economy that is rich in jobs and uses resources sparingly. We must accept the challenge of creating work with dignity rather than McJobs..."

(continued on page five)

STATISTICS THAT MATTER

ONE IN FIFTEEN PEOPLE OFFICIALLY UNEMPLOYED IN NZ

OFFICIAL NUMBER OF UNEMPLOYED IN NZ

Sept 99

128,000

Seasonally Adjusted

OFFICIAL RATE OF UNEMPLOYED

Sept 99

6.8%

OR ONE IN 15 PEOPLE

Seasonally Adjusted

PEOPLE REGISTERED AT WORK & INCOME NZ

Figures unavailable

NOTIFIED VACANCIES

Figures unavailable

FALL IN NUMBER OF UNEMPLOYED IN LAST THREE MONTHS

June 99 — Sept 99

3,000

FALL IN LAST YEAR

Sept 98 — Sept 99

11,000

GLOBAL

SPAIN	17.6%
FRANCE	11.4%
ITALY	12.3%
GERMANY	9.0%
CANADA	7.8%
AUSTRALIA	7.5%
NEW ZEALAND	6.8%
OECD Average	7.0%
BRITAIN	6.3%
UNITED STATES	4.3%
JAPAN	4.6%

OFFICIALLY UNEMPLOYED

The official unemployed rates are an internationally recognised figure for unemployment based on the Household Labour Force Survey run by Statistics New Zealand. These are the latest figures for September 1999

NORTHLAND	8.5%	or one in 12 people
AUCKLAND	6.2%	or one in 16 people
WAIKATO	7.3%	or one in 14 people
BAY OF PLENTY	8.8%	or one in 11 people
GISBORNE-HAWKES BAY	7.2%	or one in 14 people
TARANAKI	6.5%	or one in 15 people
WANGANUI-MANAWATU	7.1%	or one in 14 people
WELLINGTON	5.0%	or one in 20 people
NELSON-MARLBOROUGH		
TASMAN-WEST COAST	6.9%	or one in 14 people
CANTERBURY	6.9%	or one in 14 people
OTAGO	6.9%	or one in 14 people
SOUTHLAND	5.4%	or one in 19 people

EMPLOYED

NUMBER OF PEOPLE IN JOBS IN NZ 1,746,000

Sept 99 Seasonally Adjusted

RISE IN NUMBER OF PEOPLE IN JOBS IN LAST 3 MTHS

June 99 — Sept 99

4,000

RISE IN NUMBER OF PEOPLE IN JOBS IN LAST YEAR

Sept 98 — Sept 99

25,000

Due to a change in the way sector categories are classified by Statistics NZ we are unable to compare sectors with previous years to show changes in levels of employment.

FULL-TIME and PART-TIME

of the "Employed" statistics

	FULL TIME	PART-TIME
MEN	837,100 (88%)	111,600 (12%)
WOMEN	499,600 (63%)	293,200 (37%)
TOTAL	1,336,800	404,800
OVERALL %	77%	23%

GAIN OF FULL-TIME EMPLOYED IN THE PAST YEAR: 9,800

(Seasonally adjusted)

GAIN OF PART-TIME EMPLOYED IN THE PAST YEAR: 8,800

(Seasonally adjusted)

REGIONS

REGIONS WITH A DROP IN UNEMPLOYMENT IN THE

LAST 3 MONTHS

June 99 — Sept 99

NORTHLAND
BAY OF PLENTY
WAIKATO
WELLINGTON
CANTERBURY
SOUTHLAND

REGIONS WITH A RISE IN UNEMPLOYMENT

GISBORNE / HAWKES BAY
TARANAKI
WANGANUI / MANAWATU
NELSON / MARLBOROUGH /
TASMAN / WEST COAST
OTAGO

A SPECIAL SUPPLEMENT TO

THE JOBS LETTER

17 NOVEMBER 1999

ONE IN TEN PEOPLE OFFICIALLY JOBLESS IN NZ

OFFICIAL NUMBER OF JOBLESS IN NZ
Sept 99
205,200

OFFICIAL RATE OF JOBLESS
Sept 99
10.5%
OR ONE IN 10 PEOPLE

FALL IN NUMBER OF JOBLESS IN LAST THREE MONTHS
June 99 — Sept 99
6,100

FALL IN NUMBER OF JOBLESS IN LAST YEAR
Sept 98 — Sept 99
9,200

THE JOBLESS FIGURES

According to Statistics NZ, the difference between the official "unemployment" figures and the "jobless" figures is that many of the people on the jobless measurement are available for work, but not actively seeking it.

