

The Jobs Letter

No. 202

11 March 2004

Essential Information on an Essential Issue

KEY

NO-GO ANNOUNCEMENTS

NO-GO CONSULTATION
CONTROVERSY

INCREASED DEMAND FOR
WORKERS

AMERICA ASKS: ARE TOO
MANY JOBS GOING
OVERSEAS?

DIARY

19 February 2004

The largest US food producer, Kraft Corporation, lays off 6,000 workers.

20 February 2004

Teachers colleges are graduating twice the number of primary teachers than there are jobs for. There were 2,667 graduates in 2002 but only 1,411 found primary school teaching jobs. With the over-supply of qualified graduates, principals commonly get 50-150 applications for a single job vacancy.

Nearly half of Australian workers fake illnesses to take advantage of sick-leave, according to a workplace survey. Researcher Stephen Walton says people use sick leave to achieve a balance between work and family life. The study also finds that people with greater sick leave entitlements tend to take more sick leave.

- The Ministry of Social Development has announced its official list of “**limited employment localities**” to which unemployed people will not be able to move if they want to continue to receive the dole. The policies, which are part of the “Jobs Jolt” programme, will affect 259 areas nationally and come into effect this week.

The 259 named localities have **stunned many local authority politicians** and community groups around the country. And while many Mayors have supported the intentions behind the policies ... there has been widespread concern about the degree of “consultation” that has led to the latest announcements.

- Work and Income National Commissioner Ray Smith says that people could still move to the areas but they would have to prove they would seek work even if they had to travel some distance. Smith: “If a job seeker says they want to move to one of these areas, the test we’ll be applying is how will they be willing and available to go to work, where there is work, if there’s no work where they are going?”
- Key points in the latest policies:
 - only unemployment (not sickness or DPB) beneficiaries are affected.
 - people already living in the “no-go” locations will not have the benefit taken off them but would get extra attention from Work and Income to try get them into jobs.
 - unemployed people could still move to “no-go” zones, if they could prove they had work lined up or were able to get to areas where employment was available.
 - no concession has been made for Maori wanting to move to where their whanau lived. (Smith: “No matter who you are this policy applies.”)
 - people with a special reason for going to a “no-go” zone, such as helping a sick relative, may be eligible for a different type of benefit.
- The Employers & Manufacturers Association says the policies are a useful **response to the labour shortages** many employers are facing. EMA Northern’s chief executive Alasdair Thompson: “New Zealand can’t afford to have more people shift to the beach or bush to live the life of Riley at the expense of those in work. We need all hands on deck to help build better community standards of living.”

Green MP Sue Bradford argues that it is **not the problem of unemployment** in the “no-go” zones that are driving these policy changes. Bradford: “Labour is engaging in beneficiary bashing. It is disgusting that it appears prepared to sacrifice the future of entire communities in a cynical attempt to woo voters away from the equally heartless policies of Don Brash and Katherine Rich...”
- How many people will these policies effect? Social Development figures show that 1,291 people were collecting the dole in the “no-go” areas in October last year. At the same time, there were 92,568 people on the dole nationally.
- When announcing the latest “Jobs Jolt” measures, Ray Smith told media that the limited employment locations list had been agreed to by Mayors,

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US economist Robert McTeer says that the loss of American jobs to cheaper overseas labour markets is part of a "creative destruction" process that will make the US economy more efficient. The US has lost about 2.3 million jobs since January 2001.

22 February 2004

The government-owned Kiwibank is turning down home loans for low-income families who depend on social welfare income top-ups. All five other NZ trading banks say the criteria on which they lend money includes any state income support they receive.

The British secret service, M15, is to expand its surveillance and intelligence capability by 1,000 new staff.

23 February 2004

The minimum wage is to rise from \$8.50 to \$9/hr, a 5.9% increase. The youth rate raises from \$6.80 to \$7.20/hr, keeping it at 80% of the adult rate.

Minister of Education Trevor Mallard calls a halt to his programme of closing and merging schools.

Prime Minister Helen Clark says that the government will review its policies targeting Maori to ensure they are "needs"-based rather than "race"-based.

