

**REPORT OF
MAYORAL TASKFORCE
ON POVERTY**

**Prepared for
Christchurch City Council**

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2. INTRODUCTION

In 2000 the Council established a Taskforce on Poverty to identify and advocate for solutions to poverty. The Poverty Taskforce was formed as a follow up to the Council's extensive research on poverty which was completed in 1999.

The Taskforce's focus was on finding solutions that address the causes of poverty, not just its symptoms. The terms of reference include:

- To develop strategies to strengthen responses to poverty in Christchurch;
- To review and make recommendations on Council's programmes and policies with respect to their impacts on those on low incomes in Christchurch;
- To recommend to Council, central government and other bodies, action to reduce the level of poverty in the different communities, including policy development and review;
- To build and maintain relationships among key government and non government agencies and organisations with responsibilities for addressing the causes and effects of poverty.

The Taskforce comprised

- Paul Dalziel, Economics Department, University of Canterbury
- Sue Bagshaw, 198 Health Centre
- Major Campbell Roberts, Salvation Army
- Mark Solomon, Kaiwhakahaere, Te Runanga o Ngai Tahu

Mayor Garry Moore and Carole Anderton (Chair Community Services Committee) also attend Taskforce meetings

The Taskforce undertook a number of initiatives.

2.1. RESEARCH ON EMPLOYER DEMAND

Research on Employer Demand for Employees was undertaken by Taskforce member, Dr Paul Dalziel, Dr Jane Higgins and Michael Drummond. Jane Higgins is a Lecturer in the Sociology Department who has undertaken previous research on youth employment in Christchurch. Michael Drummond is an Honours graduate and tutor in the Department of Economics who was employed for five weeks to carry out the survey and analyse the responses.

The research undertook a survey of Christchurch employers in January 2001 about the qualifications and experience they look for in new staff. It also

drew on overseas and local research to comment on how central and local government might encourage a beneficial spiral of rising incomes and prosperity, paying particular attention to how they can help develop and maintain a skilled and experienced workforce.

A summary of the report is included in Section 4 Summary of Research on Employer Demand (page 13).

2.2. EMPLOYMENT FORUMS

The Taskforce initiated a series of employer forums as a follow-up to the research. The forums discussed the issues identified in the research and raised further related issues.

A summary of the forum discussion is in Section Employment Forums.

2.3. COMMUNITY FORUM

The Taskforce undertook a series of community forums through February, March and early April. The community forums focussed on identifying effective strategies for the Council to help address issues of poverty. The suggestions and findings from the forums have been collated in Section 6 Report on Community Forums (page 29).

2.4. COMMUNITY VIEWS

The Poverty Taskforce placed a short questionnaire in *City Scene* to get feedback on what citizens considered to be the factors related to poverty and the Council's role in addressing these. The feedback is summarised in Section 7 Residents' Views (page 49).

2.5. PROMOTION OF COMMUNITY INITIATIVES

The Taskforce highlighted issues relating to poverty and community initiatives through *City Scene* and other local media.

2.6. REVIEW OF COUNCIL SPENDING

The review was intended as a preliminary overview of the service provision by service units relative to the needs of low income citizens. The review found that the total Council response to poverty and hardship is difficult to quantify. However, from this initial assessment of Council financial contribution to poverty and hardship, it was identified that the Council makes an amount of \$49.5 million available for universal provision and specifically targets \$4.4 million annually towards the prevention of poverty and hardship (8.8% of universal provision). A summary of the assessment is include in Section 0 (page 51).

3. BACKGROUND TO TASKFORCE

The Poverty Taskforce was formed as a follow up to the Council's extensive research on poverty, "Poverty and Hardship in Christchurch" by Kath Jamieson (Social Researcher), which was completed in 1999. The Christchurch City Council initiated the Social Monitoring Programme research in 1995 to respond to the lack of data on poverty and hardship issues in Christchurch.

The research programme looked at the:

- impacts of government policies on limited income people;
- indicators of hardship;
- groups most likely to be experiencing poverty and hardship in Christchurch;
- degree of hardship being experienced in different areas of the city;
- main reasons why people seek assistance from social service agencies;
- Christchurch City Council's role in addressing poverty and hardship.

The Social Monitoring Programme defined poverty and hardship as encompassing three dimensions:

- Material/financial (an inability to provide material necessities such as accommodation and food);
- Spiritual/isolatory (a poverty of spirit; isolation from other members of the community);
- Participatory (an inability to participate in community life, including a lack of choice in decision making).

Research data were collected between 1996 and 1998 from six main sources:

- Target week survey in which clients from 51 community agencies were surveyed during a selected week about health, housing, welfare, food security and income/employment issues. This survey provided standardised data across agencies on 1079 respondents.
- Focus group interviews with staff from 29 community agencies looking at their insights into the causes and impacts of poverty on their clients and the community.
- Survey of 16 schools in lower socio-economic areas of Christchurch looking at staff experiences and perceptions of poverty and hardship and the impact of this on the school community.
- Survey of government and other social service organisations looking at staff experiences of hardship issues and the gaps in service provision for limited income people in Christchurch.

- In-depth survey of 209 people, many of whom were experiencing hardship. The interviews explored a wide range of issues impacting on people on limited incomes and explored their decision making with regard to basic needs.
- Data base of international, national and local poverty research and New Zealand social policy changes.

3.1. SUMMARY OF RESEARCH FINDINGS

While the research does not provide the definitive statement on poverty and hardship in Christchurch (because it made use of targeted samples), it does give a clear indication that people on limited incomes in this city are experiencing significant quality of life problems. There are many people who are not able to provide for their general and most basic of living needs. These people are often socially isolated from family and from other support structures, are heavily reliant on outside assistance for their survival and are unlikely to be able to make adequate provision (if any) for their future. This has implications for our city in an age where government social policy calls for increased personal and family responsibility for support and well being.

Summary findings from the two main components of the research (the target week survey and the in-depth interviews) are presented below:

Results show that where poverty and hardship exist, people are often experiencing multiple problems (eg. health problems, accommodation crises, a lack of education, unemployment and long term welfare dependency). Poverty and hardship are both causes and outcomes of other difficulties, with affordability of basic necessities being at the forefront of problems in Christchurch.

