

The Jobs Letter

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Essential Information on an Essential Issue

KEY

APEC AND JOBS

JEANETTE FITZSIMONS

LABOUR AND COMMUNITY
BANKING

UK OVERWORK LAWS

NETAID

DIARY

10 August 1999

Job loss announcements in British manufacturing will total at least 160,000 during the next 18 months and will cause a huge migration from the north to the south of England, according to the National Institute for Economic and Social Research. The institute says that many of the food, textiles and tobacco industries redundancies will be permanent, and predicts that British manufacturing in the future will revolve around chemicals, pharmaceuticals and engineering.

IBM in NZ will drop as many as 200 staff as the company stops work on the police Incis and two other projects. IBM employs about 1,000 people in NZ.

11 August 1999

A Treasury paper released to the *NZ Herald* warned government early this year that its \$600m cap on new spending will not be enough to maintain current levels of education, health, welfare and retirement services. The paper names three 'levers' through which government could reduce spending: cutting eligibility, reducing the level of entitlements and targeting.

12 August 1999

The government's announced withdrawal of funding for community welfare support umbrella organisations is reversed. The Federation of Voluntary Welfare Organisations,

- The **Apec leaders summit** in Auckland has been dubbed "the most important international event this country has hosted since 1840". It was certainly a unique opportunity for New Zealand to promote itself as it hosted the leaders of the Asia-Pacific region including Chinese leader **Jiang Zemin** and US President **Bill Clinton**.

The Apec's stated agenda has been a wide one of building "stability, security and prosperity for our peoples". In practice, the Apec Summit centered on freeing up trade and reducing tariff barriers in the region, while also providing an opportunity for "bi-lateral" meetings between participating countries, and being a point of focus for current crises such as East Timor.

- The Apec Summit also saw many community groups and activists gathering to promote **alternatives to the mainstream economic agenda**. Auckland did not hold the usual "people's summit" meetings that have become a regular feature of world leader's gatherings overseas, but did see two small conferences "Reclaiming Apec" and "Alternatives to Apec" held at Auckland University. The Methodist Central Mission also held several well-attended public meetings on trade and human rights issues. The Apec week also saw the inaugural conference of **Businesses for Social Responsibility**, led by cereal manufacturer Dick Hubbard, and featuring the internationally renowned futurist and economist **Hazel Henderson**.

In this *special issue* on Apec, we present two of the alternative views on how the Apec free trade agenda has effected jobs here in New Zealand—from Robert Reid of the Apec Monitoring Group and Jeanette Fitzsimons, leader of the Green Party.

- One of the government's main goal's for Apec this year was to "broaden support for Apec". As part of a larger project, Apec commissioned a communications strategy from Consultus NZ to advise on **making trade and investment more relevant to the general public**. The September 1999 report concedes that "current efforts to bridge the community perceptions gap are not working..." The report recommends using a "social marketing" communications strategy to "act as an intermediary between policy-makers and the general public, opening more channels of communication than traditional community consultation and voting behaviours..."

Auckland author Professor **Jane Kelsey** describes the report as "chilling" saying that the Consultus advice to NZ and other Apec governments seems to "rely more on spin-doctoring than participatory debate and the ballot box." Kelsey reports that the Consultus advice is to "harness existing sympathy" rather than "convert antagonistic opinion."

The Consultus-recommended toolbox of public relations tools comes in a down-market version (cost for a country the size of NZ: \$377,000) to a Rolls Royce approach (cost: \$15 million). Their ideas include: a promotion/competition for schools, based on "what's in your shopping trolley"; case studies and testimonials for the media, fronted by "effective communicators from the business world"; sponsorship of journalists to report on New Zealand companies doing well; and an Internet-based trade game with "hot buttons" to take players to the home pages of sponsoring export/import-oriented companies. They also suggest a campaign logo extolling New Zealanders to "Buy Global."

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

the Council of Christian Social Services and the Council of Social Services will now be funded to a total of \$138,000. This is a drop of \$10,000 but not the drastic slashing that was announced earlier this year.

Social Services Minister Roger Sowry says the new funding arrangement removes duplication of services among the three umbrella organisations. But spokesperson for the groups, Tina Reid, points out that under the new contract-for-services framework there is no provision for the roles of research and advocacy which the organisations previously provided.

