

The Jobs Letter

No. 142

12 April 2001

Essential Information on an Essential Issue

KEY

NEW MINISTRY OF SOCIAL DEVELOPMENT

MAYORS TASKFORCE MEETS IN MANUKAU CITY

WHAT THE MAYORS ARE DOING

TE ARAROA

WARNING OF TEACHER SHORTAGES

DIARY

7 March 2001

As part of the government's intent to strengthen social policy, Social Services Minister Steve Maharey says the Social Policy Ministry will begin working as a "social treasury". The ministry will have a staff of about 60 senior policy officials who will focus on the barriers people face to fully participating in society. As a step in this direction, Maharey says the ministry will publish the country's first annual report on the social health of the nation. The inaugural *Opportunity for All* is due out in June and Maharey is considering introducing legislation that will make this social health report an annual requirement for future governments.

8 March 2001

The Winz corruption sting, which has at least four Winz staff and two debt collectors facing prosecution, may have trouble achieving convictions because the main person in the undercover operation allegedly has a long list of dishonesty convictions.

9 March 2001

The South Island expansion of the New Zealand Dairy Group sees the company wanting to recruit 200 staff by the end of this year. The new staff are needed to service the company's manufacturing sites at Clandeboye near Timaru and Edendale near Invercargill.

• The Cabinet decided this week to merge the Department of Work and Income (Winz) and the Ministry of Social Policy into a new agency called **the Ministry of Social Development**. The two government organisations presently employ about 5,000 people. The position of the Chief executive of the new ministry **will be advertised within the next fortnight**. Social Services Minister Trevor Mallard says that the new ministry will be the government's primary adviser on "strategic and cross-sectoral social policy" as well as continuing to deliver income support and other social services to the community. Mallard: "The merger will not impact on other agencies in the short term. Even for MSP and DWI, it will be a relatively small change. We will not be re-advertising everyone's jobs and spending millions on re-branding. What we are chasing is quality advice and an approach to social delivery informed by social development."

• Despite the fact that the decision to merge the two agencies has already been made, Trevor Mallard has also announced that he is developing terms of reference for **a review of the public service**. He says this review will include such questions as:

— whether the large number of departments we have is appropriate

— whether some activities of crown entities should be performed departmentally

— the policy/operations division questions

— whether there are unnecessary compliance costs resulting from very legalistic contractual approach

— whether the current regime restricts appropriate devolution

• National Party State Services spokesman, Roger Sowry, is concerned that the government has made this restructuring decision **without its usual sources of advice**. He says that replies to written Parliamentary questions have revealed that the government sought no advice from the Ministry of Social Policy, Work and Income New Zealand, Department of Prime Minister and Cabinet or the State Services Commission. Sowry: "The decision was made at Cabinet on Monday on the basis of an oral item. This is an appalling process."

Sue Bradford of the Green Party agrees. She says it makes no sense for the Government to decide on and announce a radical restructuring to create a new ministry and in the same announcement to say that terms of reference are starting to be developed to review the public service. Bradford: "It seems as though the Government have put the cart before the horse in a major way. They have announced their plans and are now doing the review after the event ..."

• Roger Sowry is also arguing that the restructuring measures have been ordered in order to avoid potentially expensive employment court action from **Winz boss Christine Rankin**, whose contract is up for renewal in July.

Sowry: "This merger is not about better social policy it is all about avoiding expensive employment proceedings against an individual. It is an expensive way

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

12 March 2001

A study says that 5 million people in Britain are living in poverty. The *Breadline Europe* study says that 9% of all Britains say that their income is far less than they need to purchase necessities. The lack of necessities is how poverty is defined by 117 world governments and is agreed to be: lacking food, safe drinking water, sanitation facilities, health, shelter, education and information.

13 March 2001

A new meatworks is planned for Marton, in Rangitikei, which will create 200 jobs. Canterbury Meat Packers confirms it has purchased land and intends to build a processing plant for the high-quality North American and European lamb trade.

14 March 2001

The government issues a public consultation document on the future of industry training. Consultation ends on 11 April.

15 March 2001

The Australian owned chain of 60 Deka stores will stop trading in July with the loss of 1,400 jobs. Seventeen of the stores will be re-opened as Farmers stores that will employ about 400 staff.