High accommodation costs, as a proportion of limited incomes, play a critical role in poverty and hardship in Christchurch. This is probably one of the areas having the biggest direct and indirect impacts on the ability of limited income people to meet their basic needs. Confirming other New Zealand research findings¹, it was found that a high ratio of accommodation costs to limited income often pushes people into a state of poverty and hardship. Almost half (45% 205) of respondents from the target week survey were paying over 50% of their income on accommodation costs. Seventy seven percent (96) of those who reported struggling with their accommodation costs, and who were paying over half of their income on accommodation costs, were earning less than \$301.00 net per week. Our recent in-depth interviews show that limited income earners are still struggling with

¹ Robinson B 1998 "Housing Reform in New Zealand: A Summary and Evaluation" *Urban Policy and Research* 16 (3): 227-232; Stephens R, Waldegrave C and Frater P 1995 "Measuring Poverty in New Zealand" *Social Policy Journal of New Zealand* 5: 88-112 (New Zealand Poverty Measurement Project); Young M 1995 *Housing the Hungry: The Second Report: A Survey of Salvation Army Food Bank Recipients to Assess the Impact of the Governments Housing Reforms* New Zealand Council of Christian Social Service and the Salvation Army; Wellington Welfare Benefits Forum 1996 *A Briefing for the In-Coming Government* Wellington Community Law Centre Wellington.

accommodation costs: 59% (124) reported having at times difficulties meeting these costs. At issue is the residual income left to meet other needs once accommodation costs have been paid. For people on limited incomes, there are often insufficient funds to meet these needs. As with the target week survey, many in-depth interview respondents reported prioritising payment of accommodation costs over other basic necessities, often leaving them with affordability problems with essential items such as food and power. Half (46% 97) of the in-depth interview respondents said that there are times when they do not have enough money to meet their food needs. Many (44% 91) say they reduce their food intake (going without meals, reducing meal size, etc) because of affordability problems.

Mental and/or physical health problems appear to be a common factor in the lives of many of those in Christchurch who are experiencing hardship. Sixty four percent (134) of the in-depth interview respondents reported that they or their live-in partner had had a mental or emotional health problem in the year leading up to the survey and half (48% 100) of all respondents said that either they, or someone they were living with, had a physical disability. Thirty percent (315) of respondents from the earlier target week poverty survey reported having serious mental health problems².

One of the most insidious and destructive components of modern urban poverty in Christchurch is social isolation and alienation. Many people do not have family or other social structures to provide assistance and support in times of need. These people are increasingly turning to community agencies to provide this support, increasing the workloads and demands on these agencies. Thirty nine percent (82) of respondents in the latest survey said that they or their family had used a community or church agency for support in the month leading up to the survey. Many other people are going without support altogether, often due to pride and embarrassment. Many people are reporting that they feel lonely or isolated living in their neighbourhoods. In the latest survey, 44% (92) of all respondents said that they felt lonely or isolated at times. For some, this is related to a real or perceived lack of choice (often stemming from financial constraints) which forces them to live in houses and locations that they would otherwise prefer not to live in. Thirty nine percent (81) of the in-depth interview respondents did not feel they had any real choice about selecting the accommodation they were in. Accessibility problems mean that many who are reliant on public transport or walking have to live near to the services they use, even if this means being in less 'desirable' areas or away from support networks such as family. A lack of affordability often prevented respondents from finding accommodation that was more suited to their needs (eg. in terms of house size or being in a safe location - some felt that they had to stay in violent or abusive relationships because they could not afford to leave).

² This survey of clients of Christchurch social service agencies did not include a live-in partner's mental health status. It focused on serious mental health problems only.

Families with children were highlighted consistently throughout the research as being more likely than many other groups to be experiencing hardship and they were often experiencing it to a greater extent than others. For example, in the target week survey, 47% (160) of those with children were struggling with accommodation costs compared to 36% (176) of those without children. This is likely to reflect to some degree the different accommodation requirements of the two groups. Single parents reported struggling more with their accommodation than did couples with children or single people. When hardship variables were combined to look at those experiencing more than one type of hardship (eg. accommodation affordability crises, health problems, going without doctors visits because of cost, long term welfare receipt, financial strain and food affordability problems), it was found that those with children were much more likely to be experiencing multiple hardship than were those without children: 52% (186) of those with children were experiencing multiple hardship compared to 34% (216) of those without children.

Families in crisis were also a feature of our more recent in-depth interviews. Forty seven percent (54) of respondents with children reported that at least one of their children had experienced emotional, psychological or major behavioural problems in the year leading up to the survey. In 54% (32) of cases, parents reported that school problems (such as bullying and learning difficulties were troubling them) and in 59% (32) of the cases, relationship problems with parent/s were also present³.

It is important to note that the poverty research also identifies single people without dependents as being more likely than some other groups to experience poverty and hardship. At times they appear to slip through the gaps in terms of financial support and social assistance. Seventeen percent (23) of those under 25 years old in the target week survey who were receiving welfare benefits had been doing so for longer than two years. Fifty four percent (76) of young respondents were earning less than \$151.00 net per week. Two thirds (63% 48) of these were on the Unemployment Benefit. Half (50% 40) of all of those who took part in the survey who were in the lowest quartile of income earners, once figures had been adjusted for family size, were young people under 25 years old. Anecdotal evidence would suggest that young people are also facing housing crises as well as financial hardship. Those with dependents often take priority in terms of emergency accommodation assistance in the community. This often leaves single people (often young and older males) without housing when they face accommodation crises. An element of transience can be seen in these groups. Mental health problems are also common. Twenty six percent (71) of all young people in the target week sample reported having serious mental health problems.

Refugees in Christchurch are often experiencing hardship problems to a greater degree than other people on limited incomes. We found that sixty

³ It is recognised that issues such as financial strain in the home will impact on a child's school and personal relationships.

two percent of refugees in the target week survey were on net weekly incomes of under \$301.00 per week compared to 22% of non-refugees in the sample. They were also more likely to have been in receipt of welfare benefits compared to the rest of the sample. Seventy eight percent of refugees in the sample were receiving welfare benefits compared to 54% of non-refugees. Further, refugees were more likely to be struggling with their accommodation costs than others: 60% (21) of refugees were struggling compared to 39% (318) of the rest of the sample.

Christchurch may well face significant poverty problems amongst its older population in the next two decades, particularly as our population ages. The research has shown that many of those in the target week sample who were meant to be in their prime income earning years or approaching retirement were experiencing multiple hardship over a number of areas: 38% (44) of 49-60 year olds and 47% (115) of 37 to 48 year olds were experiencing multiple hardship. Patterns emerged in the research of people who should have been in their prime income earning years were instead receiving welfare benefits and/or experiencing long periods of unemployment. These people were often in debt and were not able to cope with current crises, let alone make provisions for their retirement. Unlike previous generations of older people in New Zealand, these people are likely to enter retirement without owning a home and with little or no savings. Retirement for them may be a grim prospect indeed.

Barriers to employment were hindering many of the respondents. Eighty percent (126) of in-depth interview respondents, who were not working at the time of the survey, said that they experienced barriers relating to age, lack of experience, life and social problems, child care difficulties and gender . The likelihood of finding full time paid employment was slim according to 71% (108) of those not working.

Some people are missing out on targeted supplementary assistance; assistance that is often touted by the government as a key to alleviating or preventing hardship. Targeting has been used as a justification for reducing benefit levels. For example, 48% (278) of target week respondents who were beneficiaries said that they did not receive the Accommodation Supplement when probably most should have been receiving it. Further, where the Accommodation Supplement was being received, it did not appear to mitigate the negative impact of high accommodation costs. Forty nine percent (148) of those receiving the Supplement said that they were struggling with their accommodation costs. Those reliant on limited income paid employment are often missing out on receiving entitlements designed to alleviate hardship.

