

# A Capable Age

— some thoughts on the “zero waste” of young people

by vivian Hutchinson

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*“... The parties to this Memorandum affirm that there is no continuing justification for the “waste of New Zealanders” through unemployment. There needs to be a concerted leadership effort at both local and central government level about the future of work and livelihood and the creation of more opportunities for our children’s children.*

*“The jobs of the future will certainly still come from new business opportunities. However, future employment will also be driven by our collective choices to value the new work that needs to be done and ensure Maori and Pacific Island people also have access to these new work opportunities. This will require a shift in thinking about what we value and the parties can play an important governance role in leading these choices on behalf of our communities.”*

*— from the “Memorandum of Understanding”  
between the New Zealand Government and the Mayors Taskforce for Jobs,  
launched 12 September 2000 at The Beehive, Wellington.*

1.

I’m here because I don’t want to live in a New Zealand that has no use for a large number of its young people.

I am encouraged by how this Taskforce has embraced the message of working towards the “zero waste” of New Zealanders. It is encouraging also to see how the Taskforce has taken on its first goal that, *by 2005, no young person under 25 years will be out of work or training in our communities.*

Employment is doing much better in New Zealand under the current Labour/Alliance government. We have more jobs than ever before in the NZ economy, and the labour force participation rate is climbing.

But we are still not solving unemployment, and we have a long way to go in addressing the deeper layers of this issue. Too many people are still out of work ... and too many of them are young people who have never really started on the journey to livelihood.

According to the latest statistics for December 2001, one in eleven New Zealanders are out of work and want a job. This amounts to 183,000 New Zealanders. When you look deeper into these numbers, we find that young people carry a disproportionate burden of unemployment. Despite young people aged 15-25 making up about 20% of

the working age population, they make up 40% of the unemployed. If you are under 25 years of age, you have a one in eight chance of being out of work.

As Mayors, you are perhaps some of the busiest people in your local communities ... and I recognise that none of you were specifically elected to work on employment issues. But your involvement in this Taskforce is an indication of how strongly your communities feel about the employment challenge, and especially how joblessness is effecting your young people.

Communities are based on livelihood ... and the issues of employment and income are exactly where local governance energies need to be focussed. Your participation and determination in this Taskforce means that these issues will continue to be placed at the top of our local agenda.

2.

One of the paradoxes of the global economy is that it puts a greater importance on developing local capabilities. To some extent, *effective sovereignty* in a global economy is shifting from the national level to the local level. Our central government in Wellington can point in the right direction, and set frameworks and policies ... but it is increasingly unable to *get the details right* in our communities.

This is certainly the case when trying to stimulate employment and economic development at a local level. Getting the details right means activating a whole new layer of leadership at the local level.

The Mayor can be an important player in activating such leadership. You are the only tier of local governance which is elected right across your districts. This gives you a deep mandate to act.

The Mayors Taskforce for Jobs is based on this mandate. This is the first time in New Zealand's history that so many Mayors have come together to act on a major social issue. Nearly half the Mayors throughout New Zealand have now signed up, and since the Local Body elections many more are planning to join.

The Taskforce is a simple strategy. First of all, it gives you a place to sit and think with your peers about the "big picture" on employment and livelihood in your communities. It then asks you to take strong, visible leadership on these issues and to champion local initiatives. Perhaps your involvement in this Taskforce might lead you to "banging a few heads together" — using your unique position to encourage local community groups, government departments and your own councils to collaborate more effectively on these issues.

Your involvement may also spark a deeper conversation about the changing future and nature of work, and what we all need to do about it right now.

This changing world of work is being most strongly felt by the next generation. We know that one of the most common reasons young people leave their home town is to find a job. If your communities want a future, then these young people need to know that a good livelihood is possible where they live. They need to know that their community leaders are actively supporting and encouraging new ideas, business opportunities, and new approaches to "work" that can attract and involve young people.

## A CULTURAL VISION

3.

How realistic are the goals of the Mayors Taskforce? To shift all unemployed young people under 25 years in our communities into work or training ... is a “big ask”. In round figures, we are talking about 75,000 young people throughout the country.

I was part of the team which negotiated the partnership between this Taskforce and the Labour Department’s Community Employment Group (CEG). Our goal was to get a CEG field officer in alongside all the Mayors who had signed up to the Taskforce. This field officer would act as a strategic adviser to the Mayors with their local action plans, and also be able to help out with many of the details.

At the start of our negotiations, Charlie Moore, the General Manager of CEG, calmly expressed his reservations about the Mayor’s goals. Before coming to head up CEG, Moore used to be a manager at the Policy section of the Labour Department. As we started our meeting, he told us that the “policy adviser in him” considered that that the sorts of goals advocated by the Mayors Taskforce were unachievable.

He pointed out that if Steve Maharey, the Minister of Employment, asked the Labour Department for advice on the feasibility of getting all unemployed young people into work or training in four years time, he would probably receive a report — half-an-inch thick — explaining why it could not be achieved.

Charlie Moore was putting his challenge politely. He obviously supported what the Mayors Taskforce was trying to do. But he also knew what it would take to navigate such a lofty goal through a political and bureaucratic minefield ... a journey that would be made so much harder without the backing of policy advisers.

I thought about his challenge for a while, and then gave a personal response: I don’t want to live in a New Zealand that has no use for a large number of its young people.

Actually, the Mayors involved in this Taskforce are taking this initiative just as personally. They are telling us that they don’t want to *govern* a New Zealand that has no use for a large number of the young people in their communities.

The goal of ending the waste of young people may seem ridiculous to some government advisers ... but we need to understand that these are *cultural goals*. These are goals which talk about the sort of New Zealand we want to live in.

In setting these goals, the Mayors are saying they want to lead communities which value having good work, training, and livelihoods for all their young people. And they are willing to put a “stake in the ground” by setting a date which will help to them push towards such a *cultural vision*.

4.

A cultural vision like this is well understood at the level of the family. You would never find any parent taking seriously policy advice that says their teenagers shouldn’t expect to find a job.

In the family we know that obtaining good work is a major symbol of “coming-of-age”. It is a major initiation of young people into the adult world. To deny this, is to hold back the whole “growing up” process that comes from making a contribution through work, and being able to provide for yourself by earning an income.

It's hard to imagine any culture on earth where the elders would purposely say to large numbers of their young people: we've got no work for you to do.

But, in effect, this is exactly what we are saying to one in eight members of the next generation.

5.

It may be surprising to discover that these cultural perspectives are well understood in many parts of the business community.

This Taskforce meeting has seen the launch of a new partnership between the Mayors and the NZ Business Council for Sustainable Development (NZBCSD). The Council is establishing a Youth Employment Project in which they plan to produce an industry guide on how businesses can help stimulate youth employment, and encourage all member companies to commit to and report against local employment or training targets.

When I was editing a special issue of *The Jobs Letter* to go with the launch of this project, I interviewed all the "project champions" from the Business Council. These included the leaders of NZ's largest retail chain the Warehouse; Christchurch's City Care company; the investment company Money Matters; Urgent Couriers; and NZ's biggest dairy company, the Fonterra Co-operative Group.

During the interviews, each of these business leaders told me that they were joining the Youth Employment Project because they wanted to get in behind the Mayor's goals.