The reasons for not actively seeking work range from people being discouraged because they lack the skills needed, or were the wrong age, or that the right work was not available in their area, or they were only looking for jobs in the newspaper. This measurement also includes those actively seeking work but not yet available for it.

A SPECIAL SUPPLEMENT TO

THE JOBS LETTER

17 NOVEMBER 1999

OFFICIALLY JOBLESS

"Those Without a Job and Wanting a Job"

These are the statistics that are more commonly used by community workers and employment activists in New Zealand because they more accurately reflect the people who are their concern or clients. These "Jobless" figures are also based on the Household Labour Force Survey run by Statistics New Zealand, but include a wider definition of unemployment, usually referred to as "those without a job and wanting a job" ... (see note in side panel).

NORTHLAND	13.3%	..... or one in 8 people
AUCKLAND	9.3%	..... or one in 11 people
WAIKATO	10.6%	..... or one in 9 people
BAY OF PLENTY	14.1%	..... or one in 7 people
GISBORNE-HAWKES BAY	13.9%	..... or one in 7 people
TARANAKI	12.8%	..... or one in 8 people
WANGANUI-MANAWATU	10.9%	..... or one in 9 people
WELLINGTON	7.5%	..... or one in 13 people
NELSON-MARLBOROUGH		
TASMAN-WEST COAST	9.6%	..... or one in 10 people
CANTERBURY	11.9%	..... or one in 8 people
OTAGO	13.5%	..... or one in 7 people
SOUTHLAND	10.2%	..... or one in 10 people

AGE and LONG-TERM

YOUTH UNEMPLOYMENT RATE - AGED 15-19 YEARS	16.1%
Sept 99	one in 6 young people
MATURE UNEMPLOYMENT RATE - AGED 50-65 YEARS	5.8%
Sept 99	one in 17 mature people
LONG-TERM UNEMPLOYED (OVER 6 MONTHS)	48,400
Sept 99	38% or one in 3 of the unemployed
LONGER-TERM UNEMPLOYED (OVER 2 YEARS)	9,900
Sept 99	8% or one in 13 of the unemployed
VERY LONG-TERM UNEMPLOYED (OVER 5 YEARS)	3,200
Sept 99	3% or one in 40 of the unemployed

THE SCHEMES

Figures from Work & Income NZ, Skill NZ and Youth Affairs (As at the end of September 99)

TASKFORCE GREEN	1585
JOB PLUS	8009
JOB PLUS MAORI	292
JOB CONNECTION	586
ENTERPRISE ALLOWANCE	635
ENTERPRISE ALLOWANCE WITH CAPITALISATION	616
TRAINING OPPORTUNITY SCHEME (TOPS) (1 Nov 99)	8,943
YOUTH TRAINING (SKILL NZ) (1 Nov 99)	5,575
LIMITED SERVICE VOLUNTEERS (ARMY/NAVY) (Jul-Sept 99)	304
CONSERVATION CORPS	854
YOUTH SERVICE CORPS	93
COMMUNITY WORK (still counted as unemployed)	8724

PARTICIPATION

LABOUR FORCE PARTICIPATION RATE
Sept 99
Seasonally Adjusted
65.2%

RACE

MAORI RATE OF UNEMPLOYMENT
Sept 99
14.8%
OR ONE IN SEVEN PEOPLE

PACIFIC ISLAND RATE OF UNEMPLOYMENT
Sept 99
15.0%
OR ONE IN SEVEN PEOPLE

NZ EUROPEAN RATE OF UNEMPLOYMENT
Sept 99
5.1%
OR ONE IN 20 PEOPLE

The Jobs Letter

DIARY

4 November 1999

The NZ unemployment rate drops to 6.8%. See our latest Statistics That Matter.

