

The Jobs Letter

No. 197

28 November 2003

Essential Information on an Essential Issue

KEY

UNEMPLOYMENT DROPS TO
4.4%

WHO GOT THE JOBS?

FUTURE OF WORK

CONNECTIONS

PUBLIC SERVICE CADETS

DIARY

30 October 2003

The most sought after characteristic that employers seek in a tertiary graduate is strong verbal and interpersonal communication skills, according to a Victoria University survey.

The NZ University Students Association releases *Student Support: The Real Story*. Co-president Fleur Fitzsimons says the report provides a balance to the government's "one-sided" review published earlier. Download (PDF, 36 pg, 4.1mb) from www.students.org.nz/campaigns.htm

About 1,500 Telstra jobs will be lost to India as the Australian telecommunications company out sources more of its technical operations.

31 October 2003

Small businesses should be allowed to take-on new employees on a one-month assessment/probation period, according to Minister of Small Business John Tamihere.

Electronic Data Systems, the world's second biggest seller of computer services is to cut 2,500 more jobs, primarily in the northern hemisphere. EDS New Zealand says it is too early to say what effect, if any, this would have on the local operation.

- Our employment statistics continue to be great news as the New Zealand **unemployment rate drops to 4.4%** — our lowest level since 1987. We now have the second lowest level of unemployment in the OECD ... beaten only by Switzerland. The Household Labour Force Survey for the September quarter estimates there were 88,000 people officially unemployed — down from 95,000 in June, and from 107,000 a year ago.

Employment levels are also up. Statistics New Zealand says that while gains in permanent and long-term immigration has fed the employment growth, it is not just new immigrants who are getting the jobs. An increased demand for workers has also **drawn people into the work force** who have either been unemployed or who had been out of the labour force.

We include our regular *Statistics That Matter* summary in this issue of *The Jobs Letter*. Some highlights:

- There were 26,000 jobs added to the economy over the last quarter. Much of this employment growth was in Auckland.
- Female employment grew greater than the overall employment rate. There were significant increases in the number of women employed in construction and in the transport, storage and communications industries.
- The number of unemployed people fell by 6,000 over the quarter. The number of unemployed people fell by 19,000 over the past year.
- The unemployment rate has dropped for all ethnic groups. Compared to this time last year, Maori unemployment is down from 12% to 9.7%; the Pacific rate is down from 9.3% to 6.6%; and the Pakeha rate is down from 3.8% to 3.3%.
- Not everyone who left the unemployment lines has necessarily found a job. Statistics NZ reports that there are 22,000 more people "not in the labour force" than there were at this time last year.

- Are we providing enough job **opportunities for our young people?** With unemployment at a 16-year low and over 200 thousand new jobs created over the last five years, you would think so. However, young people (15-24 years) have enjoyed a relatively small slice of the expanding job pie. Young people are 18.8% of the working-age population but make up 36% of the unemployed. The unemployment rate for our young people is now 8.9% — more than double the national rate.

We have included in this issue a supplement to our quarterly *Statistics That Matter*. *Who's Got the Jobs* examines who got the new jobs since this period of job expansion began in June 1998. Key points:

- Of the 218,000 jobs created, just 27,500, or 13% of these went to people under 25 years. Most new jobs, 71%, went to people over 45 years.
- About one-third of the new jobs went to Maori and Pacific Peoples.
- The Health, Education and Construction sectors have driving the job growth. The Manufacturing sector now has fewer workers.
- Employment increases have been greatest in Canterbury, Wanganui-Manawatu, Auckland and Taranaki. Employment has declined in Southland and Nelson-Marlborough-West Coast. In Wellington, the same number of people are employed now as there were five years ago.

The Jobs Letter — Essential Information and Media Watch on Jobs, Employment, Unemployment, the Future of Work, and related Education and Economic issues. It is published every 2-3 weeks, and is freely available on our website at www.jobsletter.org.nz. We will email you if you want to be notified of the latest issue, or sent the full letter (in PDF format). Paper, posted subscriptions are available at \$79 (incl GST, per annum).