Stephen Tindall, the chairman of the Business Council, said: "This project will obviously improve everything for everybody — including help create better business conditions for our members. We could find ourselves some very good people for the future of our businesses, and at the same time help on a project that has tremendous goals."

Tindall's reference to helping "create better business conditions for our members" points to the fact the Business Council has quite pragmatic reasons for starting a Youth Employment Project. All the business leaders I interviewed repeated the same story: that a community with large numbers of unemployed young people is not a good community to do business in. And if businesses actively assist in the drive towards achieving full youth employment ... then it becomes a circle of mutual benefit.

6.

The drive to fuller youth employment is certainly being pursued on an international level. Youth unemployment is one of the biggest structural issues facing the global economy. In the next ten years, 1.2 billion young people are going to be entering the global labour market. They will be the best educated generation of young people ever ... and they are all going to be looking for good paid jobs.

This is of major concern to the international business community ... reflected in an article in the *Financial Times*, earlier this month, where it says: "If the world were a company, its chief executive would be dismissed for making such poor use of its assets."

The closest thing the world has to a chief executive is Kofi Annan, Secretary General of the United Nations, and the 2001 Nobel Peace Prize laureate. Annan is indeed trying to bring a greater international focus to the youth employment challenge.

Last year, he joined with the ILO Director-General Juan Somavia, and the World Bank President James Wolfensohn, to convene a “High-Level Policy Network on Youth Employment”. And, like the New Zealand Mayors, they have set the goal that “there should be *decent work* for all young people”.

The High Level Policy Network brought together a panel of twelve “eminent persons”, and youth leaders, drawn from private industry, economic policy and civil society. They worked on a raft of recommendations to improve the position of young people in the global labour market. These recommendations — and an action guide — were published in September last year, and have been sent to all national governments.

The “eminent persons” have basically called for a new political commitment to full employment. They want full employment to be the overarching goal of global economic and social strategies, and they want to see the integration of public policies for young people into these overall employment policies.

The panel also called for young people to be included in the shaping of new solutions:

“ ... Young people are now asking that their voices be heard, that issues affecting them be addressed and that their roles be recognised. Rather than being viewed as a target group for which employment must be found, they want to be accepted as partners for development, helping to chart a common course and shaping the future for everyone.

“ Over the next 10 years, the relative decline in the youth population of industrialized and transitional countries will be more than offset by the increases in developing regions, where the majority of young people will continue to live. The expected inflow of young people into the labour market, rather than being viewed as a problem, should be recognised as an enormous opportunity and potential for economic and social development. ”

7.

All this puts the concept of these *cultural goals* into a personal, a family, a commercial, and a global perspective.

With this in mind, you might find it is astounding to realise that — apart from the Mayors putting their stake in the ground over these issues — we still have no coherent national strategy on *youth* unemployment.

In just the last fortnight, there has been the release of two major reports which illustrate this.

The Minister of Employment Steve Maharey has just released his election-year progress report on the government’s employment strategy.

First of all: it must be said that it is a great improvement to have a government that actually has a strategy and is willing to submit itself to progress reports. But while this strategy has six major goals, not one of them *brings a focus* to the goal of ending youth unemployment. Yes, the challenges of young people finding work are mentioned throughout the report ... but there is no real emphasis on it. Nor is there any mention of the special “partnership” between the government and the Mayors Taskforce on youth employment goals.

You might have expected things to be different with another report released by the Ministry of Youth Affairs. “*Youth Development Strategy Aotearoa*” outlines how the

government can support young people to develop the skills and attitudes they need to take part positively in society, now and in the future.

Again, while employment is mentioned several times throughout the report, there is *no particular focus* given to it.

I would have thought that there have been enough warning bells.

When the Minister of Youth Affairs, Laila Harre, met with the Mayors Taskforce eighteen months ago, she repeated the figures which showed that young people aged 15-25 years had twice the level of unemployment compared to other age groups.

And she told us that this high figure persisted despite the fact that there had been an increased participation rate of young people in tertiary education — 16-24 year olds in tertiary education went from 15.4% in 1986 to 23.2% in 1996.

The Youth Affairs 1999 *Briefing Papers to the Incoming Government* also tell us that a greater proportion of young people today live in low income households. And in the decade 1986-1996, the median annual income of 15-25 year olds fell from \$14,700 to \$8,100 — a drop of 45%!

Surely these are enough indicators to give us the motivation to bring some focus to the livelihood issues of young people?

This country needs a coherent national strategy on youth unemployment, and we need to put our best brains and our best resources behind it.

What if all the major political parties, in this election year, asked the country for a mandate to pick up the Mayor's goals as New Zealand's goals?

What if Steve Maharey and Michael Cullen walked into their offices tomorrow and asked their policy advisers to give them a report — half-an-inch thick — on how these goals *could* be achieved?

This would certainly give these issues the focus they deserve.

8.

We often hear that “we don't have the money” to do something about our major social problems. But it's also worth reminding ourselves that *not* doing something about youth unemployment is already very expensive.

Last year the Mayors Taskforce had its major annual meeting in Manukau City. In preparing my own contribution to that meeting, I came across the results of a report released in 1998 on the real costs of youth unemployment to the economy of Manukau City.

The research had been commissioned by the Manukau Local Employment Co-ordination (LEC) group. They asked the accountancy firm Ernst & Young to calculate both the direct and indirect costs to the Manukau community of each unemployed young person under the age of 25 years.

The *direct costs* took into account items such as the cost of benefits, and the costs of providing an infrastructure of government departments such as Winz. In calculating the *indirect costs*, Ernst & Young used internationally-accepted formulas to account for the additional expenses unemployed people incur in the health system, the impact of foregone income and savings on the local economy, and the additional costs of work schemes and labour market training.

Ernst & Young concluded that the combined cost of youth unemployment to Manukau City came to \$223 million a year. This worked out to \$58,760 for each unemployed young person in Manukau City!

It is interesting that the researchers found that the significant costs were not to be found in the unemployment benefits or in Winz. The significant costs were *indirect costs*. These were costs that do not appear on the ledger of any one agency or institution ... but are *systemic* to the city.

Unfortunately the fact that these are *indirect* costs also means that no one is really ever called into account for them. There is no-one sitting at a table and signing off on \$58,000 for every unemployed young person in Manukau — because these costs never appear on one balance sheet.

Which all means that Manukau — and every other city like it — keeps on paying out this enormous price for having no real work for a large number of its young people.

It is important also to recognise that the young unemployed people in Manukau are, themselves, not seeing very much of that \$58,000. But they do represent a significant centre of market activity for another whole group of people — in Winz, in social services, in the health system ... and in all sorts of industries that have grown up around managing this problem.

Which makes you wonder if it would not make simpler economic common sense to just give these young people a decent wage and something useful to do.

## THE FUTURE OF WORK

9.

One of the early recommendations of this Taskforce was that a Future of Work unit be set up in the Department of Labour. The initial core group of the Taskforce were keen on the idea because they felt all leaders in our communities need to be better resourced with information on how the trends on work and income are progressing.

Well, a unit didn't happen. Instead, the Ministers of Labour and Employment asked their existing policy section in the Department to look into the local and international literature. They came up with a discussion document, called *Workforce 2010*, which was published in March last year and described itself as "...a document to inform public debate on the future of the labour market in New Zealand."