16 March 2001

PM Helen Clark and seven government ministers travel to Gisborne for two days of meetings with about 120 invited Maori leaders. Clark says her team is there to see how the government's Maori programmes were working. *The Dominion* notes that chairmen of some of the country's largest iwi, as well as Wairoa mayor Derek Fox, have not been invited.

19 March 2001

ACT Social Welfare Spokesperson Muriel Newman questions the validity of Steve Maharey's student summer jobs figures. Maharey had said there were 28,657 summer placements for students this year. Newman says that 17,000 of the jobs lasted no more than one week and that three out of ten jobs were for less than one day.

to try and avoid Employment Court action — we know Social Services and Employment Minister Steve Maharey is in trouble with his comments over Work and Income chief executive Christine Rankin which may well lead to a substantial payout ... It is wrong to build a policy around one person rather than tailor it to the thousands of people it will affect."

- The **Mayors Taskforce for Jobs** has had its three-day meeting in Manukau City, and has finalised a strategic plan for the next year. The strategy meeting was attended by a core group of nine Mayors, and the final "networking" day included 40 invited participants from councils, community organisations and government departments.

The Strategic Plan outlines how the Mayors will support each other to:

- take leadership locally on employment issues
- provide advocacy on nation-wide employment policies and programmes in the light of local experience
- build stronger relationships between local and central government agencies,
- and, promote leadership on employment goals as an issue for the upcoming local government elections.

Copies of the "Strategy 2001-2002" document are available on the Mayors Taskforce website at www.jobsletter.org.nz/mtfjobs.htm

- One of the main reasons for the Manukau meeting was for Taskforce members **to meet up with Auckland Mayors**, and to directly encourage them to join the Taskforce efforts. Bob Harvey (Waitakere) and Sir Barry Curtis (Manukau) both indicated they will support the initiative. However, a special meeting with Auckland City Mayor, Christine Fletcher, was cancelled.

— The Mayors who attended the Manukau meeting included Garry Moore (Christchurch), Jenny Brash (Porirua), Derek Fox (Wairoa), Yvonne Sharp (Far North), Pat O'Dea (Buller), Tim Shadbolt (Invercargill), Mary Ogg (Gore), Maureen Reynolds (Taranaki), and Chas Poynter (Wanganui).

- Many of the Taskforce Mayors have been **advocating for public works programmes** in their areas which will offer employment and training opportunities for local unemployed. The Mayors are keen to **support Te Araroa — The Long Pathway project** (completing a walkway from Cape Reinga to Stewart Island) as both a national employment initiative, and as a stimulant for tourism development in the regions that are on the Long Pathway.

Geoff Chapple, Executive Officer of the Te Araroa Trust, was a speaker at the Mayors meeting in Manukau City. He points out that Te Araroa will not be a wilderness trail. At the end of most nights, walkers will be able to rest up in local communities, visit craft shops and historical sites, eat at restaurants and stay at motels/hotels and bed-and-breakfasts. This obviously stimulates local economies.

Last year, on a Churchill Fellowship, Chapple undertook long trails operating in the USA, Canada and the UK. In Britain, the Countryside Agency has surveyed the economic spin-offs from visiting walkers to the "Offa's Dyke" Path in Wales. The agency calculated that, in the 1994-5 year, walkers on the path spent £2 million in the local economy. This was **more than £20 for every £1 spent** on the management of the trail.

Using research previously carried out on the "Pennine Way" in North England, which calculated that one job was created for every £14,000 of visitor spend, the survey concluded that the Offa's Dyke path sustains 153 jobs within the path corridor area.