Social Services Minister Roger Sowry disputes the authenticity of a Labour TV ad about the effects of poverty in NZ. In the ad, Helen Clark talks to a solo parent who reports she has only \$40 — \$50 to live on after she paid her rent of \$310. Sowry disputes that the woman receives only \$360 to support her seven children. He says she should be getting \$620 a week from Winz.

Labour's Pete Hodgson says the woman meant to say that she had only \$50 left after she paid her bills. The solo parent tells TVNZ that she was receiving \$490 a week, and did not know she was entitled to \$620.

The Labour Party and Alliance agree the minimum wage should rise to \$7.50 per hour. Both parties also intend to lower the age at which young people qualify for the adult minimum wage.

Currently, people may be paid youth rates until they are 20. Labour would see the adult pay rate start at 18 years, while the Alliance would begin adult working rates at 16.

5 November 1999

Winz says the solo parent featured in the Labour TV ad incorrectly stated her accommodation costs. Winz has asked the beneficiary if it could disclose the full circumstances surrounding the case but the woman refused.

Meanwhile, Helen Clark accuses Winz of running a National Party agenda, saying it is inappropriate for a public service agency to make what she calls a highly politicised statement.

- *Internet bookmark.* The Jobs Research Trust has created a special **Election 99 Website** containing summaries of each of the main parties and their employment and training policies, plus a full directory of *Statistics That Matter* for each electorate.

This can be accessed at <http://www.jobsletter.org.nz/election99.htm>

- With the Labour Party pledging to **scrap the current Community Wage scheme**, many community organisations are starting to think about what may take its place. The **Unite! beneficiaries union** has been a leading critic of the work-for-the-dole scheme ... saying that it displaces workers, contributes towards lowering wages and conditions, punishes the unemployed, and does nothing towards alleviating poverty.

What would *Unite!* do instead? Secretary Caroline Hatt told the NZ Council of Social Services Conference that the scheme should be replaced by a fully-subsidised, voluntary, part-time (20 hrs a week) scheme, with workers receiving at least the minimum wage, the protections and rights of any other worker (eg being eligible for family support and guaranteed minimum income).

Hatt: "Such a scheme would do away with the blaming and punishment that make up the lot of unemployed and beneficiaries on a daily basis and be a recognition that work in the community is real work ..."

- *Statistics That Matter.* The **WEST COAST TASMAN electorate** contains 20,382 households, of which 56% have household incomes below \$30,000 per year before tax. This is 27% above the rate for the country as a whole. There are 29,004 adults aged 20-59 in the West Coast Tasman electorate, of whom 59% are in paid, full-time work. Another 13% are in part-time work. Unemployment in the electorate is equal to the national average. Localities in the West Coast Tasman electorate which have high levels of deprivation are: Granity, Hector-Ngakawau, Blackball and Cobden. (*— Electorate statistics compiled by Judy Reinken, and based on 1996 Census.*)
- The government hopes to **solve doctor shortages in rural areas** by recruiting overseas-trained doctors whose qualifications the medical Council has refused to recognise. A \$4.9m package announced last week aims to give the immigrant doctors training and registration in return for accepting remote GP postings that are being shunned by NZ doctors.

The government estimates that there are about 200 overseas-trained doctors who have gained residency in NZ, but can't practice here. The doctors are among many **skilled immigrants who are on the dole**, or trapped in low-skilled jobs as they wade through the qualifications and registrations red tape. Earlier this year, the Race Relations Conciliator Dr Rajen Prasad threatened an inquiry into how doctors from Asia, the Middle East and eastern Europe were being encouraged to come to NZ, and then left in a professional limbo at a high personal cost.
- The areas facing shortages of GPs are largely poor, rural or isolated — in parts of the West Coast, East Cape and King Country. The Rural GPs Association welcomes the government programme, but warns against "bunding a doctor in to fill a hole..." Deputy chairman Dr Howard Wilson estimates that there are about 30 vacancies in rural

The Jobs Letter

DIARY

6 November 1999

Winz now says that the solo parent in the Labour Party TV ad is getting as much as she is entitled to.

