

# The Jobs Letter

No. 114

21 December 1999

Essential Information on an Essential Issue

## KEY

INTERVIEW WITH  
STEVE MAHAREY

WINZ REVIEWS

WHO'S WHO

## DIARY

3 December 1999

Treasury announces an unexpected government surplus for the four months to October. The surplus means the incoming government has about \$300m more money than expected.

5 December 1999

The new government will not rush into raising the minimum wage or increasing benefits, as the Alliance is calling for. Prime Minister Helen Clark says the minimum wage will be lifted once information is collected that indicates the appropriate level of increase. She also says raising benefits \$20/wk was never Labour policy.

Clark says her immediate social policy priorities are to insure people have the opportunity to get off benefits. To begin with, the government is restoring the training incentive allowance to 100% of course fees and reinstating the training allowance for 15 and 16 year olds.

6 December 1999

Party leaders Helen Clark and Jim Anderton sign a coalition agreement.

Ken Douglas, former NZ Council of Trade Unions president, says the Seattle WTO demonstrations will be a watershed. Douglas, who was at the Seattle WTO meeting last month, says that in the future, no conference will be able to ignore public expectation that the world trading system must

• The heat is being turned up on **Winz**, which **faces an inquiry** into the government department early into the new year. As this issue of *The Jobs Letter* goes to press, **Social Services Minister Steve Maharey** and his Associates Parekura Horomia, Tariana Turia and Ruth Dyson were meeting Winz boss **Christine Rankin** and her key advisers to spell out a new direction for Winz and discuss terms for the planned inquiry.

In a special interview in this issue *The Jobs Letter*, Maharey makes clear that **he does not have confidence** in Ms Rankin and expects his government to be able to work its way towards gaining confidence in her and her department.

• Last week, *The Dominion* revealed that Winz had **employed consultants to help it prepare briefing papers** for the incoming government. This angered PM Helen Clark who was concerned at “the fundamental lack of capacity” at Winz.

Ms Rankin told *The Dominion* that Winz had employed consultants PricewaterhouseCoopers to help in the preparation of ministerial briefing papers. The consultants had performed a “co-ordinating and quality assurance role which included proof-reading”. Rankin would not reveal the cost of this exercise, saying that this information was “commercially sensitive” to PricewaterhouseCoopers.

Helen Clark: “You think of the branding advertisements Winz ran, which are completely unnecessary, but then it doesn’t have the capacity to write a briefing paper. I’m simply amazed. One is tempted to suggest that if Winz spent as much on core analysis as they do on public relations, the public interest might be better served...”

• Clark says that the government will look to **rebuilding the capacity of core government agencies** in the medium term ... so they would be able to provide advice without the assistance of consultants. She indicates that this will probably require building up staff in strategic areas. She says that many people who used to work in the public service have set themselves up as consultants and were often contracted in to do the same job.

The figures: Between 1990, when National was elected, and the end of 1997, the number of full-time state servants fell from 55,000 to just over 31,000 people.

• Green Party co-leader **Rod Donald** continues to call for Ms Rankin’s head to roll, saying that the recent use of consultants is just another example of extravagance and mis-management at Winz. Donald: “Rankin simply must go. There’s such a long list of failures ... I don’t see how she could stay...”

• The **Privacy Commissioner**, Bruce Slane, has questioned the Winz **benefit fraud recovery programme**, saying that figures suggest that the cost of the programme was greater than the amount being recovered, and he questions whether it was all as a result of “fraud”.

**The Jobs Letter** : ESSENTIAL INFORMATION and MEDIA WATCH on JOBS

EMPLOYMENT, UNEMPLOYMENT, the FUTURE of WORK, and related EDUCATION and ECONOMIC issues

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# The Jobs Letter

## DIARY

integrate the issues of the environment, human rights and trade union rights.