There was virtually no response in the media to the concept of a debate on these issues. There was very little political comment on the document apart from the initial Ministerial press statement. The columnists and commentators in the mainstream media ignored it. The whole thing very quickly joined the graveyard of other glossy government publications.

Which was a pity. A real public debate on employment issues and the changing nature of work is so obviously overdue ... and the *Workforce 2010* exercise was a missed opportunity.

Part of the problem was the whole tone of the document. It seemed to be written for the Labour Department and political advisers rather than the general public. There was also no strategy for engaging public debate.

While it was full of the sort of up-to-date statistics and charts that prove to be very useful for people in this field ... its writers were painfully circumspect about what these signals and trends actually mean. And they avoided any comment or policy recommendations on the political choices inherent in employment trends.

One of the striking examples of this could be seen on the final page of the report where it concluded that "... the next ten years to 2010 will involve similar influences to the last ten years" ... with the current trends of globalisation, technology, demographic, social, and workplace changes continuing. It was if the writers were putting up a comforting sign saying: *business-as-usual*.

I would be the first to admit that predicting the future is a perilous business. And the report quite rightly points out that in recent years there have been widely divergent forecasts about the "future of work".

This new century has not seen a widespread "end of work" as predicted by the popular authors Jeremy Rifkin and Vivianne Forrester in the 1990s. However, many elements of their concerns — such as a growing gap between "work rich" and "work poor" families, neighbourhoods, and communities — have certainly become a reality.

But it isn't good enough for a document like *Workforce 2010* to simply restate the status quo. The people of New Zealand deserve much more than a definition of how things are going to remain the same, especially if we sincerely want to spark a debate on how we should cope with the sort of rapid change that is obviously looming up in front of us.

10.

There are a whole number of trends that we need to be paying attention to ... issues which need to be placed more prominently in the public mind.

The current problem with skill shortages is one of them. We didn't get official reports ten years ago which warned of the huge number of skill shortages we are seeing today — particularly in the trades and on the farms. Yes, there were many people warning of the situation in the trades themselves, and in the rural community ... but there was no clarion call coming out of policy departments which would have put this issue on the political and public agenda.

The current skill shortages haven't come out of nowhere. They are labour market problems that are already ten years old by the time we see their evidence in our communities. They are the consequence of us not investing —ten years ago — in the next generation of our workers.

Many sectors are experiencing boom times at the moment and they are either crying out for skilled people, or they are crying out for unskilled people who are willing to put in a good days work.

But these people don't just arrive out of nowhere. They just don't wait at home for the economy to get around to having a boom time. If there is no paid work, they either do something else ... or they sink into an underclass that develops multiple difficulties in remaining “work-ready”.

We know that, in the past 15 years, many larger businesses got out of doing any training in order to cut costs. The trend of sub-contracting everything out to smaller companies also meant that many of those smaller firms just didn't have the economies-of-scale with which to carry a training function. They were operating on such small margins that they felt they couldn't afford the time or the trouble.

In effect, whole industries were gambling on the chance that the skills they needed would turn up in the future or they would buy them in from overseas.

A lot of training also used to happen in the public sector ... and our current skill shortages are also related to the trend in “down-sizing” by government departments and local councils.

The *Workforce 2010* document tells us that in 1989 both central and local government comprised 28% of the total share of employment. By 2000, the public sector share had shrunk to 19% — a remarkably large fall of over 70,000 people in just over a decade. This has had an obvious impact on skills training and retention.

During this decade, planners in the education and training sector seemed to be defaulting to the political ideology of the time, which said: “don't touch”.

Now we are realizing that we can't afford *not* to touch. We can't afford *not* to take the time and trouble to invest in the next generation of our workers.

The current government, and the business community are now scrambling to get some sort of training strategy into place. This agenda will also wash up on the shores of local government: your councils will be challenged about what sort of training component you are providing within your own operations.

11.

There are many other trends that we haven't been facing up to. One of these involves the growing recognition that we are living in times in which business development and economic growth do not necessarily lead to the numbers of jobs that we would expect.

At the launch of the Mayors Taskforce in Christchurch in 2000, many of the Mayors expressed the reservations that their hard work in attracting new businesses to their regions will actually pay off in terms of the numbers of new jobs being created.

We have a long history of political and business leaders trumpeting the story that economic growth means more paid work for local people. Yet Chris Liddell, the Chief Executive of Carter Holt Harvey, wrote in a recent *New Zealand Herald* article that, for him, it was "sobering" to note that the ten largest corporations in the United States have five times the market capitalisation they did ten years ago, but they collectively employ *fewer* people.

Another growing trend can be seen in the rise in overwork. We might have one in eleven people looking for a job ... but the top 20% of people who are fortunate enough to be in paid employment seem to be working impossible hours. I'm sure we could solve a considerable proportion of our unemployment problems if we could convince enough hard-working people to just go home!

But perhaps the biggest *megatrend* we are facing has to do with the impact of new technology. Take the internet. It is stunning too see how rapidly this technology has been adopted. And it seems incredible to remember that, a decade ago, there were only a handful of websites from this country on the world wide web. Now it seems that you are not really in business until you have a website address on your business card.

A lot of the effects of the internet have been unanticipated. I am a subscriber to an email network called *Futurework*. It was set up in 1994 by the Faculty of Environmental Studies at the University of Waterloo in Canada, and has several hundred academics, researchers and enthusiasts on it. When I look back over the records of the conversations, papers and articles on that group from seven years ago, I can't find anyone who was predicting that the hottest job in 2002 would be "website designer".

12.

In the 20th Century, the things that drove economic change — and created jobs — were based on electrical, chemical and nuclear technologies. What we know so far about the 21st century is that the driving technologies will involve computer power, artificial intelligence, biotechnology and nanotechnology (molecular engineering).

The important thing to understand is this: these technologies are self-accelerating. The current technological developments today are not happening *steadily* ... they are happening *exponentially*. This has an obvious effect on the pace of human history and our ability to control or predict what comes next.

Take information. Since 1984, we have produced and stored more information than was produced in the previous 6,000 years of recorded human history. And the time it takes to double the amount of information that human beings know about the world is getting shorter and shorter ... and will soon be less than a year. This is exponential change and we are really the first generation to have to come to grips with it.

You can see it in computer power: this has been doubling and yet getting smaller, faster, smarter and cheaper every 18 months.

The same rate of development can be seen with biotechnology, which is going to have a huge impact on agriculture, nutrition and healthcare. It's also happening in the fields of artificial intelligence and nanotechnology. The overall pace of change just accelerates as these technologies start to have second and third level impacts on each other.

This acceleration has a driving hunger for skilled people: is it any wonder that many complain about being *over-worked!*

13.

Are there any limits to this pace of change? We really don't know.

Some futurists and trend-watchers refer to a concept called the "*Singularity*" when trying to describe what may happen in a world where multiple and successive technologies accelerate and converge. The term comes from Astrophysics, but many computer, technology and military planners have been applying the concept to human affairs.

What they propose is that instead of the capabilities of new technologies growing gradually over time, each new technology is becoming increasingly more powerful in a very short time-span. Innovations that formerly had taken years ... are being made in months.

The exponential crush of technological change starts to look, in the end, like a vertical line — a line they have dubbed the *Singularity*.

