

Making Hope Possible

— some thoughts on the Mayors Taskforce for Jobs

by vivian Hutchinson

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1.

Our communities are based on livelihood. You don't need any other reason to be at a meeting such as this. Livelihood underpins our ability to create whole and healthy communities. When livelihood disappears from our families and our neighbourhoods ... then the cohesion of our way of life starts to crumble.

Unemployment is the principal cause of poverty in our communities. There is research available that counts what should simply be common-sense: that when jobs disappear we start to see all the social problems that come packaged with poverty. We start to see problems with housing and overcrowding, and with physical health and mental health. We start to see people unable to participate in education, or get involved in the social life of their neighbourhoods. We see both sadness and bitterness in our young people. We see a rise in crime. These are all the countable and uncountable faces of the exclusion that follows the loss of livelihood.

Employment underpins our capacity to respond to all these social challenges. This is why ensuring jobs in your communities is a cornerstone of your leadership and governance roles as Mayors. The most important legacy you can leave your communities is a greater resilience of livelihood amidst these rapidly changing times.

Our communities have been experiencing dramatic changes to employment over the past twenty years — fundamental changes to where and how people earn a living. The last time we experienced such a deep change to employment was probably six generations ago at the beginning of the Industrial Revolution. Some of these changes over the past twenty years have been swift — like the impact of new technology in ushering in an economy based on information and knowledge, and the impact of economic globalisation on local jobs. Other changes have been slow — like the shifts in the nature of work in our culture, and in our personal lives.

It has become very common to describe the sum of these changes as a “paradigm shift” ... a shift in the pattern of our lives that calls us to perceive, understand and interpret our world differently. We can tell we are in the middle of a paradigm shift in terms of employment, because the changes that are taking place are not just affecting the poor and the unemployed. We now have another problem: *overwork* amongst those people who have jobs. This is because the paradigm shift we are facing is *systemic* ... it is having an effect on all layers of our communities. This is also why we are not going to solve our employment challenges if we simplistically focus all our attention on how we can better manage the poor and the unemployed.

2.

For most of my life, the “year 2000” has been a term people used to represent “the future”. The date has been an icon for describing “the future”. Television programmes that looked at futuristic inventions were called “Beyond 2000”. And even into the late 1990s, people still referred to the year 2000 as “the future”.

Well, the future has arrived. We’re here now. And beyond the fireworks of New Years Eve, we find we have reached “the future” with many of the same old challenges still on our plate. In terms of livelihood, we have reached 2000 with large parts of our communities still carrying the burden of unemployment.

One of the most recent groups that looked at “the future” of work in this country was the 1994 Prime Ministerial Taskforce on Employment. This Taskforce was the last time we had a community-wide initiative looking into the deeper trends affecting work and income and what we could do about them. This Taskforce described employment as “... New Zealand’s greatest challenge”, and it asked our country to set clear goals on jobs. It said that, by the year 2000, no-one in New Zealand should be out of work or training for longer than six months. And it listed 120 recommendations on how this goal could be pragmatically achieved.

We can look back now and see what has happened. “The future” has arrived and we are nowhere near that goal-post. The political response that followed the Taskforce was dismal and dismissive. We saw the piecemeal implementation of parts of the Taskforce recommendations — ignoring the coherent package which could have been effective and produced real change. We all know what has happened instead. We saw a massive re-organisation of the public service, and the birth of Winz, and a range of political, bureaucratic and public relations campaigns directed at our growing underclass. This was indeed change ... but it produced very little impact on the *systemic* issues confronting us.

The 1994 Taskforce was saying that “the future” of work was coming quickly ... and they were hopeful that we still had time to do something sensible about it. The Taskforce recommendations were a challenge to our politicians and bureaucrats to perceive, understand and interpret our world differently. But the political response of the late 1990s could be summed up as “accentuate the positive” and “apply the old paradigm more stridently”. Consequently, we have entered “the future” with the same old baggage.

So here we are, at the year 2000, with half the Mayors of this country meeting to look at a Taskforce for Jobs. I realise that Mayors haven’t done this before, on this particular issue ... but there are many elements of your meeting here today that will be an echo of the 1994 efforts. It is obvious that you have inherited the same sense of urgency and concern for what is continuing to happen to livelihood in your communities.

I would hope that this meeting is an indication that we are *culturally* renewing our commitment to facing the employment issue, and also renewing our commitment to the sorts of goals that were set back in 1994. I would also hope that we have learned from the 1990s on how to wade through the layers of denial and obfuscation that seem to come naturally with these issues.

3.

Sometimes it is very hard for us to see the longer-term trends affecting work and income in our communities. This is especially true if we surround ourselves with public relations departments and “good news” stories. It takes something like last year’s Portal Report to give us a wake-up call. I know many of you have read it ... and have found its conclusions disturbing, particularly for rural and provincial New Zealand.

The Portal Report was commissioned by local government leaders in the central North Island and it looked at the social and economic state of “Zone 2” Local Government area — which includes the Waikato, Coromandel, Bay of Plenty, Taupo and Gisborne regions. It researched the state of employment and unemployment in the region, analysed the changes to demographic structures, changes in educational achievements, and changes in income, housing prices, business and occupations, and indicators of social well-being such as crime, housing, health status and the voluntary sector.