Poverty and hardship are occurring throughout Christchurch, often in 'hot spots' that occur in all ward areas, not just in areas traditionally associated with poverty and hardship. However, there is still a clustering of

effect with a concentration of people experiencing multiple forms of hardship in some areas, these are:

Inner city east;

Southern belt (Sydenham and Addington);

Eastern suburbs (Aranui, Wainoni and Avondale);

Bishopdale and Casebrook, Bryndwr and Aorangi;

St Albans;

Hornby and Hei Hei.

Copies of these reports can be obtained from Kath Jamieson, Senior Research Adviser, Christchurch City Council, Kath.Jamieson@ccc.govt.nz

3.2. MONITORING OF TRENDS IN COMMUNITY WELL BEING

The Christchurch City Council is continuing to monitor trends in social well being in Christchurch. It has a Social Indicators Project to monitor well being as it relates to the outcomes of the Council's Community Development and Social Well Being Policy. It is involved in a joint project with New Zealand's six largest local authorities to develop a social indicators programme that will look at quality of life in the country's largest cities.

The Council also contributes to the Canterbury Dialogues *Indicate*, a project designed to look at regional quality of life issues highlighted as important by Canterbury residents.

4. SUMMARY OF RESEARCH ON EMPLOYER DEMAND

The report was initially commissioned by the Christchurch Mayoral Taskforce on Poverty, reflecting its view that productive employment remains the most important way in which most individuals and families support themselves and participate in the civic life of the community. Difficulty in finding or maintaining employment at good wages is a primary cause of poverty. The findings of this survey point to the apparently paradoxical situation that, while a large number of people are looking for such work, employers are reporting difficulty in filling vacancies with suitably experienced and qualified people.

Such an outcome is not uncommon in industrialised economies. It illustrates the potential for 'labour market co-ordination failures' that lead national and local governments to become involved in labour programmes of one sort or another. These programmes can range from data collection and information sharing (of which this report is an example) to seeking to encourage job-rich, high technology economic growth (a primary objective of the Canterbury Development Corporation, for example).

The importance of this labour market coordination role for local government is hard to over-emphasise. If a city is able to maintain a well qualified and experienced work force, and at the same time is able to expand the high productivity employment opportunities for its workers, this is likely to create a beneficial spiral of rising incomes and prosperity. On the other hand, it is also possible for a region to decline economically over time if the trend is for high productivity industries to be replaced by generally low skilled jobs in the services sector.

This report presents the results of a survey of Christchurch employers in January 2001 about the qualifications and experience they look for in new staff. The principal results can be summarised under five headings:

1. *Christchurch city is creating a large number of good quality jobs;*
 - The Saturday edition of the *Press* produced on 20 January 2001 contained advertisements for at least 742 non-executive vacancies;
 - 73 per cent of the positions were described by survey respondents as full-time; that is, involving more than 30 hours of work per week;
 - 92 per cent of the positions were described by survey respondents as permanent; that is, lasting for longer than 12 months;
 - Only 20 per cent of the positions were described by survey respondents as requiring neither qualifications nor experience in a similar job (perhaps at a lower level).
2. *Qualifications are important for many jobs;*

- 39 per cent of the positions were described as needing a qualification;
- This was particularly true for professionals (79 per cent) and trades workers (52 per cent);
- Qualifications being sought by employers ranged from a drivers licence to specialist tertiary degrees.

3. *... but experience is even more important;*

- 68 per cent of the positions were described as needing experience in a similar job, perhaps at a lower level;
- Experience was particularly important for corporate managers (82 per cent) and trades workers (85 per cent).

4. *Most applicants are considered to be unsuitable for the position;*

- Overall, only 34 per cent of the applicants were described by their employers as suitable for the position;
- Even for the positions requiring neither qualifications nor experience in a similar job (perhaps at a lower level), 72 per cent of applicants were described as unsuitable for the position.

5. *There appears to be a shortage, but not a severe shortage, of skilled workers in Christchurch;*

- 49 per cent of the survey respondents reported difficulty in filling their advertised positions with suitably qualified workers;
- 5 per cent of the survey respondents reported that it was impossible to fill their advertised positions with suitably qualified workers;
- The greatest shortages are suitably qualified trades workers (69 per cent reported difficulty or impossible) and plant and machinery operators (68 per cent).

The report has also drawn on overseas and local research to comment on how central and local government might encourage a beneficial spiral of rising incomes and prosperity, paying particular attention to how it can help develop and maintain a skilled and experienced workforce.

- (i) Fostering a well qualified workforce begins early: social investment in quality early childhood education is particularly important.
- (ii) Social investment in low income suburbs, particularly in relation to education, is important for enabling young people to achieve their educational potential. Engagement with these communities, their schools

and organisations is vital for exploring the best ways in which such social investment can be made.

- (iii) Policies designed to encourage further training should consider the financial disincentives that may inhibit individuals from taking on tertiary education. For example, some of the financial strain of studying could be alleviated if students are able to earn an income over the summer through various job assistance programmes. Also, many people would like to upgrade their qualifications by undertaking study at the same time as employment. Consultation about the problems associated with this (finding childcare, for example) may be very useful in identifying how best to overcome these barriers.
- (iv) Some of the disincentives to employers of taking on and training people might be explored. The Modern Apprenticeship System, for example, is one way in which this is being addressed nationally.
- (v) Employment assistance programmes appear to be most effective when they have strong links to actual workplaces. This is consistent with the finding of this survey that very often employers value experience more than they value qualifications.
- (vi) Supply-side policies must be complemented with ongoing efforts to attract investment that will offer skilled, high productivity jobs to workers.

The findings of this research also raise questions for employer groups, trade unions, educators and community groups. Two issues in particular require further attention.

- (i) The research has highlighted the importance of experience for potential employers. There has been a tendency for careers advisors to emphasise the likelihood that workers will have several jobs over their lifetime, but this report's survey suggests there is still an important place for workers who succeed in building up experience in a particular occupation or industry. From the perspective of employers, greater attention might need to be given to career paths within firms or industry that provide higher rewards to workers with experience, reflecting their greater productivity and value to an employer.
- (ii) The research has found that a large number of job applicants are being rejected as unsuitable, even for jobs requiring neither qualifications nor experience. This suggests that government policies designed to encourage job searching have been successful in their objective, but may not have necessarily provided any extra benefit to either jobseekers or potential employers. It also suggests that employers might benefit from re-evaluating their hiring practices to ensure they are not rejecting good potential employees, perhaps for lack of good external information about their suitability for a particular position.