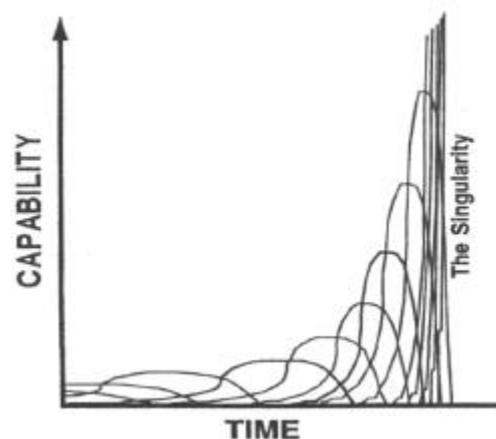
Beyond this point, our ability to predict the future simply breaks down and new models of understanding our world must be created.

The proponents of this concept even have something of a consensus date for when they think this *Singularity* will occur: 2035 ... give or take a few years.

This isn't a comforting prediction ... and it certainly isn't a picture of *business-as-usual*.

14.

The fact that the future is increasingly unpredictable hasn't stopped many leading corporations from having a go. Every 2-3 years, British Telecommunications (or BT) has produced a year-by-year timeline of when they expect technological breakthroughs to happen. These predictions are used by many people in business, government and the media.



The concept of the *Singularity*. What happens if our technology just keeps accelerating?

The latest edition has just been published ... and it continues to give us both an exciting and a disturbing vision of our future.

*Examples:* By 2010, less than 20% of the UK workforce will be in manufacturing, and 25% of the workforce will be teleworking. Also by 2010, the highest earning celebrity will be synthetic. By 2015, desktop computers will be as fast as the human brain. By 2017, teachers with Artificial Intelligence (AI) will get better results than most human teachers. By 2025, the world will see its first nanotechnology accident.

A wise warning, however, comes from Paul Saffo, of the California-based Institute for the Future. He argues that futurists tend to *overestimate* how rapidly change is coming in the short term and they *underestimate* how much change is coming in the long term. Either our hopes or our fears lead us to overestimate the short term, and then when reality fails to conform to our inflated expectations our disappointment leads us to underestimate the long term.

15.

So despite my criticisms, I actually have some sympathy for the cautiousness shown by the Department of Labour and its *Workforce 2010* report.

As the Editor of *The Jobs Letter*, I have often been asked to give speeches on “the future of work” and I have tried to take up the slippery challenge of helping people make sense of what is happening in our communities, and what might be coming next.

But, more recently, I have come to the conclusion that when anyone talks to you about “the future of work”, what they say tells you more about *them*, and their world-view and their hopes and expectations ... than it does about any predictable future.

Actually, I am finding that it takes some courage to stand before an audience and say: “I really don’t know”.

This isn’t a form of modesty, or abandonment. It is just a frank way of suggesting that we are *participating in a mystery* ... and accepting that many of the elements that will make up this future are not under our control or prediction.

The BT timeline, and the metaphor of the *Singularity*, probably tell you something about the world-view, hopes and fears of the people who find such things so compelling.

They are also challenging us to consider many more “what-ifs” when thinking about “the future of work”.

And they are certainly sparking debate.

# GOVERNANCE AND CAPABILITY

*This is not the age of information.*

*This is not  
the age of information.*

*Forget the news,  
and the radio,  
and the blurred screen.*

*This is the time  
of loaves  
and fishes.*

*People are hungry,  
and one good word is bread  
for a thousand.*

— David Whyte, “Loaves and Fishes”

16.

The future of work may indeed be a mystery ... but it is no mystery what governance needs to be doing at this time. The challenge for local leadership is to reach into the deeper layers of *sustainable development*. In doing so, the role of governance is to speak up for *the larger and slower good*.

If anything, this is not the time for leadership to be frozen in cautious wonder. The job right now is to prepare our communities for change by actively building our capacity to respond to an uncertain future.

This is one area where the Labour Department has got it right. In 1999, the Department introduced a whole institutional philosophy which has its emphasis on *building capability*. It is a framework for thinking about labour market interventions.

It says that in times of uncertainty and change we need to

— open up as many *opportunities* as possible

— foster people’s *capacity* to do things, and

— do all the linking and connection work needed to *match up* people’s abilities with these opportunities.

Essentially, I would describe this framework as “organised common sense”. But there is no use having this common sense unless we get on with the job. These three aspects of capability need to be *actively fostered*.

The trouble is that we still live in a political and bureaucratic culture that likes to tie all its activities to knowable outcomes. But, in an as-yet-unknowable future, this is a time to create the climate where the 1001 as-yet-unnamable outcomes can unfold.

What this capability framework tells me about youth unemployment is that we’ve got to turn our heads around about the whole issue. Our job here is to ensure that, in our communities, youth is *a capable age*.

We've got to turn around the fact that 1.2 billion people are arriving onto the global labour market in the next ten years ... into being the *best news* this planet has heard for a thousand years.

This means actively fostering the important contributions that young people will make as innovators, as entrepreneurs, as healers, as productive workers, as consumers, as artists and athletes, as trouble-makers, as citizens ... and as the people we continue to love and treasure in our communities.

17.

I want to talk about four ways which will be important in building the capabilities of young people.

The first is a no-brainer: we've got to continue to do all we can in terms of education and growing skills. There has already been plenty written and said about this ... and it is a major focus for the present government.

In the context of this meeting, I am mindful of what Owen O'Connor, the Mayor of Gore, has said when he questions whether or not *too much emphasis* is being put on education.

O'Connor was pointing to the skill shortages of tradespeople in his area. His observation is that young people are being encouraged to go higher and higher into academic learning that does not necessarily have a job at the end of it. Meanwhile, these same young people start to feel that working in "a trade" is somewhat beneath them.

There's a lot of truth in what he says. Some forms of education simply breed arrogance. People learn to look to academic achievement for status rather than capability.

The education system is a critical component of the labour market, and has huge resources going into it. Like Owen O'Connor, we need to keep asking ourselves: are these resources hitting the mark?

18.

You may be interested to discover that Skill New Zealand has also set itself strategic goals which are very similar to that of the Mayors Taskforce.

The agency seeks to ensure that, by 2005, "every young person leaving school will have the opportunity to access a structured range of further education and workplace learning pathways, so that they can have the best possible future in a changing world" and that, by 2005, "every adult in the labour market will have the opportunity to access education and training leading to nationally recognised skills and qualifications and expanded employment opportunities."

It is also interesting for me to dig further into this agency's current success story with Modern Apprenticeships. You couldn't get a better example of political good news — I'm sure that Helen Clark and Steve Maharey announced the scheme at least five times. And Skill NZ General Manager Max Kerr tells us that the interest and inquiries about Modern Apprenticeships outnumber inquiries on all his other activities combined.

Max Kerr also tells us that Skill NZ recently did a survey on what employers think are the blockages to creating more apprenticeships. The employers told the agency that

training young people was becoming too complicated — especially with things like the national framework of unit standards that they had to pay attention to.

The new Modern Apprenticeships scheme addresses this issue by employing co-ordinators who recruit and act as mentors to the young apprentices. The co-ordinators ensure that the apprentices are looked after, and they sort out the details of an individualised training plan that will lead to nationally recognised qualifications. They are also there to ensure that if the employer runs out of work — or goes out of business — the apprentice can start with another employer.