The meat industry continues to restructure with two South Island Alliance Groups plants merging. Chairman John Turner says the new plant will employ 2,000 and the merger will result in no more than 30 redundancies, all in management or administration. Only one of NZ's four large meat companies, PPCS, has not merged plants. PPCS is expected to make an announcement in this regard in a few weeks.

Palmerston North City Council sets up a fund to support groups that have programmes to move people towards real jobs. PN community development planner Dennis Morgan says that the \$80,000 fund is intended to work as an incentive for groups to become further involved in job creation.

NZ's restrictive laws are having dampening effects on credit unions according to visiting World Council of Credit Unions president Dennis Cutter. He notes that NZ law forbids businesses from using credit unions, limits individuals to deposits of no more than \$40,000, and credit unions are required to post a \$15m fee to join the banking clearance system. These restrictions, Cutter says, help account for why only 7% of the NZ workforce are members of credit unions. In Australia nearly one third of workers, and in the US half the workers belong to credit unions.

16 August 1999

Party leader Jim Anderton announces the Alliance's economic growth policies and a target of creating 76,000 new jobs over the next three years. The strategy would see the return of an employment portfolio to cabinet

- Veteran protestor and employment activist **Sue Bradford** was in Auckland for the Apec week, and active in the street protests. But, during the Apec talks, Bradford decided to trade her megaphone for a **shopping trolley** — protesting at the amount of basic consumer goods that NZ imports. Bradford invited the press to New World in Remuera and filled a shopping cart with products ranging from cat food to cornflakes imported from Asian nations or Australia.

She says that economic links through Apec and closer economic relations with Australia have contributed to a large balance-of-payments deficit and rising unemployment. Bradford: "All these products represent job losses for New Zealand. Free trade gives some consumers slightly cheaper goods at the cost of putting many of them out of work." Among the items that went into Sue Bradford's trolley was a Team New Zealand polo-shirt with "Made in China" on the label.

- The Labour Party has picked up the call for "**community banking**" **alternatives in NZ** (see *The Jobs Letter* No. 105). In releasing their social security policy, Steve Maharey says a Labour Government will explore the feasibility of community banks. He sees their policy as very different from the Alliance's plan to set a new state bank, because the community banking approach is one that is not owned by the state, but is a locally-based co-operative partnership.

The Labour policy recognises the problems caused by the closure of more than 500 bank branches in New Zealand since 1993. Rising fees and charges mean many low-income households find the mainstream banking system too expensive. Maharey: "One model we'll look at is the Bendigo Bank in Victoria, Australia, which involves the community creating a trust so local investors become shareholders in their local bank. The bank offers a full range of services including loans, investments, superannuation, and insurances. All profits are split 50-50 between it and the local community.

"Another possibility is to base community banks loosely on credit unions, allowing them to expand the services they offer while ensuring they come under appropriate prudential control. Alternatively Labour would support NZ Post expanding its provision of agency services for existing banks, to preserve a much wider spread of banking services ..."

- Long distance runner **Siegfried Bauer** is embarking on a pre-election "Right to Work" run in order to publicise the plight of unemployed in New Zealand. He will be leaving Wanganui on October 1st and plans to be in Auckland on the 17th. Bauer is a well-known NZ athlete who has broken many Australasian long-distance running records.
- *Statistics That Matter*: The **KAIKOURA electorate** contains 19,794 households, of which 52% have household incomes below \$30,000 per year before tax. This is 18% above the rate for the country as a whole. There are 28,137 adults aged 20-59 in the Kaikoura electorate, of whom 63% are in paid, full-time work. Another 14% are in part-time work. Unemployment in the electorate is 5% below the national average. No localities in the Kaikoura electorate have high levels of deprivation.
- Britain's Labour government has been caught up in the debate over the **European Union's working time directive**, which seeks to address the rise in working hours by limiting the hours people may be required to work.

(continued on page seven)

DEBATE

APEC and JOBS

ROBERT REID of the *Apec Monitoring Group* looks at how the Apec agenda effects workers and jobs.

ON THE BUSINESS AGENDA

- Apec stands for Asia Pacific Economic Cooperation. It groups 18 “economies” of the Pacific Rim. In its own words it was established in 1989 to “sustain the growth and development of the region for the common good of its people”.

Others are more honest about Apec’s role. Joan Spero, US Undersecretary for Economic, Business and Agricultural Affairs told US Congress (18 July 1995): “Apec is not for governments; it is for business. Through Apec, we aim to get governments out of the way, opening the way for business to do business.”

