

The Jobs Letter

No. 130

8 September 2000

Essential Information on an Essential Issue

KEY

MAYORS MEET MAORI

AN EMPLOYMENT STRATEGY

ADVOCATES MEET
GOVERNMENT

CEG APPOINTMENT

INCOME AND JOB INSECURITY

CEOs

DIARY

16 August 2000

Parliament's finance committee endorses a policy that government departments buy NZ-made goods and services "where cost effective". The Industrial Supplies Office, which filters government purchasing, says that every \$1m of import substitution saves 16 New Zealand jobs.

Green MP Sue Bradford's Social Services Bill does not make it past the first reading. The Bill, which would have seen the eligibility for the emergency unemployment benefit reinstated for all students during the summer break and the abolition of the 13 weeks stand down for the dole, does not gain enough support to be sent to a select committee.

17 August 2000

The Ministry of Economic Development sets aside \$100,000 to revive the 'Buy New Zealand Made' campaign.

18 August 2000

Three hundred junior doctors are expected to leave NZ this year. One of the doctors, Suzanne Miles, says that in order to keep her in NZ, the government would have to make concessions of at least \$10,000/yr —which is how much more she will earn when she takes up a position in Australia. Mills has a \$65,000 student debt.

- More than fifty **beneficiary advocates** from Northland to Invercargill met last week with Government Ministers, the Department of Work and Income (Winz) and Ministry of Social Policy (MSP). They discussed progress on **a list of 123 recommendations** of immediate changes that the advocates want to see Winz and other departments implement in order to assist those living on a benefit.

The Conference took place at Tatum Park near Levin, and was addressed by Ruth Dyson, Associate Minister of Social Services and Employment and Parekura Horomia, Minister of Maori Affairs. The ministers later said that the government "valued its ongoing relationship with the advocates..."

Robert Reid, President of *Unite!* and spokesperson for the advocate groups says that the conference enabled a wide group to consider the recommendations from the advocates and to discuss what progress had been made on them by the departments. The meeting also included workshops with representatives from Winz, MSP, Department of Labour, Ministry of Economic Development and Housing New Zealand. Representatives from the Labour, Alliance and Green Parties were invited to the final session of the conference.

There will now be regional meetings held between beneficiary advocate groups and the Winz Regional Commissioners. Maori beneficiary advocates have formed their own network and have been invited to be involved in the Winz Maori structures.

- A key issue of the conference was the **ongoing funding and support of the advocacy groups**. Reid: "Beneficiary groups ensure that the poorest of New Zealanders receive what they are entitled to under Social Security legislation. As such, we play a major role in both auditing the work of the Department of Work and Income and assisting in the process of "closing the gaps". However, most groups are existing with little help from the state and many are currently in a financially precarious situation..."
- Also last week, the **Mayors Taskforce for Jobs** met in Wellington with leaders from the (now dis-established) **Maori Economic and Employment Commissions**. Recognising that the Maori unemployment rate is about three times the level of all New Zealanders, the Mayors wanted to draw on the experience of the Maori Commissions when considering their own plans for employment action.

The meeting was convened by Wairoa Mayor **Derek Fox**, and included presentations from June McCabe (former chair of the Maori Economic Development Commission) and Rongo Wetere (former chair of the Maori Employment and Training Commission). They outlined the work of the Commissions, and gave their recommendations for designing employment strategies which **will have the greatest impact on Maori**.

- The meeting included a presentation from **Professor Ian Shirley**, of Massey University, who last year led a team developing **a national employment strategy** on behalf of the Maori Employment and Training Commission. This strategy team was working closely with Business and

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DIARY

20 August 2000

A new deepwater facility for building superyachts is being planned for a waterfront section of the Hobsonville Airbase in West Auckland. The Canadian-based Sovereign Yachts company says the facility would create up to 500 jobs and produce exports of as much as \$300m/yr.

Air New Zealand's merger with Ansett Australia will result in job losses for Ansett management.

22 August 2000

Wanganui takes up its own 'one more worker' campaign, following on from the successes in Horowhenua and Taranaki. Campaign spokesman Neal Blackburn says that if the city's small and medium businesses each took on one more worker, the unemployment rate in the city would be halved.