The core findings of this report are that unemployed workers are applying for jobs even when they do not have the required qualifications and experience, while at the same time, employers are finding it difficult to find suitably qualified employees, particularly in the skilled trades. Employer groups, trade unions, advocates for unemployed workers, educators, academic researchers and a wide variety of community groups all have important expertise and resources that could contribute to finding workable solutions to this labour market co-ordination problem. The Christchurch City Council should therefore be encouraged to continue facilitating stronger relationships within and between these interested groups as part of its work to address the problems that gave rise to this report.

The full report is available on the Council website:

<http://www.ccc.govt.nz/Reports/2001/EmployerDemand/EmployerDemandForSkilledWorkersInChristchurch.pdf>

5. FOCUS GROUPS WITH EMPLOYMENT RELATED GROUPS

The report *Employer Demand for Skilled Workers in Christchurch* was presented to the Community Services Committee of the Christchurch City Council on 7 May 2001. Dr Paul Dalziel presented the survey with support from Mary Richardson and George Clark. A photograph and accompanying article was published in the June 2001 issue of the *Christchurch City Scene*.

The Committee requested that given the high degree of both media and wider interest that the survey had generated over the previous three to four months, the survey be presented to employer's organisations and other interested groups in Canterbury. The Committee was interested in gathering feedback on employment related issues through the Mayoral Taskforce on Poverty as one way of informing the Council on employment and labour market related issue in Christchurch.

5.1. WHO DID THE TASKFORCE CONSULT?

The full survey document was sent to a wide range of industry, training, trade union and employment agencies through their respective co-ordinating bodies. A request was also made to each organisation to meet with Paul Dalziel and George Clark for a presentation of the survey and to provide members of the organisation with an opportunity to provide feedback to the Mayoral Taskforce on Poverty.

The organisations contacted were:

- Canterbury Employers and Chamber of Commerce
- Canterbury Manufacturers Association
- Canterbury Trades Council
- Canterbury Local Employment Co-ordination Group
- Community Employment Initiatives Group
- Canterbury Department of Work and Income
- Canterbury Development Corporation

All but one organisation agreed to arrange meetings with members to meet with the Taskforce (Paul Dalziel and George Clark) . The Canterbury Manufacturers Association was unable to arrange a meeting due to constraints of time, but its Chief Executive met with George Clark for an hour, and two members of the Association on the Board of the Canterbury Development Corporation provided feedback during the meeting with the CDC on 7 June.

Paul Dalziel met with Simon Mortlock to discuss his firm's Employment Scholarship programme on 9 July.

5.2. CONSULTATION TIMETABLE

The table below records the meeting dates and meeting types with the groups consulted about employer demand for skilled workers in Christchurch.

Organisation	Meeting Date	Meeting Type
Canterbury Employers Chamber of Commerce	29 May	A presentation and discussion with the executive and invited employers.
Canterbury Trades Council	25 May	A presentation and discussion with the executive preceding the formal monthly meeting.
Local Employment Co-ordination Group	25 May and 15 June	A presentation and discussion with members of the LECG. Two meetings were arranged to facilitate attendance by members of the group.
Community Employment Initiatives Group	8 June	A round table discussion with a cross section of community organisations and training providers.
Canterbury Development Corporation	7 June	A presentation and discussion with the monthly board meeting of the Canterbury Development Corporation.
Department of Work and Income	5 July	A presentation and discussion with the monthly meeting of Canterbury DWI workbrokers.
Simon Mortlock Lawyers	9 July	Informal meeting to discuss the Employment Scholarship programme.

5.3. ISSUES ARISING FROM THE SURVEY AND CONSULTATION

All representatives consulted after the survey agreed that the training situation in Christchurch has changed radically over the last twenty-five years. This agreement did not appear to reflect any widespread desire to return to systems of the past, but rather reflected a recognition that city planners and policy advisors should be concerned about its consequences for maintaining a skilled work-force in Christchurch. Some of the identified changes were the following:

- Public sector restructuring during the 1980s and 1990s means that a lot of on-the-job training and apprenticeships provided in the railways, in the post office, in public hospitals and so on, are no longer available;
- There has been relatively little training in the skilled trades over the last 15 years, since employers were able to draw on a large pool of experienced workers made redundant during the industrial restructuring of the late 1980s;
- That a generation of skilled workers is now reaching retirement age, which is creating difficulties for employers looking for experienced trades workers in particular;
- The loss of low-skilled jobs in industries such as plastics or clothing means that young people do not get the same chance, as they did previously, to build up experience in an industry that could lead to more productive employment in the future;
- New industries have emerged, such as electronics , that require highly skilled and experienced workers (in computer assisted design, for example) who are not always available in the city;
- More intense competition in some industries, either from imported goods or from deregulated entry, has reduced the ability of firms to invest directly in the training of their workers;
- Government departments seem less willing to fund tertiary education for their staff unless directly relevant to their current work or undertaken outside office hours;
- The introduction of modern management practices often eliminates middle management that in the past contained a large share of an organisation's institutional memory;
- Compared to the previous system of national awards, current individual employment contracts are less likely to have automatic service steps to provide higher wages for extra experience or qualifications;
- There is a greater choice in tertiary education opportunities, including degrees offered outside the Universities, a wide range of private tertiary educators, and a diverse group of community

training providers;

- These opportunities involve a greater amount of classroom learning, and much less on-the-job learning, than was the mix under previous systems of training for non-university school-leavers;
- The costs to students of tertiary education have increased sharply compared to the fees paid by previous generations, and there is concern about whether wages for graduates will cover these costs in all cases;
- Employment agencies are playing a more expansive role in job placement including, in many cases, a commitment to ensure that people placed in a position are provided with support to make the placement successful;
- The entry-level casual employment jobs tend to be more concentrated in the services sector than in the past.

Recognising these changes, there are important issues for the various stakeholders concerned about the need for a skilled workforce. These are considered under their respective individual headings.

i) Employers

One of the key results to emerge from the University of Canterbury survey is that there is a high demand for qualified and experienced workers by employers in Christchurch. Approximately one-third of advertising employers in the survey were seeking a specific qualification and approximately two-thirds were seeking experience in a similar job perhaps at a lower level.

Consultation after the survey revealed a fundamental dilemma. Many employers regard the provision of training as too costly, not just financially, but also as a result of the potentially large amount of management time required to supervise on-the-job training, especially if things go wrong. Employers also recognise, however, that having an inexperienced or unskilled workforce can also be costly, and the Taskforce was told that skill shortages may be reducing investment in the city.

Several representatives commented to the Taskforce that employers have become complacent about their ability to hire skilled workers, as a result of the large pool of experienced jobseekers created during the mass redundancies of the late 1980s. As those workers begin to retire, and as firms expand production in a more favourable economic climate, the Taskforce was told that it is now taking longer to fill vacancies with skilled workers. The survey found this is particularly true in the trades and in factory work. These difficulties are likely to intensify in the future, unless greater thought is given now about how to provide suitable education, training and experience to the next cohort of skilled workers.