While the Pacific Rim economies were booming, Apec was claiming responsibility for this rapid growth. But now many of these economies have collapsed and the whole region is in recession. Millions of workers in countries such as Indonesia, Korea, and the Philippines have lost their jobs, and a new wave of job losses is breaking at the shores of this country.

We have recently seen a rash of factory closures here in New Zealand. All the motor assembly plants, Mitsubishi, Honda, Toyota and Nissan have closed as have companies supplying components such as Kensions, Yasaki and Alcatel. Scores of clothing and footwear factories have closed or made people redundant during the year. Forestry giants Fletchers and Carter Holt Harvey (CHH) are undertaking major restructuring that has already seen hundreds of pulp, paper and timber mill workers sacked. Many thousands of workers have lost their jobs and many thousands more will be affected as job losses further destroy local economies.

- The closures of factories and the subsequent job losses all relate to Apec’s “neo-liberal” or free market, free trade agenda. Similar policies are being promoted by the World Bank, the International Monetary Fund and the World Trade Organisation. Successive governments in New Zealand have also been pursuing these policies since 1984.

ON JOB LOSSES

- Apec is responsible for job losses in three main ways. Firstly, the overall free market agenda is essentially a licence for the big Transnational Cor-

porations (TNCs) to do what they like, where they like. They take resources from the cheapest source, hire workers on the lowest possible wages and sell their product at the best possible price. Previously governments could constrain this power and dominance of the TNCs by insisting that they process raw materials in the countries they extracted them from, or manufactured or assembled products where they wanted to sell them. These measures created jobs for local economies. As governments remove such regulations on the corporations then factories close and jobs are lost.

- Secondly, Apec has called for free trade in the Apec region by 2010 for “developed countries” and 2020 for “developing countries”. The government says that this means the elimination of tariffs and other protection from local assembly and manufac-

“The closures of factories and the subsequent job losses all relate to Apec’s “neo-liberal” or free market, free trade agenda ... which essentially is a licence for the big Transnational Corporations to do what they like, where they like ...”

— Robert Reid

ture. We have already seen how the government’s decision to end tariffs on motor vehicles by the year 2000 caused motor vehicle assemblers to close up shop last year. Currently the government is considering the elimination of tariffs in the textile, clothing, footwear and furniture industries “well before 2010”. The closures and job losses that we have already seen in these industries are the result of tariff reductions that are taking place and uncertainty for the future.

- Thirdly, Apec announced last year that it will seek “early voluntary sector liberalisation” in nine sectors including the fish, forest, energy and chemical sectors. The New Zealand Government has hailed this plan as bringing huge benefits for these sectors. Workers at Fletchers and CHH know differently as they see their companies restructuring in a way that may see New Zealand becoming only the tree farm with all the added-value processing done in high-tech mills off-shore.

ON TARIFFS

- Tariffs were introduced to continue protection for local industry and jobs against imports from overseas. The higher the tariff, the greater the protection. Tariffs are a recent form of protection in New Zealand. Until the late ‘70s and early ‘80s most local protection was provided by import controls. Through the import controls in the middle of this century, New Zealand built up its economic base

and created full employment. It was able to move from the Depression and unemployment of the 1930s to have one of the highest standards of living in the world.

- Since tariffs replaced import controls, the Government has conducted regular reviews of the tariff levels, but always with the goal of reducing or eliminating tariffs. When tariff levels reach such a low point that the industry collapses the government will cut the tariff to zero.

The government is currently reviewing the post-2000 level of tariffs. Unlike other years, it has said the starting point for this review is how to eliminate all tariffs by 2010, the year set by Apec for free trade in its 'developed' member economies.

The government has already reviewed tariffs for the motor assembly industry earlier than the general review. It shocked workers and companies alike by determining that all tariffs on imported vehicles would reduce to zero by December 2000.

- The government is captured by the free trade ideology of the neo-liberals which says that business can only prosper if all regulations are removed

and it is able to exist in a totally free market. At a local level, the Employment Contracts Act was used to remove labour regulations from business. At an international level, "free trade" is seen as the magic solution to remove all international restrictions from business.

However for the neo-liberals, 'business' means the large transnational companies. They have little concern for small local companies and no concern at all for workers. Free trade, free investment, globalisation and international competitiveness are all words which mean that international capital will invest where labour and raw materials are the cheapest and sell where the highest prices can be gained. It is the ideology that says that New Zealand clothing workers have to compete with those in Bangladesh, while CEOs, stock-brokers and top flight lawyers need to receive the same wages as their equivalents in New York, Tokyo or London.