Health Minister Annette King says that junior doctors tell her that their student loan burden is the main reason for their recent industrial action and is why so many are leaving the country.

24 August 2000

At 42.8US cents, the NZ dollar trades at its lowest price against the US currency since it was floated in 1985.

25 August 2000

The first formal summit on the impact of the student loan scheme is held in Wellington by student groups. After hearing over 200 submissions, three national student unions agree to lobby for an independent review of the scheme at a parliamentary select committee meeting next month.

28 August 2000

The National Bank's business survey shows confidence improved over last month, although it is still negative. A total of 14% of business people expect conditions to deteriorate over the next twelve months. Last month the survey said 39% had a negative outlook and the month before that 59% had a negative outlook.

Economic Research Limited (BERL) to create employment action plans for five selected regions (Canterbury, Hawkes Bay, South Waikato, Waitakere City and Northland).

The philosophy of this strategy team was that a national employment strategy would need to be created before effective work could be done on a specific Maori component. The strategy team also **didn't want to produce just another report** ... but preferred to create an "action plan" which would capitalise on the opportunities for growth in the regions, and "roll back the barriers" to attracting, encouraging and developing the entrepreneurial capacities of local people.

This employment strategy **was not completed**, primarily because the incoming Labour/Alliance government asked the Commissions to wind up their efforts. The reports and summaries of the Commissions' work on the strategy have only recently been released to the public.

- Professor Shirley reported to the Mayors that the project would need another six months of funding for it to be completed, and this work would include further regional workshops, and the formulation of a specific employment strategy for Maori. The Mayors at the Wellington meeting were impressed by Professor Shirley's presentation, and agreed to approach the government with the recommendation that his work on the employment strategy be completed.
- Mayors who were present at the Taskforce meeting included Derek Fox (Wairoa), Garry Moore (Christchurch), Claire Stewart (New Plymouth), Jenny Brash (Porirua), Graeme Ramsey (Kaipara), Yvonne Sharp (Far North), Chas Poynter (Wanganui), John Terris (Hutt) and Mark Blumsky (Wellington).

Coming up: on Tuesday evening, the leaders of the Mayors Taskforce for Jobs will sign up a "Memorandum of Understanding" with government ministers at a special meeting at the Beehive. The Memorandum is an agreement that central and local government **will work in partnership** on their shared employment objectives.

- The Department of Labour has appointed **Charlie Moore** as the new General Manager of the Community Employment Group (CEG). Moore was formerly the northern regional manager with the NZ Employment Service, and is currently policy manager within the DoL's Labour Market Policy Group. Within DoL, Moore has worked as a GELs fieldworker in West Auckland, and has held a variety of management positions. He has also worked for the Race Relations Conciliator, the former Department of Maori Affairs, the Department of Social Welfare, and has been a member of the Hoani Waititi Marae Committee.
- Secretary of Labour, John Chetwin, says that Moore brings an exceptional range of skills and experience to CEG. Chetwin: "He has strong managerial and community development experience and has worked effectively across a broad spectrum from the grass roots level in the community through to strategic policy."
- Cabinet has signed off on the government's new **Community Employment Organisations (CEOs)** scheme which be launched on October 1st. The new CEOs will receive government **set-up grants of \$25,000**, as well as wage subsidies for hiring unemployed people.

Just under \$118.5 million has been budgeted for the scheme over the first three years, but this is not all new money, as \$85.4 million of that

(continued on page seven)

VOICES

MAYORS, MAORI and EMPLOYMENT

— from the **Mayors Taskforce for Jobs** special meeting with leaders of the former **Maori Economic and Employment Commissions**.

DEREK FOX

Mayor of Wairoa

- I agree with the Commissions that employment is the biggest difficulty that Maori are facing. You cannot have such extraordinarily high levels of Maori unemployment continuing because it just creates more disaffected people ... and it is all tied up with poor housing, poor health and all the other negative indices.

And the key is jobs. If people have jobs then they have the opportunity to participate in the economy.

I agree with the thrust that the Commission took which was that we need to have an overall New Zealand employment strategy ... because if we simply say we have a problem with Maori employment, then we will not have a wider ownership of the problem, and there will be minimalist programmes established to deal with it.