Four specific issues were raised in the consultations with employer and other groups:

- (i) One reason that firms place a premium on employing experienced workers is that there can be high costs in seeking to end an employment relationship if an employer subsequently discovers that an inexperienced employee is not suitable for the position. The Taskforce was advised that this often acts as a serious barrier to inexperienced workers finding their first job, and it was suggested that firms ought to be able to offer probationary employment that could be ended without repercussions by either party after a fixed short-term period. At present, both the Employment Relations Act and the stand-down provisions of the Department of Work and Income rule out the general use of such probationary employment agreements.
- (ii) Linked to this first issue, the Taskforce was told that some employers are unwilling to offer employment to certain groups such as middle-aged workers or migrant workers for fear that the employment relationship might not work out, although such behaviour (known as statistical discrimination in the economics literature) is not permitted under the Human Rights Act.
- (iii) If experience does enhance a worker's productivity or significantly reduce employer costs, then experienced employees should expect to receive a wage premium. The Taskforce was told that some large firms have introduced a pay system linked to specific training and experience, but that many small employers do not have the expertise to implement such systems. In some industries there is widespread poaching of workers from other firms not prepared (or not able) to pay experience-based wages.
- (iv) Industry-instigated skill development with strong links to on-the-job training seems to be the most successful approach, but the difficult question is how to fund it? Some industries seem better placed to take advantage of the Modern Apprenticeship Scheme, for example, than others.

ii) Employment Scholarship Programme

Several people participating in the post-survey consultation groups mentioned an innovative project initiated by Simon Mortlock Lawyers. The Employment Scholarship Programme is a small but growing scheme to provide experience and training to school-leavers selected for entry-level positions in a moderate sized firm. The employment scholarship lasts for one year. The holder receives a wage and the employer also pays the fees for two courses at Christchurch Polytechnic Institute of Technology. During the year, the holder of the employment scholarship does the normal work of an employee, but also completes a series of modules, checked by his or her employer, to demonstrate competence in relevant work-based skills. At the end of the year, the person uses the record of these completed modules to find permanent employment.

The Employment Scholarship Programme is attracting attention in Christchurch because it is a unique collective response by employers to the problem of building up a skilled and experienced workforce. The holders of the employment scholarships work for their wages, and the organised module-based training quickly raises their productivity. But it makes a big difference to young people who otherwise might struggle to make the transition from school to work by providing a supportive environment to build skills, experience and confidence. The programme is small, and has concentrated on law and accountancy offices to date, but Simon Mortlock Lawyers has plans to expand the programme next year.

iii) Employees

The motivation for this part of the Taskforce's work came from recognising that employment in high productivity jobs is the principal way that people avoid poverty. Thus the main focus of the Taskforce's consultation was concerned with the barriers some long-term jobseekers face in finding employment. Three groups of people were described to the Taskforce.

- (i) Some workers who were made redundant in the 1980s or early 1990s, or who did not find a job as school leavers, now have a long experience either of persistent unemployment or a series of short-term and low-paid jobs. They may have been pushed through a number of training programmes that did not lead to employment, and are now described by employers as 'angry, unemployable people'. Those with large families may also find that they cannot afford to accept a job at lower wages than they receive in social security benefits.
- (ii) The children of the people made redundant in the 1980s are now entering the labour market. Many of these are described as having a low work ethic and poor attitude towards employment. In particular, they are not interested in factory work or training in the trades, perhaps because of what they saw happen to their parents. Many are also discouraged by their own unsuccessful experience with training programmes, job applications and dealings with the Department of Work and Income.
- (iii) There is a group of people with deep long-term problems of poor literacy, weak numeracy and low self-esteem. Such problems are often expensive to address because of the need for one-to-one case management. Some of these people are being picked up by community-based training programmes, but training providers report that funding in this area has become harder to obtain since employment outcomes are relatively low for such people.

These observations raise questions for national policymakers, but the Taskforce was also told that solutions will require a long-term view that might be addressed best by local initiatives in partnership with national funding. In

particular, if a cycle of high unemployment, low expectations and extensive periods of poverty is being passed down from the unemployed workers of the 1980s to the new generation of jobseekers, policy should have the objective of breaking that cycle for the third generation.

iv) Tertiary Educators

Christchurch has four major public tertiary education institutions (University of Canterbury, Lincoln University, Christchurch Polytechnic Institute of Technology and Christchurch College of Education). The Taskforce saw evidence of good contacts between these and Christchurch employers at the CEO level, but comment was also made that this is not so evident at lower levels in the tertiary education institutions. It was suggested that stronger links between those designing tertiary courses and those responsible for hiring graduates could be beneficial to both parties and their students/ employees. Apart from this, three main concerns were identified to the Taskforce.

- (i) The costs of tertiary education have increased sharply, and the Taskforce was told that in some cases students might be paying fees of around \$4,500 to qualify for jobs that will pay about \$9 per hour. This does not seem economic.
- (ii) There was a suggestion that tertiary education institutions could seek to build relationships with potential employers of their graduates, perhaps by coordinating internships for summer employment relevant to the studies of their students.
- (iii) There was a criticism that tertiary institutions are not sufficiently responsive to changing demands by Christchurch employers for skilled workers in emerging professions such as computer-based design. Some of the city's high-tech industries are having to look overseas for such skills.

There are a range of private training enterprises in the city providing niche training in areas such as English language for non-native speakers, tourism, nannying and so on. The Taskforce did not seek or receive comments about these institutions.

v) Training Providers

Community-based training providers were widely developed under the 'New Deal' labour market policies of the government in 1985. They offer short courses designed to assist jobseekers to become more work ready. The providers must tender for the right to offer such a course (based on planned outcomes for their trainees), and are then paid a fixed amount per trainee up to a maximum number of trainees.

Several training providers spoke to the Taskforce about the difficulty of their work. They reported a high level of 'training fatigue' among many of their clients, and felt that they were not getting a reasonable number of referrals

from the Department of Work and Income to fill training places. There is no base funding for key workers, so that very often the sponsoring community group is engaged in a constant struggle to stay afloat financially, especially if some of the positions in their courses are not filled. Because the training courses are evaluated on the basis of outcomes for the trainees, there has been a reduction in options available for the most disadvantaged groups of unskilled workers.

An interesting issue that emerged from the discussions was the role of work experience in these courses. One provider reported that work experience placements are an integral part of its training modules, and that this is also very useful in helping inexperienced workers make contact with potential employers. Given that employers reported to the Taskforce that many regard the provision of training as too costly, particularly as a result of the potentially large amount of management time required to supervise on-the-job training if things go wrong, this is an interesting initiative that might be developed. Partnerships between employers and specialist training providers might be a way to provide effective on-the-job training opportunities that reduce the risks and costs to the former while improving the employment outcomes for the students of the latter.

vi) Employment Agencies

A criticism made of the Employer Survey is that, by relying on job advertisements in the *Christchurch Press*, it missed those employers who fill positions from other sources. Perhaps the most important of these alternatives are specialist employment agencies. The Taskforce was told that in some cases employment agencies support their referrals into jobs, maintaining contact with employers and employees to ensure that placements are successful. Workbridge is an example of an organisation that does this for a particular clientele. This reduces the risks to the employer when making hiring decisions, for which they are prepared to pay the employment agency's placement fee.

