

# The Jobs Letter

No. 227

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Essential Information on an Essential Issue

## KEY

WORKING FOR FAMILIES  
BEGINS

NZ "LEAST GENEROUS" TO  
FAMILIES

TEENS URGED TO FILL  
TRADES GAP

NZ SKILLS SHORTAGE THE  
WORST

AUSTRALIA'S YOUTH  
TRANSITIONS COMMITMENT

HOW TO END POVERTY

- The first phase of the government's **Working for Families** package came into effect on April 1. Minister of Social Development and Employment Steve Maharey says that 260,000 families — more than half of all New Zealand families — will now be entitled to extra money for living costs, housing and childcare.

Headlining the change is an **increase to Family Support** payments of \$25 for the first child and \$15 for each additional child. The government says this will put more money in the pockets of almost all families (with dependent children) earning under \$45,000 per year. Other immediate changes are the lifting of the maximum available accommodation supplement in urban areas and a \$15 per child increase to the Foster Care Allowance, Unsupported Childs Benefit and Orphans Benefit.

All low-income families will be eligible for the rise in Family Support payments but, to increase the financial incentive for beneficiaries to get a job, the government is **lowering benefits rates** for couples with children and solo parents — those getting the new, higher Family Support rates. And beneficiary families will also be excluded from In-Work payments and increases to the Family Tax Credit.

- Some commentators suggest the Family Support increase is **less generous** than it appears given this government and the previous one hadn't raised Family Support payment levels since 1996, except for one small increase in 2003. Dr Susan St John of the Child Poverty Action Group says a lot of the new spending is simply adjustment for inflation. St John also points out that while Family Support payments are increasing, main benefits for a couple with children are being cut by \$17 per week and cut by \$21 per week for solo parents, clawing back some of the increase if a parent is in receipt of a benefit from Work and Income. The Ministry of Social Development concedes that moving the "child component" of benefits into Family Support has led to a decrease in some benefits, but points out that overall beneficiaries should be at least \$7.86 per week better off.

- St John believes the ministers who put together *Working for Families* **missed an opportunity** to do something visionary for all low-income people. She says a better package need not cost more and would tackle poverty as well as provide incentives to work. And she questions the logic behind the benefit cuts, arguing that making families on benefits "desperately poor" to force them to work is counter productive. St John: "Income support for children must not drop when parents fall on hard times. This package was clearly designed more to push parents into the workforce than to reduce child poverty. Why else would the poorest of the poor be left behind?"

St John also highlights the fact that the design of the "tough new make work pay" measures means they "spectacularly" fail to reward extra hours worked by anyone on middle- to low-incomes. St John:

## DIARY

10 March 2005

The MSD-funded Youth Transition Service is launched in Waitakere. Youth Horizons will be the lead delivery agency.

Job-seeking Australians will soon be allowed to borrow a mobile phone from their Job Network provider until they find work. The government developed the "loan phone" scheme after a study found having a mobile phone increased a job seeker's chances of securing employment by 30%.

In Britain, 93% of employees over the age of 60 enjoy their work, compared with just 54% of workers in their 30s who enjoy their work.

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## DIARY

15 March 2005

The number of NZ newspaper job ads in February was up 1.3% on February 2004.

Employers are urged to give disabled job seekers a go at an *Employers Summit* in at the Ministry of Social Development in Wellington.

In Australia, over one-in-five part-time workers want to work more hours than they do, according to *Underemployed Workers*, published by the Australian Bureau of Statistics.

17 March 2005

The number of people in industry training and apprenticeships increased by 12,000 last year to 139,597.

The National Party says it would not axe the Modern Apprenticeship scheme.

German chancellor Gerhard Schroeder hosts a cross-party unemployment summit to try to get broad support for tackling the country's 12.6% unemployment rate. German president Horst Koehler says job creation is at the top of the national agenda.

“In fact, the well-funded but flawed and administratively-complex package needlessly entrenches disincentives to work. This looks suspiciously like an attempt to prop up flagging pay rates at the bottom of the scale as soaring housing, schooling and other basic costs hit families hard despite the supposed economic good times.”