7 December 1999

As Trans Rail tells staff it needs to cut 42 jobs in Lower Hutt, only ten workers agree to step down. Rail and Maritime Transport Union's Wayne Butson says the ten skilled workers who agreed to leave are intending to move to Australia.

The directors of Trans Rail award themselves a 15% pay rise.

The Green Party takes up seven seats in parliament, after Jeanette Fitzsimons picks up the Coromandel seat on special votes, and the party also gains 5.2% of the overall vote, also on specials.

8 December 1999

A private employment scheme for people over 45 years old is yet to get a toe hole in Auckland. While Grey Skills in Christchurch employs 130 older tradespeople, Auckland manager Phil Mark says Grey Skills has been open in Auckland for a month but has had little success in attracting clients.

9 December 1999

As the new cabinet line up is announced, Steve Maharey will become the Minister of Social Services and Employment and takes responsibility for the community and voluntary sector.

PM-designate Helen Clark says there will be an investigation of what she calls a "culture of waste and extravagance at Winz".

In a move, partly designed to keep tabs on money tagged for Maori needs, Helen Clark appoints Sandra Lee, Tariana Turia and Parekura Horomia as Associate Ministers of Maori Affairs to keep tabs on the funding process. Clark: "... a very major and justifiable concern of Maori has been the disappearance of money spent on Maori needs in the budgets of mainstream government agencies."

The unemployment rate drops in Australia to 6.7%. However, the participation rate drops at the same time.

12 December 1999

A new telephone call centre is to be built in the Far North. Datacom says it will locate in the Far North

Figures supplied to Slane by Winz in relation to its data matching programme, which allows government agencies to share information, show that it **cost Winz \$9.4m to recover \$8.9m** worth of overpayments and penalties.

Slane also questions the suggestion by Winz that all the money it was trying to recover is as a result of fraud, saying that some of it related to overpayments that hadn't been returned yet. Slane: "One wonders what is achieved by stigmatising beneficiaries as criminals in these circumstances, and whether it does not have a reverse effect."

- As part of its data-matching programme, Winz shares information on beneficiaries with Corrections, Customs, Inland Revenue and ACC. Slane believes that estimates of the debt actually recovered in previous years was **highly debatable**, "to say the least...".

Slane: "The information matching programmes conducted by Winz have all been justified by promises of making enormous monetary savings by cutting back on what the department now routinely calls benefit fraud or benefit crime and recovering overpayments ..."

- Meanwhile, the credibility of Winz has been further shaken by the number of beneficiaries **successfully challenging decisions on benefit entitlements**. Winz has been proved wrong on more than three out of five cases examined by its own benefit review committees last year.

The number of complaints taken against the department has increased from 1,923 in 1997-98 to 2,050 last financial year. Yet the number of cases where the department has proved right has dropped from 854 to 813.

- A benefit review committee hearing looks at any new information relating to a case, ensures that legislation is applied correctly and that any discretion allowed has been exercised appropriately and according to the facts of the case.

Winz spokesperson Kate Joblin says she understands the majority of the decisions against the department were changed by the review committee because it was often presented with more information than frontline staff.

- **Wellington Downtown Ministry** director Kevin Hackwell is concerned that many more beneficiaries **are not getting their full entitlements**, but did not have the confidence, resources or time to seek reviews or appeals.

Hackwell: "It's about an attitude that some Winz staff and certainly senior management appear to have that they should minimise how much is paid out... A lot of the people go to the department for emergency help. They get turned down and by the time they apply for a review its too late.

"One of the problems is the department is minimising its paperwork, so fewer people are being told in writing about the decision being made and their review rights. People are encouraged to ask about their entitlements over the phone."

(continued on back page)

## INTERVIEW

# STEVE MAHAREY Minister of Social Services and Employment

... talks with *The Jobs Letter* editor  
Vivian Hutchinson.