“If we simply say we have a problem with Maori employment, then we will not have a wider ownership of the problem..”

— Mayor Derek Fox

The figures that I wanted to draw the Mayors attention to were that 80% of the Maori population is under the age of 30 years. The mean average age of Maori is 22 years. This contrasts with the mean average age of non-Maori which is at 34 years.

Now that presents a problem for planners. If you are planning programmes which are aimed at a bulge that is 34 years old, then you are in trouble with Maori which has another bulge of younger people who are only 22 years old.

These are the sorts of things that all central planners need to take into account. What this means is that if young Maori are unemployed now ... then that huge bulge of people have yet to come into the productive economy.

I think Mayors for Jobs is an extraordinarily positive group and you can see that there are people here who are keen to get to grips with this issue. I think it would have been very easy for us to descend into telling “war stories” about various projects we are involved in, but I think the strategic approach at this time is correct. We still have to roll up our sleeves and find the solutions now.

“We need a spectrum of initiatives so that we move away from the idea that one solution has to fit all problems ...”

— June McCabe

JUNE McCABE

Former Chair of Maori Economic Development Commission

- The issues here are quite massive. It would seem to me that the solutions are all about small steps, not quick fixes. There are a lot of incremental things that can be done and done together. We need a spectrum of initiatives so that we move away from the idea that one solution has to fit all problems.

For example, I think an important task will be bringing appropriate mentors into the Maori communities, aimed at those Maori who have the will and desire to change their circumstances ... but don't have the information, or don't know where to go to get it.

Maori have an asset base of about \$10.6 billion, and, of this, about \$6 billion is in land assets. The top area that Maori should be paying attention to is the area of tourism. But not tourism in the sense of people coming to *look at* attractions ... we need more of the sort of tourism that gives people a community or cultural *experience*.

The other area we need to look at is developing individual entrepreneurs and small businesses. In the past, Maori has focussed on large-scale industry — meat or forestry — where you are building a certain skills-set that is dependant on that work. We need to change that towards growing small business initiatives within the community, and this will require

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different skills. More small businesses will keep people interested in staying in the region and they don't migrate to the big city or overseas. The figures here are looking hopeful because the numbers of Maori in the self-employment figures are about 15%.

What I would be saying to Maori parents today is to support and encourage your children to look beyond the boundaries of what is there now. Encourage them to think of possibilities. Help them to want to do that through education, through accessing information and linking up with people who you know have been a success.

"Full employment should be our commitment ... and if you don't plan for it, then you will never achieve it."

— Rongo Wetere

RONGO WETERE

Former Chair of Maori Employment and Training Commission

- If we have 7% unemployment in New Zealand overall ... then this means virtually 20% unemployment for Maori. These statistics are not really sustainable over the long term. The community needs to address these statistics if we are to avoid absolute social disruption in the years ahead.

I regard Maori as being in a crisis situation in terms of the effects of benefit dependency and unemployment. This can be seen in that Maori, with only 15% of the population, are resulting in almost 40% of the abuse cases. And the results of a National Party survey show that one in two Maori males will have a serious conviction against their name by age 20 (... and not from traffic offences).

We believed, as a Commission, that it was ridiculous that New Zealand didn't have an employment strategy, and that it didn't have clear guidelines on how to achieve full employment in New Zealand. Full employment should be our commitment ... and if you don't plan for it, then you will never achieve it.

I'm delighted that the Mayors Taskforce for Jobs has taken up this challenge and set itself some goals for the year 2005. I believe that a united Mayors Taskforce will receive the full backing of Maoridom in endeavouring to ad-

dress these issues. I think they will gain a lot of respect for their efforts as they take up the cudgels on employment and jobs.

We've got a job to get the bureaucrats and government on-side. But this shouldn't really be difficult given the political situation that currently exists — we now have a government that is prepared to attack the disparities gap.

PROFESSOR IAN SHIRLEY

Massey University, who led a team developing a national employment strategy on behalf of the Maori Employment and Training Commission.

- New Zealand doesn't have an employment strategy and this is where we need to start. Developing a strategy is quite different from producing a series of reports. We're talking about engaging with people at the regions and at a local level so that we collectively identify the employment barriers and we create a strategy for employment and economic development.