- The government says that eliminating tariffs will reduce the price of imported items into New Zealand, which will benefit the consumer and eliminate the cost of the tariff on the economy. This will make the economy perform better and everyone will be

VOICES

ON APEC

"All people in our communities have a stake in the success of Apec. We want to ensure they achieve their full potential for improved economic and social well-being. We particularly welcome the more active participation of women and business in Apec's work this year.

"We recognise that income and wealth disparities between and within economies can pose a challenge for social stability. Appropriate social safety nets play a role in facilitating economic and social adjustment. We welcome efforts by Apec economies, and other institutions, to address social safety net issues and to encourage further efforts to maintain employment and environmentally sustainable growth..."

— **Prime Minister Jenny Shipley, from the Apec Leaders' Declaration**

"After 15 years of Apec-style free trade and investment policies, most New Zealanders have given up waiting for an economic miracle. Social statistics omitted from the Government's glossy Apec brochure on the "reformed economy" make pretty grim reading.

"One in six New Zealanders, and one in three children, now lives in poverty. In the decade from 1986, the median personal income of New Zealand adults fell by over 13 per cent. Maori incomes fell most.

"Over roughly the same period, the richest 5 per cent of New Zealanders increased their share of national income by one-quarter, and the top 10 per cent of the population by 15 per cent — an outcome which Treasurer Sir William Birch described as "an inevitable part of increasing rewards for effort" and "sending the

right signal."

"The unemployment rate of over 7 per cent is way above the 4 per cent we had in 1987. We now have 32,000 fewer filled full-time jobs than then, but double (243,900) the number of part-time jobs.

"On the economic front, we have fallen way behind Australia in economic growth rates. Last week's figures show the trade deficit is worsening. In 1998, New Zealand was ranked 20th out of 25 OECD countries on export growth performance indicators.

"A separate survey of 45 countries showed we were one of five countries to lose international market share over the previous six years. Total foreign debt at March 1999 was an enormous \$101.9 billion, or 103 per cent of GDP. The current account deficit for the year to March 1999 was around 6.4 per cent of GDP, bridged by more asset sales, overseas borrowing or erosion of Government reserves.

"Meanwhile, profit from foreign investments, especially privatisations, flowed out of the country. In the year to December 1998, the entire \$2.79 billion foreign investors earned as profit, plus another \$11 million, was taken as dividend — there was no net reinvestment.

"A growing number of business leaders and economic commentators now question the scorched-earth approach to domestic industry and unilateral trade and investment liberalisation pursued since 1984 ..."

— **Professor Jane Kelsey, Apec Monitoring Group and author of Reclaiming the Future: New Zealand and the Global Economy**

better off. However the reality is very different from the theory.

The government claims that tariffs must be eliminated by 2010 because of “our Apec commitments”. It then says that it wants to eliminate tariffs “well before” this date. However the entire Apec process is voluntary. “Commitments” are made by “economies” but have no legal standing. There is no “requirement” of any country to follow its voluntary commitments. A majority of Apec countries have indicated that they will not blindly follow their own Apec “commitments”.

But the Government wants to move to complete “free trade” even earlier than 2010 so it can lead other countries by example. This will be as successful as a mouse trying to lead a stampede of elephants. Little New Zealand will get squashed while the larger world economies continue to protect themselves.

ON THE TRADE UNION RESPONSE

- Trade Unions in the Apec region are split on how to deal with Apec. The NZ Council of Trade Unions (CTU) has joined the Asia Pacific Labour Network

(APLN) which supports Apec and its form of free market globalisation. The CTU and APLN wish to see a social dimension in Apec, the establishment of an Apec Labour Forum and participation of union leaders in Apec committees, working groups and ministerial meetings. They have asked Apec to commit itself to “eliminate exploitation, discrimination and repression in the workplace”.

The NZ Trade Union Federation (TUF) and other trade unions in the region have a different view. The TUF believes that the basis on which Apec is founded is anti-worker. It says that requesting Apec to eliminate exploitation in the workplace would be “as successful as urging a tiger to become a vegetarian”. Those trade unions opposed to Apec seek its destruction rather than seeking a seat at its table. Some have joined with other labour groups in the region to establish Apec Labour Rights Monitor (ALARM) to monitor the activities of Apec that will affect workers and to organise solidarity against the worker rights abuses that occur in all Apec countries.