Labour's Pete Hodgson remarks: "None of this addresses the basic issue that this woman has difficulty in Auckland's highly-priced housing market finding affordable and adequate accommodation for her family..."

7 November 1999

The ANZ job ads survey records a rise in the number of situations vacant ads in October. This is the 14th consecutive month of rising ads.

An Auckland domestic purposes beneficiary has worked for half a year as an auto dismantler receiving no wages because of a misunderstanding at Winz. Scott Ka was told Winz would provide his employer with half of his \$160 weekly wage but it didn't, and the employers didn't pay the other half either. Winz's Denise Fink says the situation arose through a lack of follow-up and communication and that changes to practices would not allow this to happen again.

8 November 1999

Babcock, the company that maintains NZ Navy ships at Devonport, announces cuts to 40 jobs. Babcock says the new Anzac frigates did not need maintenance and the Canterbury has had its maintenance programme rescheduled as it is now in East Timor. After cuts, Babcock will have 230 workers — well down from the 700 workers it had when it took over the contract from the Navy in 1994.

Two people are arrested in Naenae after refusing to leave the Winz office after a dispute.

areas, and says the jobs are lower paid, and sometimes involve being on-call 24 hrs a day with little back-up. Wilson: "You can't force people into these areas, because they won't stay. You'll find there is a rapid turnover..."

- "Hard Times" is an **annotated bibliography of poverty research** in New Zealand compiled by Marc Elliot, Dr Jo Barnes and Dr Robin Peace of Waikato University. The bibliography covers the years 1990-1999, and is designed to be a useful starting point for people interested in conducting research on poverty in NZ. It gives an overview of the research that is available and identifies the different ways that poverty is being discussed in the 1990s.

"Hard Times" can be downloaded in acrobat (.pdf) format from Waikato University at http://www.waikato.ac.nz/geog/staff_pages/robinp/hard_times.html

- All eyes will be on **Seattle** at the end of this month for the third ministerial meeting of the **World Trade Organisation (WTO)**, the most powerful trade body in the world. The WTO delegates at the meeting will be discussing a new round of trade liberalisation talks — the Millennium Round — in areas such as investment, agriculture, forest products and government services. What happens in Seattle will define the trade, environmental, development, education and health agendas of the 134 member countries into the new century.
- Also gathering in Seattle will be members of environmental, human rights and labour **activist groups** who are co-ordinating a global campaign to highlight issues arising from the WTO's agenda. These groups accuse the WTO of being an **undemocratic organisation** that puts the interests of corporations above everything else.

The WTO was set up in 1995, and its agreements provide legally binding rules for international commerce and trade policy. Any disputes between countries are settled by **three unelected WTO trade experts, operating in secret**. If a law is found to be an unfair trade barrier, the WTO can authorise the imposition of trade sanctions to force a change in the law.

- The activists say that the WTO has already used this power **to rescind laws** which protect the environment, health and labour rights of various countries. Examples: The WTO ruled in favour of commercial interests against dolphins protected by the US Marine Mammals Act and turtles protected under the US Endangered Species Act. It also ruled in favour of US banana interests in Central America which objected to Europe buying bananas from small-scale Caribbean producers. It ruled against the EU, which did not want to import US hormone-treated beef because of its links to cancer. A law passed in Massachusetts against working with companies investing in the repressive regime in Burma has also come under attack at the WTO.
- The use of **biotechnology is also a concern** to activists, and will be one of the main issues discussed at Seattle. Any measures by Europe to stop the import of genetically modified food will probably be ruled a violation of trade by the WTO.