- The Green Party says it is wrong for the government to discriminate against beneficiaries in favour of people with jobs. Co-leader Rod Donald says the Greens would re-introduce a universal child tax credit of \$15 per week for the first child and \$10 a week for each subsequent child. The Greens would also lift the minimum wage as Donald argues that the *Working for Families* package amounts to **corporate welfare** that covers for companies who are paying the lowest wages in the country.
- The National Party says it would make some changes to the *Working for Families* package. Finance spokesperson John Kay says National would retain some form of income guarantee for low-income earners but would introduce tax cuts. Kay says that the current high marginal tax rates give little incentive for people to earn more money. And Kay is wary that the *Working for Families* package extends assistance up the income scale and therefore **extends welfare dependency** to more New Zealand families. National will present its alternative strategies in May.
- Other aspects of *Working for Families* — the In-Work Payment and increases to the Family Tax Credit, as well as further increases to Family Support — will not come into effect until April 2006. Also unchanged this year are abatement rates that tax beneficiary incomes at 70% once they earn more than \$180 per week.
- The government has launched a \$15 million advertising campaign promoting *Working for Families*. The campaign includes television, radio, newspaper and magazine ads as well as direct mailouts. And soon *Working for Families* promotions will be featured inside buses, on bus shelters and on Anchor milk cartons. The government says the promotional campaign is needed because it wants everyone who is eligible for money to get it. People who are on a benefit or receive an accommodation supplement automatically get any additional payments they are entitled. But officials believe thousands of working families are **not aware they are eligible** for Family Support payments. The current Tax Credits — that require people to apply for them — have had low uptake.
- New Zealand has been the **least generous** of five often-compared Western countries in the level of financial support it provides to families. A 2003 study comparing the different tax credit and social assistance systems in New Zealand, Australia, United States, Canada and Britain has found that in New Zealand, a parent working up to 50 hours a week gets the least assistance — around \$4,500 a year — compared with \$12,500-\$20,000 in Britain, the most generous of the five countries.  
Co-author of the Victoria University study Patrick Nolan says New Zealand is even less generous than the United States, something people might find surprising given the US has a “reputation for having a miserly welfare system”. Nolan says *Working for Families* is going to mean that New Zealand will begin to catch up on countries like the United States and Canada, but will still have a long way to go before catching up with Britain and Australia who lead the world in this area.

Nolan: “For a country that has a long history of legitimate pride in its welfare state, the position of New Zealand is disappointing and helps

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18 March 2005

22% of NZers say they have no money by the time payday comes around and 66% say they worry about spending or borrowing beyond their means, according to a Ministry of Consumer Affairs survey.

A German website is offering jobs to those willing to work for the least pay – and has become a runaway success – according to *The Melbourne Age*. After recent social welfare reforms threw thousands of Germans off the unemployment benefit, many are “scrambling” to undercut others and work for as little as \$NZ5/hr. The German language website can be found at: [www.jobdumping.de](http://www.jobdumping.de)

explain the paucity of recent child outcomes. Until there are increases in the level of generosity to families with dependent children, adverse outcomes for children are like to bedevil the country for years to come.”

- School leavers are being urged to consider a **career in the trades** as the government seeks to ease skills shortages which are dampening economic growth. The trades skills shortage is so severe some industries estimate it will be years before there are enough fully qualified workers. The Electrical Contractors Association general manager Ray Barbara says there are currently 50% fewer electrical apprenticeships than there were during the 1980s building boom. He says there are vacancies for up to 600 more electricians immediately.

Minister of Education Trevor Mallard is talking up careers in the trades. Mallard says we need to push the message out there that this sort of training is critical, that a school leaver who opts for technical and **trades training** is as important as tertiary students who go on to degree programmes. Mallard: “The move away from trades was a societal thing in the 1980s, a trend away from jobs that boys did without ties on and away from working outside. We wanted to have a trend to tertiary education but instead of tertiary we more or less said university. We have pressured our kids into going to university when it could have been better for them to go into trades.”

The trend is illustrated by the **change in technology classrooms** in many schools. Auckland Grammar principal John Morris concedes that hands-on technical work, such as woodwork and metalwork, no longer exist in a recognisable form at the school. Students are now driven towards design with just a small hands-on element. Morris says a lot of the boys are good with their hands but they don’t get much opportunity these days. He says a worldwide trend towards improving the percentage of qualified people has been interpreted in New Zealand as pushing more students through university. Morris: “I think a lot of kids who go to university shouldn’t. People are going to university and earning degrees and come out with no chance of a job.”

- Minister of Labour and Immigration Paul Swain says the government hopes to solve skills shortage problems through more industry training posts and Modern Apprenticeships. But these will not provide an immediate solution. So the Immigration Service is hatching plans to attract new **migrants with skills** in key areas, as well as luring home qualified New Zealanders, including the thousands living in Australia.

