



**Core Group Meeting  
17<sup>th</sup> – 18<sup>th</sup> March 2010**

**Present – Mayors** John Forbes, Maureen Reynolds, Gary McPhee, Alistair Sowman, Dale Williams (Chair), Frana Cardno, Kelvin Coe, Jenny Rowan and Brendan Duffy.  
Jan Francis Executive Officer-Mayors Taskforce for Jobs and Nasi Jenkin, LGNZ.

**Apologies – Mayors** Bob Harvey, Jono Naylor, Kevin Winters, Len Brown, Les Probert, Lawrence Yule, Penny Webster, Peter Tennent and Wayne Guppy.

**PARTNERS MEETING**

**Present** – Jeremy Baker [ITF] and Peter Conway [CTU]

**Apologies** – Samantha Seath [EDANZ]

Jeremy outlined his ideas for the tertiary sector noting that around 30% of students go to University (1400 qualifications) with 70% in Wananga, Polytechnics, PTE's ITO's (4,600 qualifications). There is very little coordination of the sectors and virtually no movement between them and no common system for qualifications or funding. He would like some discussion around these issues and has around 39 ITO's who have agreed to discuss this and would like MTFJ support for a wider discussion with other interested parties. Mayors were happy to support this proposal and also further discussion regarding the Taskforce Modern Apprenticeship Report noting that 27% of ITO non-completion rates are due to leaving the employer.

Peter Conway said the CTU were concerned about the blaming discussion from the recession. Community Max and Job Opportunities were very successful and he believed they should continue. He believes that there needed to be a pre-budget announcement for a Job Support scheme. He noted that there was apparently some unspent money in the 9 day fortnight programme (around \$8million). He believed that the skills investment subsidy, which was a flexible enhanced matching tool, could use this money as a top up.

He also noted that there needed to be clarity around the Youth Guarantee. The Skills Forum had process issues but he believed they could re-group around what needs to be achieved. He believes that there needs to be discussion around value for money as investment in people is as important as investment in infrastructure. There are also questions around where regional economic development sits in the economic growth agenda.

**PRESENTATION FROM ROADING NZ**

Cos Brewen (Chair, Roading NZ and CE of Downer) and Chris Olsen (CE Roading NZ)

There are demands on the sector over the next 5 years. It is expected that 1,400 skilled personnel will leave over this time. We are currently losing skills and experience – the average age in Downer, for example, is 46. Procurement is still focused on the lowest price so it is difficult to compete if doing training and skills enhancement. It could be possible to put a weighting on training in contracts. They believed that Local Government could take leadership on this. In Australia for example local contractors must demonstrate the percentage of dollars spent on training. Local Government here could do something similar in the “non-price attributes” part of a tender, for example, put in Requests for Proposals the number of staff achieving certain unit standards which would link into the ITO’s. Could also be done in maintenance contracts.

Chris and Cos also noted the issues of literacy and numeracy which could also link into the suggestion above. There are currently around 13,000 people employed in the sector throughout NZ. Between 2004 – 2007 the sector grew by 30% and there is a 10-15% increase needed over the next 2 years. Wages have grown 60% over this period. Investment in training should not necessarily raise the price, as Councils have more ability to influence price than a company’s investment in training. The 16-20 age groups are difficult to employ in this industry with 40-50% knocked out through drug and alcohol testing, so real effort needs to be put into keeping young people employed.

#### **OFFICIALS MEETING**

**Present – Mayors** John Forbes, Maureen Reynolds, Gary McPhee, Alistair Sowman, Dale Williams (Chair), Frana Cardno, Kelvin Coe, Jenny Rowan and Brendan Duff. Jan Francis (Executive Officer and Nasi Jenkin (LGNZ).

**Officials** – Jon Saunders, Kate Satterthwaite, Karen McKenzie (MSD), Colin Drew, Felicity Bolen (DoL), Peter Carr (MYD), John Dawbar (TPK), Richard Elwin (TEC) and Janet Brown (Career Services).

**Absent** – MoE

#### **Youth Transition Service**

Jon Saunders noted that Minister Bennett wanted to see the connection between YTS and the Youth Guarantee policy. He noted that providers had still not been communicated with but it appeared that the current budget for Youth Transitions would be available in the next financial year.