When you start to look at this across the board, you start to recognise that issues like governance, for example, are fundamental to developing the regions. The physical infrastructure of the regions, the utilities available, the education and training systems ... all of these things come together to both improve the capacities of the workforce and the capacities of the region.

"Developing a strategy is quite different from producing a series of reports. We're talking about engaging with people at the regions and at a local level ..."

— Professor Ian Shirley

I think if you focus all your attention on Maori, then you end up focussing on them as victims. There was an anthropologist that used to ask: Why is it that we always focus *down* on captive populations ... and never focus *up*?

If we are going to have an understanding of what the true barriers and opportunities are for Maori in employment, then we have to take a broader perspective. We have to look at the governance structures, we've got to look at the capacities and competitive advantages of the regions. And then, within this, we can start to address the specific need of groups such as Maori.

TOWARDS an EMPLOYMENT STRATEGY

— Extracts from the report on the uncompleted national employment strategy being developed last year by Professor Ian Shirley, Peter Harris, Ganesh Nana, Dennis Rose and Kel Sanderson.

ON AN EMPLOYMENT STRATEGY

- When seen in the context of comparative countries, New Zealand does not have a coherent employment strategy, nor does it administer an effective set of action plans for employment at a regional level. The broad economic direction pursued over recent years has treated unemployment as an 'adjustment' problem while the agencies engaged in promoting employment at the local level seem preoccupied with what is essentially a welfare focus rather than a programme aimed at expanding employment opportunities.
- The purpose of an employment strategy is to maximise the employment capacities of the country as a whole rather than concentrating on one section of the population or a narrow set of policy measures. A general strategy aimed at boosting the capacity of the national economy is essential because, in the case of Maori for example, the level of Maori employment and unemployment rises and falls with the overall level of employment. This does not mean ignoring Maori unemployment in the interests of a national employment strategy. A specific strategy is needed for Maori because the unemployment rate for Maori tends to rise and fall at approximately three times the rate of general unemployment.
- Similarly, there is little value in seeing an employment strategy as a series of measures aimed at getting the unemployed into work, if the economic policy environment is based on the assumption that a 6% rate of unemployment is acceptable. An economic strategy that finds a 6% unemployment rate as acceptable inevitably implies that an unemployment rate for Maori of between 15% and 20% is equally acceptable.

ON MACRO POLICIES

- There is clearly a need for a shift in the macro economic policies of government so as to foster an environment that encourages production and growth and this emphasis on a growing economy needs to be reflected in a wide range of initiatives that enhance the productive potential of the regions and the capabilities and capacities of the people. An employment strategy should provide a coherent framework for linking these various measures so that there is general agreement on the overall goals being pursued.
- It seems evident to us that a statutory base is required for employment in the same way that we have a statutory base for controlling inflation.

Consideration should be given to the appointment of a Governor or Commissioner for employment, with responsibility for the monitoring and evaluation of an employment strategy. The employment strategy should be a public document as well as an action plan to be administered by the Commissioner/Governor of Employment.

- Specific targets should be set for employment and unemployment over a 3 to 5 year timeframe. In this respect, we propose a reduction in the general unemployment rate by 2% over a period of 3 years. A specific target for Maori unemployment also needs to be established following the development of an employment strategy for Maori.

"It seems evident to us that a statutory base is required for employment in the same way that we have a statutory base for controlling inflation."

— The Report

ON EXCLUSION

- Exclusion from the paid workforce has placed increasing pressure on immediate and extended families and where households have been unable to provide this support government has become the primary means of support. In 1985, 8% of working age people were in receipt of a benefit - by 1996, the percentage had risen to 21% of working age people, or 400,000 individuals. In 1985, 12% of children were living in households receiving a benefit - by 1996, 30% of children were in government assisted households, with Maori more than twice as likely as non-Maori to be reliant on government benefits as the main source of income.
- It becomes clear that this pattern of development will not change unless there is a clearly articulated strategy to pursue alternative outcomes, with widespread support from the government and private sectors. As labour market projections prepared for the Maori Employment and Training Commission reveal, employment and labour force growth through the period 1996 to 2011 is likely to remain unchanged. In other words, based on two different scenarios, and in the absence of any significant policy changes, the labour market outcome over 15 years to 2011 is likely to result in a standstill - both employment (as fulltime equivalents) and labour force growth is likely to be the same and this means that the current mix of policies and priorities is unlikely to produce any sustainable reductions in the level or composition of unemployment. The Employment Task Force made a similar observation in 1994.