(continued on page seven)

MAYORS TASKFORCE *for* JOBS

goals

By 2005, no young person under 25 years will be out of work or training in our communities.
By 2009, all people in our communities will have the opportunity to be in work or training.

objectives

- to provide a national focus of leadership on the jobs issue through co-operation between Mayors concerned about employment issues in their communities
- to share best practice on what we can achieve on employment at the local level
- to create local and national forums which address the “big picture” of trends on the issues of income and work
- to link with imaginative private sector initiatives that are addressing unemployment

mission

*working towards
the “zero waste”
of New Zealanders*

critical issues

The ability to :

- influence real job creation
- apply longer-term thinking to the employment issue
- devise programmes which are effective in addressing the Maori and Pacific Island unemployment in our communities
- halt the decline of rural and regional communities
- advocate for the re-building the not-for-profit and community sector
- develop a more active partnership between local and central government
- encourage government organisations to be flexible in the way they allocate resources at a local level
- access local funding for projects and initiatives

we believe that

Mayors, irrespective of their different political persuasions, can work together
for this common purpose

Mayors and local authorities can take a proactive leadership role in addressing
employment issues in their communities

Mayors can also take leadership in ensuring the co-ordination and co-operation
of employment initiatives across sectors at the local level

We are committed to a robust long-term partnership with central government

We need to retain young people in our communities, and they need to see a
viable local future for themselves and their families

We recognise the importance of local economic development initiatives

We also recognise that many of the jobs in the future will come from us valuing different
things, particularly in the not-for-profit and environmental sectors

We need to pursue longer-term strategies within an overall vision for
local social, economic and environmental sustainability

We acknowledge the changing nature of work in our society and recognise the need to
investigate new ways of doing things

TASKFORCE

WHAT THE MAYORS ARE UP TO

Current activities, projects and leadership on employment issues by Mayors participating in the Taskforce for Jobs includes :

GARRY MOORE (Christchurch)

- Promoting a proposal to make sure no young person in Christchurch will leave school with nowhere to go
- Launched a campaign to find 2001 jobs in Christchurch in the year 2001
- Challenged the Department of Work and Income to provide youth case workers in all offices
- Facilitates a youth employment group to advise on local projects
- Advocate for a public works programme in Christchurch

CLAIRE STEWART (New Plymouth)

- Written to all community groups asking them to consider employing a young person
- Approaching philanthropic Trusts asking for support to pay young peoples education costs

DEREK FOX (Wairoa)

- Promoting the development of flexible training programmes in horticulture and forestry
- Revitalising the Wairoa Development Taskforce to get local agencies to work together more effectively
- Promoting alliances with Maori Trust Boards on employment projects

SUKHI TURNER (Dunedin)

- Facilitating a youth employment group involving eight youth agencies, to take action on the Mayors first goal
- Revitalised the local employment co-ordination (LEC) group to get better co-ordination between agencies working on employment
- Promoting partnerships with philanthropic Trusts to fund employment projects

JENNY BRASH (Porirua)

- Initiated and launched the One More Worker campaign in Porirua
- Organised high school students to visit industries to learn about job opportunities
- Promoting trade training for Maori and Pacific Island people
- Advocate for the reinstatement of the training allowance for 16 and 17 year olds
- Promoting the use of council contracts to increase apprenticeships
- Promoting apprenticeship and cadet training programmes within Councils

JOHN CHAFFEY (Hurunui)

- Promoted and facilitated the establishment of a tourism academy
- Encouraging better employment practices within the dairy industry

TIM SHADBOLT (Invercargill)

- Promoting the use of community wealth for economic development and employment creation
- Championed partnerships between local philanthropic trusts and Council to provide free fees for students at Southland Institute of Technology

JILL WHITE (Palmerston North)

- Facilitating the co-ordination of local employment agencies
- Organising a forum on youth unemployment to gather information and then develop solutions
- Promoting a local work experience programme
- Supporting the Manawatu Apprenticeship Trust to increase apprenticeships in the Palmerston North

GRAEME RAMSEY (Kaipara)

- Advocate for the re-opening of waterways in the Kaipara Harbour to promote tourism and increase job opportunities
- Advocate for a public works programme in Kaipara District

BASIL MORRISON (Hauraki)

- Advocate for special immigration and investment policies leading to employment in the regions

YVONNE SHARP (Far North)

- Promoting environment projects as public works programmes
- Advocate for specific apprenticeships programmes for Northland
- Supporting Northland Mayoral forum and economic development strategy
- Advocate for increased school/business links

FRANA CARDNO (Southland)

- Promoting use of community groups for delivering regional development initiatives
- Advocating longer term and increased funding for community groups
- Advocating for upgrading telecommunications in the regions
- Facilitating the co-ordination of local agencies involved in employment