But this could be difficult as **Australia** faces similar **skills shortages** and is in a strong position to compete, at least with pay rates, for skilled New Zealand workers. Australians, on average, 25% more than they would in New Zealand.

- The lack of skilled workers is a **bigger problem** for New Zealand businesses than it is for businesses in 23 other countries. The annual Grant Thornton International Business Owners Survey found that 50% of New Zealand firms questioned responded that a lack of skilled workers was their biggest barrier to expansion. This contrasts with 44% of Australian firms, 34% of UK and Canadian firms and 26% of US firms. The findings back up those from the New Zealand Institute of Economic Research’s last quarterly survey that concluded companies were finding it more difficult to recruit staff than at any time since 1974.

Most local businesses told the survey they are more focused on attracting and keeping key staff than they were a year ago. Grant Thornton says the lack of skilled labour is consistent with a strong economy, low

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20 March 2005

Fewer new immigrants came to NZ in February compared to February last year. Migrant arrivals exceeded departures by only 580 people. The slowdown is expected to lessen demand for housing and lower consumer spending.

21 March 2005

The minimum wage increases by 5.6% to \$9.50/hr for adults and to \$7.60/hr for 16-17 year olds. About 35,000 adults and 6,500 young people are paid the minimum wage.

Green MP Sue Bradford says the minimum wage should be raised to \$12 an hour for everyone 16 years and older. Bradford: "Hundreds of thousands of workers are still being expected to survive, and in many cases support their families, on wages that are well under 50% of the average wage."

Council of Trade Unions also believes the minimum wage is too low. Secretary Carol Beaumont says it should initially go up to \$11.05 an hour to take it to just over 50% of the average wage — the level it was in 1987. Beaumont: "The government should then set an objective to phase in a minimum wage equivalent to two-thirds of the average wage and phase out youth rates altogether.."

unemployment and a skills shortage "hangover" from inadequate training of tradespeople in the 1990s.

- An Australian **youth transitions** pilot study has concluded that intensive support helps young people make effective transitions from school to permanent work or tertiary study. International experience has consistently indicated that the failure of young people to make a successful transition from school is associated with long-term risks of young people being trapped in a cycle of unemployment, part-time work and involvement in government schemes.

Australia's Youth Commitment is aimed at preventing the systemic **marginalisation** of a proportion of young people by providing an entitlement for each young person to access a minimum level of education and training in their post-compulsory school years. Under the Youth Commitment community partnership approach, each potential early school leaver is supported and assisted to complete Year 12 at school or with another recognised provider, or obtain an education or training qualification at an equivalent level such as a TAFE (polytechnic) certificate or apprenticeship, or obtain a full-time job linked to education or training.

Six **community partnerships** were established between 1999 and 2001 to explore the capacity of local communities to deliver the Youth Commitment. These community partnerships brought together a wide range of agencies involved in providing services for at risk young people. The Youth Commitment community partnerships also set out to provide access to independent information and advice so young people could make informed choices about their options to stay at or leave school.

The key finding of the review of the Youth Commitment community partnerships was that identifying potential early school leavers and providing them with **intensive support improves the chances** of young people making a successful transition from school. Throughout Australia, well over 40% of early school leavers are typically not in education or fulltime employment. But for those in areas with Youth Commitment community partnerships operating, the level was just below 30%. And over the review period only about one-third of early school leavers (in the pilot areas) received intensive support. This indicates that with more resources, greater levels of improvement are possible.

— *Local Investment. National Returns. The Case For Community Support For Early School Leavers*, a report on the National Youth Partnerships and Project by Peter Kellock, the Asquith Group, can be downloaded (54pg, 906Kb) from [www.dsf.org.au/papers/172/NATIONAL\\_INVESTMENT\\_0.pdf](http://www.dsf.org.au/papers/172/NATIONAL_INVESTMENT_0.pdf). The case studies (61pg, 148kb) from [www.dsf.org.au/papers/172/Case\\_Studies\\_NYC\\_FINAL\\_1.pdf](http://www.dsf.org.au/papers/172/Case_Studies_NYC_FINAL_1.pdf)

- What do a young people want from their employer? Australian researcher Mary Tresize-Brown says there have been many surveys of employers to find out what they want from their employees. These surveys have sought to inform the education system to make it more responsive to the needs of industry and Australia has developed an "employability skills framework" which identifies the personal attributes, skills and abilities that contribute to the overall employability of a young person.