The Portal Report shows that, over a ten-year period, the “Zone 2” region has fallen behind the rest of New Zealand in terms of its social and economic quality of life. Almost all the indicators have been gradually deteriorating. There are increasing levels of dependence in the region and the population is becoming less educated. Specifically, there has been a reducing proportion of young people staying in the region, and for those who do stay, there are marked disadvantages in terms of health, education and employment opportunities.

Other Mayors around New Zealand have looked at this report and recognised the picture it portrays. My own Mayor in New Plymouth, Claire Stewart, told me that “we can’t gloss over the fact that provincial New Zealand is in crisis”. Stewart says: “We urgently need central government and the private sector to work with local government to turn the tide. Without a comprehensive nation-wide effort, the bleeding of provincial New Zealand will become terminal...”

Tim Shadbolt, the Mayor of Invercargill, also warns that while there is growth in the four main cities (and Queenstown) ... most of provincial New Zealand is in decline. He describes the fact that Invercargill has the lowest unemployment rate in New Zealand as “ironic”. Shadbolt: “It is ironic because we are also the fastest declining city in Australia or New Zealand. People are leaving the city because there are no jobs...”

But even a growing economy in the big cities is no guarantee that this will create enough new jobs. The Mayor of Christchurch, Garry Moore, told this meeting last night that his city is now experiencing its sixth consecutive quarter of economic growth ... but the numbers of unemployed in Christchurch are stubbornly remaining the same. This illustrates a trend that is hard to swallow: in the new economy, economic growth does not automatically produce the same numbers of new jobs that growing economies produced a generation ago.

If you need more confirmation of the urgency of what we are facing, at 2000, then you only need to read the briefing papers to new Labour/Alliance government.

The papers from Treasury are especially interesting. As one commentator put it, Treasury seems to have discovered “poverty” in New Zealand. The briefings certainly seem a marked change to the papers that have been presented to incoming governments over the last decade. Treasury is now giving clear warnings to its government on “social cohesion” and concepts of “inclusion”. It warns we need to do much more to increase the skills of New Zealanders, and address issues of “participation”.

The briefing papers from the new Department of Work and Income, or Winz, are also very interesting. There is one phrase in the briefing —that sticks out for me — where Winz comments on the continuing employment and income gaps between Maori and Pakeha in this country. The briefing makes the observation that: “These disparities have been well documented and in large measure have been resistant to current interventions”.

You could write a whole book based on that particular statement.

But it is the briefing paper from the Ministry of Youth Affairs that stood out most for me. This is our Ministry of our future. These papers reveal that a greater proportion of young people today live in low-income households. The real time-bomb is shown in the fact that young people’s income has decreased by nearly 45% in the last decade.

4.

These reports and papers are really telling us that “the labour market” has failed. It has failed in its central task of generating jobs and then matching people to them. Most of the key institutions that make up the labour market — business, government, education, unions — have failed to keep pace with the rapid changes in technology and the impacts of globalisation on our local jobs. Now, in a growing economy, we are finding our learning institutions and training providers are not producing enough employable people ... and the opportunities for adults to learn and re-learn are plainly inadequate.

The reason why these labour market challenges have been “resistant to interventions” is because the interventions haven’t addressed — or have been in denial about — the deeper and systemic layers of our problems.

Most of the programmes that have come out of government, so far, have been short-term fix-it schemes with shallow commitments (and a cynically high public relations value). To some extent, this is reflective of the new global economic landscape and the politics that comes with it. The new economy is fixated on short-term returns. The eye of business is fixated on the next quarterly report. The eye of politicians is fixated on the next election. As new technology forces things to speed up, our cultural attention span gets shorter and shorter. We start to lose the capacity to address “the big picture” and the longer-term issues that go with it.

One of the most important tasks of *governance* at this time is to try and bring back longer-term thinking onto the critical issues facing our communities. We need to regain our capacity to talk to each other — frankly — about the long-term trends affecting work and income.

Robert Reich, the former US Labour Secretary with the Clinton Administration visited this country a couple of years ago. He writes that:

“ ...it is not difficult to tally preferences in this era of instantaneous electronic polling and of sophisticated marketing techniques for discovering what people want and how much they want it. It is a considerable challenge, however, to engage the public in rethinking how certain problems are defined, alternative solutions envisioned and responsibilities for action allocated.”

This “considerable challenge” will also be on the agenda of the Mayors Taskforce for Jobs. What can you do to help our communities rethink the longer-term changes to employment?

Part of rising to this challenge, is to ensure that our long-term thinking is reflected in our goals. These days, when I am asked about my goals in employment action, I am no longer satisfied with an objective of getting unemployment down to a level of 2 or 3 percent. I am no longer even satisfied with the goal of ensuring that no New Zealander is out of work or training for longer than six months. I now believe our goals have to be *culturally* deeper.

My goal today is that every New Zealander will have the opportunity of livelihood in our communities. My goal is the “zero waste” of New Zealanders.

5.