ON REGIONAL DEVELOPMENT

- Another factor that reinforces the need for an employment strategy concerns the regional variations in employment and unemployment and the dominance of metropolitan centres, especially Auckland. On the basis of projections prepared for the Maori Employment and Training Commission, the low growth scenario reveals that 60% of the projected

change in the total New Zealand labour force between 1996 and 2011 will occur in the Auckland region.

- The regional variations as exemplified by Auckland, illustrate the importance of policy options and the need for a coherent employment strategy in much the same way that the population growth strategy for Auckland has provided a framework for regional planning. In this respect the employment strategy becomes, in effect, a national action plan based on social and economic realities and on the achievement of clearly defined outcomes that are subject to evaluation and review.
- The physical infrastructure of the country is crucial to economic development but in some regions a deterioration in the physical assets and utilities has become a barrier to business development and employment. Auckland provides a graphic illustration in that traffic congestion, the provision of water, the need to upgrade sewerage systems, and the overloading of electricity supply systems, have all been identified as barriers to regional growth. Other regionally specific barriers include the water supply in Hawkes Bay, electricity costs in Canterbury, and roading in Northland. Addressing these deficiencies is of fundamental importance in developing an employment strategy with an effective regional base.
- One of the most consistent themes to emerge from the regional studies and workshops centred on the opportunities that could be released by enhancing the productive sectors of the economy and by expanding the capacities of the people. Although the realisation of these opportunities requires investment in people, in industry, in business, and in the natural and physical resources of the country, it also requires a shift in the policy environment and in the attitudes of the community.

In terms of policy, it means increased and continuing attention to the medium term goals of sustainable economic growth, the promotion of exports, and the creation of employment opportunities. In attitudinal terms greater recognition needs to be given to cooperative and collaborative approaches that foster partnerships between public and private sectors. Subsidiary should be the guiding principle of these partnerships, meaning that central bodies and authorities should only perform tasks that cannot be effectively carried out at a local level by territorial authorities, enterprises and individuals.

ON GOVERNANCE

- Governance is a major issue at the regional level where there is confusion as to the respective functions of local, regional and central government, and considerable uncertainty as to who should carry responsibility for economic development and employment. The Resource Management Act prevents Regional Councils from actively promoting economic development and yet these bodies have substantial physical assets as well as personnel capacities that could be used more effectively in promoting the development of the regions.

In Hawkes Bay for example, the Regional Council owns 92% of the Napier Port, substantial forest holdings, water control systems and significant areas of residential land - yet the Resource Management Act prevents the Regional Council from getting in-

involved in economic development. In Auckland, the Regional Growth Strategy represents a significant step forward in terms of regional development but in this case the 'growth strategy' is essentially a set of population and spatial projections without economic underpinnings.

- The different layers and responsibilities of government need to be renegotiated. Central government should statutorily define its own role in a manner that complements the powers and responsibilities of territorial authorities and while this could be achieved in a variety of ways, we favour the appointment of Regional Commissioners with responsibility for facilitating a regional approach to governance based on the principle of subsidiarity.

"Subsidiary should be the guiding principle of these partnerships, meaning that central bodies and authorities should only perform tasks that cannot be effectively carried out at a local level by territorial authorities, enterprises and individuals."

— The Report

ON A NEW DEAL

- We suggest a 'new deal' for particular populations and groups who are most affected by unemployment. These active labour market measures would require:
 - every unemployed young person (under 25 years) being offered a new start before reaching six months of unemployment, in the form of training, retraining, work practice or a job. (Particular emphasis needs to be placed on young people who have left school and are not employed).
 - every unemployed adult (over 25 years) being offered a fresh start before reaching 12 months of unemployment. The fresh start could include a similar range of provisions as outlined above with particular emphasis on the contribution that older workers could make to economic and social development.
- The development and implementation of an employment strategy for Maori cannot be separated from the economic and social development of Maori in both rural and urban areas. Although the development of a national employment strategy will have a positive impact on Maori employment, a specific strategy for Maori is an urgent priority.