Source — Apec Workers, Jobs and Tariffs Fact Sheet produced by the Apec Monitoring group www.apec.gen.nz

“If there’s one message that I’d like you to go away with today it is that Apec is about creating opportunities for business, dividends for shareholders and ultimately more job creation.”

— **Minister of Foreign Affairs and Trade Don McKinnon**

“Apec is anti-worker and anti-women. Hundreds of jobs have been lost in the car assembly, clothing and footwear industries because of New Zealand’s Apec commitments. Apec is part of the network of treaties, forums and institutions that seek to subjugate the many for the enrichment of the few...”

— **Maxine Gay, President of NZ Trade Union Federation**

“The goal of an equitable and open trading system, while easy to articulate, requires committed political leadership to achieve. In the Apec economies — as well as in the wider world — there are a multitude of competing voices seeking to advance ideas and views on every aspect of economic trade and social policies.

“Old policies that have failed are constantly re-circulated by special interest groups. New policies that are working well are condemned by others. So it is no surprise that in such an environment the simply-stated proposition — that free and open trade is in everyone’s interest — can get lost. The difficulties get exaggerated, and the benefits undersold. Often there is a great weight of support for the status quo and much less to support the new vision, the Apec vision, the daring vision to lower barriers to trade, and all can win. It sounds too good — but its true.”

— **former NZ Prime Minister Jim Bolger, introducing US President Bill Clinton to the Apec Business CEO Summit**

“We are told that trade liberalisation will help solve poverty. But global trade has grown sixteenfold since 1950 and consumption has increased sixfold — yet the gap between the rich (usually men) and the poor (overwhelmingly women and children) has widened throughout the world. The Apec agenda of trade and investment liberalisation currently means freeing up the rich to ignore the needs of those in poverty. This is immoral ... “

— **Marion Wood, YWCA Executive Director**

“The world works by adherence to our departure from big ideas. And we organise ourselves around them, and then people like you do real well when you figure out how to improve on them, modify them, find a little niche in which to move.

But if we stay with a big idea that’s wrong too long, no matter how good the rest of our creativity is, we all get in trouble. And no matter how hard we work, we get in trouble because we work harder and harder and harder at the wrong things ... “

— **US President Bill Clinton speaking to the Apec Business CEO Summit**

“Apec is about making it easier for business to grow - about solving the problems of our ice-cream manufacturer, and similar problems of all other exporters. It’s designed to encourage business in the region by making it easier and simpler. That’s the standard by which it should be judged over the next two decades ...”

— **International Trade Minister Dr Lockwood Smith**

APEC and SUSTAINABILITY

Green Party co-Leader JEANETTE FITZSIMONS comments on free trade and the challenge to build sustainable local economies.

ON TRADE THEORY AND PRACTICE

- There is a glaring disparity between the theory and the practice of free trade. More trade should mean more work producing and distributing and accounting for trade goods — and therefore should create jobs. Yet the harsh reality for New Zealand has been that whatever jobs have been created in the past 10 years, by trade or other means, have not kept pace with the jobs that have been destroyed.

With between 6-10% of the workforce out of work at any one time over the past ten years, and no hope of relief in sight, we have to ask what role our trade policies may be playing in making the situation worse rather than better.

Within the small CER subset of the Apec free trade bloc, it is pretty clear that free trade has meant a loss of New Zealand jobs to Australia. Two percent of the current population of Australia (360,000 people) were born in New Zealand. Most of them are young people who have gone looking for jobs.

Under CER, New Zealand industries have shifted to Australia. For example: one year after the CER agreement in fresh produce was implemented, one third of New Zealand's tomato growers had gone out of business. A small tariff on clothing and footwear is the only protection for the remaining 16,000 or so New Zealand clothing and footwear workers — a workforce where job loss has been steady and constant in the past fifteen years.

ON WHAT TO DO

- We need to take a two-pronged approach to the problem: First, there is the need to prevent further unnecessary job losses. Maintaining tariffs on the importation of goods that we can and should produce for ourselves is one way of keeping jobs in New Zealand and providing workers with the wherewithal to buy locally produced goods. However, Greens do not take the view that any and every job is worth protecting in this way — we want to encourage environmentally sustainable production both here and overseas. Tariffs are particularly justified where our competitors are paying very low wages, have poor environmental standards or are subsidised by their governments.