It is not too ridiculous to plan for a “zero waste” of New Zealanders. What is more ridiculous is the notion that we plan to have a “natural” rate of unemployment. Unemployment is no more natural than rising crime, and no more inevitable than inflation.

Treasury has been using economic forecasting models that include what they describe as the “nairu”, or the “non-accelerating inflation rate of unemployment”. The Treasury models throughout the 1990s were setting the nairu at around 6%, and managing the economy with this built-in expectation.

This economic ideology can also be seen in statements from bankers like the Westpac Trust, who in their February issue of *Economic Overview* describe New Zealand’s unemployment rate of 6.3% as “worryingly low”.

If we plan for a level of level of unemployment at around 6% ... is it any wonder that this is the level of unemployment that we end up with?

Jim Anderton, our Deputy Prime Minister, and new Minister of Economic Development, has long been critical of Treasury's use of the nairu. Before the last election, the Alliance produced a document *Towards a New Monetary Policy* which included its analysis of the effect of the nairu doctrine on employment and inflation levels. It points to:

“... an extraordinary contradiction at the heart of government policy, where initiatives such as “work for the dole” and “the code of social responsibility” suggest that it is the fault of the unemployed that they are out of work. However, if the economy were to somehow grow enough to absorb the unemployed, the Reserve Bank, wanting to avoid any outbreak of inflation, would immediately raise interest rates to slow the economy down, and unemployment would rise again. Under current policy, New Zealand is condemned to having a large, permanent pool of unemployed people.”

Jim Anderton obviously does not accept this. Nor do the majority of New Zealanders. In almost all the surveys that have asked, New Zealanders say they would prefer to have an economy that has full employment, or at least something close to it.

The Minister of Social Services and Employment, Steve Maharey, is also critical of this economic framework. In a letter to this Taskforce meeting today, he writes that the assumption on the part of policymakers that there is a “natural” rate of unemployment is “...one of the more disturbing aspects of policy orthodoxy over the last decade.”

It will be a challenge to the new Labour/Alliance government to change this policy orthodoxy ... and bring a goal like the “zero waste” of New Zealanders into its framework for economic management.

6.

When we talk about answers to unemployment, the conversation naturally gravitates towards what we can do locally to promote business and economic development. This was certainly the case when you gathered here last night and shared stories about what is happening with employment projects in your areas.

There is a tremendous amount of good work that can be done here. You could spend the entire time at a Mayors Taskforce for Jobs talking about how to move a traditional district council away from its old “bricks and mortar” focus ... towards a more entrepreneurial council which plays a direct hand in economic development.

I have an extensive background in the business development area. I set up the first business training courses for unemployed people called the *Skills of Enterprise*, which were run at the Taranaki Work Trust. These courses later spread around the country under the name of *Be Your Own Boss*. We also set up the Enterprise Centre and one of the first Enterprise Facilitation schemes that ran under contract to a district council. These projects later got absorbed into the newer agency called Venture Taranaki. Meanwhile, I have been actively promoting the development of local economic development units within councils around New Zealand.

Given this background, I have to say that it has been one of the hardest things for me to accept that for all the good work I was doing with economic and business development ... it wasn't going to be enough. If my deeper *cultural* goal is the “zero waste” of New Zealanders ... then I need to accept the reality that all the exciting new jobs we were creating are not going to be enough to replace the other jobs being lost in areas hit hard by new technologies and a globalised marketplace.

This is not to say we should stop our business development work. But we do need to wake up to the new ball-game. The economic trends commentator Jeremy Rifkin continues to point out that we are the first generation to face the fact that the cheapest worker, or the most exploited worker, anywhere in the global economy, will not be cheap enough to compete with the new technologies coming on stream to replace them.

Have you woken up yet? If you think we have traveled through difficult times in terms of employment and job shifts in the last twenty years ... then you probably haven't yet started looking *past* the year 2000. The next twenty years promise to have an even more dramatic and transforming effect on the nature of work in our communities.

The growth of computer power is not happening steadily — it is happening exponentially. Computer power is doubling (and getting smaller, faster, cheaper and smarter) every eighteen months. The same thing is happening to biotechnology and the biological knowledge which is going to have a transforming affect — for good and bad — on agriculture, nutrition and health care. We are also starting to see the same sort of accelerating growth in the fields of artificial intelligence and nanotechnology.

Jeremy Rifkin is not overstating the case when he writes that:

“Only by building strong, self-sustaining local communities will people in every country be able to withstand the forces of technological displacement and market globalisation that are threatening the livelihoods and survival of much of the human family...”

A recent feature in the *Listener* outlined the massive changes predicted to occur in the New Zealand job market over the next twenty years. The *Listener* observes that we, as a country, “... have no coherent strategy on how to cope with this.”

Massey Professor David Thomson says in the article:

“There is good evidence mounting that we are in the midst of a historic shift in the nature of work. We’re already deeply into this change, which is happening so fast and is so contrary to our expectations or values or wishes that few yet recognise it or are willing to confront its implications ...”

The Labour/Alliance government is doing a great deal to get the jobs issue back onto the top of our political agenda, and has taken on the job of getting “a coherent strategy” into place. In the face of the graphic warnings contained in its briefing papers, this is a government that has already done much to lift the spirits in our communities ... and the expectations on them have become very high.