It was suggested that community training providers are also acting as *de facto* employment agencies by looking for job opportunities on behalf of their clients, by providing networks for particular groups such as recent immigrants with weak links to the labour market, and by offering to support workers as they begin employment in a job. This is consistent with the research report, which suggested that such networking and support is often more important than the actual content of training programmes.

vii) Department of Work and Income

It is clear that there is some frustration among stakeholders about the Department of Work and Income, and the Taskforce received several comments along the lines that that frontline staff are often either too overloaded or inexperienced to provide effective labour market assistance to large numbers of their clients. Some of the people consulted also suggested

that recent changes in government policy had reduced the degree of compulsion for training or job search by unemployed beneficiaries. Others expressed regret that the merger of the two previous Departments meant that labour assistance often appears to take second place to income assistance in the new organisation.

The meeting with workbrokers at the Department of Work and Income revealed that these issues are well known. For the most part, they refer to policy issues that would have to be considered by the government based on advice from the national office. The Department sees itself as playing an important labour market advisory role, not only for jobseekers, but also for employers who contact the Department when looking for new staff. Canterbury DWI has a working relationship with the Canterbury Development Corporation (funded by the Christchurch City Council), although the Taskforce was told that some aspects of that relationship might be improved by clearer protocols.

viii) Canterbury Development Corporation

The Canterbury Development Corporation plays an important role in the city, since it is concerned with training, job search assistance, small business development and encouraging inward investment by firms outside the region. It is therefore in a unique position to monitor mismatches between employer demand for skilled labour and the availability of suitably qualified and experienced workers, and to make this information widely available.

5.4. CONCLUSION OF RESEARCH ON EMPLOYER DEMAND FOR SKILLED WORKERS AND THE SUBSEQUENT CONSULTATION

Based on the report “Employer Demand for Skilled Workers in Christchurch” and the subsequent consultation described in this report, the Taskforce on Poverty offers the following recommendations to the Christchurch City Council:

- That the Council notes the importance of productive employment opportunities in reducing poverty and encouraging civic participation.
- That the Council notes that Christchurch city is creating a large number of good quality jobs.
- That the Council notes that qualifications are important for many jobs, that experience is even more important, and that most applicants for vacancies are considered unsuitable by the advertising employer.
- That the Council notes that there appears to be a shortage, but not a severe shortage, of skilled workers in Christchurch, with the greatest reported shortages being for trades workers and plant and machinery operators.
- That the Council accepts a co-ordination role to provide information and bring together stakeholders concerned with developing and maintaining a skilled labour force in Christchurch.
- That the Council encourages initiatives such as the Employment Scholarship Programme to develop pilot schemes that allow workers to gain relevant experience or on-the-job training through fixed term internships.
- That the Council continues to support the Canterbury Development Corporation, which is in a unique position to monitor emerging business opportunities, employers’ demand for skilled labour and the availability of suitably qualified and experienced workers.
- That the Council consider requesting the Canterbury Development Corporation to develop an industry-based employment and training package to facilitate the provision of short term contracts (up to one year) to enable significant numbers of new entrants to gain industry experience and skill as employees.
- That the Council recognises the value of private and social investment in early childhood, primary and secondary education to provide a solid foundation for maintaining a skilled workforce in the city.

- That the Council takes up opportunities to communicate with central government about local issues of poverty, skill shortages and business development, including the provision of feedback on perceived problems with government agencies operating in the city such as the Department of Work and Income.

The Taskforce notes that iwi/Maori were not involved in the consultation regarding Employer Demand for Skilled Workers in Christchurch. It suggests that consultation with iwi/Maori regarding these issues is required and that iwi/Maori, particularly Ngai Tahu should be involved in developing appropriate responses.

6. REPORT ON COMMUNITY FORUMS

The Taskforce undertook a series of community fora through February, March and April. The community forum focused on identifying effective strategies for the Council to help address issues of poverty.

The primary goals of the dialogue process were:

- To involve the community sector in identifying issues and solutions,
- To identify a common, grassroots vision on what needs to be done,
- To begin to develop united efforts to eliminate poverty.

The forums included 'social entrepreneurs', Community Development practitioners, Social Service Provider groups, members of refugee and migrant communities and related service providers, Maori community and the Christian Council of Social Services members.

6.1. ISSUES

Forum participants were asked to identify issues relating to Council's programmes and policies with respect to their impacts on those on low incomes in Christchurch.

The following issues emerged during the forum discussions.

i) **Council's social investment**

Forum participants commended Council for its ongoing commitment to improving the quality of life for residents and its investment in the social infrastructure of the city.

Participants noted that the Council has a national and international reputation as a leading and progressive Council due to its ongoing social investment. Some participants were concerned that other Councils may influence the Council and it may "lose its heart and soul". They argued that this would have a major impact on the social and economic wellbeing of the city.

Participants also noted the indirect ways that Council has an impact on poverty (other than through social investment activities), for example urban planning and economic development initiatives. Some stated that Council could unintentionally have a negative impact on poverty. They felt, therefore, that it should be mandatory for all new policy and project proposals, which are likely to have significant social impacts, to be subject to a social impact assessment prior to their adoption. All proposals would therefore need to

include a statement on the predicted social impact (as well as stating the financial costs or savings). Some participants also asked that the Council undertake proper evaluations of social impacts thereby enhancing accountability, transparency and 'learning'. They felt that the focus should be on outcomes rather than just outputs.

Participants also believed that the Council should make a greater financial commitment to social outcomes.

ii) Engagement in decision making

Forum participants stated that the Council should continue to emphasise relationship building and engagement rather than merely consultation. Participants stated that community engagement is the process of building and maintaining good relationships to ensure that community issues and concerns are accurately recorded and fed into policy and service development. They identified that consultation is a component of community engagement that encompasses the seeking of views from the community on a specific proposal or issue.

Forum participants argued that Council should continue to expand processes for community engagement in decision-making and policy implementation, in different ways, at all stages of decision making and planning.

While the Council has six Community Boards representing 12 Wards and a policy on seeking community views (Seeking Community Views Policy), many felt that the predominant practice was decision making by Councillors. Many participants felt excluded from the decision making and implementation. A number also raised concerns regarding the lack of Maori involvement in decision making. They noted that there were no Maori elected members and few Maori on appointed bodies. They also noted that there was few Maori staff.

Participants also claimed that current consultation processes often have a once and for all quality; participation only at a particular moment on confined terms and often only after fundamental and irreversible policy directions have been established. They stated that these consultation strategies elicit only particular kinds of information and do not live up to expectations of democracy. The annual planning process was given as an example of this type of consultation.