Australian Telstra says that, although the company has no immediate plan to do so, it expects to outsource more jobs to places like India.

and it would be reviewed every year with Mayors' views and state of the local employment market being considered. Smith: " [Mayors] are confident we will work very hard in those communities to help people that live there to be able to obtain work and continue to live in those communities. Providing we put in that effort, I think they support the fact that they really don't want people moving in receiving unemployment benefits in these locations."

Minister of Social Services and Employment Steve Maharey also told media that "every locality on the list is there as a result of consultation which has taken place over the last three months with people in local areas and that of course is why they support this policy..."

- The Chairman of the Mayors Taskforce for Jobs, Christchurch Mayor Garry Moore, however, says the Taskforce was **not consulted** about the initial "Jobs Jolt" policies. Moore: "We were not part of making these decisions. We were told. As a Taskforce, we were not engaged in this."

Moore thinks that the whole concept of "Jobs Jolt" has been a negative way of making decisions about employment policy, and says that we need to **find more positive ways** of looking at the situation. Moore: "This may be a good time for us all to refocus on the bigger picture. Mayors are more interested in jobs and training for young people, and the effect of skill shortages on their regions than about any perceived malingerers. You have to question a policy that focuses on 1% of the problem, when the Mayors have been asking officials to come up with strategies that address the 40% of the unemployed that are under the age of 25."

- Deputy chair-person of the Taskforce, Dunedin Mayor Sukhi Turner agrees: "Mayors were told of the areas, and in some cases asked for input, but this in no way amounts to consultation. Regional Commissioners tasked with meeting with Mayors to work through the issues appear to have interpreted this as informing rather than constructive dialogue."

Turner also feels that the "no-go" policies **undermine the positive** approach that Mayors are taking to job creation issues, and is concerned about the image of small rural areas, which are beginning to recover from the economic shocks of the 80s and 90s. Turner: "Some Mayors also feel that this policy works against the government's own regional development strategies and could be seen to cast a negative stereotype on people already living in those areas — especially if they are currently unemployed. Mayors have worked stridently to lift the profile of many of these areas and stop population decline."

- Thames Coromandel Mayor Chris Lux told the *New Zealand Herald* that only two zones had been tagged in his district when he was first consulted and he had no idea Work and Income had expanded the list to 23 localities. Lux: "It was my understanding the list was going to come back to the respective councils, but that hasn't happened."

Lux says there is a shortage of unskilled workers in his region which people in a number of the tagged zones could easily travel to. As long as the plan did not stop people moving to the region to work, he did not have a problem with it. But he doubted many people moved to the area to sit on the dole anyway.

- Opotiki District Mayor John Forbes says he had been consulted and was pleased changes had been made to the list as a result.
- Whakatane District Mayor Colin Hammond, also consulted, says he is happier now it was clear the initiative would not affect people already living there. However, while Whakatane's unemployment rate (between 8-10%) was high and needed addressing, he believes the approach is negative.
- Hauraki District Mayor Basil Morrison, who is also President of Local Government NZ, believes we need to get in behind Jim Anderton's efforts

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24 February 2004

Devastating floods put hundreds of lower North Island people out of their homes. Relief packages are advanced to councils governing Rangitikei, Manawatu, Wanganui, Horowhenua and South Taranaki. Farmers bear the brunt of the disaster with some of the most productive farmland in the country being laid to waste. Roads and other essential infrastructure may take many months to fully repair.

Government Cabinet portfolios are redistributed. Paul Swain replaces Margaret Wilson as Minister of Labour. Swain also takes on Immigration from Lianne Dalziel who recently resigned. Trevor Mallard is appointed to a new portfolio of Race Relations.

25 February 2004

Deutsche Bank predicts economic growth to slow from 3.5% last year to 3% this year and then 2.5% next year. The bank says that the high currency exchange rate and a drop in immigration will slow the economy. But it predicts these will be tempered by the \$1 billion extra government spending that will be contained in the May Budget.