#### **Youth Guarantee**

With regard to the Youth Guarantee policy it was not possible for Officials to update the Mayors as no-one from MoE was at the meeting.

#### **Career Services**

In response to a question from Jan Francis, Janet Brown said that Career Services had limited ability to provide free career advice for all Youth Transition clients but could provide some one on one advice, the 0800 number, website and group work.

#### **Community Max**

Karen McKenzie noted that W&I were working with participants from week 20. 108 had already reached the 26 weeks and so far none had come back onto benefit. She also noted that many of the employers were also working hard at getting jobs for participants.

Colin Drew noted that this is the time we need to look at more targeted long-term solutions which will be available in both growth and non-growth situations. There was still a problem of mis-

match between those who were unemployed and the jobs on offer. This had been a long term issue and was not new. There obviously needs to be pre-job training for young people in their own communities. Felicity Bolen noted that there needed to be a strong case made for some form of Youth Transitions in all communities. Mayor John Forbes said that we needed local solutions which also addressed cultural differences. Mayor Jenny Rowan noted that we needed to be concerned about values, equity and justice and what's happening to our young people. Perhaps a greater engagement with Minister Sharples was also required.

### **MTFJ CORE GROUP BUSINESS**

**Present** – Mayors John Forbes, Maureen Reynolds, Gary McPhee, Alistair Sowman, Dale Williams (Chair), Frana Cardno, Kelvin Coe, Jenny Rowan and Brendan Duffy. Jan Francis (Executive Officer), Nasi Jenkin (LGNZ).

### **Minutes for 1<sup>st</sup> July and 18<sup>th</sup> November Meetings**

Both sets moved as a true and accurate record

**Moved:** Frana Cardno                      **Seconded:** John Forbes

### **Finance**

Report accepted

**Moved:** John Forbes                      **Seconded:** Maureen Reynolds

### **Strategy**

Agreed on draft

**Moved:** Maureen Reynolds              **Seconded:** Kelvin Coe

### **Youth Transitions**

Mayors expressed concern at the delay in the decisions on contracts for current YTS and on the expansion to cover all local authorities. There appeared to be confusion about how the programme fits with the Youth Guarantee but Mayors believe that the Youth Guarantee is a series of free training and education programmes available to 16-17 yr olds outside of formal education and therefore would be referral places for the YTS. It was agreed to raise this with Ministers.

### **Modern Apprenticeship Programme**

Jan and Dale reported on the meeting with Hon Steven Joyce. He was supportive of most of the recommendations made in the report and asked us to come up with an implementation plan. We will be working on this as soon as possible.

### **Community Max**

Noting the success of the programme Mayors supported the call earlier in the day from Peter Conway to seek an extension of the programme as the youth unemployment figures remain high and young people obviously need some further support.

### **Youth in Local Government Conference**

Mayors agreed to meet after this year's conference to discuss further involvement and agreed with Jan that we should not ask for expressions of interest for the 2012 conference until after that meeting.

### **Local Government Conference**

Dale to speak with President Lawrence Yule about a slot at a plenary session.

### **Auckland Super City**

Nasi Jenkin suggested that the Taskforce make a submission regarding CCO's and training components in contracts.

### **MINISTERS MEETING**

**Present – Mayors** Dale Williams, Kelvin Coe, Maureen Reynolds, Frana Cardno, Alistair Sowman and Len Brown

**Ministers** – Paula Bennett, Steven Joyce and Rodney Hide

**Officials** – Felicity Bolen, Mike Smith, Janet Brown, Kate Satterthwaite, Jon Saunders, Susan Shipley, Kirsten Rei and Christina Connelly.

Minister Paula Bennett welcomed Mayors to the meeting and reiterated her support for the Taskforce and stressed the importance of the partnership and how much she valued the work. She saw this type of partnership as the way forward for Government working with local communities. She then updated Mayors on youth unemployment noting the huge increase since 2009 but we are now starting to see a fall in the numbers with half that fall overall coming from young people. She urged caution though, noting that 20% had gone back into study and that some of the reduction would be those on student hardship going back to study. Nevertheless she noted with satisfaction that 40% of those coming in to register with W&I were finding positions before needing to go on to a benefit. She further noted the importance of the Job Opportunities and Community Max programmes.