The Jobs Letter

DIARY

2 November 2003

An Employment Court decision that a film industry worker was an employee, rather than a contractor, may have "significant consequences that are unfortunate for the film industry", according to *Lord of the Rings* producer Barry Osborne. The decision clears the way for a Wellington model-maker to take a personal grievance against his previous *Rings*-related employer for alleged unjustifiable dismissal.

National Party leader Don Brash eliminates the party's shadow Women's Affairs position and says he would like to abolish the Ministry of Women's Affairs. Brash creates a new position of speaker on Asian Relationships.

3 November 2003

Three South Island councils, who sent representatives to the "Opportunity New Zealand" exposition in London, receive over 400 inquiries from skilled British workers showing interest in relocating to their areas.

4 November 2003

The Serious Fraud Office brings charges against ACT MP Donna Awatere Huata for allegedly misusing public money granted to organisations she was associated with.

Over the last quarter, the US economy has experienced the fastest expansion since 1984. However, *The Wall Street Journal* says few economists expect much of a drop in unemployment because many companies are squeezing more productivity out of their existing workforce.

5 November 2003

Twenty-eight new jobs will be created in Wanganui as carpet manufacturer Cavalier Corporation adds a new processing line.

An increase in social spending appears to be likely next year after Treasury announces that the government is running \$1.2 billion ahead of budget. Minister of Finance Michael Cullen says social spending could increase by \$500 million each year for the next two years.

The euro zone unemployment rate is 8.5%.

- All New Zealand workers will be entitled to a minimum of **four weeks annual leave** from April 2007. PM Helen Clark says that the extra week will be good for working parents and it will correct equity issues between white collar workers — many of whom already enjoy four weeks leave — and manual workers who generally don't. She also says that it will also help New Zealand compete internationally to attract and retain skilled people. Australia has had four weeks annual leave for the past 30 years.

The three-and-a-half year advanced notice of the change is supposed to give employers, and the government, time to plan for the change. Treasury has estimated the cost of the extra week will be \$350 million or an additional 1% of the private sector annual wage bill.

- National Party Leader Don Brash calls the move an "election bribe". He says that people are wrong to think that a **fourth week** comes without a price and that an extra week of holidays **will result in lower wages** for workers. Brash: "There is always a trade-off between work and leisure. If employees want more leisure and lower wages, that should be their choice, not the government's. Many New Zealanders would prefer an extra week's wages rather than having another week's holiday forced upon them."

- The Community Employment Group (**CEG**) **has been criticised** in a report by the Auditor-General for making final payments to organisations without checking that the work they contracted for had been done. In particular, the Auditor-General says that CEG officials had not followed their own agency's procedures regarding a \$40,000 grant to Te Huawhenua trust board, an organisation associated with ACT MP Donna **Awatere Huata** and her husband, Wi Huata.

The Auditor-General's report is the result of a nine-month investigation into nearly \$2 million in grants made to organisations Awatere Huata had been associated with since her election to Parliament in 1996. The grants were provided primarily by the Ministry of Education, CEG and Te Puni Kokiri. The report says that, in many instances, all three government agencies **did not follow their stated funding policies** and procedures, and poorly performed contract monitoring and management.

- Minister of State Services Trevor Mallard was quick to lay the blame on the previous National-led government. However, *The New Zealand Herald* points out that at the time that the \$40,000 CEG grant was made, the current Minister of Maori Affairs, **Parekura Horomia**, was the General Manager of the Community Employment Group. Two other Awatere Huata-related grants were made during Horomia's tenure at CEG, one of which officials have been unable to find the contract file or a copy of the letter of agreement.

The Herald reports that the Huata couple had a "pushy" reputation in dealing with government funding agencies. Education officials told of being called "almost daily" at some points by Mrs Awatere Huata over contracts and being "threatened" with her going to the Minister if they would not agree with contract terms. One official admitted offering a contract at the top-end rate due to the "negotiating style" of the couple. Trevor Mallard says that it got to the point where officials were so scared of Mr Huata they would not meet with him alone because of the threatening nature of his approaches.

— *Inquiry into Public Funding of Organisations Associated with Donna Awatere Huata MP*, a report of the Controller and Auditor-General, (November 2003) ISBN 0-478-18111-6 - can be downloaded (PDF 152pg, 1.936Mb) from www.oag.govt.nz/HomePageFolders/Publications/Huata/Huata_Report.pdf

(continued on page five)

STATISTICS THAT MATTER

OFFICIALLY UNEMPLOYED

The official unemployed rates are an internationally recognised figure for unemployment based on the Household Labour Force Survey run by Statistics New Zealand. These are the latest figures for September 2003.