Women hold 31% of all senior management positions in NZ. By contrast, women hold 22% of the senior positions in Australia, 20% in the US, 18% in Britain and 8% in Japan.

to get employment opportunities into the “limited employment localities”. Morrison told *NewstalkZB*: “Now I know in the pure world you are not supposed to transplant business opportunities, but the fact of the matter is that for the benefit of the nation — in terms of health and a whole bunch of social reasons — there needs to be development of job opportunities in those areas ... even if we use the dreadful word “subsidy” to get employment. The reality is that you are never going to get job opportunities in those smaller communities unless there is a concentrated effort of both the state and the private sector to get work for them ...”

- The Dunedin City Council has put out a call for all local authorities to create “**Must Come Zones**”, arguing that the Ministry of Social Development should spend its time working with innovative local authorities to grow opportunities, rather than marginalising some areas.

While Dunedin did not contain any of the identified areas, it still has concerns about the policy. General Manager for strategy and development Peter Brown says that people are attracted to a city or region because jobs are available to them, and because the physical attributes of a region appeal or because once they are there they can create their own work and businesses. Brown: “Dunedin has shown that growth can be encouraged and people who were unemployed here are now playing vital roles in our lively and strong city — so we believe it is better to encourage and support people rather than ostracise them...”

- Both skilled and unskilled **workers remain in high demand**, according to the Department of Labour’s latest *Skills in the Labour Market* report. The surveys confirm that firms have found recruiting staff to be more of a problem in recent quarters than at almost any point in the last 25 years. These problems are particularly widespread across the trades and some professional occupations such as health, architecture, and engineering. The report attributes the shortages to the strength of the country’s economic growth and the resulting high demand for labour.

- Minister of Employment Steve Maharey says the report will reinforce the government’s efforts to get the unemployed into work and boost participation in industry training. Maharey says the key goals for the Ministry this year are:

- further increases in the Modern Apprenticeships and industry training programmes,
- better partnerships between Work and Income and understaffed industries so we can identify their skills needs and train job seekers to meet them,
- attracting skilled migrants who meet employers’ needs,
- improving the information that is available about the labour market so that young people, older workers wanting a career change and those advising them make good choices about the kinds of skills being sought by employers.

— *Skills in the Labour Market – February 2004*, published by the Labour Market Policy Group of the Department of Labour 19 February 2004. Download (PDF, 16 pg, 549 kb) from www.lmpg.govt.nz/PDFs/Skills%20in%20the%20Labour%20Market.pdf

- Waikato is suffering a **critical shortage** of skilled agriculture and engineering workers which has left employers crying out for tradespeople. But *The Waikato Times* reports that the number of people taking up Modern Apprenticeships in the area show that local employers are struggling to attract enough young people into trades training.

The number of Modern Apprenticeships has increased nationally, but Tertiary Education Commission Waikato manager Edgar Wilson says that the region should be doing better. Wilson: “The difficulty has been the employers themselves. They want ready-trained people to their specifications and somebody else should pay for it.”

Former Wintec agriculture tutor Clive Dalton is not surprised that agriculture is still struggling to get young people. Dalton: “Nothing has changed. There’s

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25 February 2004

Manawatu tradesmen face a huge backlog of work repairing thousands of flooded houses. Feilding builder John Kinane says the main task is ripping out soaked wall linings and skirting boards so houses can dry out. But builders were also pulling out cupboards and kitchen units swollen and warped in the flooding. The labour shortage is acute as tradespeople were already in short supply before the flood.

A former Ministry of Social Development employee is found guilty of stealing \$1.9m from the ministry.

Taranaki businesses profited by \$50m as the district hosted the filming of *The Last Samurai*, according to a report commissioned in part by Venture Taranaki Trust. The filming and flow-on activities created 1,400 full-time jobs.

The freezing works at Waitara is being upgraded and re-opened by Anzco Foods in partnership with Itoham Food, Japan's second largest meats manufacturer and distribution company. The former Affco site, dormant since 1997, expects to employ 70 people and begin exporting smallgoods to Japan in September.

26 February 2004

The cost of the clean-up and repair after the February storms is expected to well exceed \$250 million. But economist Gareth Morgan says the cost to the country in terms of lost livelihoods will be much greater. Morgan says the floods could wipe 1% off GDP, which, on estimated GDP figures, would amount to about \$1.26 billion.