But there has been little research into **what young people want** of their employers, on what can cause the breakdown of such a relationship, and why young people recommend particular workplaces and don't recommend others. The Tresize-Brown has done a study that aims to assist employers to become "youth ready" by identifying the skills, abilities and workplace practices that contribute to employers effectively inducting, managing and retaining young workers, and to be an employer of choice of young people.

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22 March 2005

New Zealand needs more graduates with practical skills, according to former Montana Wines chief executive Peter Hubscher. He tells the Regional Development conference in Napier the number of students graduating in agriculture, horticulture, food technology and engineering is declining and it is time the government reversed the trend. Hubscher: "We have myriad business graduates, yet there are shortages in other areas. If we want more production or engineer graduates then we need to encourage them at the expense of others who are really just transaction people."

Minister of Regional Development Jim Anderton tells the Regional Development conference in Napier that a shortage of skilled workers is the biggest single constraint on growth in the regions.

Tresize-Brown says what employers need to understand is there are some key differences between the "Builders" generation and their children — the "Baby Boomers" — and the young "Generation Y". The core values of the Builders and Boomers generations includes a strong work ethic, respect for authority, loyalty and commitment, financial conservatism, long-term planning, and delayed gratification. The values of Generation Y are drastically different: flexibility, variety, choice, freedom, pragmatism, and personal leadership. Tresize-Brown says employers need to recognise these variations if they are to successfully incorporate young people into their businesses.

The categorical message from both young workers and employers about working together is that **good communication** is vital. Good communication means a focused and complete workplace induction, a recognition of generational differences and good management skills.

Among the key things young people want from their employer:

- training and orientation to be part of their formal induction programme,
- job-related training both within and outside their workplace,
- good support while discussing and establishing their employment contract,
- good rapport with supervisors.

— *Employers and young workers*, by Mary Tresize-Brown of the Brotherhood of St Lawrence, February 2005, presented at the International Social Policy Conference, University of Melbourne, can be downloaded (27pg, 420Kb) from [www.public-policy.unimelb.edu.au/conference2005/Tre1.pdf](http://www.public-policy.unimelb.edu.au/conference2005/Tre1.pdf)

- Since the mid-1990s, Denmark has had an ambitious programme of **mutual obligation** between workers and the state. In Denmark, workers have no job protection and get no redundancy payments if they get laid-off or are sacked. Instead, they get a generous unemployment benefit paid for by their social security contributions and topped up by taxpayers. But they are obliged to take on training, further (or remedial) education, or other activities that will equip them with skills the economy needs and will help get them their next job. Danish labour economist Flemming Larsen told the International Social Policy Conference in Melbourne that five years after the strategy of "activation", unemployment was halved and caused hardly any bottlenecks or inflationary problems.

Tim Colebatch, economics editor of *The Melbourne Age* characterises Australia's attempt at mutual obligation as having been done on the **cheap and is disconnected** from the country's skills shortages. He says that sending people off to work-for-the-dole projects does little or nothing for their job prospects or for the economy. In contrast, Denmark has done it seriously and has shown it works. Colebatch points out that Denmark spends nearly four times as much, per capita, as Australia on active policies to help people back into the workforce.

- Conference keynote speaker Gunter Schmid from Germany says the reality of the modern economy is that people are likely to have many jobs and even careers. Schmid says governments have a key role in helping manage the transitions people make from one job or career to the next by minimising the **risks faced by displaced workers**. And governments need to "make transitions pay" by providing lifetime learning programmes that constantly improve people's employability.
  - The homepage for the *Transition and Risk, New Directions in Social Policy Conference*, hosted by the Centre for Public Policy at the University of Melbourne can be found at [www.public-policy.unimelb.edu.au/conference2005/](http://www.public-policy.unimelb.edu.au/conference2005/)
- National Party leader Don Brash says he would axe the programme which allows **would-be artists** to receive the unemployment benefit while they develop their career. The Pathways to Arts and Cultural Employment

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24 March 2005

The world's biggest retailer, Wal-Mart, is fined \$US11 million because it used cleaning contractors who employed hundreds of illegal immigrants to clean its stores.

25 March 2005

Television production company Cloud 9, which left NZ for Queensland two years ago, is returning. Chief executive Raymond Thompson promises more than 100 new jobs will be created as the company begins shooting a new programme.