ONE IN TWENTY-THREE PEOPLE OFFICIALLY UNEMPLOYED IN NZ

OFFICIAL NUMBER OF UNEMPLOYED IN NZ
September 2003
88,000
Seasonally Adjusted

OFFICIAL RATE OF UNEMPLOYED
September 2003
4.4%

OR ONE IN 23 PEOPLE
Seasonally Adjusted

DROP IN NUMBER OF UNEMPLOYED IN LAST THREE MONTHS
June 2003 — Sept 2003
6,000

DROP IN LAST YEAR
Sept 2002 — Sept 2003
19,000

PEOPLE REGISTERED AS JOBSEEKERS WITH MINISTRY OF SOCIAL DEVELOPMENT
(Formerly WINZ)
September 2003
138,334

UNDEREMPLOYED
September 2003
104,300

(workers who are employed part time but would prefer to work more hours)

GLOBAL

| | |
|---------------|-------|
| SPAIN | 11.4% |
| GERMANY | 9.4% |
| FRANCE | 9.4% |
| ITALY | 8.5% |
| CANADA | 8.0% |
| OECD Average | 7.1% |
| UNITED STATES | 6.1% |
| AUSTRALIA | 5.8% |
| JAPAN | 5.1% |
| BRITAIN | 5.0% |
| NEW ZEALAND | 4.4% |

| | | |
|----------------------------|------|---------------------|
| NORTHLAND | 8.3% | or one in 12 people |
| AUCKLAND | 3.4% | or one in 29 people |
| WAIKATO | 3.2% | or one in 31 people |
| BAY OF PLENTY | 5.0% | or one in 20 people |
| GISBORNE-HAWKES BAY | 5.2% | or one in 19 people |
| TARANAKI | 5.0% | or one in 20 people |
| WANGANUI-MANAWATU | 5.2% | or one in 19 people |
| WELLINGTON | 4.8% | or one in 21 people |
| NELSON-MARLBOROUGH | | |
| TASMAN-WEST COAST | 3.8% | or one in 26 people |
| CANTERBURY | 4.4% | or one in 23 people |
| OTAGO | 5.9% | or one in 17 people |
| SOUTHLAND | 2.9% | or one in 34 people |

EMPLOYED

NUMBER OF PEOPLE IN JOBS IN NZ 1,939,000
September 2003 Seasonally Adjusted

RISE IN NUMBER OF PEOPLE IN JOBS IN LAST 3 MTHS 26,000
June 2003 — Sept 2003

RISE IN NUMBER OF PEOPLE IN JOBS IN LAST YEAR 61,000
Sept 2002 — Sept 2003

SECTORS WITH A RISE IN EMPLOYMENT IN THE LAST YEAR
WHOLESALE & RETAIL TRADE, EDUCATION, HEALTH & COMMUNITY SERVICES, TRANSPORT, STORAGE & COMMUNICATION, CONSTRUCTION.

SECTORS WITH A DROP IN EMPLOYMENT IN THE LAST YEAR
MANUFACTURING, BUSINESS & FINANCIAL, AGRICULTURE, FORESTRY AND FISHING.

FULL-TIME and PART-TIME

of the "Employed" statistics

| | FULL -TIME | PART-TIME |
|------------------|---------------|---------------|
| MEN | 922,200 (88%) | 121,500 (12%) |
| WOMEN | 560,200 (63%) | 324,300 (37%) |
| TOTAL | 1,482,400 | 445,900 |
| OVERALL % | 77% | 23% |