27 February 2004

Some flood-stricken farmers are aghast at the government's promise of 75% of the dole for those left without an income. Dean Bailey, a Foxton farmer whose farm was wiped out in the floods: "How the hell can they justify that as a fair figure when they give people who don't do anything 100% of the benefit?"

nothing happening down on the farm. The employment culture still hasn't changed. Bad employers are not a minority."

- Nationally, the first 213 graduates from the Modern Apprenticeship have just finished training and are about to enter the workforce. This year the government increased funding for apprenticeships to enable 6500, up from 6259 last year, to begin training by June. That will increase by another 1000 next year.
- The duration and eligibility for **paid parental leave is to be extended**. The length of leave is to increase from 12 to 13 weeks, starting from December 2004, and then to 14 weeks from December 2005. And those who have been in the same job for six months (rather than one year) will qualify for the scheme. The changes will bring New Zealand in line with the International Labour Organisation standard.

In its first year, the scheme was used by 19,000 people. The extensions are expected to benefit a further 3,400 women. The combined cost of the new proposals for a full year is \$17.3 million. This adds to the current annual expenditure is \$51 million for the scheme.

- A survey into the effects of the first year of the scheme found that 54% of employers said the introduction of paid parental leave had had no real impact on their business, 35% said it had a positive impact on their business, while 9% believed the overall impact of the scheme had been "less favourable". Of those who felt there were some drawbacks to the scheme, the most frequently mentioned was the cost of keeping the mother's position open, particularly the cost of recruiting and training temporary staff.

The changes have not addressed the issue that the scheme **continues to exclude** those who work for themselves. Employers and Manufacturers Association northern chief Alasdair Thompson says the argument that it is too hard to work out how much that group should get, does not wash. He points out that ACC has no trouble working out how much they should pay in levies. — *Evaluation of the Implementation of Paid Parental Leave*, 27 August 2003, prepared for Employment Relations Service, DOL can be downloaded (Word 85 pg, 1.175 mb) from www.ers.dol.govt.nz/parentalleave/evaluation.html

- Minister of Education Trevor Mallard says the days are over when people worried that when the minister came to town it was to close their school. Mallard says the **school reviews**, that were expected to close as many as 1,000 schools, have been **put on hold** due to the public and teacher backlash. The closure/merger policy has been widely unpopular and many communities and their Mayors have expressed their concern about the survival of small towns given that the school is often the hub of the community. Mallard says he still believes that amalgamating schools would eliminate 11,600 "spare spots" in schools and save \$90 million. But the government has put process on hold for five years.
- The move hasn't satisfied everyone. There are 71 schools in Upper Hutt, the West Coast and Taranaki which had already been earmarked for closure but have not yet closed and Mallard says the schedule for these closures continues. Many people in the affected communities are furious that the planned closures will continue. Invercargill Mayor Tim Shadbolt has launched a fighting fund for a legal challenge to save the condemned schools. Shadbolt is attempting to unite councils from Northland to Southland to seek a judicial review of the ministry's decision to exclude the condemned schools from the freeze on any more closures or mergers.
- Work and Income staff get **bonuses based on the race** of the jobseekers they place in work. The scheme varies, but in Counties-Manukau, staff get three bonus points for placing a Maori in a job, two points for a Pacific Islander and one for a Pakeha. The points help determine the size of their annual bonus.

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28 February 2004

The state-owned Kiwibank has extended the amount low-income earners can borrow (with no deposit) to buy a home from \$100,000 to \$150,000.

29 February 2004

The Ministry of Social Development is negotiating to buy internet-based job-matching software that would significantly improve the ability of its staff to match beneficiaries with suitable vacancies.

1 March 2004

Nine English-language schools plan to close or have closed since January. The industry appears to be suffering from the perception that NZ is anti-Asian and not safe for Asian students. South Africa is perceived to be a safer student destination.

2 March 2004

NZ experienced record high short-term visitor numbers in January. For the year to the end of January, there were 2,130,000 short-term visitors, an increase of 3.3% over the previous year.

Immigration figures show the net number of long-term visitors dropped from 39,000 to 33,000 in the year to January, or 15%. Immigration figures are a key indicator of future domestic demand, particularly in the housing market.

Steve Maharey floats the idea of putting a time limit on Waitangi Treaty settlements. Minister of Maori Affairs Parekura Horomia backs the proposal saying delays are causing despair within Maoridom.