These co-ordinators have been the missing link in making the apprenticeship system work again. They represent the “connecting” people – the ones that can do that *matching-up* aspect of the Labour Department’s capability framework.

So how many Modern Apprenticeships can we expect to be created as we work towards the Skill NZ strategic goals for 2005? The scheme was launched two years ago, and the numbers have just passed the 2,000 mark, and are heading for 3,000 people in training by the middle of this year.

Max Kerr has pointed out to the Mayors Taskforce that, in the early 1980s, there were 25,000 New Zealanders in apprenticeships or industry-based training. He doubts, however, that his agency would be able to reach such numbers today. His guess is that a realistic target would be about 10-15,000 apprenticeships.

It is partly a question of attitudes: while the concept of apprenticeships is very popular amongst older generations, a problem is that apprenticeships haven’t been promoted in schools as a viable pathway to further training and a career ... and there is clearly much more work to do in changing this approach.

19.

But are we being too timid here? In view of our current skill shortages, and high youth unemployment ... what is stopping us trying to get to the 10-15,000 apprenticeships as soon as possible?

The *North & South* magazine for March 2002 contains an excellent feature on the Modern Apprenticeship scheme, written by deputy Editor Jenny Chamberlain. In the article, Steve Maharey says that a problem with the scheme is “to try and keep up with demand”.

But Maharey only anticipates doubling the target to 6,000 young people signed up by the year 2005 — providing, that is, Labour is returned to government at this year’s general election. Maharey would eventually like to see a quarter of all school leavers — or 13,000 young people — opting for work-based training. He points out, however, that in order to achieve this, the scheme will require a significant increase in government investment.

For me, this may also be a question of attitudes as well as resources. Perhaps this is a case where the different government departments need to pick up the challenge to be more flexible about the way they are using their budgetary allocations. A good example of this is the \$100 million Winz wage subsidy fund which the National Commissioner, Ray Smith, tells us has been consistently underspent for a decade.

It looks like Skill NZ could well do with access to that money.

20.

The second major area to focus on, in terms of building capabilities, is fostering the whole *entrepreneurial spirit* of the next generation. This also needs to be seen as a cultural mission.

We've certainly got the talent. Last November, a major international survey called the *Global Entrepreneurship Monitor (GEM)* found that New Zealanders are among the most highly entrepreneurial and innovative people in the world... and Maori people are every bit as entrepreneurial as Pakeha, or European New Zealanders.

The question here is whether all this talent is being channeled into effectiveness.

In the 1980s I developed the *Skills of Enterprise* training programmes for unemployed people, which today are known as *Be Your Own Boss*. The courses have spread from Taranaki to most areas of this country, and even into the Pacific.

They continue to struggle for consistent funding, but these courses have been one of the most cost-effective development tools that just keep on paying back to our communities ... as the hundreds of participants go on to create small businesses, or become more entrepreneurial in other areas of their lives.

But, in recent years, I have started to consider that we have been teaching the *Skills of Enterprise* at the wrong end of the problem. Why wait until someone is unemployed and desperate before they get access to this important bag of skills?

I have come to believe that the *Skills of Enterprise* need to be woven into all levels of our learning institutions. We should be starting with it in our primary schools.

21.

It was inspirational to hear the Scottish leader in enterprise education, Gordon McVie, speaking at last year's Regional Development Conference in Rotorua.

McVie told us that, in the past 5-10 years, there has been a significant attitude shift in the 16-24 year old age bracket. McVie: "This age group no longer expects to have security of employment. But they can achieve security of employability if they have positive can-do attitudes, and are prepared to go for it ... Young people have had the doctrine of working for someone else ingrained into them for years, but we now need to encourage them to have a more entrepreneurial attitude to their working lives. And this spirit of enterprise needs to be fostered both in terms of working for someone else, as well as working for themselves."

McVie has been a key figure in Scotland's campaign to foster entrepreneurship as *a cultural component* in economic development. As a result, Scotland is now one of the few countries in the world which has an enterprise development campaign which reaches from primary school to university, and from unemployed young people to small business executives.

The impetus for this strategy was an inquiry carried out in 1992 into the reasons for the low rate of new business formation in Scotland — only 60 per cent of the comparable rate in the rest of the UK.

As part of the enquiry, attitudes to entrepreneurship were compared in Scotland, England, West Germany and the USA. It was found that far fewer people in Scotland than in the other countries believed that entrepreneurs contributed much to the economy.

These attitudes were found to be spread throughout Scottish society with little variation among most social groups.

The Scots also believed that government investment was more likely to create jobs than entrepreneurs and similar views were to be found in schools, universities, the media and local authorities.

These findings shocked Scottish Enterprise, the government business development agency. It came to the conclusion that support for enterprise is linked to personal attitudes as much as to abilities ... and it also realised that changes in the world of work would require fundamental changes in the way entrepreneurship is developed in the education system.

This led to a wide-ranging campaign to change attitudes throughout Scottish society. Its goal is both to increase the profile for entrepreneurship in the education system as well as developing a more encouraging environment for new business start ups.

Let us hope the Ministry of Economic Development takes a serious look at Gordon McVie and this Scottish model for changing attitudes. The *cultural component* of fostering entrepreneurship needs to be put into any future plan for regional development.

22.

The third area of developing capability concerns livelihood: we've got to ensure that young people have got an income.

Part of the reason that the very definition of "young people" seem to have shifted boundaries — from the late-teens to the mid-twenties — is because young people are now much more dependent on their parents for a livelihood.

I believe that young people have got to have a basic income which gives them choices amidst change. More than this, we need to shift significant capital from one generation to another ... so that young people have the financial capability to seize the opportunities opening up in a new and changing environment.

The problem is we seem to be doing the opposite of this. The present student loans scheme is putting a huge burden on the talents of the next generation ... and is sending many of them offshore where they can earn bigger money and get out of debt sooner. (The Ministry of Education predicts that student loan debts will reach \$20 billion on the government's books by 2020).

We know that it is wrong, and it is unsustainable. In accounting terms, the government puts student loans on the "asset" side of their ledger. We have to turn our heads around and value not the loans as assets ... but the young people themselves.

23.

These first three things — education, enterprise and income — have been about actively fostering the *capacity* side of the problem. But we have also got to open up the doors of demand for our young people.

We've got to create as many *opportunities for participation and connection* as there are numbers of young people looking for them.

It will come as no surprise to you to find that I advocate active intervention and, to me, this must involve public investment and public works.

My model for public works isn't the make-work schemes we saw in the 1930s or the 1980s. Today, a public works strategy has to be about doing *real* work for *real* wages, for *real* employers ... and doing things that are *really* valued.

Perhaps these work schemes might look more like the filming of "*The Lord of the Rings*". If you look at the tax write-offs that came with the production of this magnificent series of films — something like \$216 million — then you can make a case for these movies being one of the biggest work schemes that New Zealanders have had a hand in. And look at the spin-offs in terms of tourism and international media coverage!

24.

We need to have a proper debate in this country about the level of public investment we are prepared to make in order to stimulate these real opportunities — and not just in the entertainment and tourism industries.

We need this debate because one of the great ironies of youth unemployment is that enormous numbers of young people are arriving on the labour market at a time when there is so much important work to do.