GAIN OF FULL-TIME EMPLOYED IN THE PAST YEAR: 51,000
GAIN OF PART-TIME EMPLOYED IN THE PAST YEAR: 10,000

REGIONS

REGIONS WITH A DROP IN UNEMPLOYMENT IN THE LAST 3 MONTHS
June 2003 — Sept 2003

AUCKLAND
BAY OF PLENTY
WAIKATO
TARANAKI
SOUTHLAND

REGIONS WITH A RISE IN UNEMPLOYMENT

NORTHLAND
GISBORNE / HAWKES BAY
WANGANUI / MANAWATU
NELSON / MARLBOROUGH / TASMAN / WEST COAST
OTAGO

A SPECIAL SUPPLEMENT TO
THE JOBS LETTER
28 NOVEMBER 2003

ONE IN FOURTEEN PEOPLE OFFICIALLY JOBLESS IN NZ

OFFICIAL NUMBER OF
JOBLESS IN NZ
September 2003

151,000

OFFICIAL RATE OF
JOBLESS
September 2003

7.3%
OR ONE IN 14 PEOPLE

DROP IN NUMBER OF
JOBLESS IN LAST THREE
MONTHS
June 2003 — Sept 2003

10,700

DROP IN NUMBER OF
JOBLESS IN LAST YEAR
Sept 2002 — Sept 2003

25,600

THE JOBLESS FIGURES

According to Statistics NZ, the difference between the official "unemployment" figures and the "jobless" figures is that many of the people on the jobless measurement are available for work, but not actively seeking it.

The reasons for not actively seeking work range from people being discouraged because they lack the skills needed, or were the wrong age, or that the right work was not available in their area, or they were only looking for jobs in the newspaper. This measurement also includes those actively seeking work but not yet available for it.

A SPECIAL SUPPLEMENT TO

THE JOBS LETTER

28 NOVEMBER 2003

OFFICIALLY JOBLESS

"Those Without a Job and Wanting a Job"

These are the statistics that are more commonly used by community workers and employment activists in New Zealand because they more accurately reflect the people who are their concern or clients. These "Jobless" figures are also based on the Household Labour Force Survey run by Statistics New Zealand, but include a wider definition of unemployment, usually referred to as "those without a job and wanting a job" ... (see note in side panel).

| | | |
|----------------------------------|-------|--------------------------|
| NORTHLAND | 13.1% |or one in 8 people |
| AUCKLAND | 5.3% |or one in 19 people |
| WAIKATO | 5.9% |or one in 17 people |
| BAY OF PLENTY | 9.8% |or one in 10 people |
| GISBORNE-HAWKES BAY | 9.2% |or one in 11 people |
| TARANAKI | 8.4% |or one in 12 people |
| WANGANUI-MANAWATU | 9.4% |or one in 11 people |
| WELLINGTON | 7.5% |or one in 13 people |
| NELSON-MARLBOROUGH | | |
| TASMAN-WEST COAST | 6.5% |or one in 15 people |
| CANTERBURY | 7.6% |or one in 13 people |
| OTAGO | 9.8% |or one in 10 people |
| SOUTHLAND | 6.8% |or one in 15 people |

AGE and LONG-TERM

| | |
|--|-----------------------------------|
| YOUTH UNEMPLOYMENT RATE - AGED 15-19 YEARS | 12.9% |
| <i>September 2003</i> | one in 8 young people |
| MATURE UNEMPLOYMENT RATE - AGED 50-65 YEARS | 2.9% |
| <i>September 2003</i> | one in 34 mature people |
| LONG-TERM UNEMPLOYED (OVER 6 MONTHS) | 21,500 |
| <i>September 2003</i> | 24% or one in 4 of the unemployed |
| LONGER-TERM UNEMPLOYED (OVER 2 YEARS) | 4,600 |
| <i>September 2003</i> | 5% or one in 19 of the unemployed |
| VERY LONG-TERM UNEMPLOYED (OVER 5 YEARS) | 1,200 |
| <i>September 2003</i> | 1% or one in 73 of the unemployed |

THE SCHEMES

Figures from Ministry of Social Development, Youth Affairs and Tertiary Education Commission (formerly Skill NZ)

| | |
|--|-------|
| TASKFORCE GREEN | 369 |
| JOB PLUS | 4,140 |
| JOB PLUS MAORI | 89 |
| JOB CONNECTION | 73 |
| ENTERPRISE ALLOWANCE | 79 |
| ENTERPRISE ALLOWANCE WITH CAPITALISATION | 268 |
| TRAINING OPPORTUNITY SCHEME (TOPS) | 8,205 |
| YOUTH TRAINING (T.E.C.) | 5,691 |
| LIMITED SERVICE VOLUNTEERS (ARMY) | 118 |
| CONSERVATION CORPS (September) | 630 |
| YOUTH SERVICE CORPS (September) | 83 |
| ACTIVITY IN THE COMMUNITY (still counted as unemployed) | 752 |