3 March 2004

The government announces it's list of "no-go areas" where people will not be allowed to move to and still receive the dole.

Minister of Employment Steve Maharey has defended the scheme by pointing out the **huge drop** in Maori unemployment. He says the scheme indicates to frontline staff the areas government wanted to target. Maharey says that without a strong emphasis on Maori and other groups — like youth, the mature unemployed and Pacific peoples — staff would focus on putting forward jobseekers who were easy to place. Maharey: "It really is just a commonsense approach if for any reason you have people that are over-represented or difficult to place."

National Party social services spokeswoman Katherine Rich said skin colour should not be an issue for Winz. "If a case manager has Maori and non-Maori clients who are equally disadvantaged, skin colour shouldn't matter, they should do their best for each client to get them back into work."

- *Trends.* As the American 2004 election campaign heats up, "Jobs" is emerging as the dominant domestic issue. President Bush is under siege as it looks certain that he will become the first US President since Herbert Hoover to see the total number of jobs shrink during his term of office. In a cover story last week on the election issues, *Time* magazine asks: Are too many US **jobs going overseas?**

Time says that the US has found itself in the middle of a structural shift in the economy that no-one quite expected. *Time*: "Americans ordered a recovery, heavy on jobs, please. What they're getting is a new kind of homeland insecurity powered by the rise of outsourcing, a bland yet ominous piece of business jargon that seems to imply that every call centre, insurance-claims processor, programming department and Wall Street back office is being moved to India, Ireland or some other place half a world away ..."

— *The figures:* About 2.3 million jobs have vanished in the US since President Bush took office in January 2001. *Time* projects that 3.3 million more jobs will leave the US by 2015. It further identifies that about 14 million jobs, or 11% of the total jobs in the US, are at risk of being sent abroad.

— The types of jobs most at risk include telephone call centres, computer operators and data entry, business and financial support, paralegal and legal assistants, diagnostic support services, accounting, book-keeping and payroll services.

— The price of labour is the main driving force being the outsourcing. The typical annual salary of a computer programmer in the US is up to \$80,000. This compares with a \$30-40,000 salary for a similar job in Canada, Ireland or Israel, or about \$11,000 for the same job done in India.

- *Time* says that the "jobs" issue has always made or broken the political fortunes of US Presidents ... but the **accelerating outsourcing** trend packs a "powerful new wallop". *Time*: "That's because it hits middle and upper-income workers — software engineers, X-Ray readers, financial analysts — who thought they were immune to the great job exodus to Mexico and China that has decimated blue collars over the past 25 years. These people thought they were safe in a global economy because they worked with their minds, not their hands..."

Jared Bernstein, senior economist at the Economic Policy Institute, says that after the factory closings of the 1980s and the emergence of the knowledge economy, many liberals and conservatives alike had reached a consensus that manufacturing jobs could not be saved but the lab-coat jobs would always stay at home. Bernstein: "Now that vision is under siege ... The white-collar middle class is feeling the sting of insecurity that manufacturing workers know so well."

- *Time* observes that the latest jobs shift marks another **fundamental change** in the way companies do business. Intrinsic to outsourcing is the replacement of the employer-employee function with a third party contractor. And without a social contract binding employer and employee, long-term jobs are an illusion.

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4 March 2004

The government sets up a group to advise it on ways to increase workplace productivity. New Minister of Labour Paul Swain says he wants to raise awareness and debate on the issue.

7 March 2004

The US economy added a paltry 21,000 jobs last month. The US has gained only 42,000 jobs per month on average for the last three months. Analysts agree that job creation needs to be about 150,000 per month just to keep pace with the growing labour force.

Germany's state welfare system looks to loom large in policy debates as presidential hopeful Horst Koehler calls for welfare reform. Koehler, who, two days ago resigned as IMF managing director, says Germany must trim costly social programmes in order to make it more competitive.

Soft drink manufacturer Coca-Cola cuts 3,700 staff worldwide last year. The company is criticised by corporate governance watchdogs who point out that the company awarded bonuses to six of its directors of \$US8.4 million, the equivalent of \$2,300 for each redundant worker.

