

22. 4. 99

**REPORT BY THE CHAIRMAN OF THE
STRATEGY AND RESOURCES COMMITTEE**

1. COMMUNITY WAGE

RR 9250

At its last meeting the Strategy and Resources Committee focussed on the manner in which the Canterbury Development Corporation had implemented its Community Work and Training Scheme to the exclusion of considering criticisms of the Community Wage as put forward by various submitters.

The submitters had objections to a number of aspects of the Community Wage. They were concerned that it had an adverse impact on volunteering, taking volunteers away from their existing role for no good purpose. Similarly they had fears that Community Wage workers could displace permanent paid staff. Above all they were concerned that the compulsory and punitive aspects of the scheme could be a step towards the coercive “workfare” schemes being adopted in some North American cities.

The Committee received assurances from the Canterbury Development Corporation that none of these criticisms are valid for the Community Work and Training Scheme. The Regional Manager of WINZ, Mr Bruce Ash, informed the Committee that he had issued a directive to staff to ensure people were not taken from voluntary work to participate in the Community Wage scheme.

My perception is that Councillors recognise that the Community Wage scheme has a number of drawbacks, but they remain supportive of the use to which it has been put by the CDC through the Community Work and Training Scheme.

I suggest that the Council should write to the Minister of Employment pointing out:

- (i) the particular criticisms made of the Community Wage scheme.
- (ii) the manner in which the CDC’s Community Work and Training Scheme has avoided the drawbacks and produced successful outcomes.
- (iii) the desirability of adapting the scheme to remedy the perceived defects and to enable the wider use of the CDC work and training model.

Chairman’s

Recommendation: That a letter be written to the Minister of Employment along the lines indicated above.

CONSIDERED THIS 22ND DAY OF APRIL 1999

MAYOR