The foundations of this strategy are evident in the economic development plans of Maori Trusts and Urban Maori Authorities. Other elements are evident in the work of Te Puni Kokiri and the Maori Commissions. Now that the preliminary work in developing a strategy for Maori has been initiated by the Maori Employment and Training Commission, the drafting of an Action Plan in consultation with Maori Urban and Rural Authorities is the major task remaining.

Source — "The Development of an Employment Strategy — A Summary Document for the Maori Employment and Training Commission" (January 2000) by Ian Shirley, Peter Harris, Ganesh Nana, Dennis Rose and Kel Sanderson.

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DIARY

29 August 2000

The Post Primary Teachers Association is predicting a teacher shortage over the next several years. The PPTA says that only just over 80% of the training places were filled at training colleges this year. A survey of schools has found that 20% of advertised teaching vacancies received either one or no applications.

Motorola Corporation tells the government it will not open a facility in Christchurch. The company is yet to announce the Australian location it has picked to base its 200 software engineers.

30 August 2000

Work begins on a superyacht facility in Whangarei that is expected to employ 120 people this year. Company spokesman Allen Jones says he wants the facility to not only build yachts but also to become the repair and valet shop of choice for the world's superyachts when they come to the South Pacific. He says the facility could employ 1,000 people within five years and twice that number in the long term.

The price of (regular) petrol jumps to \$1.21/litre. This is up 42 cents or about 50% on this time last year.

Britain begins an international recruitment drive to hire 10,000 senior doctors. The NZ Resident Doctors Association says the news is concerning, considering the shortage of doctors, here. British doctors earn \$60,000—\$80,000 more, per annum, than their NZ counterparts.

1 September 2000

About 250 NZ'ers stage an occupation of the Olympic Committee's offices in protest at the numbers of NZ'ers who had completed a security officer's training programme in NZ, and paid their own airfares to Sydney, only to find there no jobs. Workforce International, which contracted the security officer training programme in NZ for the Sydney Olympics, has apologized to the trainees. The company admits that the people were misled as the company recruited twice as many people as there were positions.

will be transferred from funding provisions for existing welfare benefits. Most of the money will go on wage subsidies, but nearly \$8.5 million has been provided for the CEO's establishment costs.

The CEOs must be either public sector or charitable organisations providing goods or services of benefit to the community, local economy or environment. They must not be competing directly with the private sector or displace other paid workers. They are expected to find alternative funding sources, such as local government or charitable trusts, to top up the wage subsidies to at least the statutory minimum wage, and they must demonstrate a likelihood of becoming self-sufficient of Government support over time.

- Mathew Dearnaley of the *New Zealand Herald* reports that government officials initially proposed that the establishment grants should be about \$9000, but this was changed to \$25,000 after consulting potential CEOs. The organisations may be entitled to development funding in successive years, but at declining rates.

Government ministers have also agreed **to amend wage subsidy guidelines** so funding for severely disadvantaged job-seekers can continue beyond 12 months (in exceptional cases), but again at reduced levels.

- Mathew Dearnaley also reports that Treasury advised Cabinet that **only about 55 employment organisations** are likely to be established this financial year under the \$25,000 funding average. Treasury: "Unless each [community employment organisation] takes on a significant number of subsidised employees, the employment effects of this programme are likely to be very small..."

Green MP **Sue Bradford** agrees. She told the *New Zealand Herald* that she doubts the \$25,000 establishment grant will be anywhere near enough if organisations also have to find ways of topping up wage subsidies while trying to meet costs of supervision and materials.

Employment Minister Steve Maharey says he accepts that the number of jobs created by 2003 **is likely to fall short** of the 4000 placements initially envisaged ... but he says the priority is to bolster chances of generating sustainable organisations and employment.

- Will the labour market meet the income needs of the majority of New Zealanders in the future? This is the question behind the **"Future Incomes" conference** being held in Palmerston North on Friday 22nd September. The conference will be jointly chaired by Social Services Minister Steve Maharey and the Mayor of Palmerston North, Jill White.