The *New Zealand Herald* recently gave generous coverage to the first 100 days of the new government, describing “a new mood of optimism sweeping the country”. Gavin Ellis, the *Herald’s* editor-in-chief, wrote an essay arguing that the key to moulding New Zealand’s collective future will be the acceptance that, at the beginning of the 21st century, social equity should not be defined by the social structures that were the product of the 19th century. Ellis writes:

“The government can play the leading role in redefining our social expectations. It can point to new social structures and new approaches to the way we work and live. It could begin, for example, by asking a simple question: what is work? The answer may revise traditional concepts of employer and employee and usher in the age of the freelance entrepreneur. The electronic environment can create a whole new breed of productive people who do not fit neatly into existing definitions of work and employment...”

These comments from Rifkin, Thomson and Ellis illustrate the deeper challenges facing you as Mayors here today. The Mayors Taskforce for Jobs can do a lot to serve our communities by “creating the space” to re-think how our employment problems are defined and how longer-term solutions can be envisioned.

7.

In my capacity as editor of *The Jobs Letter*, I am often asked: Where are the new jobs going to come from?

Of course there are going to be many new business opportunities, and hopefully these will also be in the regions. But new business opportunities will not be the only drivers of future employment.

The jobs of the future will also come from us *valuing different things*. They will come from the acts of community and cultural leadership that have the capacity to make choices for a common good. These jobs will not come from acts of economics or business development as we traditionally know it ... these jobs will come from acts of governance.

This is why I see Mayors and local authorities being in the front-line of our future employment strategies — because you are the people with the “commission” to express this different sense of what we value.

The job-rich areas of the future will emerge in two main sectors: The first sector contains the jobs that come from *choosing to look after one another better*. The second sector contains those jobs that come from *choosing to look after the earth better*. Both these sectors are very rich in terms of job potential.

These sectors are not driven simplistically by market desire. They are driven by the governance choices that communities make through their leaders ... choices that inevitably find their way to your tables as Mayors.

When we choose to *value different things* ... then business in your local economy follows.

The great paradox is this: at a time of high unemployment, we are surrounded by countless examples of good work that needs to be done. But it is work that needs to be valued ... even though, as Gavin Ellis says, it may “not fit neatly into existing definitions of work and employment”. A further paradox is that the skills to do these jobs are not dependent on high technology ... they require the caring, high-touch, earthy and practical skills that are already held in abundance by unemployed New Zealanders.

8.

There is a new cry in the commercial world for business practice that takes into account *social responsibility*. This is reflected here in New Zealand with groups such as the NZ Business Council for Sustainable Development (led by Fletcher Challenge chief executive Michael Andrews and Warehouse founder Stephen Tindall) and also Businesses for Social Responsibility (led by breakfast cereal manufacturer Dick Hubbard).

The establishment of these organisations is a very welcome signal of change in the business world, and a balance to the sort of ideology being promoted in the 1980s and 90s by the Business Roundtable. But there is a warning here: we don't need to turn businessmen into social workers ... any more than we need to turn social services into cut-throat business entities.

The missing element here is what could be described as the *social entrepreneurs*. These are the people who can *make hope possible* in the face of stuckness, uncertainty and despair.

The social entrepreneur looks at our need to value different things and can also figure out how we pay for it. These people work out how new ways of doing things can become both politically saleable, and also economically pragmatic.

The economics behind social responsibility is not fanciful ... but it does require us to think long-term. This is well illustrated in Paul Hawken's recently-published book *Natural Capitalism*. This book shows us that the economics of looking after one another better, and looking after the earth better, do stack up, and it contains numerous examples of innovative and profitable businesses which are putting these principles into practice. But they are principles and practices that only stack up if we approach our challenges with a long-term perspective.

Mayors are in the best place to do this sort of long-term thinking. You can do a lot to support the social entrepreneurs that are needed in your communities. You are in the best place because ... no matter what good signals we may be getting from the government in Wellington these days ... hope is made possible *at the local*.

9.

We are surrounded by insurmountable opportunities to put our choices to *value different things* into action. I want to give a few examples to illustrate what I mean here ... and also give some provocative propositions.

Firstly, if you value being better informed about these issues, then I think we should be asking the government to quickly establish a Future of Work unit within the Department of Labour. This will be a necessary component in your work ahead because this is a time when all leaders in our communities need to be better resourced with information on how the trends on work and income are progressing. A Future of Work unit will be an important component in ensuring that your work will be wiser and more effective.

10.

If we value our young people, and care about the future we are leaving to them ... then our top priority has to be setting clearer *cultural* goals for the education and employment of people under the age of 25.

I think it is perfectly pragmatic and achievable to set the goal that no young person under the age of 25 should be out of work or training in our communities. I also think this can largely be achieved with the resources we have right now. The missing component is the co-operation, collaboration and co-ordination of all those agencies and departments which have resources and influence on the future of these young people.

Where will young people get jobs? A growing economy will absorb a lot of them if we can get the skills-match right. But I think we also need to look to the not-for-profit sector, often referred to as the Third Sector (after the business sector and the government sector) for new business opportunities. This is the sector that is about looking after people and the earth better ... and we already know that our young people enthusiastically respond to these vocations.