***The Jobs Letter:* Congratulations on your appointment. I think many community groups will be pleased to be seeing a Minister of Employment again ... and that this role is being undertaken by a senior person in cabinet.**

*Steve Maharey:* Yes, I think that both the community groups and we, as an opposition, have complained loud and long that the word *employment* had disappeared from everything ... there was just nothing with the word *employment* in it.

The word *work* had replaced it in some places ... which seemed to signify that there was really not any effort needed to try and build real jobs with real wages attached. That's certainly what I hope we will take from this: that we are a "serious about jobs" government, rather than just being serious about trying to preoccupy beneficiaries...

***The Jobs Letter:* How do you see yourself working in with Jim Anderton's regional development portfolio? He has been promoting his role as also really focused on jobs...**

*Steve Maharey:* I think we'll be a jobs-focused *government* ... right from Helen Clark and Michael Cullen.

In practical terms, Michael Cullen has already signaled some interesting changes with the Reserve Bank which are job-friendly. And I think the appointment of Peter

Harris [as an advisor to Michael Cullen] is a very good sign, because Peter is certainly a jobs-focused economist.

I think that Jim Anderton, having the economic development portfolio, means that we are going to have a very strong focus here and also the application of some good tools to regional development ... with businesses being encouraged to grow.

I see my own role, because it runs from Social Welfare to Employment to Tertiary Education is very much a "human capital" approach.

What we are arguing is that the Labour Government is about investing in people to open up opportunities. My part in the mosaic is geared towards ensuring that we have very good policies for helping people to actively get skills, get education, get businesses started, get childcare, get the right kind of assistance from a Winz case manager ... ensuring that people are able to be employable ... so that our "human capital" has a place to go.

***The Jobs Letter:* How do your Associate Ministers fit into this picture? What will be their role?**

*Steve Maharey:* Well I'm pretty excited about the three people I've got working with me in the Social Services area. Parekura Horomia will be well known to your readers because he was the head of Community Employment Group. I think he brings not only that experience but also specifically a concern for Maori unemployment which has been identified by this government as one of the major areas of activity.

Tariana Turia will work largely in the child, youth and family area but will have a big part to play in the development of [the government's agreement with] community and voluntary groups, many of whom are involved in these kinds of activities.

Ruth Dyson will also be well known, and people with disabilities will be excited to know that she's in here because she's built up a very strong relationship with them. She will look after the day-to-day operations of the Work and Income NZ (Winz) with specific responsibilities in the disabilities area. So, I think that between the four of us there's a pretty interesting group of people involved.

***The Jobs Letter:* Do you see yourself as "rolling back" many of the Peter McCardle reforms which you were critical of when you were in the Opposition?**

*Steve Maharey:* It's not a "rolling back". I think I'd say that there's lots of things in Peter McCardle's original vision that I am comfortable with and I know that most people who are interested in jobs will be comfortable with. Peter came to parliament with a background with the Employment Service. He was very concerned that people were often left on the register for a long time. Nothing ever happened to them. He wanted early intervention. He wanted a regional approach.

There wasn't much to argue about with Peter except for the Community Wage idea which we rejected [at the time of the last government's coalition negotiations with NZ First] because it means beneficiaries will work for less than the minimum wage, doing jobs that go nowhere and we didn't want that. That's not our policy: a Labour policy is about real jobs.

## The Jobs Letter

You will recall that Mr Bolger also rejected the whole Community Wage package because the 1994 Employment Task Force had also already rejected the idea. It wasn't until Mrs Shipley came along ... and her approach to McCardle's ideas were, I think, heavily tied up with the *morality* that she and other ministers in the National Government brought to the question of beneficiaries and jobs. Their argument was that there were lots of people out there who — if they were given a good shake — would find a job. They saw in Peter McCardle's arguments a way of driving that *moral* agenda.

I think most people found it repugnant that the Government was saying: "It's not a lack of jobs, its just that you're not motivated to go out and get a job!". So the Government would do nothing about job creation, do nothing about increasing skills, opportunities and not increase demand in the labour market. They simply put lots more pressure on beneficiaries.