PARTICIPATION

**LABOUR FORCE
PARTICIPATION RATE**
September 2003

Seasonally Adjusted

66.6%

unchanged from last year

RACE

**MAORI RATE OF
UNEMPLOYMENT**
September 2003

9.7%

OR ONE IN TEN PEOPLE

**PACIFIC ISLAND RATE OF
UNEMPLOYMENT**
September 2003

6.6%

OR ONE IN 15 PEOPLE

**NZ EUROPEAN RATE OF
UNEMPLOYMENT**
September 2003

3.3%

OR ONE IN 30 PEOPLE

The Jobs Letter

DIARY

6 November 2003

Australia's unemployment drops to a 14-year low of 5.6%. During October, full-time job numbers rose by nearly 20,000 and the number of part-time jobs numbers increased by nearly 50,000.

7 November 2003

The Child Poverty Action Group renews it calls to the government to make the Child Tax Credit available to all low-income families, and to fully adjust levels and thresholds of family assistance to catch up what has been lost to inflation since 1986.

The US Reserve Bank says it will not begin to lift interest rates, even though domestic spending pushed the economy ahead at an annual rate of 7.2%. Chairman Alan Greenspan says that unless hiring picks up and lay-offs ease, the domestic spending spree could be short lived.

9 November 2003

A critical shortage of building inspectors could make proposed legislation, designed to combat the "leaky building" problem, unworkable. The government wants to require more building inspection input from councils. But most building inspectors are 40-65 years and with the scrapping of the traditional apprenticeship schemes, there are few young ones coming through. Wellington City Council's George Skimmings says that his council is already struggling to find suitably qualified consents officers. Skimmings: "The new accreditation programme means more training and more officers across the board. And we don't know where they're going to come from."

The ACT Party expels Donna Awatere Huata.

- The Department of Labour has published the third issue of workINSIGHT, a six-monthly magazine that provides advice on gaining the skills needed to succeed in the New Zealand job market. This latest issue has a focus on the options available to mature people thinking about returning to education or training. The magazine is a useful resource for anyone wanting to keep up-to-date with the **latest job market news, research and trends**. WorkINSIGHT editor Robert Heyes: "Successive issues are building up a picture of how the job market works and the options open to people making a range of decisions including leaving school, re-entering education, training their employees or recruiting overseas."

— workINSIGHT issue No.3, November 2003, can be downloaded (PDF, 32 pg, 580 kb) from www.workinsight.govt.nz

- Many Mayors involved with the Taskforce for Jobs are concerned about the government reviews that could result in the **closure or merger of** as many as 300 **small schools**. The Taskforce goal is to see that no young person under 25 years is out of work or training in our communities, and chairperson Garry Moore from Christchurch points out that closing schools, particularly in a small rural communities, impacts on the wider employment environment and can even jeopardize the economic viability of a region.

Moore has written to the Minister of Education, Trevor Mallard, and asked him to ensure that the school reviews will take into consideration the planned future economic development of each area. Councils and economic development agencies — through their work with business and through their planning and consents processes — hold an enormous amount of information that is **relevant to the school reviews**. Moore: "Such information must be an integral part of these reviews and should be placed in the context of region-wide activity regarding population growth, innovation and business investment strategies."

- The NZ Public Service Association chose "*Working the Future*" as this year's theme for its annual conference of union delegates. The PSA brought out several leading international thinkers and **researchers on the future of work**, and focussed on how changing working trends will effect the public sector. The conference was held at Victoria University November 4-6, and was designed as an innovative and interactive experience covering a wide variety of issues from how workers can prepare themselves for an uncertain working future, how to achieve work/life balance, the impact of an ageing workforce, and how to cope with new technology and globalisation. The PSA says that, in recent years, the union movement has learned some hard lessons on **workplace change**. The drive during the 1990s to make public services more efficient and effective has come with very mixed results. The union believes that "ideologues" had almost total control over the process of change, allowing them to fully replicate private sector methods in the public service: "The union movement tried to apply the brakes, whereas we should have been disputing the steerage ... There is now a general consensus that privatisation has not delivered (nor even maintained) quality public services."