I think we could employ a young person in every trust and not-for-profit organisation in our local regions. For some of these trusts, it would be a direct challenge to making themselves relevant to the future as seen through the eyes of the next generation. For some of these young people, it would be a challenge to ask themselves the question: what is my contribution to a common good?

How would we fund it? Well, the place to start would be knocking on the doors of your local community trusts and asking them for the “top-up” money to go with the existing Winz job subsidies that are available. This is how the Christchurch City Council set up its adult employment scheme — as a funding partnership between the council, Winz and the community trust.

The community and energy trusts are already putting a lot of money into the not-for-profit sector through their annual grants. They are in fact the biggest players in the philanthropic sector in this country. By focussing a part of their grants towards employing young people in local not-for-profit work, they would be leveraging more social outcomes ... for the same money.

11.

Last month's government announcements on Modern Apprenticeships have met popular approval in our communities. The government has shown its determination to increase the numbers of young people in apprenticeships, and this new scheme will be targeted mainly at people aged 16-21 years.

Steve Maharey, who is also Minister of Tertiary Education, points out that (according to the last census) *a quarter* of all 16 and 17-year olds are not in education, training or full-time work. And while the numbers of those in organised training through Industry Training Organisations (ITOs) have gone up in the last ten years ... only 10% of the present trainees are under the age of 20 years.

The Modern Apprenticeships scheme brings into play a whole new element by employing "apprenticeship co-ordinators" (drawn from ITOs, polytechs, private, Maori and community training organisations) who will recruit the apprentices, act as mentors, and ensure that their training is completed. This addresses the fact that many businesses, particularly small traders, are reluctant to take on apprentices because of the administration costs and compliance responsibilities as an employer. And it opens up the possibilities of "group apprenticeships" ... where an apprentice might be shared around several small employers.

But while it is a welcome sign that the government is pouring \$5.5 million into this co-ordination effort ... there is a lot more that could also be done to get young people into on-the-job training.

We know that the smaller employers are operating on very low margins ... and even the help that Modern Apprenticeships will give with administration and co-ordination is not going to be enough. Taking on an apprentice is going to cost these businesses money, and it may be 12-18 months before these young people start to pay their own way. Once they complete their training period, it is also often the case that these apprentices move on.

I support the idea that if a young person has been out of work for longer than six months, then they should be able to take "the dole" with them to an apprenticeship opportunity ... if that's what it is going to take to open the door to the skills training.

We've got to start thinking of our welfare money as an *investment* that we can collectively make in that young person's future. We should pay the employer the equivalent of "the dole" for the 12-18 months that it takes for that apprenticeship to become financially productive. This sort of investment could put hundreds more apprentices back into the skilled trades that are sorely needed in our growing economy. The pay-back is long-term ... as these apprentices become skilled employees and taxpayers rather than welfare recipients.

12.

If we value business and economic development ... then we need to invest in the sort of infrastructure that will have a definite spin-off in local jobs. This infrastructure is about "capacity-building", and it will never be done by the private sector alone ... because it involves players that cross over many different sectors, from business and community interests, to local and regional authorities and national government. Again, this is the important role that Mayors and local councils can play ... because you have

the commission to bring a variety of sectors and interest groups together for a common good.

This year we expect the tourism industry to take the number one spot as New Zealand's single largest foreign exchange earner. Tourism NZ reports that spending by tourists is already exceeding the ambitious targets set by the agency just seven months ago. The Tourism sector is already generating a lot of jobs ... and we can do much better.

One project worthy of better support is the development of the Te Araroa — The Long Pathway ... envisaged to stretch from Cape Reinga to Stewart Island.

The Te Araroa Trust was established in 1994 to get a walkway established over the length of New Zealand, "by the year 2000" (sound familiar?). It is an idea that has been around for over twenty years before that, and it was also one of the goals of the NZ Walkway Commission.

Waitakere Mayor, Bob Harvey, is the deputy chairperson of the trust and its patrons are Sir Edmund Hillary and Wilson Whineray. The trust has already produced plans for its first stage — a North Island foot trail which is 1,175 kilometres long, 90% off the highways, and much of it taking in a huge variety of existing walkways along coastlines, rivers, mountains and towns.

But this trust and its vision has yet to receive the sort of national backing a project like this deserves.

Imagine if this national walkway was already in place right now — the new opportunities generated in the local economy would be enormous: bed-and-breakfasts, tours and local campsites. It is the sort of "big idea" that will attract not only the overseas backpacker but also the domestic holiday-maker — walking The Long Pathway could become an important affirmation of our relationship to this land.

You can imagine the sort of collaboration needed in a project vision that is this big. And you can also imagine the spin-off in terms of jobs which would be ideal for your local unemployed.

Some councils have already started to get in behind this work. Porirua Mayor Jenny Brash has just opened the new Raiha Walk in Porirua City — the first council walkway in New Zealand to carry a Te Araroa sign. The Wellington City Council looks likely to follow this lead by aligning its own walkways with the Te Araroa vision. The Wellington Regional Council is considering a \$100,000 plan to take Te Araroa onward past Porirua to Paekakariki. From there, a community group, Kapiti Environmental Action, plans to create a multi-use trail parallel to the coast. The Kapiti District Council gave KEA the go-ahead last December.