So, the changes we will make are not so much in Peter McCardle's reforms, but really in what I would call the "Shipley agenda". So that's why we will repeal the Community Wage ... and we will move down the track of a much more productive approach, with a range of policies designed to open up opportunities for people.

### **The Jobs Letter: As Social Services Minister, do you see a rise in benefits before Christmas?**

*Steve Maharey:* No. I don't. We have been very clear about this. At the last election we were going to inherit a large budget surplus. This government has given away most of that in tax cuts. We are in a position now where we have to give very clear signals, that we intend to be a fiscally-sensible government which means that we have to earn our way as we go.

One of those signals to people is that we simply don't have the money for the kind of sensible lifting of base benefit levels. So I have been crystal clear for the last twelve months, once that became clear to me as Labour spokesperson, that a rise in benefits could not be afforded and would not be done.

However ... there are three things that are really important:

We recognise that people are struggling on the benefit so we will be introducing policies such as our Housing policy ... which will put money back into the pockets of people in state houses because we will be going to 25% [of income] as the limit of rentals. This will also have a knock-on effect in the pockets of those in private accommodation.

We'll be doing things in the direct assistance area ... like our Abatement of Benefits policy which will allow the retention of more earnings. We'll also be reinstating the Tertiary Incentive Allowance to help people learn. So people will find that those things will help ...

I am also committed to working with the Ministry of Social Policy to map out a different approach to these issues which will be based upon the concept of *participation*. That is, we want to map out a range of policies for this government which says we take seriously our responsibility to make sure that you are included in the mainstream of NZ society.

Now, that won't always mean a cash transfer of income. It may mean ensuring access to children's health care, housing, education costs, as well as direct income ... all the things that come as part of a package to ensure that, whether you are a superannuitant or a young child, you are in the mainstream.

### **The Jobs Letter: So you see a philosophical emphasis on participation...**

*Steve Maharey:* That's the big word for us — yes. I have headed our Social Welfare policy with the concept of "social participation".

A lot of that has to do with simply building the capacity of people to be able to participate. I know, for example, there are families in this country that simply struggle with the skills required to belong to a modern society. For example: some people can't read. So that's not an income transfer that those people need, initially ... more income wouldn't solve the problem. The problem is only solved if they can read. So my priorities will include things like adult literacy programmes, which are a mess at the moment, but are crucial to building that capacity to participate.

*" There's lots of things in Peter McCardle's original vision that I am comfortable with and I know most people who are interested in jobs will be comfortable with ..."*

— Steve Maharey

### **The Jobs Letter: Well, you are in charge of Winz now ... and you have been a very strong critic of their performance. Where do you see Winz going? Do you expect Christine Rankin to stay?**

*Steve Maharey:* I expect one simple thing. I expect this government to be able to have total confidence in Christine Rankin and in Winz. That's what we are working our way towards.

At the moment we don't have the confidence. That's quite clear. As an opposition we did not have confidence in these people and three days into the government we can't possibly have confidence because we have only just got here...

The things that will allow us to have confidence are basically meeting with the Department and going through an extensive debate about their Briefing Papers and what they have been doing over the last year in particular. Then we will map out very clearly where the Department will go in the future under the Labour Government — setting very clear expectations of what we want to do. All of those things are our priority and I am working my way — at the very, very early stages — through that process right now.

**The Jobs Letter: You have often mentioned that you will expect to see a change of culture at Winz. What does that mean to you?**

*Steve Maharey:* I want to see a move away from an organisation which over the last little while has been more like an organisation preparing to be privatised, than a public service organisation. Now what that means is that we've seen a lot of emphasis on image, a lot of emphasis on branding, on corporate uniforms, on clear desks, on managers travelling around the organisation making sure that people have their pot plants in the right place ... and all this is very reminiscent of what happened in Australia where their public service positioned themselves for what they called the "top end" of the market with those people who simply want to access their eligibility. And then the Salvation Army and other groups became involved with people who require a lot more case-work.