But this work is hungry for what the poet, David Whyte, describes as "one good word". This work is waiting for our capacity *to value different things*.

There are two job-rich areas which have the potential to be big employers in the future. The first sector contains those jobs that will come from us *choosing to look after one another better*. The second sector contains those jobs that come from *choosing to look after the earth better*.

There is so much real work here, and it is work that young people love to do, and have a sense of mission in doing it.

The key to unlocking this work is putting in "a good word" for it. It is unlocked by the governance choices made by community leaders such as yourselves, and by your determination in gaining or *redesigning* the resources you need to make this work happen.

25.

A cultural vision is about how we work towards the sort of New Zealand we want to live in, and about the country that we want our young people to inherit.

This is why a goal such as ensuring that "*no young person under 25 years will be out of work or training in our communities*" ... should not be seen as an act of charity.

In effect, it is what should be guaranteed to the younger generation by an older generation that wants to keep in relationship with its own generative spirit. It is not charity ... it is an act of connection and hopefulness about the future.

There really is no mystery to how we get on with it. Activating local leadership around this cultural goal is the key. And when a goal that talks of ending "the waste" of young people is set in place, then that governance choice opens up a market for local solutions to unfold.

Your local people — and your young people — will come up with 1001 ideas on how to get on with the job.

This is how our communities will ensure that youth becomes a capable age.

And when we are all getting on with these 1001 solutions, we remember: there *was always* plenty of good work for our young people to do.

*Vivian Hutchinson*

vivian Hutchinson  
February 2002

# NOTES and LINKS

*This paper is dedicated to Betty Wark 1924-2001, kuia, mentor and friend.*

## INTRODUCTION

- This paper is based on a keynote speech given by vivian Hutchinson to the Mayors Taskforce for Jobs annual meeting in Christchurch 15 February 2002.  
*The views expressed are those of the writer and not of the Mayors Taskforce for Jobs.*  
The paper is also available on the internet at [www.jobsletter.org.nz/vivian/youth02.htm](http://www.jobsletter.org.nz/vivian/youth02.htm), and can be downloaded (24 pages, 178 kb) from [www.jobsletter.org.nz/pdf/youth02.pdf](http://www.jobsletter.org.nz/pdf/youth02.pdf)
- vivian Hutchinson has been one of the pioneers in community-based action for jobs in New Zealand, especially in establishing programmes for the support and education of unemployed people. He was a founder of the Taranaki Work Trust, and its associated projects in the Starting Point Employment Resource Centre, Skills of Enterprise Business Courses, and the Enterprise Centre. He has also been involved in establishing many practical training programmes for unemployed people, and the Green Dollar local employment trading networks.  
As an adviser, vivian Hutchinson has helped with the establishment of enterprise and economic development units at a local government level, the creation of the Labour Department's Community Employment Group and Be Your Own Boss programmes, and has been an adviser to Local Employment Co-ordination (LEC) groups.
- The Jobs Research Trust was established in 1994 "... to develop and distribute information that will help our communities create more jobs and reduce unemployment and poverty in New Zealand". Trustees include vivian Hutchinson, Jo Howard, Dave Owens and Rodger Smith. Secretary is Shirley Vickery. Contact: P.O.Box 428, New Plymouth, Taranaki, New Zealand phone 06-753-4434, fax 06-753-4430, email [trustees@jobsletter.org.nz](mailto:trustees@jobsletter.org.nz),
- Special thanks to the 2002 core group of the Mayors Taskforce for Jobs: Garry Moore (Christchurch), Sukhi Turner (Dunedin), Jenny Brash (Porirua), Tim Shadbolt (Invercargill), Graeme Ramsey (Kaipara), Basil Morrison (Hauraki), Frana Cardno (Southland), Pat O'Dea (Buller), Yvonne Sharp (Far North), Maureen Reynolds (Taranaki), Bob Harvey (Waitakere) and Executive Officer Jan Francis.

The website for the Mayors Taskforce for Jobs is at [www.jobsletter.org.nz/mtfjobs.htm](http://www.jobsletter.org.nz/mtfjobs.htm).

- The concept of "zero waste" in New Zealand owes a special debt to Warren Snow and Stephen Tindall. See the special issues of *The Jobs Letter* on "Jobs from Waste" at [www.jobsletter.org.nz/jbl11800.htm](http://www.jobsletter.org.nz/jbl11800.htm), and "Sustainable New Zealand" at [www.jobsletter.org.nz/jbl13500.htm](http://www.jobsletter.org.nz/jbl13500.htm).
- The full "Memorandum of Understanding" between the Government of New Zealand and the Mayors Taskforce for Jobs, launched 12 September 2000 at The Beehive, is available at [www.jobsletter.org.nz/mtfjobs/mtfjobs16.htm](http://www.jobsletter.org.nz/mtfjobs/mtfjobs16.htm)
- Employment figures quoted are taken from the December 2001 Household Labour Force Survey (HLFS) by Statistics New Zealand. For more information see [www.statisticsnz.govt.nz](http://www.statisticsnz.govt.nz) and also the *Statistics That Matter* summary at [www.jobsletter.org.nz/stt/stathome.htm](http://www.jobsletter.org.nz/stt/stathome.htm).

*Notes:* 1) The percentage of young people compared to the overall numbers of unemployed is calculated on the official unemployment figures. 2) The official unemployment rate for under 25 year olds (at December 2001) was 12.05% or one in eight young people. 3) The numbers of young people under 25 out of work and wanting a job are an estimate based on the HLFS jobless figures.

## A CULTURAL VISION

- The “*Principles of Partnership*” between the Mayors Taskforce and the Community Employment Group were signed on 5 March 2001. The document includes acknowledgement of the Mayors objectives as *cultural* goals. See [www.jobsletter.org.nz/mtfjobs/mtfjobs32.htm](http://www.jobsletter.org.nz/mtfjobs/mtfjobs32.htm)

- *Imagine any culture on earth where the elders...* thank you to Les Gray for this concept.

- The *NZ Business Council for Sustainable Development (NZBCSD)* is made up of 40 leading NZ companies. The Council is best known for its advocacy of “triple bottom-line” objectives which aim for healthy economic, environmental and social outcomes from business activities. Their view is that it is important for business to take an active leadership role on social and environmental issues, rather than to simply handing over these responsibilities to local or national government.

The project champions for the *Youth Employment Project* include Stephen Tindall (founder of The Warehouse Group), Richard Lauder (CEO of City Care, Christchurch), Dr Rodger Spiller (Managing Director of Money Matters) and Steve Bonnici (Managing Director of Urgent Couriers). The Fonterra Co-operative Group, and Millburn Cement will be a leading participants in the project.

For more information, see [www.jobsletter.org.nz/jbl16000.htm](http://www.jobsletter.org.nz/jbl16000.htm), or the NZBCSD website at [www.nzbcscd.org.nz](http://www.nzbcscd.org.nz).

- *If the world were a company.* Quoted from “*The Army of Jobless Gets Bigger Still*” by Jonathon Guthrie, *Financial Times* 1 February 2002

- *Kofi Annan:* “There simply could be no durable peace, no genuine security, no conceivable well-being and no sustainable development where poverty and joblessness prevail.” — from publicity material for the Youth Employment Summit to be held 11-15 September 2002 in Alexandria in Egypt.