The pace of NZ's economic growth has slowed for the third consecutive quarter. The economy grew 0.4% in the December quarter.

(PACE) programme allows artists to be supported by a benefit while they perfect their crafts without having to accept a job outside their chosen field. Brash: "Ambition is one thing; fantasy is another. This programme will go under a National government."

ACT Party MP Muriel Newman has also called for the scheme to be scrapped. Newman: "The workforce is crying out for workers. People should be expected to take on some responsibility for earning a living ... even if it isn't their dream job."

- But Associate Minister of Social Development and Employment Barker dismisses criticism of the scheme. Barker: "Why would you oppose something which gets people from unemployment into employment? There's no reason to even contemplate scrapping the scheme—it has been hugely successful. The argument that it allows people to opt out of the workforce is flawed. A person on the scheme has to be willing and ready to accept a reasonable job offer, and many of them do."
- School dental services are in "chaos" and one of the reasons is the **shortage of dental therapists**, according to the NZ Dental Association. Executive director David Crum says the shortage of dental therapists (formerly called dental nurses) will worsen over the next five to 10 years because nearly half the workforce will reach retirement age by then. In most areas, more than half of dental therapists are over 40 years old and in some areas most are over 50. The number of dental therapists in New Zealand has reduced from 1,500 in the 1980s to 575 today.

To help address the shortage, the government has added dental therapists to the Immigration Service's Immediate Skills Shortage List. This is hoped to help recruit and retain experienced overseas dental assistants by giving them priority when applying for longer work permits.

- But the National Union of Public Employees says bringing in overseas dental assistants will work only if pay rates are sufficiently competitive to attract them. It believes current pay rates will not be enough to attract skilled workers to New Zealand, or if they do come they will go into private practices rather than work in comparatively low-paid school dental clinics.

The deterioration in the overall condition of New Zealand children's teeth, declining dental therapists staff numbers and outdated equipment is forcing the government to plan a **reorganisation of state-funded dental services**. Details aren't expected for three months but Minister of Health Annette King says she wants new community dental clinics — which may not be situated in schools — to provide for many preschoolers, adolescents and low-income adults for whom state-funded dental services should be, but aren't, available.

- A Bill that would allow workers with young children to have more **flexible work arrangements** would overcome one of the key barriers to women considering nursing as a career and attract more young women into nursing, according to Geoff Annals of the New Zealand Nurses Organisation. The bill proposes that workers with young children have the right to request reduced, part-time or flexible hours to suit their family obligations. Annals says the vast majority of nurses and midwives are women and the lack of practical child-care arrangements is commonly given as a reason for leaving these professions.

Author of the Bill, Green Party health spokesperson Sue Kedgley, says the private member's bill is based on UK legislation which had been extremely successful in changing the work culture and employer's attitudes towards

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26 March 2005

Nearly three-quarters of mid-level workers in the human resource, IT and finance industries expect to change workplaces within two years, according to a survey by FrogRecruitment.

27 March 2005

The government is funding a pilot that will link information technology and communications students with businesses and industry bodies to encourage students to develop technical skills and a more entrepreneurial outlook.

allowing their workers more flexible working arrangements. Kedgley says the Bill would establish a framework in which employers and employees can negotiate reduced or alternative working hours. Kedgley: "It will not only make life better and more enriching for parents and children, but will also benefit employers. Overseas studies show that family-friendly strategies in the workplace reduce staff turnover and recruitment costs. They also reduced absentee rates, improve morale, employees loyalty and workplace productivity."

- The controversial repeal of the Disabled Persons Employment Promotions Act is set to go ahead, even though the Parliamentary Social Services Select Committee was unable to reach agreement on the legislation. Sheltered workshops — that generally **pay disabled people** \$50 per week (on top of their invalids benefit) — will soon have to pay their workers the **minimum wage** (\$9.50 per hour) or negotiate a special rate based on the level of each worker's disability.

Opponents to the change fear it will **cost disabled people** their jobs as sheltered workshops find it uneconomic to continue to offer what some consider to be a service. Former Health and Disability Commissioner Robyn Stent has emailed all 120 MPs warning that many workshops will close if they pass the Bill. She is disappointed the government is to go ahead without ensuring there was provision for those who were the most disabled.

Peter Fraher, manager of Abilities, a Glenfield workshop that "employs" people with intellectual disabilities, says Abilities would lose many of its contracts to China or other competitors if it is forced to pay higher wages. He has told the 81 disabled people at the workshop he cannot guarantee their jobs if the new law goes through.