The PSA recognises that this process of workplace change **has an ongoing momentum**, and it argues that the union movement and the State must reclaim their roles as "critical drivers" in the economy, and keep focussing on how they can shape and influence the way the public service works in the future.

— The PSA "*Working the Future*" webpage is at www.psa.org.nz/futurework.asp

- Heading the international speakers at the PSA conference was Bani Dheer, a Canadian academic who has worked with public and private sectors in creating **recruitment and retention strategies to target**

The Jobs Letter

DIARY

10 November 2003

The Green Party says that rural families and communities will pay a high price if the government presses ahead with plans to close 300 small schools, Green MP Metiria Turei: "The Education Ministry's insistence on a 160 pupil minimum for all schools will destroy the fabric of rural communities. Local rural schools are community resources, supported by years of fundraising in their district. The Ministry's planned closures amount to an act of theft from rural families and children."

On average, 110 more people move to live in the Auckland region each day, according to Statistics NZ. 70% of the country's immigrants settle in Auckland.

11 November 2003

The NZ unemployment rate is 4.4%, the lowest level for 16 years.

Wages rose at an annual rate of 2.3%, according to Statistics NZ. This is slightly ahead of inflation (1.5%) but Westpac economist Nick Tufley says the current wage levels do not present a significant threat to inflation.

At least 150 jobs have been lost in the Bay of Plenty as companies who had geared up for a "wall of wood" have seen forestry industry production diminish. Sawmills, transport operators and portside marshalling companies are shedding dozens of staff.

12 November 2003

The WTO has cleared the way for the EU and Japan to impose trade sanctions on the US in retaliation for illegally imposed tariffs on steel. The EU has readied a list of American imported products (valued at \$US2.2 billion) to be targeted for extra tariffs that could be enacted by mid-December.

young employees. Dheer has recently written *The Future of Work: How The Shift From Materialism To Meaning Will Change The Way We Live And Work* (to be published by Penguin Books in 2004). In the book she identifies trends shaping the future workplace, and focuses on the increasing demand among 20 year olds and 50 year olds alike for more meaningful work in their lives.

Dheer: "The great challenge of the upcoming century is not the struggle to make ends meet but the struggle to define what the ends should be. It is not the monotonous hum of the machinery getting us down, but the endless array of choices complicated by the lightning speed of information that sets our teeth on edge. To those of us in the trenches, having to choose between options that may facilitate or destroy the kind of lives we want our work to help us create, is no less agonizing than the eighteenth century factory worker — just different."

- Professor Johanna Wyn from the University of Melbourne told the PSA conference that there is evidence that the transitions into adulthood for the post-1970 generation have differed in significant ways from the previous generation. And she warns that in most Western countries, there is a **mismatch between** the changing life patterns of **young people and an educational policy** that is based on a linear progression from school to work.

The University of Melbourne's Youth Research Centre has undertaken a "Life-Patterns" study of school leavers, which since 1991 has followed 800 tertiary-qualified young people through their life and work. This is the first wave of school leavers who have known no other world than the post-1980s deregulated economy. The Melbourne research has shown that, for these young people, the traditional 'linear' path through education and training is not the majority experience.

The study has found that even the best-educated young people have **changed jobs or careers** in the past five years. Only 18% have had one job since 1996; a majority (61%) had held between two and four jobs in that time; and a very mobile 20% have had more than five jobs. Almost half of the group expected to change jobs again in the next year or two. And interestingly, more than a third of the young people were still "single and unattached" as they approached 30.

- Professor Wyn argues that in a working environment that continues to be uncertain, the post-1970 generation is making some significant adaptations to the way they are choosing to approach adulthood. She describes the participants in her survey as flexible, pragmatic and "very focused on themselves". She says there is now more of an **onus on individuals** to shape their own identities and learn how to cope for themselves. They have learnt to be self-reliant, to see careers as a "personal journey", and to seek greater balance in their lives.