The second part of the Green approach to redressing free trade-induced job losses is to focus scientific research and development efforts, and regional investment, into sustainable production that earns a premium on world markets — premiums like the \$35 currently being paid for a box of certified organic apples, compared to \$7-\$9 for the chemical equivalent. Fortunately, environmentally sustainable forms of production, such as organic farming, energy efficiency, waste reduction and resource recovery ... all create jobs.

ON STRENGTHENING LOCAL ECONOMIES

- It is essential to create jobs at the local level. For just as the global economy strips jobs out of New Zealand and displaces them to other countries, so the main urban centres in New Zealand suck people out of the heartland. This leads to environmental and social distortions and damage at both ends: for example, West Coasters (with a lot of help from a multinational PR company and public money) are fighting to log pristine native forests containing endangered bird species in an ineffective attempt to generate jobs on the Coast and keep the young people there ... while Aucklanders are mired in traffic pollution and congestion and reaching the limits of sustainable supply of water and electricity.

- It is therefore very important that we strengthen local economies, to keep communities viable and healthy. Sometimes we can do this through developing trade with overseas markets e.g. by encouraging sustainable sunrise enterprises including diversification into new products like hemp, and by adding value to what we already produce. But sometimes we have to realise that if we want a local economy, we have to support local economic activity, and do our consuming as well as our producing locally.

The Greens in the Nelson Tasman Bay area have been running a very successful 'Buy Local' campaign that has encouraged and strengthened the local businesses that provide local employment. The next step, for Nelson and rest of New Zealand, is to bring back community owned and operated banks, like the old trust banks, that will keep capital in the community, available for keeping the small and medium size businesses that provide most of the jobs in this country going. The Taranaki Savings Bank, New Zealand's last and only New Zealand owned and operated bank, has been profitable and successful in its mission to serve the economic needs of Taranaki. With new technologies, like the Internet, it is now possible to bypass centralised bureaucracies, and engage in community to community economic exchanges.

Source — Jeanette Fitzsimons "Thinking Beyond Tomorrow" in speech to the "Reclaiming Apec" conference at Auckland University 7 September 1999

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through a new Economic Development and Employment Ministry and Anderton wants to be the minister. The Alliance would see a network of regional development agencies and a \$200m Economic Development Fund to provide support for new technology industries that have the potential to provide the country with export income and provide people with sustainable, skilled, well paid jobs.

A report on long term trends in Auckland, written to help the city's council review its planning, tells the council to expect the city's unemployment rate to rise above 10%. 'Auckland Foresight' also predicts that secure residential enclaves will be built to house the wealthy as inequality leads to conflicts between the haves and have-nots.

The Ministry of Education is working with schools to help them prepare for the extra 6,000 students that will be starting secondary school next year. Existing teacher shortages will be exacerbated and the ministry has begun offering scholarships for people to train to teach maths, science, technology, computing and te reo Maori. The ministry is also recruiting teachers in Britain, Australia and Canada. The ministry expects an increase of 6,000 secondary students each year for the next six years.

17 August 1999

The government unveils its economic development strategy policy that focuses on incentives to students. The 'Bright Future' policy would direct \$12m of new spending on knowledge based programmes ranging from \$500 cash incentives for top secondary school students to continue to take science and maths at university to \$40,000 scholarships for doctoral students.

18 August 1999

Professors and teachers criticise National's knowledge-based economy policy by saying NZ does not have the infrastructure in place for the incentives to be effective. Bio-engineering research professor Peter Hunter says that while scholarships will be helpful, he contrasts the NZ academic/research model with the commercial research centres embedded in the universities model that works so effectively overseas. Senior science lecturer at the Auckland College of Education, Denis Burchill, adds that high quality secondary school science teachers are in too short supply.

A Cambridge university survey found that people in all kinds of occupations report a greatly increased pace of work in the past five years because of reduced staffing levels. Insecurity about losing status and promotion contribute to overwork as much as the fear of losing jobs. Britons work an average 44 hours compared with Europe's 40 hours. More than 4m people work more than 48 hours, a figure that has doubled in recent years: one in five men works more than 50 hours a week.

- The EU working time directive's modest suggestion is that people should not be expected to work more than an average of 48 hours a week (the equivalent of six eight-hour days), with three weeks' paid holiday a year (four from this November) and the right to a 24-hour rest period every week.