- *decent work for all young people.* See also ILO Director-General Juan Somavia’s speeches on the subject of *decent work*, given to the Global Employment Forum, Geneva, November 2001. A summary can be read at [www.jobsletter.org.nz/jbl15600.htm](http://www.jobsletter.org.nz/jbl15600.htm)

- *UN Secretary General’s Youth Employment Network.* The full recommendations of the High-Level Panel of the Youth Employment Network can be downloaded (16 pages, 172 kb) from [www.un.org/esa/socdev/youthemployment/YEN%20english.pdf](http://www.un.org/esa/socdev/youthemployment/YEN%20english.pdf)

- *Meeting the Youth Employment Challenge — a Guide for Employers* (published by the International Labour Organisation March 2001). This can be downloaded (75 pages, 1.13 mb) from [www.ilo.org/public/english/employment/skills/youth/download/empchal.pdf](http://www.ilo.org/public/english/employment/skills/youth/download/empchal.pdf)

- *Employment Strategy: Progress to Date July 2000-December 2001*, published by the Department of Labour January 2002 ISBN 0477036597. This can be downloaded (8 pages, 267 kb) from [www.executive.govt.nz/minister/maharey/employment-strategy-update-feb02.pdf](http://www.executive.govt.nz/minister/maharey/employment-strategy-update-feb02.pdf)

- *Youth Development Strategy Aotearoa — Action for Child and Youth Development*, published by the Ministry of Youth Affairs January 2002 ISBN 0478250045. This can be downloaded (52 pages, 308 kb) from [www.youthaffairs.govt.nz/media/pdf/YDSA\\_doc.pdf](http://www.youthaffairs.govt.nz/media/pdf/YDSA_doc.pdf)

- Mayors Taskforce for Jobs meeting with Minister of Youth Affairs, Laila Harre, took place at the Wellington City Council on 19 October 2000.

- *Ministry of Youth Affairs Briefing to Incoming Minister November 1999*, This can be downloaded (45 pages, 68 kb) from [www.youthaffairs.govt.nz/media/pdf/BIM2000.pdf](http://www.youthaffairs.govt.nz/media/pdf/BIM2000.pdf)  
For a summary of employment-related ministerial briefing papers for the incoming government, see [www.jobsletter.org.nz/jbl11500.htm](http://www.jobsletter.org.nz/jbl11500.htm).

- *The Costs of Youth Unemployment in Manukau* report (1998) by the accounting firm Ernst and Young was commissioned by the Manukau Employment Consortium. LEC Project Manager for this research was Mike Barton of the Manukau Institute of Technology (interviewed by Vivian Hutchinson in March 2001).

## THE FUTURE OF WORK

- *Workforce 2010 — a document to inform public debate on the future of the labour market in New Zealand* published 2000 by the New Zealand Government ISBN 0-477-03644-9. This can be downloaded (48 pages, 560 kb) from [www.dol.govt.nz/workforce2010%20rep.pdf](http://www.dol.govt.nz/workforce2010%20rep.pdf)
- Chris Liddell is quoted from “*The heat is on - time for passion and vision*” by Chris Liddell, Carter Holt Harvey chief executive, *New Zealand Herald Dialogue* 23 October 2000, part of *The Jobs Challenge* series.
- The *Futurework* international e-mail forum can be reached at [www.fes.uwaterloo.ca/Research/FW/](http://www.fes.uwaterloo.ca/Research/FW/)
- The *Singularity*. The graphic is taken from a presentation slide by Tom McKendree of Hughes Aircraft, a US military contractor. It was used for discussions about contracting in an era which will include the effects of high-tech acceleration on the tools and conduct of war. For more information, there is a chapter in Stewart Brand’s book *The Clock of the Long Now* (see below), and also a vigorous debate about the concept on the internet.

Stewart Brand concedes that that the *Singularity* is a frightening prospect for humanity, but he also says: “I assume that we will somehow dodge it or finesse it with reality...”

Paul Saffo, in an interview on BBC Radio, also comments: “We all tend to feel out of control today but I think it is an artefact of our anxieties and not a statement of actual fact. Even in periods like today which are going through rapid change, it turns out that things that don’t change are vastly greater in volume than the things that do. It is in human nature to always think that we’re alive in the most interesting moment in history. It’s sort of a chronological chauvinism.” — “*Future Perfect*” interview by BBC Radio Global Business editor Peter Day.

- *overestimate change in the short term and underestimating change in the long term*. This is more precisely known as Amara’s Law, and named after Roy Amara, the long-term Institute for the Future president who originally proposed the notion. The Institute’s website is at [www.iftf.org](http://www.iftf.org).
- *British Telecommunications Timeline*. White Paper Ref WP106, published November 2001 by BTexact Technologies. The full timeline can be downloaded (23 pages, 227 kb) from [www.btexact.com/white\\_papers/downloads/WP107.pdf](http://www.btexact.com/white_papers/downloads/WP107.pdf)
- *an exciting and disturbing view*. British Telecommunications warns, in the introduction to its timeline, that each new technology brings many benefits but also has a price. BT: “It is clear ... that we are rapidly inventing new ways of destroying ourselves, and that the risk to mankind is increasing exponentially. Such a trend is cause for concern. Even though the problems are mostly soluble by even more advanced technologies, there will generally be a time lag between a problem arising and a solution being implemented, so the overall risk still increases with time.”  
Also take a look at Bill Joy’s cover story “*Why the Future doesn’t need us*” in *Wired* magazine (April 2000) ... and the controversy it has sparked since. Bill Joy is Sun Microsystems Chief Scientist, and in the article he argues that our most powerful 21st-century technologies — robotics, genetic engineering and nanotechnology — are threatening to make humans an endangered species. The article can be read at [www.wired.com/wired/archive/8.04/joy\\_pr.html](http://www.wired.com/wired/archive/8.04/joy_pr.html)

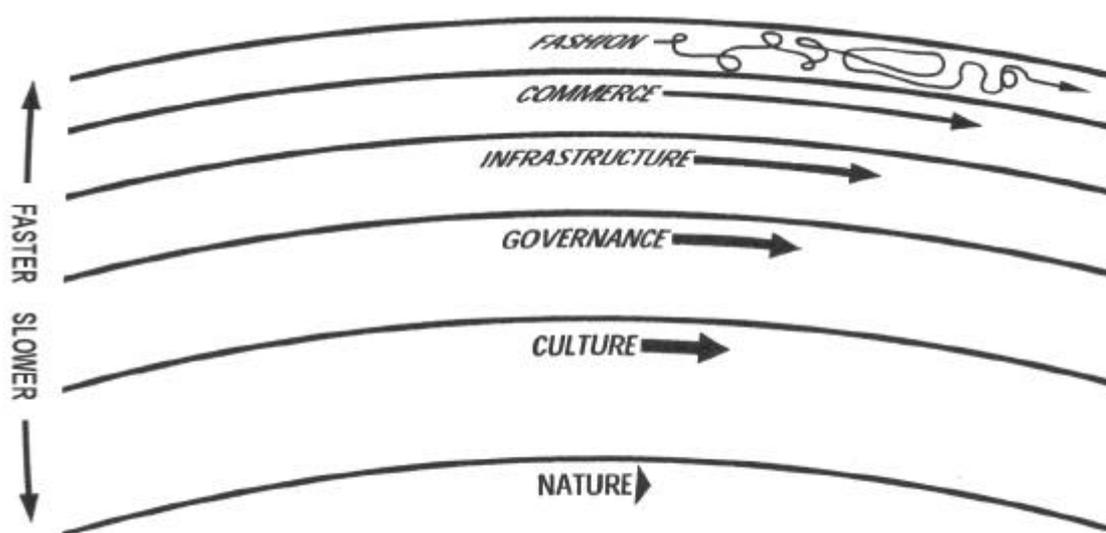
## GOVERNANCE and CAPABILITY

- David Whyte’s “*Loaves and Fishes*” is from his book of poems *House of Belonging* (pub 1996 by Many Rivers Press) ISBN 0962152439
- David Whyte is one of the few poets to have taken his perspectives on work and creativity into the field of organisational development, where he consults with many leading Fortune 500 companies. In 2001, he published *Crossing the Unknown Sea*, an instant classic described by