Wyn points out that parents had expected much of this most highly educated of generations — and the young people had big expectations of themselves. But many ended up in **unfulfilling jobs** or in jobs with long hours that left no time for a personal life. By their late 20s they knew they could not rely on their degree, or on an employer still being around in 10 years. Wyn: "They have learnt not to hang their identity on one job ... a realistic adjustment to an unstable world. In doing so, they are changing the meaning of work, how education is used and what relationships mean. This is the "new adulthood" ... and this generation is showing the rest of us how adult lives will be lived in the future."

— Johanna Wyn is co-author (with Peter Dwyer) of *Youth, Education and Risk: Facing the Future* (pub RoutledgeFalmer 2001) and *Rethinking Youth* (Sage Publications, 1997)

- Over the last six months, the government has been rolling out a number of initiatives aimed at **helping at-risk young people** get into employment or further training. The initiatives are part of a \$56 million plan (in co-operation with the Mayors Taskforce for Jobs) to get all young people into education, training, work or other options by 2007.

The Jobs Letter

DIARY

13 November 2003

The Association for Migration and Investment gives a "cautious welcome" to the government's new points system for skilled immigrants. Chairman Bill Milnes says that making residency easier to achieve by those who are strong on practical experience but short on tertiary qualifications would benefit the economy.

US-based General Motors is to export thousands of new cars, including Cadillac luxury models, to China in 2004 and 2005. The cars will be in the form of both complete vehicles and kits for assembly.

16 November 2003

Fewer timber workers are likely to be needed in the central North Island as Carter Holt Harvey continues to scale back its annual harvest. The company plans to continue to reduce the harvest each year through to 2005.

More than 50 highly trained NZ "live-wire" electricity workers have left the country and are working in Ireland. Unionists and industry operators alike fear that more may follow in a global labour poaching war, especially if the US begins to look further afield for workers to repair its neglected electricity network.

The Aviation Industry Association says the aviation industry will experience a shortage of airplane pilots by 2005 after the government puts a limit of 130 on the number of student pilot places it will fund. Association chairwoman Irene King says that each year, for the past decade, about 300 pilots had entered the industry. King says the drop in pilot graduates comes at a time of unprecedented industry demand.

18 November 2003

Nearly 100 staff of Hamner Clinics Ltd will lose their jobs as the company, which ran the country's only residential drug and alcohol treatment centre, as well as five out patient clinics, closes down.

The programmes are variously funded by the Ministry of Social Development (MSD), Department of Work and Income, Ministry of Economic Development, Career Services or Child, Youth and Family ... and are focussed on young people who are not in work, education or training.

The last Census showed that 10%-15% of our 15-19 year olds **may not be in any form of full-time education or training**. And more recent research by MSD estimates that this may include as many as 20,000 15-17 year olds. The Ministry observes that many of these young people will have left school with few or no qualifications, and will "consequently be at a significant risk of prolonged inactivity".

- Part of the problem is that **no government agency is accountable** for monitoring just what is happening for "at-risk" school leavers or delivering services to help them in their transition from school to work. All young people under 16 years are required to be in school, but, once they leave, any accountability ceases for ensuring that they stay connected to further training or employment opportunities.

Social Development and Employment Minister Steve Maharey is determined to do something about this. He has been leading initiatives across a range of government portfolios and agencies to create a **youth transitions strategy** which he believes will be considered one of the most important achievements of the current government.

Maharey: "We are developing a strategy to ensure that New Zealand has a comprehensive and integrated system of pathways from school to work and further learning. It is about a fundamental commitment on the part of central government, local government and society as a whole to — paraphrasing the famous U.S. marine motto — *leave no young person behind*. It's about a situation where no young person is being abandoned to sit on the unemployment benefit. Where every one of them is employed or learning or being assisted in some way. That the young people of New Zealand can move beyond the school gates with confidence and success will be critical in our journey towards achieving our vision for New Zealand and building a knowledge society ..."

The "word in Wellington" is that Cabinet is soon to consider recommendations from MSD that a whole new **transitions service be established** to coordinate and deliver this strategy. Watch this space.