There were already all kinds of exceptions and ways countries can adapt this directive. But Britain has insisted on an opt-out clause allowing any workers to "volunteer" to ignore it. No other country has used this clause. Now, the British Labour government has laid regulations to further weaken the directive — leaving employees working unpaid overtime with no legal protection against pressure from employers. They have also ensured that employers will not have to keep records of the hours worked by those who have "volunteered" to opt out ... so there will be no way of checking.

- NetAid is coming. The **latest global charity concert** — dedicated to ending extreme poverty in the world — will be staged on October 9th. The project will bring together for the first time the power of the internet and the global reach of television and radio.

On Oct. 9 there will be overlapping concerts at Giants Stadium in New Jersey, Wembley Stadium in London and the Palais des Nations in Geneva. The featured musicians including Jimmy Page, Pete Townshend, Jewel, Bush, the Corrs, Counting Crows, Celine Dion, the Eurythmics with Annie Lennox, Wyclef Jean with Bono, George Michael, Robbie Williams and Jimmy Thudpucker (www.doonesbury.com/thud/sessions.html). The concert will be carried on the MTV and VH1 cable television channels and the BBC.

- NetAid brings together the most extensive partnership the United Nations has ever formed with private enterprise in trying to relieve poverty in the developing world. With this project, the United Nations Development Program (UNDP) has teamed up with Cisco Systems — which makes much of the complex communications equipment that forms the synapses of cyberspace. Cisco has agreed to underwrite the project with assistance from the consulting firm KPMG.

Don Listwin of Cisco Systems describes NetAid as a "new internet model for social change" Listwin: "Just as the internet has revolutionized business, the internet can help lift the hopes of communities in need by bringing ideas, people and resources together in ways never thought possible. NetAid will use the largest scale internet technology ever deployed to tackle one of the world's largest problems... "

- The director of the UNDP, Mark Malloch Brown, says that Netaid is not just another charity telethon. The heart of Netaid is not the concerts, he says, but a website (www.netaid.org) which is being created to allow people around the world to participate in antipoverty efforts long after the music is over. The website will allow the UNDP plans to work with non-governmental organizations in creating opportunities for people to learn, contribute time and money, exchange ideas and expertise, and join with those leading the fight against extreme poverty. Malloch Brown: "Unfortunately, extreme poverty is on the rise. More than one billion people around the world live in extreme poverty, on less than the equivalent of one dollar per day. The existing tools and resources to combat the world's worst poverty are clearly insufficient. NetAid will be a lasting weapon that will help mobilize people that were not involved previously, and create new virtual communities that will work together to eradicate extreme poverty.

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22 August 1999

Wellington's former Mature Employment Centre is reforming itself into the Network Centre. Co-ordinator Linda Hobman says the centre is to provide a network, and other services, for people of all ages who are working in a 'portfolio' way. Network Centre offers regular workshops on "Your new livelihood" and "Making a living as a freelancer".

24 August 1999

Palmerston North City Council votes to lobby government over concerns it has with the treatment of local people by Winz. The council had asked people for feedback on their experience with Winz. Mayor Jill White says about 140 people responded, most saying they felt shame, humiliation and fear when dealing with Winz case managers. White says government should know if Winz is not carrying out policy in a fair and just way. She also says government should be told it is setting benefits too low. One-third to one-half of the people referred by Winz to the Wellington Downtown Ministry for foodbank parcels are not being given the benefits they are entitled to according to Downtown Ministry director Kevin Hackwell. He claims that Winz encourages its staff not to approve benefits by offering them bonuses for reducing paperwork.

Deutsch Bank is predicting the NZ unemployment rate to be about 6% during the next two years and that economic growth should be 3.3% to March 2000 and 4% the year after. Deutsch Bank expects the Reserve Bank to begin lifting interest rates to 9% within two years in order to hold inflation down.

Urban Maori activist and Labour candidate John Tamihere says the lack of qualifications and jobs is goading Maori men to violence. Tamihere says a solid urban Maori infrastructure based around education, sports and zero tolerance to violence will help create more healthy families and productive, employable Maori men.

West Coast rain forest logging of native beech trees gets the go ahead from government. The scheme has been promoted by State Owned Enterprise Timberland West Coast as

"sustainable" and a job spinner for the area. But minister for the SOE, Tony Ryall, gives no assurances that new jobs would be created on the coast as a result of this lift on banning the logging of native trees.