This is just the sort of infrastructure project that requires the leadership and co-operation that a Mayors Taskforce for Jobs could provide. Your support and advocacy of this project could be an important lever in making Te Araroa achievable. In ten years time, we could see the Mayors of this country walking over their piece of The Long Pathway ... celebrating their contribution to this accomplishment, and the good work and employment opportunities that have been generated along the way.

13.

Another good example of this sort of "big thinking" can be seen in Southland and South Otago. Here, the Topoclimate South project aims to provide essential information

on local soils and climate which will take the guess-work out of developing alternative land use opportunities. Frana Cardno, the Mayor of Southland, spoke about this project last night. I share her enthusiasm for this work ... and not just because two other Hutchinson brothers are involved in this project! This is an illustration of a strategic investment in knowledge that will also have an obvious spin-off in terms of jobs. The pioneering work being done in Southland will have implications for rural and regional enterprise throughout New Zealand.

One of the main constraints to the sustainable development of horticulture in the region has been the lack of reliable information on the soils and climate within potential production areas. A lot of rural people went sour on alternative land use because they hadn't planted in the right places, or they hadn't worked as part of a group to see their products marketed properly.

Topoclimate South is using high-tech data-loggers to map the favourable micro-climates and pockets of land in the region that could support intensive horticulture. It is also working closely with another economic development trust, Crops for Southland, which has been set up by commercial interests, farmers, growers, and scientists in conjunction with the regional and local authorities. Crops for Southland has been researching the alternative crops that can be grown in the region (such as Meadowfoam, Boronia, Cranberry, Gentians, Paeony, Valerian and Wasabi) and developing the markets for these crops which will make new enterprises viable.

The job opportunities inherent in this strategy will be considerable. Topoclimate South quotes research by the Dutch government which says that one extra job is created for every hectare converted to intensive horticulture ... and, in addition to this, an extra eight positions are created downstream. There is no equivalent research for NZ conditions, but the Southland groups are conservatively predicting there will be an extra job created for every hectare of horticulture developed in the region ... with four more jobs downstream in the regional economy.

If only 0.5% (5000 hectares) of the land planned for the Topoclimate South Survey (800,000 hectares of Southland) is converted to more intensive uses as a result of the programme ... then this could lead to the creation of up to 25,000 new jobs.

This project is an excellent example of investing in longer-term development. Unfortunately, the previous government was slow to see its potential and get in behind it. But the indications are that Prime Minister Helen Clark and the Minister of Economic Development Jim Anderton are keen on the concept, and will back it with the money it needs ... especially as the people of Southland are promoting it as a regional priority.

Local economies become more resilient if they have more options. The information that comes from a Topoclimate survey puts these options into the hands of local people. It is only a matter of time before other regions around New Zealand will see the sense of this ... and start to copy this initiative.

14.

Warehouse founder Stephen Tindall is working towards the goal of New Zealand becoming the first sustainable country on earth. He has been focussing much of his philanthropic efforts through the Tindall Foundation and the Zero Waste NZ Trust. This trust has been distributing information on the strategies and interventions that councils can put in place to achieve the target of zero waste to landfills. Already, fourteen district councils have pledged to achieve as close as possible to 100% recycling and reuse of

their waste streams by the year 2015. The point is to make disposal to landfills the absolutely last option for their local waste.

Opotiki Mayor Don Riesterer is a passionate advocate for the zero waste challenge to local government. Riesterer says:

“It is the way New Zealand has to go if we are going to maintain our clean green image that is so precious to our markets overseas ... if it saves the environment, and if we don’t put in place a huge timebomb in landfills for future generations, it will be certainly worth it.”

The zero waste objective isn’t only going to be good for the environment. The other main reason why a council should get in behind this vision is because it will generate local jobs. The waste stream has the potential for hundreds of jobs coming from the recovery and re-use of what was previously thrown away as “rubbish”. If you are interested in more information about this, *The Jobs Letter* has just put out a special issue which brings together the local and international research on the “jobs from waste” that are being created right now.

Warren Snow from Zero Waste NZ sees “waste” centrally as a social and economic development issue ... before it is a technical one. His thesis is that you solve the waste problem in our communities by creating business opportunities and giving people good work in this field.

Snow predicts that if every council tomorrow decided to make their transfer stations into resource recovery centres ... then they would immediately create 2,000 jobs throughout the country. That’s stage one. In five years, he says you can multiply these jobs by a factor of ten as new employment is created by the niche recovery opportunities that flow from the recovery centres. These will be jobs in all the community groups and small businesses which rise to the opportunities created from this waste.

Snow further predicts that, in ten years, you can multiply these jobs by a factor of twenty as the infrastructure grows around recycling as an alternative technology to landfilling, and still more opportunities for employment are created. His predicted total: at least 40,000 jobs after ten years coming from councils choosing to follow a zero waste strategy.

15.

