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New Zealand Employment and Skills: Connecting at the regional level

Paul Barker



Department of Labour
TE TARI MAHI

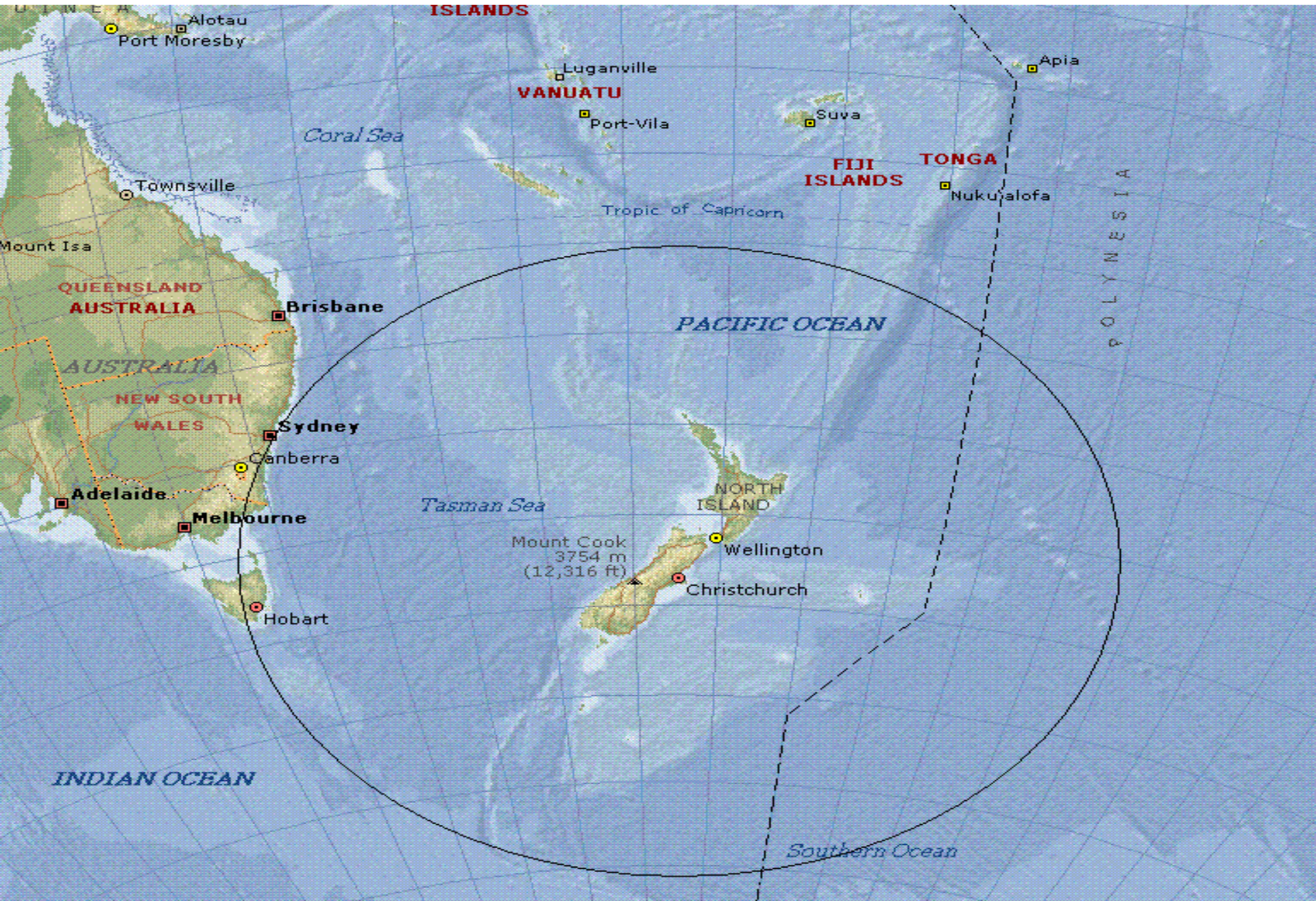


Outline of Presentation

- The New Zealand context
- Labour market challenges
- Why is regional policy important?
- Three case studies
- Summary of key features & lessons