25 August 1999

Contact Energy is shedding 57 staff. The redundancies are in Auckland and Dunedin and are mainly people working in the telephone call centres and support staff work who worked for the ten electricity and gas companies Contact Energy bought up last year. The company is aiming at having a total of 155 employees. Its call centres are in Levin and Dunedin.

26 August 1999

Garment manufacturer Soma President announces 25 staff are to go as the Hastings company loses contracts for two American T-shirt and underwear brands. Another Hawke's Bay company announces 40 redundancies as leather processor Richina Pacific plans to close one of its two Napier factories.

28 August 1999

The Alliance will not push for increasing benefit levels according to spokesperson Grant Gillon. He says his party's last election pledge of raising benefits to pre-1991 levels was based on the large government surpluses that are no longer available.

29 August 1999

Low-income earners tend to pay extra for their banking services according to the Federation of Family Budgeting Services. Some bank customers with low or negative balances pay as much as \$30 per month in bank fees.

31 August 1999

Job losses are in the pipeline at Clear Communications. With a new owner, British Telecom, and a posted loss of \$1m last year, Clear will cut 150 staff. Clear currently employs 900 people in NZ, about 700 of these work in Auckland.

The prisoner work scheme needs reviewing according to the Council of Trade Unions. CTU president Ken Douglas, a member of the Corrections Department Inmate Employment Steering Committee, says the scheme breaches the International Labour Organisation's

conventions on forced labour, it undermines private sector commercial activities and is unduly exploitive of prison inmates. Ken Douglas says the scheme should utilise real work experience to involve inmates in structured skills development and training. He also says there needs to be a legal recognition of the employment relationship. The Trade Union Federation blew the whistle on the scheme and now the ILO has a committee investigating the scheme.

1 September 1999

Accident Compensation Commission subsidiary Catalyst Insurer Services will cut up to 150 jobs. The company was set up in July this year as part of the restructuring of ACC and currently employs 1,250 people in 44 offices. CIS is requiring fewer staff because of a drop in its workload attributed to changes in ACC policies that have resulted in fewer people being eligible for long-term claims.

2 September 1999

Women graduates earn substantially less than their male counterparts even though they out-perform men in every area of study, according to agricultural science professor Jacqueline Rowarth. She applauded the fact that the number of women doing science degrees has doubled over the last 25 years. But she points out that six months after completing their degrees, no matter what field a woman studied, she will be earning less than a man in the same industry. The disparity ranges from a difference of \$228 per year in social science degrees to over \$3,000 for engineers.

Alliance MP Liola Harre's Paid Parental Leave Bill fails in parliament by a vote of 58 - 60. The Public Service Association national manager Wendy Kazianis says the failure of the Bill, after public opinion has been so firmly in favour of it, this will not be the end of paid parental leave. She says paid parental leave will become a special election issue.

3 September 1999

Investment in jobs would be far better than putting a prison in the Far North, according to Ngapuhi kaumatua Graham Rankin. Rankin tells his district council he finds it distasteful that Far North mayor Yvonne Sharp went to Wellington to assure Corrections Minister Clem Simich that the Far North

could provide the support services required for a regional prison. Rankin tells the council that 99% of those who went to prison are unemployed and that the emphasis should be on creating jobs, not prisons.

4 September 1999

Tourism is booming in NZ. The numbers of tourists rose 5.9% this year over last year, and per tourist spending increased 18%.

Police officers will no longer be required to retire at 55 years. A last change to the Police Act, being considered under urgency, is added by Act MP Patricia Schnauer and supported by both Labour and the Alliance.

5 September 1999

The Post Primary Teachers Association says that about 3% of its teachers will have quit by the end of the year. Association president Graeme Macann says that coupling this news with the ministry's recent announcement of a need for 6% more teachers for next year to accommodate the expected increase in student numbers, means there will be near to a 10% shortfall in secondary teachers come February. He says the extra stress of the staff shortages will drive even more teachers from the industry.

Hamilton state housing tenant Sue Hartley leaves her Housing NZ house after her long-time partial rent strike against market rates. Hartley continued to pay 25% of her income for her Housing NZ house for five years after the rental rates began to climb to market rates. Now, \$16,000 behind in rent, she has accepted a cheaper one bedroom Housing NZ house but loses much of her accommodation supplement. She is negotiating with Housing NZ on how she will repay her debt.

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