I share Stephen Tindall’s goal that New Zealand could become the first sustainable country on earth. Just as this country was considered “a social laboratory” for the world at the time of the rise of the welfare state ... then perhaps we could also become a “social and environmental laboratory” as the global economy starts to explore the new practicalities of *natural capitalism*.

If we reach this goal, then it is possible that we could even go further. I believe a deeper goal could be for New Zealand to become the world’s first *restorative* country.

Sustainability means much more than just recycling and re-using our wastes. It also means cleaning up the damage to the environment we have already done, and the active stewardship of resources for future generations. If we value these principles ... then there is plenty of good work to do ... and there will be completely new job descriptions revealing themselves around us.

We don’t need to look overseas for the wisdom and experience that can teach us how to get on with this task of stewardship. Maori people have a long cultural tradition

that speaks to us of *kaitiakitanga*. I believe this indigenous wisdom has the potential to reshape many of our current institutions as they change their “missions” to embrace more of a restorative and stewardship role.

And this may be reflected in a new type of employment on the land. It might seem absurd today ... but my own long view is that one day we will see a person or family employed on every river and watershed, every beach and stretch of coastline ... to be the active *kaitiaki* of these resources. This work will involve the skills of active restoration projects — perhaps taking generations — as well as the education and hosting of visitors to the particular areas. This may seem a totally fanciful idea, but I am encouraged by the words of Albert Einstein when he says that “...if at first the idea is not absurd, then there is no hope for it.”

Fanciful or not, such a concept would be a challenge to the Maori Trust Boards, now receiving reparations from the Treaty of Waitangi settlements, to choose to spend some of their money on creating these new fields of social and environmental employment ... in preference to spending the settlements on mainstream business ventures.

It would also be a challenge to DOC and the Regional Councils to look at their work differently and create greater partnerships with local iwi ... partnerships which will see more young Maori employed on the land as skilled *kaitiaki*.

It could add a whole different cultural layer to our local tourism initiatives — something that would certainly be worth coming to this country to look at.

16.

All these examples will create jobs because we will be *valuing different things*. They also send an important signal of hope out into our communities that it is possible to respond to our employment challenges with plenty of practical initiatives.

I welcome the leadership that you are showing as Mayors in joining this Taskforce for Jobs, and choosing to collaborate on its objectives. I know you are not naive about the expectations that follow you into your choice to take up “... New Zealand’s greatest challenge”. But we’re not expecting you to create jobs all by yourselves.

We now have a government that has set its goals on jobs, and this is probably the best opportunity we have had, for some time, to forge “a partnership approach” between central and local government on these issues.

Your leadership will be important in maintaining our deeper cultural goals ... affirming the importance of livelihood to your communities ... and inspiring all New Zealanders to approach these challenges with renewed commitment and creativity.

I wish you well.

Vivian Hutchinson

vivian Hutchinson
7 April 2000

NOTES

- This paper is based on a keynote speech given by Vivian Hutchinson to thirty-one New Zealand Mayors gathered in Christchurch 6-7 April 2000 to launch the [Mayors Taskforce for Jobs](http://www.jobsletter.org.nz/vivian/mtfj2000.htm). It is also available on the internet at <http://www.jobsletter.org.nz/vivian/mtfj2000.htm>, or can be downloaded in pdf format at <http://www.jobsletter.org.nz/pdf/mtfj2000.pdf>
- Vivian Hutchinson has been one of the pioneers in community-based action for jobs in New Zealand, especially in establishing programmes for the support and education of unemployed people. He was a founder of the Taranaki Work Trust, and its associated projects in the Starting Point Employment Resource Centre, Skills of Enterprise Business Courses, and the Enterprise Centre. He has been involved in establishing many practical training programmes for unemployed people, and also local employment and trading networks such as Green Dollars. He is a founder of The Jobs Research Trust and currently the editor of *The Jobs Letter*.
- Special thanks to the initial core group of the [Mayors Taskforce for Jobs](http://www.jobsletter.org.nz/vivian/mtfj2000.htm): Garry Moore (Christchurch), Derek Fox (Wairoa), Sukhi Turner (Dunedin), Jenny Brash (Porirua), John Chaffey (Hurunui), Tim Shadbolt (Invercargill) and Jill White (Palmerston North), and also to Jan Francis and Linda Manco.
- 1994 Prime Ministerial Taskforce on Employment "... addressing New Zealand's biggest challenge". This Taskforce was chaired by Sir John Anderson, chief executive of the National Bank of New Zealand. Other members included Vicki Buck, Shona Butterfield, Ken Douglas, Bob Field, June Jackson, John Marsh, Steve Marshall, Paul Carpinter, Chloe Munro and Paula Redstock.

The 1994 Taskforce produced two major reports: *He Puanga Mahi Rau* Employment — Proposals for Action, and *Te Rongo Tangata* Employment — Summary of Consultations (November 1994). An essential summary of the Taskforce recommendations can also be found in *The Jobs Letter* No.6 (5 December 1994), available on our website at <http://www.jobsletter.org.nz/jbl00600.htm>.