Activists are also concerned that the Seattle meeting will be used by business interests to push for the **further privatisation of public services**. This may change the future of public education, the minimum wage and national health services ... all of which could face anti-trade rulings by the WTO.

The Jobs Letter

DIARY

9 November 1999

Statistics New Zealand publishes the country's annual National Accounts. Employment income increased just 0.2% last year. Savings, at 2.6% of the national disposable income, are at the lowest level ever recorded.

At 4.1%, the US unemployment rate is now its lowest rate since 1970. There were 310,000 new jobs created the US in October.

The domestic purposes beneficiary in the Labour Party TV ad asks Roger Sowry to stop picking on her. Sowry replies that his comments have not been of a personal nature and that his initial concern was that the woman was not receiving her correct entitlement. He also maintains that Labour was running an ad they knew to be inaccurate.

The Homeless Focus Group in Palmerston North calls on the PN City Council to open up empty council flats as a shelter for homeless people. The group says there is a need for at least 12 beds for people who are 'sleeping rough.' Methodist social Services worker Debby Green says some of the homeless are former psychiatric patients.

A year after opening new offices, Winz is still storing the furniture they inherited from older government departments. Most of the furniture lies in storage at sites around the country.

ACT's Richard Prebble says his party has no intention of cutting benefits or putting time limits on benefits. He says he is opposed to raising benefits.

- **David Korten**, author of the bestselling book "*When Corporations Rule The World*" comments: "What is wrong with the WTO is that it is totally representative of the interests of corporations and money and the richest one-tenth of 1% of people on the planet. In that sense it is contrary to life, the principles of life and everything we need to get a world that works both for people and planet..."

Veteran consumer advocate **Ralph Nader** agrees. He sees the WTO as now threatening to roll back social policies won after decades of citizen activism, and describes the WTO's five-year record as "**a quiet, slow-motion coup d'état** against democratic and accountable policy-making and governance worldwide..."

Nader: "In the WTO forum, global commerce takes precedence over everything — democracy, public health, equity, the environment, food safety and more. Under this new system, many decisions affecting people's daily lives are being shifted away from our local and national governments and, instead, are being made by a group of unelected trade bureaucrats sitting behind closed doors in Geneva..."

- Activists in Seattle feel that a momentum for change is behind them, and point to two recent anti-free trade victories: the Multilateral Agreement on Investment (MAI) has been stopped, and President Bill Clinton's "fast track" of the North American Free Trade Agreement has also stalled. Their focus at Seattle will be around an "**international day of action**" planned for 30th November 1999.
- The WTO is starting to get **worried about the public backlash** on the free-trade agenda. It has launched a public relations offensive, led by the New Zealander who is also the new director-general of the WTO, **Mike Moore**. Moore promotes the WTO as creating "...a new world run by democratic rules and institutions."

Moore told *The Press* that New Zealanders opposed to the WTO have lost the plot: "We're a democratic society and they are entitled to their views, but it's laughable. The WTO is not a plot to make the world safe for the Dairy Board or McDonalds. Companies like McDonalds are great for New Zealand, which provides all their beef, cheese and even the stainless steel for their kitchens in Asia. What are we going to do — eat all our own cheese, burn our own timber, drink our wine? We need customers and from that comes jobs and revenue..."

Moore believes that the Seattle meeting will have **vital implications for New Zealand**: "It will set the framework for the shape of the next century. One in three jobs in New Zealand is related to exports and one third of the expenditure in health and education comes out of those jobs. We need partners that prosper so we can prosper. If we can lift the living standards of our neighbours, it is good for New Zealand..."

- *Internet bookmarks*: The **Official WTO website** is at <http://www.wto.org/>

The WTO has published a booklet called "Trading into the Future" which is a guide to the organisation and its agreements. This can be downloaded in acrobat (.pdf) format from <http://www.wto.org/wto/download/tif.pdf>

The **Global Trade Watch** run by Ralph Nader's *Public Citizen* is at <http://www.citizen.org/pctrade/tradehome.html>

Public Citizen also has a "Citizens Guide to the WTO" available which can be downloaded from <http://www.citizen.org/pctrade/gattwto/wto-book.pdf>

The Jobs Letter

DIARY

11 November 1999

TVNZ complaints committee rules that the Labour TV ad leaves viewers with a false impression. The Australian unemployment rate drops to 7.1%. There were 47,400 new jobs created in Australia in October.