- In the meantime, local authorities are leading a number of initiatives to encourage local agencies to offer better integrated services for young people. Front-line providers, government agencies and local governments in Manukau, Papakura, Waitakere, Taranaki, Porirua, Nelson, Christchurch and Dunedin are currently looking at how they can work better together to provide young people with **better pathways from school to work and lifelong learning**. Many of these initiatives are being funded by Winz out of its budget for regional initiatives for 15-17 year olds, or from its fund to support initiatives from the Mayors Taskforce for Jobs.
- In Taranaki, a new transitions service is being piloted which endeavours to lead the local commitment to get in behind the Mayors Taskforce goal that no young people under 25 will be out of work or training in the region. *Taranaki Connections* has been designed as a **holistic framework** for supporting the transition of young people into employment or vocational training, and also a way of staying "connected" with these young people until they are on a positive pathway to their future.

The initiative is being trialed in Waitara, and a major feature has been the way that local agencies such as the New Plymouth District Council, Work and Income, Child, Youth and Family, Careers Service, Te Puni Kokiri, Tertiary Education Commission, Taranaki Employment Support Foundation and Waitara High School are **working much closer together** than they have in the past. All these agencies are represented on the "governance group" for the project, and last month they publicly signed "*A Local Commitment to All Our Young People*"

The Jobs Letter

DIARY

19 November 2003

NZ expands its working holiday visa scheme from 25,000 to 31,000. The scheme allows young people from countries who offer reciprocal arrangements a one-year working visa in NZ.

More immigrant fruit industry contractors will be investigated for tax evasion after one man is jailed for the offence. The tax department estimates the Western Bay of Plenty has lost \$14 million in taxes over the last two years by some tax dodging horticultural contractors failing to submit PAYE taxes.

21 November 2003

130 jobs will be lost as Carter Holt Harvey plans to close its sawmill and part of its re-manufacturing plant in Tokoroa.

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which states their clear intention to work in “collaborative partnership” in developing pathway plans for every young person.

Taranaki Connections Manager Wendy Wright reports that more than 25 community and government groups have agreed to work together on the new service. Wright: “It’s a minor miracle. It’s an agreement to work in partnership, and to do things differently. They’re saying they’ll make sure the young people get connected with the right people that will help them on their particular journeys...”

- Part of the Taranaki approach is to establish a form of “community case management” which will be the practical basis of providing **longer-term support to each young person**. When each young person registers with the service, they will be matched with a “coach” who will meet with them regularly and offer support, encouragement, guidance and access to the networks and resources offered by all the participating agencies.
- A similar service has just been launched in Nelson by the Associate Minister of Social Development and Employment, Rick Barker. *Nelson Tasman Connections* has been driven by a multi-agency steering group headed up by the Mayor of Nelson, Paul Matheson. Again, the emphasis has been on how well the existing government agencies and community groups work together. Those attending the launch also included local school principals, MPs, youth training providers, and iwi.

Matheson has been astounded to discover how many organisations in the region — over 140 — who are working with youth, but often in a **fragmented** way. He has found that they are also often not sharing knowledge with each other about their programmes. The *Nelson Tasman Connections* programme hopes to change this climate by linking the programmes in such a way that will prevent local young from “falling through the cracks” between the many agencies.

The government is contributing \$60,000 to this *Connections* initiative, and the two local authorities have put in \$10,000 each. A coordinator will soon be hired and young participants will be coached until they are off the unemployment register.

- The government has launched a **nationwide cadetship scheme** to encourage young people to join the public service ... part of the government’s broader programme to help young people make a successful transition from school to work. Associate Minister of Employment, Rick Barker, says that the scheme will help reinforce the capacity of the public sector, and will also begin to reinstate a public service career path that was disestablished by the state sector reforms during the 1980s.

The cadetship scheme will initially see **Winz take on 100 cadets** to train to become case managers. It is aimed at people under 22 years, who will work full-time at Winz and at the same time be studying to obtain a national Certificate in Customer Service. The Public Service Training Organisation will provide support for the cadetships, which will be linked to the Modern Apprenticeship scheme.

Rick Barker says that Winz, having a central role in helping young people into employment, would take on more cadets each year. Barker: “The challenge now is for **other government agencies and local authorities to** demonstrate their commitment to investing in the future of young people and **do likewise.**”

- The spread of the Winz cadetships scheme: Northland (4), Auckland (44), Waikato (5), Bay of Plenty (3), East Coast (5), Central (6), Taranaki (3), Wellington (15), Nelson (5), Canterbury (6) and Southern (4).

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