MARK BLUMSKY (Wellington)

- Supporting a youth strategy in Wellington
- Promoting an apprenticeship skill scheme
- Supporting the local employment co-ordination (LEC) group

PAT O'DEA (Buller)

- Advocating for an access road to open a gold mine and provide new jobs
- Advocating better promotion of the region
- Supporting the Deep Sea Fishing School

ALAN DICK (Napier)

- Supporting a study to identify potential target investors and judge how well the city's infrastructure and services meet their needs
- Working with the local employment co-ordination (LEC) group to co-ordinate services and promote new training and employment initiatives

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CRAIG BROWN (Whangarei)

- Facilitating the development of the boat building industry in Whangarei
- Encouraging new training programmes for boat building in conjunction with private providers and the local polytechnic
- Supporting mayoral forums on regional issues
- Promoting the development of an economic development strategy for Northland

MARY OGG (Gore)

- Promoting a better image of farming to job seekers
- Developed close working relationships with local Department of Work and Income offices

JIM ABERNETHY (Kaikoura)

- Working closely with the Department of Work and Income to ensure job seekers are able to take up job opportunities

DON RIESTERER (Opotiki)

- Championing the job creation potential that will come from more Councils adopting "zero waste" to landfill strategies

CHAS POYNTER (Wanganui)

- Supporting partnerships with local authorities and iwi to develop a job creation strategy

Compiled April 2001 by Jan Francis, Executive Officer of Mayors Taskforce for Jobs, c/- Christchurch City Council, P.O.Box 237, Christchurch

DIARY

22 March 2001

University students in Wellington march to demand the reinstatement of the Emergency Unemployment Benefit for students who can't find a job over summer, regardless of their parent's income.

23 March 2001

Otago University Student's Association President Ayesha Verrall accuses Steve Maharey of misleading the debate over the Emergency Unemployment Benefit. Verrall says Maharey is deliberately confusing the improved services from Winz with increased student eligibility for the EUB. The fact is the eligibility requirements are unchanged.

25 March 2001

A Colmar Brunton survey says that 72.9% of NZ'ers either agree or tend to agree that tertiary students who cannot find summer work should be eligible for financial assistance.

27 March 2001

Green Party co-leader Jeanette Fitzsimons says that she is disappointed that the government is doing nothing about the transportation problems she says will arise with the expected increase in forestry production. Fitzsimons says that the foreign owners of NZ train tracks, Tranz Rail, are clearly not investing in the maintenance of routes that would handle the freight. She says the default alternative will create expensive infrastructure demands on roading by logging trucks that would be avoided if logs were moved by rail.

NZ schools have begun the school year with 345 teaching vacancies.

Chapple: "Council support for these walkway projects is critical to opening up its local economic potential. Overseas research is showing us that we don't as easily get the corporate support for the long trails until we get the council backing. In terms of stimulating your local economies, the council contribution to the walkways has a definite multiplier effect..."

- Chapple says that Te Araroa is not just aimed at backpackers and overseas tourists. His hope is that it will **become a New Zealand tradition** that you should "... do it before you die."

He says that most walkers will probably not choose to undertake the walk all at once. The Appalachian Trail in America is mostly done by "section walkers" who will spend about three days on the trail at a time, and complete it over several years. Building a local tradition of "section walking" here in New Zealand is one of the main objectives of the Te Araroa Trust.

— Geoff Chapple is also a prominent NZ journalist and author, and a commentary on his own walk down the North Island Te Araroa Pathway can be read at www.teararoa.org.nz

- A Staffing Report by the Ministry of Education recommends that **an extra 3,500 full-time teachers be found** to work in primary and secondary schools. The report says that NZ schools cannot deliver adequate education because of the shortage of teachers and it recommends an increase from the present 35,000 fulltime teaching positions to 38,500 positions, a rise of just over 10%.

It would cost \$220 million for the government to implement all of the report's recommendations, which include increasing staff numbers in smaller primary schools and a reduction of staff-student rations in Maori immersion schools and bilingual classes.