12 November 1999

An NZ Herald editorial criticises Winz's decision not to reveal the cost of storage for their redundant furniture on the grounds of 'commercial sensitivity'. The Herald says it is inappropriate for a public service agency to erect a wall of silence around its activities when it has no competitor to gain advantage from such information.

Roger Sowry says the National Party will ask the Broadcasting Standards Authority to order the Labour Party to apologise for inaccuracies expressed by a beneficiary in their TV ad. TVNZ's complaints committee does not have the authority to require an apology.

Helen Clark discards the comments, saying her party is tempted to put National's ads about their "economic miracle" under the same scrutiny.

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VOICES

ON THE JOBS FIGURES

"These figures confirm we are having a job-rich recovery. Employment levels are now at their highest ever. Over the last year there were 25,000 new jobs created in New Zealand - that's nearly 500 each week. Significantly, all of this increase was in full-time employment, which tells us that people are moving from part-time jobs into full-time jobs.

"The figures are a timely reminder of the importance of building on an economic policy that focuses on growth, and that has flexible labour markets based on the ECA, because the real pay-off from this framework is jobs. There is no better thing a government can do for people than deliver more employment ..."

— **Bill English, Treasurer**

"The growth in the number of Maori in work demonstrates that by walking alongside people and empowering them to take charge of their lives, we're helping them break out of the welfare trap. In the past 12 months we've created another 26,000 full time jobs with our management of the economy, and every one of these jobs is giving someone a chance to improve their situation..."

— **Roger Sowry, Minister of Work and Income**

"New Zealanders can be confident that there are plenty more jobs coming. With unemployment, we are now nearly the same as Ireland, lower than Australia, and lower than Finland. It's a very good result, which shows we are entering a job rich recovery.

"I'm very proud of the fact that this is an economy in which hard working New Zealanders can make progress. With low interest rates, tax rates coming down, and the Employment Contracts Act, we've got just the right mix to get the new jobs..."

— **Jenny Shipley, Prime Minister**

"The employment statistics are no triumph for National. Any improvement in the unemployment rate is welcome, however slight, but employment remains a major election issue and the numbers give no cause

for complacency. New Zealand still has 123,800 people out of work.

"Three years ago, when this Government took office, unemployment was at 6.0%. Now it is 6.8%. A drop of 0.2% in the last quarter is nothing to crow about. Long-term unemployment at 48,300 is still unacceptably high. Maori unemployment at 14.8% is still scandalous.

"The number of people who have given up hope of employment is too high. Part of the slight improvement in the unemployment figure is due to people leaving the labour force. Participation is only at 65.2% of the working-age population.

"The real story about jobs in New Zealand is that bright young people are finding better ones overseas. The brain drain is taking away our best and brightest as they flee student loan debts and head for economies that make better use of their talents..."

— **Steve Maharey, Labour employment spokesperson**

"If this is as good as unemployment gets under National and Act, it is nowhere near good enough. Treasury says that under National-Act policies we will have the same rate of unemployment for the next fifty years. Small statistical changes in the unemployment rate cannot obscure the facts. The number of new jobs in the last quarter has barely kept pace with the growth in the labour force..."

— **Jim Anderton, Alliance leader**

"The employment figures are a death blow to the credibility of the gloom and doom election campaign promoted by the Labour-Alliance coalition. Unemployment falling to 6.8 per cent puts New Zealand's jobless rate below Australia's and well below that of the European countries that the Alliance is so fond of quoting to support their weird economic policies.

"The figures show that our economy is recovering from the ravages of the erratic economic administration of Mr Winston Peters in his time as Treasurer and give credibility to the Government's claim that we are on the right track..."

— **Richard Prebble, ACT leader**