That's where the previous government wanted to go with Work and Income NZ. We do not.

Winz is a "public service". New Zealanders ought to be able to access this service when they are in difficult circumstances in their life and it should be dedicated to holistically ensuring that they move through to a situation where they have a good life again.

I fear that Winz has become too much like a dispensing organisation. It is like they are the TAB or McDonalds ... providing a flat service across the country. Well, you know, for people who are experiencing difficult times in their life, that is not quite what they expected.

I'm very comfortable that the mood of the country is such now that probably Winz is one of the examples of the end of an era. I think that both the public expects to see a change and I think that public servants do as well. So I feel pretty comfortable that we can do this ...

**The Jobs Letter: Are you thinking of splitting up Winz — separating the Income Support and Employment functions again?**

*Steve Maharey:* No, because I don't want to go through lots of restructuring. We are still looking at the idea of an internal split in Winz. I would rather do it as efficiently and effectively as we can — meaning less spending money on restructuring and more money on helping people.

An internal split means a case manager will be sitting on one side of the table doing income support work with people who are not being job-tested ... and someone else will be working with people who have been identified as job seekers and therefore want a person who is an expert in terms of providing that sort of assistance. We think that's a very simple split.

**The Jobs Letter: So there will still be a "one stop shop"?**

*Steve Maharey:* It will be a "one stop shop". But people will be divided into "work-tested" and "non work-tested" as to how they access it all. You'll be able to go in, register as a job seeker, and move almost literally across the room to somebody who will help.

For those who are not being work-tested we will still want to say that the modern social security approach is

not just to pay you an income ... because, if we do, you'll lose contact with your community and won't be able to move into employment. Our priority for you is to ensure that we are doing things which keep you active and involved and engaged in your community. It's what I call the principle of mutuality.

We have to open up opportunities ... but its good for you to maintain contact with your community. We'll be saying to people: get involved in skills training, in activities in the community, choose to go and work with a voluntary group or a marae or community enterprise organisations (which we want to set up). There'll be a large variety of things which people will be able to choose from.

*"I'm very comfortable that the mood of the country is such now that probably Winz is one of the examples of the end of an era. I think that both the public expects to see change, and I think that public servants do as well ..."*

— Steve Maharey

**The Jobs Letter: Do you see an increase in public sector employment as part of this?**

*Steve Maharey:* Not initially. Labour has made clear that it is concerned that public sector organisations have been run into the ground by a government that was probably on its way to privatising core services ... before it realised that that was a pretty silly idea.

The new government is not in a position to say it has got the money to increase the staff in all government departments ... but I would hope that the days of trying to squeeze blood from a stone have gone. For example, I am aware of the workload that social workers carry and I think that part of the problems that they face will be resolved only by providing for more staff. So, over time, you will see the government get its head around that.

I do think that both Jim Anderton and the Labour Party have indicated that job creation in the Third Sector is a big priority for us, and I know that you at *The Jobs Letter* have also talked a lot about this.

It seems to me that if we are serious about full employment, then the private sector (which is downsizing world-wide as it becomes more efficient) and the public sector (which is doing the same thing) ... are not going to resolve these issues on their own.

So we do have to get innovative ... and I think the way you do that is to begin to look at the Third Sector as an employer. Of course a lot of that has to be using public money ... but also some private money. I'm very keen to explore with the private sector areas where they might see themselves as making a contribution to this country because they are socially responsible.

But yes, I think we have to look at the Third Sector as a place where good quality jobs can be made. That's one of my priorities: to work with people on strategies through that Third Sector area.