Some commented that the Council had put considerable effort into involving the business community on decision making. Participants thought it was important to include the business sector in decision making but they felt that similar effort should be given to engaging and listening to the voluntary sector and iwi/Maori. Others stated that some Council staff and elected members had put considerable effort into engaging the community sector and establishing good working relationships with the sector.

Participants at the Maori forum did not believe that the existing mechanisms ensure appropriate engagement and representation of Maori. They believed that specific strategies need to be developed to ensure Maori participation and partnerships.

iii) Partnerships

Forum participants commented that the issues related to poverty are not going to be solved by agencies working in isolation. They claimed that there is added value in working in partnerships towards common aims and objectives. They stated that the Council should continue to develop partnerships to ensure that the resources of central government, local government, voluntary organisations and the community are used in the most effective and equitable way possible (allowing for the constraints on each party).

Participants supported the Council's attempts to develop robust relationships between Council and the community voluntary sector and iwi/Maori for the wider public good. Some noted that local authorities should be part of the central government "Community and Voluntary Sector Working Party" which was examining the relationship between government and the voluntary sector and iwi/Maori. They noted that this working party involves people from central government agencies, voluntary sector and iwi/Maori but there is no one representing local government.

Participants also supported the Councils ongoing involvement and support for local cross-sectoral and cross-agency collaborations and networks. Some commented that Council played an integral role in facilitating and resourcing these networks and collaborations, for example the Refugee and New Migrant Forum.

iv) Treaty of Waitangi

The Maori forum urged the Council to implement the Treaty in partnership with the Tangata Whenua as a means of improving the social and economic wellbeing of all Maori living in the city. The forum acknowledged that the responsibility for implementation of the Treaty rests with both parties i.e. the Council and Maori. It recognised that the Council is working on developing a partnership relationship with Maori and has made a commitment to the Treaty in its Strategic Objectives, key umbrella policies and three year plan.

The Forum identified that principles of the Treaty of Waitangi must underpin and shape all strategies. These principles include:

- Kawanatanga - Council to govern in exchange for an obligation to protect Maori interests
- Rangatiratanga - Maori have the right to control their own resources
- Equity - of access and outcome

- Redress - effective processes for resolving grievances and for reconciliation
- Partnership - with iwi, hapu, whanau and Maori communities
- Reciprocity - reciprocal obligation to act reasonably and in good faith
- Participation - involving Maori at all levels of planning, development and delivery

v) Maori and non Maori Disparity

Forum participants identified that Maori disparities relative to the rest of the population have remained persistent over time. Some participants argued that this disparity is due to historical alienation of land and other resources, the undermining of Maori economic, political, social and cultural base and other Treaty breaches.

The effects of recent Government policies were contradictory for Maori. Rising unemployment, poverty and alienation occurred at the same time as resources were returned to tribes. Economic policies meant that for many it was a struggle just to survive. Increased unemployment and decline in real wages increased financial pressures.

Participants noted that there is little Maori involvement in both formal and informal decision making processes within Council. They also noted that Maori do not receive funding or services proportional to their population and their needs.

The Maori forum identified that Maori will have an important role in developing and implementing strategies for Maori. However, the Maori forum also suggested that the Council to establish a Whanau Development strategy as part of the community development activities of the Council to address issues of disparity and support holistic delivery in a Maori context. It suggested that Council should develop a relationship with iwi, hapu, whanau and Maori communities in Christchurch.

vi) Jobs

Some forum participants identified that getting and keeping a job is an essential step to beating poverty. Finding and keeping a job provides more than income. It provides a sense of self-worth and accomplishment. It is through work that incomes are generated and economic independence is achieved. Work also provides avenues for social participation, a sense of belonging, contributing and social well being.

Forum participants identified that unemployment is a principal cause of poverty in our communities. They claimed that there is substantial evidence that unemployment is associated with poorer mental and physical health.

They also argued that long-term and repeated unemployment has serious social and economic consequences and can also lead to a depreciation in skills, alienation and a decline in self-esteem.

Some participants also identified that unemployment continues to be unevenly distributed across different groups in the community. For example, Maori and Pacific peoples' unemployment rates remain considerably higher than the Pakeha unemployment rate.

Participants argued that the 'labour market' has failed to generate jobs and match people to them. Most of the key institutions that make up the labour market — business, government, education and unions — have failed to keep pace with the rapid changes in technology and the impacts of globalisation.

Forum participants argued that most of the programmes that have come out of government, so far, have been short-term fix-it schemes. Many criticised the 'work for the dole' schemes and supported Council's opposition to these. They felt that one of the most important tasks is to try and bring back longer-term thinking on the critical issues facing our communities, including unemployment and the changing nature of work.

Participants suggested that the Council work with central government and employers to develop job training and employment preparation programmes that relate to the local workplace and job coaching, mentoring, and on-the-job training. Some suggested that employers should be encouraged to invest in training.

Other forum participants argued that we need to move beyond training for non-existent jobs. We need to start to grapple with the question of what to do with the growing number of displaced workers. Some stated that instead of unemployment there should be a fairer distribution of work and leisure.

Participants argued that we need to break current cycles of unnecessary, compulsory workforce training and encourage and enhance access to effective, high quality learning, training and higher education opportunities.

The Maori forum identified that unemployment is a major issue for Maori in the city. It asked that the Council (through CDC) support Maori driven employment initiatives and strategies.

vii) Barriers to Employment

The Employers survey identified that one of the biggest barriers to hiring someone was that applicants had no job or work history.

Forum participants also identified barriers associated with people gaining and retaining work. These included problems travelling to work, child care and lack of appropriate support. Some participants identified that the stand down

regulations associated with benefits should be changed so that short term and probationary contracts can be entered into without risk of repercussions.

Forum participants identified that employment is a way out of poverty but other non-work/social issues often need to be addressed before the journey towards employment can begin.

Forum participants also stated that the Council, central government, the voluntary sector and business sector should work together to ensure employment initiatives are integrated with social development initiatives.

viii) Working Poor

Forum participants identified that there are many working poor. While workers in poor families work as much as those in non-poor families, the jobs that they hold are less stable and provide fewer benefits. The working poor are less likely to hold jobs that provide daytime work hours and are much less likely to have been at their employer for more than a year. Forum participants argued that, even if policies aimed at promoting work increase the amount of work, a substantial number of people could still live in low-income families. Therefore programmes that supplement earnings or increase low wage levels are vital.

Other participants raised concerns about the casualisation of the workforce. They stated that casual work often traps people in low pay jobs with poor conditions and little security. Some also commented that, increasingly, these jobs are not in 'standard/core hours' and that quality childcare, afterschool care and holiday care is more difficult to find.

ix) Voluntary work

Some participants felt that there was an over emphasis on paid work. They stated that social wellbeing depends on voluntary work, work at home and work in paid workforce.