Conference organiser Ian Ritchie points out that **one third of jobs** identified in the May 2000 Quarterly Employment Survey **are part-time**. He says that if we add casual jobs not covered by the QES, casual or part-time self-employment, and persons working in family businesses without pay ... then that figure would increase to about 40%. Adding short duration or seasonal full-time jobs to the casual category suggests that up to half of New Zealand's employed rely on casual work.

Ritchie: "Many people want but are unable to get more paid work. Given that the labour force also includes the unemployed, we can conclude that over half the labour force are income insecure. The labour surplus is probably two to three times the official rate of unemployment, with Maori and Pacific Island joblessness at least double the average ... This may be the first conference in New Zealand to focus on these issues."

For further information contact Ian Ritchie phone 06-359-3804 email ian.ritchie@inspire.net.nz

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DIARY

4 September 2000

The Far North Development Trust appeals to government for funds to research and draw up a strategy document for the district's economy. Chairman Chris Mathews says the Far North is a 'basket case' and appeals for local groups to co-operate with this effort to tackle the lack of economic development there.

A Waikato children's watchdog group says that there are 550 Waikato children reported to be abused or in danger and are not getting help from the Child, Youth and Families Service (CYFS). Moyna Fletcher of the Care and Protection Panel says the huge backlog of unallocated cases is a result of an acute shortage of social workers. Fletcher warns that people will stop bothering to alert CYFS of child abuse if they see the agency does not respond.

5 September 2000

Plans are revealed for a new university at Lake Taupo. The proposal aims to offer technical degrees for careers in the fast growing Asia/Pacific high tech sector. The plans are modeled on the University of Limerick, in Ireland, which Taupo District manager Andrew Montgomery says has been a major mover in the Irish economy.

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www.jobsletter.org.nz

- The booming US economy is seeing record numbers of workers **move from insecure employment to full-time permanent jobs**, according to the Economic Policy Institute, a Washington-based independent think-tank. The Institute reports that, since the mid 1990s, the return of full employment (which they define as under 5.5%) has strengthened US workers' bargaining power. This has, in turn, led to a decline in the proportion of flexible workers in temporary or part-time jobs.

This key finding is found in the Institute's latest report on the state of working America. The study, which is considered the most comprehensive independent analysis of the US labour market, suggests there is a dramatic shift is taking place in the US away from flexible employment and towards the revival of regular work.

The report: "The long-term rise in job instability and job insecurity, which continued well into the current economic recovery, finally abated at the end of the last decade. Even the share of workers in nonstandard — often substandard — work arrangements such as temporary work and part-time work has declined as opportunities for regular full-time employment have grown.[...]

"Persistent low unemployment has allowed workers to move from substandard jobs — temporary, part-time, or without benefits — to better, more regular jobs. At the same time, low-wage workers and low income families have benefited the most, reversing nearly 20 years of declining real incomes..."

- The report also reveals that the growth in e-commerce and information technology has so far **not brought any significant increase in jobs**. Only 7.5% of all new jobs created in the 1990s came in the IT sector. Last year, a mere 2.0% of US workers were employed in IT compared with 1.3% in 1989.
- The full report of the **Redesigning Resources conference**, held in June (see *The Jobs Letter No.127*), is now available on the internet at <http://www.redesigningresources.org/>.

It contains summaries of the workshops held with six "pathfinder organisations" (Christchurch City, Landcare Research, Macpac, Orion, The Warehouse and the Shire of Yarra Ranges) who have agreed to work towards following "Natural Capitalism" principles in their own businesses. The organisations **will continue to meet** over the next two years and report on their progress.

From the report: "There is an awareness we've embarked on the next industrial revolution; one which needs to echo the spirit of the first, maximising use of what is plentiful and conserving what is scarce. What's changed of course is that what was plentiful under the old model (nature), and what was scarce (people), has reversed.

"Humans are the only species without full employment, and the problem is rapidly growing. Any biologist will testify our natural resources are concomitantly shrinking. Any major insurance broker will underscore who's paying for climate change. What's needed is radical change — in thinking, in community, business and governance..."

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