## The Jobs Letter

**The Jobs Letter: You were a critic of the Community Employment Group (CEG) being subsumed into WINZ. Do you see a return to CEG as a stand-alone organisation?**

*Steve Maharey:* The first question for Parekura, as the former head of CEG, will be for us to get a report of the status of this organisation now that it has been subsumed. I don't think we can make an intelligent assessment of where we would go with this until we know exactly what its standing is since it has been beheaded and regionalised.

What I can say is that Labour Party policy is very much committed to the kind of approach that CEG was taking — namely building the community capacity to take on economic development. I can certainly give an undertaking that that approach is not lost. We just have to look now at what we have got ... to see what we will do to manage that.

*"I think that we have to look at the Third Sector as a place where good quality jobs can be made. That's one of my priorities: to work with people on strategies through that Third Sector area. ..."*

— Steve Maharey

**The Jobs Letter: Do you see a future in the Local Employment Coordination Committees?**

*Steve Maharey:* Yes I do. I think they need to evolve a bit ... but, as a general principle, Social Services policy is going to carry on down a track which says that we want communities taking greater leadership on a wide range of issues. Now that means mayors of cities, city councils, local businesses, local community groups beginning to get into the mood and once again building up the kind of capacity to be able to do that.

This is not to say — make it crystal clear — that we're pulling out [of social services] and you are doing it. It's about shifting the orientation of the State to be enabling and facilitating ... much more than saying: this is how you will do it.

So, Local Economic Co-ordination activities are very much a precursor of where we want to go. There's a lot to be built on there. I can just re-assure people that that is the direction.

The direction is more of the government saying: you lead. People will hear a lot from us about local communities thinking, defining, showing us where they think things can happen ... and then that's where we can start to resource things and get it right. We've got our resources, but we don't want to come along with the old-style policy which says we'll tell you from Wellington what you will do out there.

**The Jobs Letter: You have taken on being Minister with the "special responsibility for the community and voluntary sector". What will this mean for you?**

*Steve Maharey:* This signals a number of things. In concrete terms, though, all of them are built around the agreement on how the government will work with voluntary and community agencies in the future.

I am pretty keen to get that developed over the next couple of years. It will take about that long to get it right ... because it's the foundation of an absolutely different relationship between government and non-government, and I want to get that right ... because it should be a kind of policy that lasts for 20 to 25 years.

What we mean by all this is that, when you look at the history of New Zealand, up to the 1960s and 70s, we built up a very strong Welfare State which did basically everything. Around that, community groups were actually pretty marginal. They would do things that were relatively small with very small funding.

Over the 80s and 90s, the State has clearly been re-organised into a much smaller role ... and the community sector has become a whole lot bigger. The problem for people has been that it's always felt like the State is saying: we are not doing it any more — and will you pick it up?

What we are now saying is that the future doesn't mean that the State will grow back to what it was in the 60s and 70s ... because no-one wants that. But nor can the State just carry on shrinking and leaving it to the community. So what's the new way ahead?

The new way ahead is to move towards an approach which brings the two together ... knowing what each of their roles might be and having something like a formal agreement which defines issues like: what do you do and what do we do? what is the accountability of one to the other?

If we work out good concrete issues like that ... then I think we set up what I call a "welfare society" rather than a Welfare State. We want people to know that this government sees community groups as not just some sort of peripheral dumping ground, which is what they had become with the National Party. Community groups are recognised now as a Third Sector. They have major status and they need to be treated in that way ...

**The Jobs Letter: The 1994 Employment Task Force listed a great many recommendations — many of them timed for completion around the year 2000. Do you see yourself as revisiting many of the objectives and recommendations of the Employment Task Force?**

*Steve Maharey:* Some of our core policies — like the idea that we want no young person to leave school without a plan — come from the Task Force. Clearly, one of the major reasons young people become unemployed is because there is no clear link between the end of their schooling and getting into a job. They just often disappear. Often schools are just glad to see the back of the most troublesome youngsters ... so there is no plan and then they become unemployed. Then somebody else has to deal with them.