Mayor Dale Williams asked about the extension of the Community Max programme but Minister Bennett said the cost (\$40.8million) was prohibitive and that they were optimistic that the economy would start generating more jobs in the near future. Jan Francis asked about Taskforce Green and the possible extension of that programme. The Minister said there was a possibility of looking at that. However she said there was a focus on those coming off the schemes and looking closely at what is happening with those people. Changes would be made to IYB with those on that benefit required to be in education, training or work.

Mayor Maureen Reynolds asked about tracking all young people. The Minister replied that she wanted to see how the Youth Guarantee would work in with the YTS programme before committing to further tracking programmes.

### **Youth Guarantee**

Minister Joyce [on behalf of Minister Tolley] said the policy was to expand the options for 16-17 year olds and currently included Trades Academies, the programme at MIT and 2,000 places in Polytechnics (levels 1-3). 700 enrolments had been confirmed. A number of issues had been identified including travel to training, and pastoral care. These students were not those that Polytechnics had traditionally worked with and this was posing a challenge for them. Other issues included:

1. How does it fit alongside other programmes and projects currently running
2. Regulatory and funding issues – ie ownership of the person and therefore the funding
3. Tracking – seeing what was succeeding and where the young people were going

### **Youth Transitions**

Mayor Dale Williams suggested that YTS were already tracking students from school and that we would not like to see duplication in this area. Minister Bennett noted that they wanted to see what is currently available and also to look at YTS which were variable around the country, and see what mechanisms are needed for success. In answer to questions she said there was a commitment to the current funding for YTS but she was looking at how best to use this resource.

Mayor Dale Williams expressed concern at the absence of the Ministry of Education from both this meeting and the Officials meeting. Minister Bennett undertook to write to Ministers asking for a greater commitment and their support from both Ministers and Officials. Mayor Frana Cardno noted the importance of the local and flexibility around programmes. Minister Joyce noted that it would be ideal to simplify the funding models whilst retaining diversity but including clear, measurable outcomes. Jan Francis asked about Community Committees and the Taskforce's willingness to facilitate these. Mayor Len Brown said the tracking programme was essential in Manukau and that it was a big project but one he was totally committed to. Communities shared the common goal but they needed to get all players involved, including business. Minister Bennett had recently visited the YTS in Manukau and had heard that there were already 112 youth programmes in that district. Mayor Dale Williams expressed concern that the YTS didn't know what was happening and that their contracts were expiring by the end of June. Minister Bennett acknowledged the situation recognising timing and funding issues.

### **Local Government Issues**

Minister Rodney Hide noted the changes to the Local Government Act which would give Councils more flexibility around long term plans and community outcomes. He was working on a paper about Central/Local Government roles which would be released following the elections later in the year. He noted the importance of the Taskforce in the Central/Local Government relationship. Auckland re-organisation will have a big impact on how the relationship and delivery of Central Government services by Local Government is carried out. He noted the importance of Minister Bennett's social services paper on this issue. Mayor Frana Cardno reiterated that every community is different and that policies need to reflect that. Minister Bennett said that she was well aware that getting back into communities and initiatives driven from the community is what makes the difference and that the Prime Minister was on the same page in this regard. Mayor Dale Williams said it was important to involve Mayors in connection between Central and Local Government coordination and implementation. Minister Joyce said he was keen to map where the funding goes perhaps through on-line tools which are available for other purposes.

### **Tertiary Education**

Minister Joyce noted the high spend on tertiary education and that there was no way this was going to increase. He had instituted performance based funding for TEO's telling Mayors that the student drop out rate particularly at the lower levels could be as high as 70%. He wanted to publish better information on courses, improve students' performance noting that student support (student loans) was now up to 48c of the tertiary dollar spend. The Industry Training Review was about how to get everyone performing better. Also the qualifications review would look at the proliferation of qualifications and the possibility of simplifying this. Although enrolments were increasing it appeared manageable within the cap at the moment although he acknowledged this was uneven across institutions.

There would need to be a reduction in spending next year and he is currently looking at whether the assumptions around the spending are correct.

Minister Bennett closed the meeting thanking Mayors for their support and noting that the Government would support what works.