- The Portal Report. *Provincial/Rural Impact Study prepared for Zone 2 of Local Government NZ* by Portal Consulting and Assoc. (March 1999).
- Briefing Papers. For an essential summary of employment-related ministerial briefing papers see *The Jobs Letter* No.115 (17 January 2000), available on our website at <http://www.jobsletter.org.nz/jbl11500.htm>.
- Robert Reich "... rethinking how problems are defined" as quoted in *Leadership for the Common Good* by John Bryson and Barbara Crosby (pub 1992 by Jossey-Bass Public Administration Series). The former US Secretary of Labour was in New Zealand two years ago for talks with the Labour Party regarding economic policy. He has pointed out that in the present context of jobless growth, it is the growing polarisation of industrialised societies — into an impoverished, "redundant", deskilled large minority and a small, affluent technical-professional elite — that must be faced and squarely dealt with by decision makers. Reich warns that the people in the middle are an increasingly "anxious class". See *A Warning Bell* in *The Jobs Letter* No.22 (3 August 1995) available on our website at <http://www.jobsletter.org.nz/jbl02210.htm>, or read Reich's book *The Work of Nations* (pub 1991 by Vintage).
- *Towards a New Monetary Policy*, Alliance Parliamentary Office paper written by David Steele, John Lepper and Petrus Simons (July 1998)
- Westpac Trust on unemployment rate "worrying low", quoted in letter from the NZ Council of Trade Unions to the Mayors Taskforce for Jobs 6 April 2000.
- Steve Maharey on "natural" rate of unemployment, quoted from his letter to the Mayors Taskforce for Jobs 4 April 2000.

- Jeremy Rifkin is the author of *The End of Work* (pub 1995 by Tarcher/Putnam), and *The Age of Access* (pub 2000 by Tarcher). For more on Rifkin's views, see our special issue of *The Jobs Letter* at <http://www.jobsletter.org.nz/art/rifkin01.htm>.

In more recent speeches, Jeremy Rifkin has been emphasising the importance of the not-for-profit, or Third Sector, in creating jobs. See his paper *Work, Social Capital, and the Rebirth of the Civil Society: A Blueprint for a New Third Sector Politics* from his speech to the NGO Conference For the 50th Anniversary of the Council of Europe, Strasbourg, June 1999, available on the internet at http://stars.coe.fr/Dossiers/Societe/E_JeremyRifkin.htm

- Massey Professor David Thomson was interviewed in *The Future of Work* by Bruce Ansley, *Listener* 4 September 1999.
- Steve Maharey on Modern Apprenticeships, quoted from his speech 22 March 2000 to the Salvation Army Employment Plus programme at the Salvation Army Wellington Corps. For more on the Modern Apprenticeships scheme, see *The Jobs Letter* No.121 (27 March 2000) at <http://www.jobsletter.org.nz/jbl12100.htm>
- Te Araroa Trust can be contacted at P.O. Box 5106, Wellesley Street, Auckland or visit their internet website at <http://www.teararoa.org.nz>
- Topoclimate South can be contacted at Topoclimate South, Maitai Field Office, 59 Main Street, Maitai phone 03-203-3960 or visit their internet website at <http://www.topoclimate-south.co.nz>
- Crops for Southland can be contacted at Crops for Southland, P.O. Box 903, Invercargill phone 03-218-7259
- *Jobs from Waste*, special issue of *The Jobs Letter* No.118, available on our website at <http://www.jobsletter.org.nz/jbl11800.htm>
- Zero Waste NZ Trust can be contacted at P.O. Box 33-1695, Takapuna, Auckland phone 09-486-0734 or visit their website at <http://www.zerowaste.co.nz>.
- *Natural Capitalism — Creating the Next Industrial Revolution* by Paul Hawken, Amory Lovins and L.Hunter Lovins (pub 1999 by Little, Brown). In this book, the authors present a manifesto that asks us to transform our fundamental notions about how business is done in this new century. The book argues that traditional capitalism is always neglecting to assign value to the natural resources and ecosystem services that make all economic activity, and all life, possible. Natural capitalism, in contrast, asks us to take a proper accounting of these costs. As a first step toward a solution to environmental loss, the book advocates resource productivity — doing more with less. It also shows how industry can redesign itself on biological models that result in zero waste, and recommends more investment in sustaining and expanding our environmental capital. Chapters and summaries of this book are available on the *Natural Capitalism* website at <http://www.natcap.org>.
- The Jobs Research Trust was established in 1994 "... to develop and distribute information that will help our communities create more jobs and reduce unemployment and poverty in New Zealand." Trustees and Associates of The Jobs Research Trust include Jo Howard, Dave Owens and Rodger Smith. Secretary is Shirley Vickery.
Our main projects are the production of *The Jobs Letter* and The Jobs Research Website. Last year, we won the Premier Award in the internet category of the 1999 NZ Media Peace Awards. Contact: P.O.Box 428, New Plymouth, Taranaki, NZ phone 06-753-4434, fax 06-753-4430, email jobs.research@jobsletter.org.nz, website <http://www.jobsletter.org.nz>
- Vivian Hutchinson has also written *It is the Local That Learns — some thoughts on community governance* (1999). This paper is based on a speech given to the Community Government Forum held at the Christchurch Convention Centre on 2/3 June 1999. It is available at <http://www.jobsletter.org.nz/vivian/comgov99.htm>.