So the Employment Task Force is still alive and well in our minds. There are lots of good things in there and one

of the big recommendations of the Task Force was that no young person should be on the benefit having left school and you will see us aiming to try and achieve that – probably not during this term of government, but certainly during the next term. I would hope that we would have got all the infrastructure together by the time we are entering the next election.

**The Jobs Letter: What sort of infrastructure are you talking about?**

*Steve Maharey:* Well its simple things like our apprenticeship policy. I am absolutely sure that far too many young people are going to a tertiary institution for full time learning, when they don't really want to. Or else they are saying: I don't like any of the options for tertiary education and I am not taking any.

Work-based, work place, mentored learning is really what they want. They want to be working and earning a living. They know that they need a qualification and they would like to do that too ... but they can't get that sort of training because it's either not there or is very fragmented short-term training.

So one of the things we will be doing is working with Skill NZ to ensure that they are asking Industry Training Organisations (ITO's) to sign up more people who are getting Level Four qualifications through work-based mentored off-job training as well. You don't get that overnight but I would hope that by the time we go into the next election we have got that apprentice-style infrastructure up and running. My belief is that probably as many as a third of young New Zealanders ought to be leaving school to go into this kind of training.

*"I think we can put in place the kind of public policy which recognises the dynamic changing nature of work ... policies which, I think, will last for decades ..."*

— Steve Maharey

**The Jobs Letter: During the election campaign, you said that its time to re-assess Labour's commitment to "full employment". What does this now mean to a Labour government?**

*Steve Maharey:* It means that we want to be able to have a society where there are enough jobs around for people to go and earn a living if they choose to do so. The modern vision of "full employment" is having the right jobs available for the people who are looking for work.

In the old days, "full employment" meant full-time jobs, with a family wage attached to them, for the male breadwinner. That clearly isn't the vision for the future because many people will be doing part-time and casual work, by choice. We are looking at a very different kind of employment situation ... and if a person is looking for

paid employment, then our government's ambition should be to ensure that there is something there for them to do.

You probably have to accept that, at any one time, you'll have a number of people who are moving from job to job through the employment and re-employment services. We have to get clear in our minds that any one individual who is, say, 18 or 19 yrs old today, is probably going to lose their job five to seven times during their lifetime ... because it simply disappears because of technology or whatever.

Instead of that being a source of fear for people, we have to put in place the kind of arrangements that mean that people get skilled and move to a new job relatively smoothly. That's our ambition: "full employment" of a different kind, and moving people around a dynamic changing labour market as smoothly as they can.

**The Jobs Letter: People like Jeremy Rifkin believe we are now experiencing one of the most radical changes in the nature of work and income in our society. What do you think about this? and what can you achieve in your role as Minister ... in the context of these deeper historical changes concerning the future of work?**

*Steve Maharey:* Well, you have been one of the few people who has asked this and actually want the answer. So ... I will take the opportunity to give a big answer.

I agree with Jeremy Rifkin that we are at the end of an era.

I would like to think that the first Labour government established a framework for public policy which essentially set up a way to doing things for three or four decades. I have to say it provided very well for this country. It was a very effective way of running the country for a period of time.

I would like to think that this Labour government is embarking on the same kind of project. It is going to take the kind of vision and wisdom to say that the world has changed ... and there are new kinds of arrangements which will provide us with an effective way of working for the next 25, 30 or 40 years.

That's why I think it is so important to get our heads around the idea that the future is not just about traditional Welfare State policies ... where, when things go wrong in your life, you get some income support and then things come right again of themselves. It doesn't.

I think we can put in place the kind of public policy which recognises the dynamic changing nature of work. I think we can say to people: it's not about you having a permanent job any more ... but it is about you having a viable life out there in the workplace, and these are the policies that make that possible ... policies which, I think, will last for decades.

So that's my ambition: for this Labour government to leave behind the kind of public policy which gives people a real sense of security and opportunity in this new kind of world. That's what I'd like us to do.