New Zealand: A South Pacific Nation



Some key facts



- South Pacific nation with population of 4.28 million
- 3.2m in the North Island (1.4m in Auckland) and 1.0m in the South Island
- Small, open, market-based economy
- Income per capita of around US\$27,000
- 22nd richest of 30 OECD nations





Labour Market Achievements

Measures	Year	NZ	OECD
Economic Growth p.a.	2002-2007	2.9%	2.7%
Employment Growth p.a.	2002-2007	2.5%	1.2%
Labour Productivity Growth p.a.	2002-2007	1.0%	1.8%
Unemployment rate	2007	3.6%	5.6%
Labour Force Participation Rate	2007	78.3%	70.7%





Why focus on regional policy?

- All New Zealand regions below 5.1% unemployment, BUT
- Considerable diversity in population (30,000 to over 1 million people in 16 regions), geography, industry and economic outlook
- The regional and local levels are where policy makes its impact
- Ten years of reforms to make regional policy more flexible and effective



Some key features of New Zealand public administration



- Central Government policy setting & service delivery
- Flexibility to deliver local solutions
- Integrated service delivery: The public employment service delivers employment & income support
- Partnerships with non government agencies e.g. local government, industry bodies & economic development agencies
- Improved coordination between & within Government agencies





The Institutional Picture

National Level	Regional Level	Local Level	
Ministry of Economic Development NZ Trade & Enterprise	Government Urban Economic Development Office (Auckland) Regional Economic Development Advisers	Economic Development Units	Regional Economic Development
Department of Labour Ministry of Social Development	Regional Labour Market Knowledge Managers Regional Commissioners for Social Development	District Offices of Work and Income	Labour Market Development
Tertiary Education Commission Ministry of Education	Stakeholder Engagement Managers Regional Offices	Universities, Polytechnics, Private Trainers Schools	Skills and Training



Regional Commissioners for Social Development



- 11 Commissioners in each of the Work and Income (Public Employment Service) regions
- Oversee annual regional social development plans
- Have significant budget and programme flexibility
- Initiate local industry partnerships
- Operate enterprising communities programme



Regional Economic Development Partnerships



- Government funding for regional strategy development and implementation in 14 regions
- Work underway to develop regional partnerships
- Focussed on competitive strengths of each region & creating critical mass for growth
- Auckland city with a separate focus



Investing in a tertiary education plan



- Reforms to create a national “network” of tertiary education responsive to regional needs
- 19 Regional Polytechnics facilitate connections between providers, communities and industry to develop a statement of education needs
- Every tertiary education provider has a 3 year plan setting out how it will meet stakeholder needs and Government’s funding commitment
- These 3 year plans are informed by regional statements of need



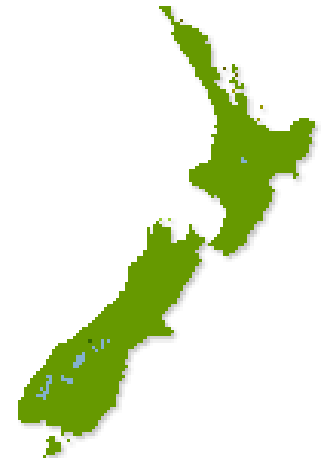


Summary

- National policy and regional flexibility are complementary and indeed necessary
- Government sets policy & national priorities
- Regional planning allows for needs to be identified and services to be coordinated and/or negotiated with Government
- Engagement with industry and regional stakeholders is important to the process
- Integration of employment, skills and economic development is important at national, regional and local levels



What more do we have to do....



- Clearer specification of Government leadership roles and responsibilities in the regions
- Better links between skills and training provision with industry needs
- Creating better workforce outcomes especially for low skilled workers and youth
- More alignment of strategies to future focussed growth areas of the economy
- Using skills strategies to raise labour productivity with a focus on workplace culture