fellow author Paul Hawken as possibly “the most consoling piece of writing ever published on the subject of work.” See review at [www.jobsletter.org.nz/jbl14310.htm](http://www.jobsletter.org.nz/jbl14310.htm).

*Crossing the Unknown Sea — Work as a Pilgrimage of Identity*, by David Whyte (pub 2001 by Riverhead Books) ISBN 1573221783

- *a larger and slower good*. My thinking about governance in this context owes much to the work of the Long Now Foundation, and particularly the publication of Stewart Brand’s 1999 book *The Clock of the Long Now*. The Long Now Foundation believes that civilization is revving itself into a pathologically short attention span. The trend might be seen in the acceleration of technology, the short-horizon perspective of market-driven economics, the next-election perspective of democracies, or the distractions of personal multi-tasking. All are on the increase. The Foundation proposes that some sort of balancing corrective to the short-sightedness is needed — a mechanism or myth which encourages the long view and the taking of long-term responsibility, where “long-term” is measured at least in centuries. Their concept of a “Long Now” Clock and Library endeavours to help people reframe the way they think about these issues, and to become an icon for public dialogue. For more information [www.longnow.org](http://www.longnow.org)  
*The Clock of the Long Now — Time and Responsibility*, by Stewart Brand (pub 2000 Basic Books) ISBN 0465007805



The Long Now perspective on governance: The fast layers innovate; the slow layers stabilise.  
The whole combines learning with continuity.

- *Human Capability — a Framework for Analysis* (published by the Department of Labour 1999) can be downloaded (76 pages, 337 kb) from [www.dol.govt.nz/fldImages/Final%20Full%20HCF%20\\_13%20Oct\\_.pdf](http://www.dol.govt.nz/fldImages/Final%20Full%20HCF%20_13%20Oct_.pdf)

- *education that breeds arrogance*. Michael Young, Lord Young of Dartington, was a critic of the “meritocracy” bred by today’s education system. Young, who died in January 2002 at the age of 86, was also an amazing British social entrepreneur who created many charities — including the Consumers Association and the Open University.

He recently wrote: “Were we to evaluate people, not only according to their intelligence and their education, their occupations and their power, but according to their kindness and their courage, their imagination and sensitivity, their sympathy and generosity, there would be no overall inequalities of the sort we have got used to.” — from “*Equality and Public Service*” by Michael Young, speech to the British Association for the Advancement of Science, 11 September 2000

- The Skill New Zealand website is at [www.skillnz.govt.nz](http://www.skillnz.govt.nz).

Figures and references on Modern Apprenticeships are taken from Max Kerr’s meeting with the Mayors Taskforce for Jobs in Wellington on 3rd November 2000

- “*On the Job — The Young Apprentices*” by Jenny Chamberlain, *North and South* March 2002
  - *wage subsidy fund consistently underspent for a decade*. From statement by Winz National Commissioner Ray Smith to the Mayors Taskforce for Jobs meeting in Christchurch 15 February 2002.
  - The *Global Entrepreneurship Monitor* (GEM) 2001 is the most comprehensive country-by-country comparison of entrepreneurship in the world today. The survey finds that 18.2% of the NZ adult population are involved in entrepreneurial activity. This rate is higher than in the United States, and is second only to Mexico.  
We have the world's highest proportion of “opportunity entrepreneurs” in the world, at 15.05 % of the adult population (or 370,000 people). They constitute about 82% of the entrepreneurs in NZ (compared to 55% world-wide). Opportunity entrepreneurs are people who identify a business opportunity and go after it ... in contrast to “necessity entrepreneurs”, who are those who create self-employment in response to job loss or redundancy. We have about 70,000 “necessity entrepreneurs” in this country, and they constitute 17% of the entrepreneurs in NZ (compared to 55% world-wide).  
Another interesting finding in the GEM report is that NZ has the highest proportion of senior (35-65 years) entrepreneurs. In the 45 to 54-year-old bracket, the NZ average is over 15%, compared to the world average of 6%. The GEM report finds “the global trend is for entrepreneurs to be in the 24 to 45-year range”.
- Global Entrepreneurship Monitor — New Zealand 2001* by Howard H Frederick and Peter J Carswell of the New Zealand Centre for Innovation & Entrepreneurship (UNITEC). This report can be downloaded (49 pages, 310 kb) from [www.unitec.ac.nz/gem/pdf/gem\\_nz.pdf](http://www.unitec.ac.nz/gem/pdf/gem_nz.pdf) .  
See also “*The GEM Report*” Special Supplement to the *New Zealand Herald* 15 November 2001.
- *Scottish Enterprise Strategy*. Gordon McVie spoke at the Regional Development Conference Rotorua Convention Centre 28 November 2001. His speech “*Creating Enterprising Communities: Culture before Structure?*” is available at [www.regdev.govt.nz](http://www.regdev.govt.nz) .  
For more information on the Scottish Enterprise strategy see [www.enterpriseinsight-scotland.com](http://www.enterpriseinsight-scotland.com). Also paper “*Enterprise Development In Scotland*” by Tony Burton of The Planning Exchange (New Entrepreneurs Conference, Athens, January 2000).
  - *student debt \$20 billion by 2020*. Ministry of Education Statistics from “*Government to release more info on student loans*” by Mathew Brockett, *The Daily News* 31 January 2001
  - *Lord of the Rings*. “The full details of the LOTR tax write-off will probably never be released publicly. One unverified figure doing the rounds is that at present the IRD is down \$216 million from the tax loophole exploited by LOTR, a figure that excludes PAYE and GST payments related to the production.” — quote from “*Film Commission snagged in Inland Revenue attack on ‘smart’ tax schemes*” by John Drinnan, *National Business Review* 8 February 2002. See also “*Rings movie already a major winner for NZ*” by David King, the *Christchurch Press* 14 February 2002.
  - Previous speeches by Vivian Hutchinson, relating to the work of the Mayors Taskforce for Jobs, are also available on the internet. These include  
— *It is the Local That Learns — some thoughts on community governance* (1999) available at [www.jobsletter.org.nz/vivian/comgov99.htm](http://www.jobsletter.org.nz/vivian/comgov99.htm).  
— *Making Hope Possible — some thoughts on the Mayors Taskforce for Jobs* (2000) available at [www.jobsletter.org.nz/vivian/mtfj2000.htm](http://www.jobsletter.org.nz/vivian/mtfj2000.htm).