# The Jobs Letter

## DIARY

and employ between 100 and 200 workers to answer 0800 calls and do data entry. Winz will be setting up information technology training programmes to provide skilled workers for Datacom. Yvonne Sharp, district mayor and member of the Far North Economic Development Taskforce, says that one year's work by the seven member taskforce had cost only \$1,000 and has produced this magnificent result.

13 December 1999

Social Service Minister Steve Maharey says that his previous call for Roger Sowry to sack Winz CEO Christine Rankin was a protest activity used when he was opposition spokesman. He acknowledges that it is neither his right now, nor was it Sowry's responsibility, to hire or fire Rankin. This responsibility lies with the State Services Commissioner Michael Wintringham.

The ANZ is doubling the fee it charges for overseas payments to be made into its customers' accounts. The increase, is from \$5 to \$10 per transaction. Grey Power's Frank Moloney says the 10,000 pensioners who receive pensions from the UK and the Netherlands will be hit hard. He expects the increase will soon extend across all banks.

Helen Clark says the government will take swift action on student loan interest rates. She says students need to know when they are enrolling this coming year that they will not be paying interest while they are studying.

14 December 1999

After the takeover of Ernest Adams by Goodman Fielder in October, a total of 82 jobs are being cut in the resulting restructuring.

### Editor

Vivian Hutchinson

### Associates

Dave Owens

Jo Howard

Rodger Smith

- The **National Party** has announced its revamped **opposition line-up**. Roger Sowry (at No.4) has dropped the Social Services portfolio ... which now goes to Bob Simcock (No.13) who will be National spokesman on Social Services, Employment, Community and Voluntary Sector. Belinda Vernon will be National spokesperson on Work and Income NZ.
- *Seasons Greetings to all our readers from all of us at The Jobs Letter and The Jobs Research Trust. All the best for 2000!*

## WHO

### **The JOBS, TRAINING and SOCIAL SERVICE MINISTERS**

*(in cabinet)*

- No.2 **JIM ANDERTON** (Alliance) Deputy Prime Minister, Minister for Economic Development, Minister for Industry and Regional Development
- No.4 **STEVE MAHAREY** (Labour) Minister of Social Services and Employment, Associate Minister of Education (Tertiary Education), Minister responsible for the community and voluntary sector
- No.7 **SANDRA LEE** (Alliance) Associate Minister of Maori Affairs, Minister of Local Government
- No.9 **TREVOR MALLARD** (Labour) Minister of Education, Minister of State Services, Minister responsible for adult and community education
- No.10 **PETE HODGSON** (Labour) Associate Minister for Economic Development, Associate Minister for Industry and Regional Development, Minister responsible for small businesses
- No.11 **MARGARET WILSON** (Labour) Minister of Labour
- No.12 **DOVER SAMUELS** (Labour) Minister of Maori Affairs
- No.14 **LIANNE DALZIEL** (Labour) Associate Minister of Education
- No.19 **MARK GOSCHE** (Labour) Minister of Housing
- No.20 **LAILA HARRE** (Alliance) Minister of Women's Affairs, Minister of Youth Affairs, Associate Minister of Labour

*(outside cabinet)*

- No.22 **RUTH DYSON** (Labour) Associate Minister of Social Services and Employment, Minister responsible for disability issues
- No.23 **TARIANA TURIA** (Labour) Associate Minister of Social Services and Employment (Social Services), Associate Minister of Maori Affairs (Social Development), Associate Minister of Housing
- No.24 **PHILLIDA BUNKLE** (Alliance) Associate Minister for Economic Development
- No.25 **PAREKURA HOROMIA** (Labour) Associate Minister of Social Services and Employment (Employment), Associate Minister of Maori Affairs (Economic Development), Associate Minister of Education

*(Undersecretary)*

**JOHN WRIGHT** (Alliance) Undersecretary to the Minister of Economic Development, Industry and Regional Development.