Editors

Vivian Hutchinson
Dave Owens
Bill Taylor

Associates

Jo Howard
Rodger Smith

The Diary is sourced from our media watch of New Zealand daily and weekly newspapers.

Research sources for the main items in The Jobs Letter are available in our internet edition at www.jobsletter.org.nz

Outsourcing is the **logical extension** of the evolutionary process that began with contract manufacturing and continued into corporate services. Thanks to technology, more kinds of work can now be spun off into contracts rather than tied to employees. Once a person's labour can be reduced to a contract, it matters little whether the contract is filled in India or Indiana; the only relevant issue is cost.

- What can be done about the accelerating trend in outsourcing? Jared Bernstein says businesses ought to find a way to "share some winnings with those who lose" by creating funds for wage insurance or retraining. Otherwise there is a risk that the benefits of outsourcing will widen the gap between rich and poor. The McKinsey Global Institute recommends that companies sending their jobs overseas contribute about 5% of their savings to an insurance fund that would compensate displaced workers.

Former US Secretary of Labour Robert Reich says that the answer is not to stop outsourcing. Reich: "In theory, we all benefit when we can get services more cheaply from abroad. But as a practical matter, there are huge costs of dislocated workers and job insecurity. We do have to get serious about job retraining, lifetime learning, extended unemployment insurance and wage insurance. We may also want to not permit companies to deduct the expense of outsourcing from their income taxes, and use the savings to help workers who lost jobs..."

- (*And the Oscar for Outsourcing goes to ...*) New Zealand's success last week at the Oscars (with eleven awards, the *Lord of the Rings* has been as successful as *Ben Hur*) was not just down to the leadership of Peter Jackson and the extraordinary talent of kiwi film technical entrepreneurs. The bottom line for New Line Cinema is that the project also looked especially good when you realise that Hollywood can make three films here in NZ for what it costs to produce one similar film at home.
- While America is smarting of the job losses that come from outsourcing ... many New Zealand companies are debating whether they can take better advantage of the work opportunities that are leaving the US.

New Zealand Trade & Enterprise has commissioned a report by the international IT research firm Gartner, with conjunction with the Information Technology Association (ITANZ), on how **New Zealand** can become a more **suitable place for outsourcing** information technology (IT) jobs. The report compares several factors across many of our outsourcing competitors like India, China and Ireland, and it concludes that New Zealand is in a strong position to take work from Britain and the US.

Gartner says the global outsourcing market for IT services is worth US\$15 billion and would grow at 30-40% a year over the next three to five years. It recommends that New Zealand is in a good position to go for work that includes Government and public sector projects, telecommunications, mobile and wireless computing, high-tech industries, utilities, financial services, entertainment and multimedia, and healthcare. Gartner: "New Zealand won't compete with India on cost, but it can in areas where people can bring real creativity, innovation and a different approach to thinking about problems..."

- Whether we as a nation are prepared to take the time to invest in developing our own creativity and innovation, rather than just rush to the cheapest price ... is at the crux of the outsourcing debate. And it is a challenge right on our doorstep: *The New Zealand Herald* points out that even the Ministry of Social Development, responsible for paying the dole to unemployed New Zealanders, uses Indian outsourcing giant Tata for database and desktop support and some software development.

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NO-GO ZONES

The Full List

includes the number of unemployment beneficiaries in each location at October 2003. *Source: The Dominion Post*

Auckland City:

Great Barrier Island 107

Banks Peninsula District:

Okains Bay 3
Little Akaloa 2
LeBons Bay 0

Buller District:

Birchfield 4
Hector 18
Charleston 8
Mokihinui 7
Ngakawau 5
Seddonville 10
Ikamatua 4
Inangahua Junction 8
Millerton 5
Mawheraiti 0
Buller Gorge 1
Arapito 0
Kongahu 0
Maruia 0
Te Kuha 0

Carterton District:

Longbush 0

Central Otago District:

Oturehua 1
Becks 0
Lauder 0
Patearoa 0
Waipiata 0

Clutha District:

Chrystalls Beach 0
Hinahina 0
Maclennan 0

Far North District:

Te Hapua 8
Tahuna 0
Cape Reinga 0
Wekaweka 1
Rangi Point 0
Mitimiti 0
Spirits Bay 0
Te Paki 0
Paua 0
Karatia 0
Waitiki Landing 0
Reef Point 0
Tauroa Point 0

Franklin District:

Kaiaua 20
Waikaretu 0
Port Waikato 32

Gisborne District:

Tikitiki 65
Waipiro Bay 7
Whangara 3
Te Puia Springs 29
Matawai 10
Motu 0

Grey District:

Blackball 13
Ahaura 5
Barrytown 6
Ngahere 3
Atarau 0
Totara Flat 4
Bell Hill 0
Raupo 0
Rotomanu 0
Waipuna 0
Moana 7

Hastings District:

Waikari 5
Te Haroto 0
Tutira 4
Te Pohue 3
Putorino 4
Waikoau 1
Aropaonui 0
Taheke 10
Ocean Beach 0
Patoka 1
Maraetotara 0
Puketitiri 0

Hauraki District:

Whiritoa 6

Kaikoura District:

Kekerengu 0
Clarence 0
Mangamaunu 0
Oaro 0

Kaipara District:

Pouto 0
Kells Bay 0
Rototuna 0

Marlborough District:

Ward 3
Canvastown 2
Anakiwa 0
French Pass 0
Kenepuru Sound 0
Lochmara Bay 0
East Bay 0
Nydia Bay 0
Queen Charlotte Sound 0

Masterton District:

Waikaraka 4
Castlepoint 0
Mauriceville 0
Riversdale Beach 0
Bideford 0
Blairlogie 0
Matahiwi 0
Tinui 0

New Plymouth District:

Uruti 4

Opotiki District:

Paparoa 28
Kutarere 10
Omaio 6
Waihou Bay 24
Opape 4
Omarumutu 0
Kawhia 31
Oparau 3

Otorohanga District:

Pureora Forest 0
Rewarewa 0

Rotorua District:

Reporoa 23
Mamaku 25
Kaingaroa Forest 34
Okere Falls 7
Rotoiti 13
Rerewhakaaitu 5
Mourea 8
Horohoro 5
Tikitere 1
Kaharoa 2
Ngakuru 2
Rotoehu 1
Broadlands 0
Gisborne Point 0
Waikite 0

Ruapehu District:

Waimiha 6
Ohura 29
Ongarue 12
Matiere 3
Tokirima 2
Pipiriki 1
Tatu 0

Selwyn District:

Lake Colridge 0
Whitecliffs 2

South Wairarapa District:

Waikuku 3
Pirinoa 1
Cape Palliser 0
Hinakura 0
Kahutara 0
Tahora 0
Lake Ferry/ Ocean Beach 1
Battersea 0

South Taranaki District:

Mangamingi 0

South Waikato District:

Waipapa 6

Southland District:

Ohai 35
Nightcaps 19
Orepuki 6
Blackmount 0
Colac Bay 7

Stratford District:

Whangamomona 1
Kohuratahi 0
Makahu 0
Tahora 0
Te Wera 0
Douglas 0

Tasman District:

Tapawera 5
Tadmor 0
St Arnaud 0
Parapara 1
Puponga 0
Rockville 0
Upper Takaka 0
Hamama 1
Bainham 0
Ferntown 0
Kotinga 0
Patons Rock 0
Pigeon Valley 0
Rangihaeata 0
Tarakohe 0
Kohatu 0
Korere 0
Matariki 0
Motupiko 0
Longford 0
Owen River 0
Six mile 0
Tutaki 0

Taupo District:

Maraetai 20
Waitahanui 13
Atiamuri 10
Wairakei 3
Wairakei Village 1
Hatepe 0
Rangitaiki 1
Tihoi 0
Whakamaru 3
Tokaanu 2
Te Rangiita 0
Rotokawa 3
Motuoapa 1
Iwitahi 0
Pukawa 0

Waikato District:

Te Akau 1
Waerenga 1
Waiterimu 0

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Thames-Coromandel

District:

Tairua 44
Waiau 15
Colville 20
Hahei 7
Pauanui 6
Coroglen 5
Whenuakite 2
Kennedy bay 6
Whangapoua 4
Cooks Beach 3
Koputauaki 3
Opoutere 3
Hot Water Beach 2
Onemana 2
Hikuai 1
Kuaotunu 1
Amodeo Bay 0
Mecury bay 0
Opito 0

Papaaroha 0
Port Charles 0
Te Kouma 0
Waikawau 0

Waipa District:

Pukeatua 0
Morere 4
Te Reinga 2
Kihitu Pa 0
Rangiahua 0
Tuhara 0

Waitomo District:

Mokau 12
Bennydale 13
Taharoa 10
Aria 5
Awakino 1
Marokopa 1
Te Anga 1

Mahoenui 0
Waikawau 0
Puketut 0
Te Maika 0

Wanganui District:

Jerusalem 2
Matahiwi 0

Western Bay Of Plenty District:

Athenree 4
Matahiwi 0

Westland District:

Haast 17
Ross 9
Whataroa 3
Harihari 9
Jacksons 2

Bruce Bay 1
Pukekura 1
Aickens 0
Dillmandstown 0
Jackson Bay 0
Lake Paringa 0

Whakatane District:

Matata 60
Ruatoki North 70
Galatea 10
Ruatahuna 51
Tauwhare 4
Opouriao 0
Waimaria 0
Ruatoki 0
Taharoa 0

No Local Authority

Motiti Island 0

VOICES

on the NO-GO AREAS

"This policy has been misrepresented ... there are no blacklisted areas of the country. I just stress that once again we are trying with this policy to ensure that people get jobs. That is the point of it. We are in a situation in this country where employers are calling out for labour, and in some cases cannot find people to work in their businesses. We are trying to make sure that people are in the right place to get the right job at the right time."

— **Steve Maharey, Minister of Social Development and Employment**

"There is a bit of confusion here. This is not about the Mayors Task Force for Jobs. Consultation was undertaken with local councils, regional councils, and other local communities ... The Government has been spending an enormous amount of time and money in making sure that remote locations in rural and provincial New Zealand get the full attention of Work and Income."

— **Rick Barker, Associate Minister for Social Development and Employment**

"Where was the evidence to back the policy of a tidal wave of unemployed people moving to places like Becks, Lauder, Patearoa, or 120 of the other no-go zones, which, in October 2003, did not have one single resident registered and drawing the unemployment benefit?"

— **Katherine Rich, National Party spokesperson on welfare**

"This is a poll-driven PR ploy designed to convince the public that Labour is cracking down on welfare dependency. Labour's simplistic view that communities can be isolated and identified as having no jobs, is bureaucratic rubbish. Within a short radius of

almost any community, including these "no-go" areas, there is work available be it seasonal, casual, full-time or part-time."

— **Muriel Newman, ACT party spokesperson on social welfare**

"Does the Minister accept that these areas, which are perceived by some as no-go areas, would create social classification, and that New Zealanders would become economic refugees in their own country?"

— **Bill Gudgeon, NZ First spokesperson on Welfare**

"Inevitably, there will be accusations that the policy will promote nothing but ghost towns. Commendably, however, the Government has stuck to its guns. Its policy is a rational counter to work-shy people who shift to a district knowing full well that no job opportunities exist there. Some Mayors believe that having people of such mindset move to their district is preferable to a static or declining population. Sometimes there may even be superficial advantages, such as when the unemployed have children who prop up school rolls. Some also point to the infrastructural problems of Auckland and suggest that, in fact, people should be encouraged to move to the regions. But such arguments have no merit when shifting to such areas equates to a virtual waste of human resources..."

— **from editorial in New Zealand Herald 5 March 2004**

"The government's announcement of no go areas appears to owe more to political pandering than it does to a genuine attempt to lower the numbers on the unemployment benefit. People will ask themselves whether, in all the abuses that occur in the benefit system, the number of people who will cunningly choose to move to Bennydale, Omarumutu or Inangahua Junction in order to be sure to remain unemployed is really the essential focus of benefit reform ..."

— **from editorial in The Dominion Post 6 March 2004**

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The Jobs Letter — P.O.Box 428, New Plymouth, New Zealand phone 06-753-4434 fax 06-753-4430 email editor@jobsletter.org.nz