- Minister of Disability Issues Ruth Dyson will give **no assurances** that all disabled people will retain their jobs after the changes come into effect. She says the change is not about closing sheltered workshops but about fair assessment of whether an individual in a workshop is actually working and, if they are, assessing whether that person should be paid the minimum wage. If they have limitations from performing the full requirement of their job, they can then apply for a minimum wage exemption. Dyson accepts that the change may make some contracts unviable. Dyson: "They may not have that job. It's the same with any business in New Zealand. We have standards that we expect our employers to meet. You could say we should have no environmental standards and no safety standards so that we can compete anywhere in the world. Is that what New Zealanders want?"

There are about 3,700 disabled people working in sheltered workshops in New Zealand.

- Economist Jeffrey Sachs has published a bold guide on **how to end** the most extreme forms of **poverty** in world, and how to do it in our generation. The book entitled *The End of Poverty* has been welcomed as a landmark publication by the United Nations and leading economic journals, and *Time* magazine last month published an extensive extract from the book.

Currently, more than 8 million people around the world die each year because they are too poor to stay alive. They die in hospital wards that lack drugs, in villages that lack antimalarial bed nets, and in houses that lack safe drinking water. Jeffrey Sachs: "They die namelessly, without public comment. Every morning our newspapers could report, 'More than 20,000 people perished yesterday of extreme poverty.' Sadly, such stories rarely get written."

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28 March 2005

Demand for workplace training is soaring, according to a survey by the Chandler Macleod Group. Rising demand for employee training and e-learning courses in both NZ and Australia indicate management is actively trying to attract and retain staff.

NZ's current account deficit was \$9.4 billion in 2004, or \$2,346 per every man, woman and child.

29 March 2005

Hundreds of children are waiting longer than the government benchmark of six months for non-urgent surgery due to a shortage of theatre nurses.

- Sachs has been described by the *Washington Post* as “simply the world’s greatest economic reformer”. He has a background in advising governments in Bolivia, Poland, Russia, India, China and Africa. Rock singer Bono from U2, who writes the forward to the new book, says that Sachs “... is an economist who can bring to life statistics that were, after all, lives in the first place. He can look up from the numbers and see faces through the spreadsheets ...”

Sachs is also a Special Adviser to the UN Secretary General Kofi Annan, and is leading the UN’s plans to reach the **Millennium Goal** of ending extreme poverty in the world by the year 2025. Sachs: “Since Sept. 11, 2001, the US has launched a War on Terrorism, but it has neglected the deeper causes of global instability. The nearly \$500 billion that the US will spend this year on the military will never buy lasting peace if the US continues to spend only one-thirtieth of that, around \$16 billion, to address the plight of the poorest of the poor, whose societies are destabilised by extreme poverty...”

- Sachs’s prescription for rapid improvements for the “poorest of the poor” involves what he describes as a multi-disciplinary “clinical” approach towards development tasks. He underscores the similarities between good development economics and good clinical medicine, concluding that because the **sources of poverty are multidimensional**, so too must be the solutions.

His conviction is that **everything depends on everything else** — for instance, you cannot cure poverty in Africa without beating AIDS, which requires infrastructure, which requires stable government ... and so on. *The End of Poverty* therefore outlines a far-reaching plan to respond to just about everything at once: from planting nitrogen-fixing leguminous trees to replenish soil fertility, to antiretroviral therapy for AIDS, to specially programmed cell phones to provide real-time data to health planners, to rainwater harvesting, to battery-charging stations. And these are just some of his strategies.

Sachs proposes that the UN Secretary General personally run the overall plan, co-ordinating the actions of thousands of officials in six UN agencies, UN country teams, the World Bank and the International Monetary Fund. The world’s richest countries would be called upon to pay for a large share of the costs of implementation.

Rather than a sense of how daunting the **world’s problems are**, *The End of Poverty* provides an understanding of how **solvable** they are — and why making the effort is a matter both of moral obligation and strategic self-interest.

— *The End of Poverty — Economic Possibilities for Our Time*, by Jeffrey D. Sachs, (Penguin April 2005) ISBN 1-594-20045-9. The *Time* extract can be downloaded (PDF 11pg, 478kb) from the UN Millennium Project website at [www.unmillenniumproject.org](http://www.unmillenniumproject.org)

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