Education Minister Trevor Mallard acknowledges that "teachers have made it pretty clear to me that workload is a big issue for them ...", but he says that the speed at which any recommendations in the Staffing report are implemented would depend on the latest round of Post Primary Teacher Association (PPTA) pay negotiations.

- Where would all the new teachers come from? **No one seems sure.** Schools have started this year with nearly 400 teachers short, according to the Ministry of Education. A booming secondary school population, an ageing workforce of teachers, a sharp drop in teacher trainees, and a worldwide shortage of teachers ... all mean that very serious shortages will be likely in the next five years.

— An Education Ministry survey has found that at the first day of term, 345 schools had vacancies, compared with 295 schools last year. In secondary

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DIARY

28 March 2001

The current Deputy Secretary of the Treasury Geoff Dangerfield is appointed CEO of the Ministry of Economic Development.

29 March 2001

Social Services Minister Steve Maharey says his department is planning measures to identify the fathers of children who are being raised on the domestic purposes benefit but whom the mother has refused to identify. The number of unidentified fathers has nearly doubled over the past eight years and Maharey's comments are targeting men who pay nothing towards the state support of their children. Currently, a DPB recipient forfeits \$22/wk if they "unreasonably refuse" to name the other parent of their child.

Hawkes Bay grape growers blame Winz for bureaucratic bungling which deprived them of a financial lifeline to pick their frost damaged crop earlier this year. Winz rejected the application to fund 100 workers to pick damaged grapes but Steve Maharey has now authorised Winz to provide Taskforce Green workers for the job.

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schools, mathematics and science positions account for 14% of the teacher vacancies, and technology positions make up 12%. Rural areas, and schools with more Maori students and a lower socio-economic decile rating, have higher vacancies.

— secondary school rolls are expected to peak in 2007.

— the average age of the secondary teacher workforce is 43 years.

— The Wellington College of Education reports that 141 people applied for secondary teacher training this year, compared with 259 five years ago. Similarly, the Auckland College of Education had experienced a fall in trainees from 555 in 1998, to 327 this year.

VOICES

on THE NEW MINISTRY OF SOCIAL DEVELOPMENT

"We do not wish to undertake wholesale reform or restructuring of the public service. But we are looking for a plan for significant improvement which could be developed and put in place for implementation over a period of years..."

— Trevor Mallard, State Services Minister

"This decision is part of a wider review of the effectiveness and efficiency of structures within the public service. It is about getting better alignment between the policy and operational arms, it is about a focus on outcomes, and it is about a strategic and whole of government approach."

"I am committed to a much enhanced strategic social policy function with a whole of government role. There are a number of structural and organisational possibilities that need to be considered on how the vital strategic social policy function sits within the new arrangements."

"Both the Department of Work and Income and the Ministry of Social Policy have come along way over the past 12 months. This announcement should be seen as an opportunity to build on those gains..."

— Steve Maharey, Social Services and Employment Minister

"Trevor Mallard says that the new Ministry will be able to develop cross sectoral policy advice, but that is nonsense. If that is the case why has this Government shifted the Community Employment Group from Winz to the Department of Labour, and moved Housing

policy out of the Ministry of Social Policy into the Ministry of Housing?"

— Roger Sowry, National Party State Services spokesman

"The Greens are really concerned about yet another major restructuring of the provider of welfare services to New Zealanders. For a department that has been turned upside down a number of times over the last 16 years, this will result in a great deal more uncertainty for both employees and beneficiaries ..."

— Sue Bradford, Green Party Social Services Spokesperson

"This merger is nothing more than a snow-job to disguise future personal grievance claims caused by the injudicious comments of the minister himself. A potentially huge claim has been signalled for a long time. To get themselves out of a humiliating situation, the Government has unilaterally decided on a merger as a 'quick-fix'. They are bypassing consultation, costings, and all the normal processes which mark public sector restructuring."

"Five thousand Winz staff, and all of the Ministry employees, must be reeling from this decision. The Government has acted deceitfully and with complete disregard for procedure or commonsense. We have seen situations where the Government has spent millions on consultations - the F16 purchases, the dairy company merger, MyBank — only to then ignore that advice. Now they have reached a stage where they skip consultation altogether."

— Muriel Newman, ACT Social Welfare Spokesman