It was noted that approximately 66% of women and 55% of men participate in unpaid work outside the home. It was also noted that people who receive income-tested benefits spend more time on unpaid work than other people, as do people who are not in full-time work. It was also identified that Maori are more likely than non-Maori to undertake unpaid work outside their home.

x) Voluntary Social Services

Forum participants identified that keeping intact a safety net of non-cash services for the poor, and especially for the children, is crucial to preventing future welfare dependency.

The voluntary sector plays a key role in

- providing opportunities for learning, skill and confidence enhancement
- developing social support for isolated individuals

- encouraging participation in social structures
- providing a channel for people to direct their desire to help others
- integrating communities and marginalised people within communities
- stimulating activities
- providing safety nets not met by government
- building social capital and civic communities
- mobilising resources and private philanthropy
- identifying community concerns and needs

Voluntary organisations by their nature and the input of voluntary labour are able to operate relatively cheaply. However, it cannot be assumed that voluntary organisations will always provide a better, more effective or participatory service.

There was a perception that Government is devolving more responsibilities to voluntary organisations than they have the capacity or the compensatory financial support to deal with. Forum participants stated that the attempts by governments since the mid 1980's to reduce public functions and expenditure have had a serious effect on the voluntary sector. They argued that what was represented in the 1990's as devolution, deinstitutionalisation, partnership and community participation and empowerment was often no more than a transfer of responsibilities without compensatory financial support.

Participants also stated that changes in the national economy and economic restructuring have impacted on the voluntary sector by increasing the demand for social services.

Participants argued that it is important to keep a mix of central and local government funded, central and local government delivered, and community funded and community delivered services. Government should not devolve or contract all social service delivery to the voluntary or private sectors or to local government. Governments have a responsibility to provide large scale responses to widespread social need, to guarantee safety nets and services for those unable to purchase their own, to ensure the inclusion of diverse communities and iwi structure, and to actively support social cohesion. Provision by purely 'microsocial' voluntary or private sector agencies could result in a further loss of equality within and between communities, as no national standards or redistribution would apply.

Forum participants also stated that it was important to have a mix of initiatives and responses to social issues. Some noted that it is a lot of little things that work rather than one 'magic bullet'.

Many participants commented that the voluntary sector needs to be a partner in decisions making processes, particularly concerning which services are devolved to them and which services are more appropriately delivered by state agencies. Participants identified that mechanisms will need to be developed to enhance the participation of the voluntary sector in policy development processes at both a local and national level. These should

include mechanisms for ongoing dialogue rather than merely consultation about specific policies (see section iii) on Partnership). Some comment that the Council appeared to value the opinion and contribution of the business sector more than the voluntary sector. They commented that it is the community and voluntary sector that is the basis of a community.

xi) Funding of voluntary/community agencies

Forum participants claimed that current community sector funding arrangements are adversely affecting the sustainability and capacity of the voluntary welfare sector. Community resources that would otherwise be available to run programmes are consumed in seeking funding and complying with administrative requirements. In many instances the amount of funding available from a single agency is insufficient to meet the full costs of a service or activity. Voluntary organisations are therefore forced to deal with multiple funding bodies, each with their own funding, monitoring and reporting processes. Increased pressures on funds and compliance costs are taxing community groups. Securing funding, negotiating contracts and meeting accountability requirements often involves complex processes. These mean that voluntary organisations are submerged in paper work. It would appear that compliance costs are often disproportionate to the size and risk of the programme, service or activity.

Each funding agency tends to have its own system for needs assessment, pricing, and selecting organisations. Funders also have varying reporting and accountability requirements with each funder requiring slightly different statistics and data, so organisations must devise multiple recording systems. This results in a duplication of effort on the part of voluntary organisations.

Multi-funding is also the norm because many voluntary welfare organisations are providing holistic services whereas Government funding is 'sector-based', that is, targeted toward specific areas of needs and sectors. Organisations are forced to pull their services/projects apart to fit into funders criteria for funding.

Most funders provide short term funding, for instance a year, requiring organisations to seek re-approval or to reapply for funds. This result is increased compliance costs for voluntary organisations and increased transaction costs to the funder. It forces organisations into limited-life projects and/or reactive practices which are not cost effective (e.g. redundancy and rehiring of staff). Organisations are forced to run down assets, undermine their investment in future service development and pay salaries that are inadequate to sustain the positions. It therefore jeopardises the long-term viability of the sector.

However, forum participants commented that there have been several improvements to funding arrangements, for example, multi year funding, realistic funding contracts and reduced compliance procedures.

xii) Council's Funding Role

Participants identified that while Council funding represents a small proportion of social programme funding in the city, it has played a significant role in the community.

Participants supported the way Council has structured its funding and stated that it addresses many of the major concerns with central government funding, for example:

- The social initiatives programme, major grants and some Community Board funding is multi-year funding which provides greater certainty and reducing compliance costs;
- Social initiatives programme provides more substantial grants, and in some cases by fully funding specific initiatives (especially for some smaller community organisations) has reduced diluted and excessive accountability requirements of the worst excesses of part-funding;
- Joint funding is generally negotiated with organisations on the basis of what other funding they might expect to attract rather than merely leaving a funding gap;
- Funding is able to be used in a more flexible and responsive way;
- Developmental and preventative work is funded;
- Generally more holistic approaches are encouraged (that cut across traditional bureaucratic funding divides, so that services could be better shaped around particular identified needs);
- Funding acknowledges the wider role of community organisations (community building or 'social capital');
- Infrastructure funding to support the invisible costs of running effective organisations and funding for co-ordinating bodies is available;
- There are a range of funding mechanisms and options which allow organisations access to small amounts of money as well as contracts and project funding, and ongoing, pilot and infrastructure funding;
- Social initiatives programme is developing a process of withdrawing funding including a transition period.

Forum participants stated that the role of the Council's approach should not be under-estimated, especially in the longer term. Some participants argued that the Council has a role in advocating for improvements to current funding arrangements.

Participants also noted that the Council was responsible for facilitating funding forums and workshops where community agencies could find out about a range of funding options (both government and non government). This facilitation role was considered important. However, some participants at the Maori forum raised concerns that the Maori community are not well informed about Council funding and are not accessing the funding.

xiii) Targeting v Universal Provision

Forum participants discussed the pros and cons of targeting v universal provision (targeted approaches allocate services or benefits based on needs or means assessment in comparison to universal approaches which embrace the entire population and/or allocate services without application of needs-testing or screening).

Some considered that targeting was a good way to use limited resources to ensure maximum impact on delivering positive change for people, particularly poor people. Some stated that the relative merits of targeting depends on:

- ▣ the objectives one is seeking to achieve
- ▣ the level of integration with different targeted services and benefits, and
- ▣ the context in which it is being applied.

Others argued that targeted systems can often be administratively costly and the services often becomes stigmatised and people can feel marginalised.

In general Council services are universally provided for example, the library and its services, parks (including sports fields), swimming pools, the art gallery, the museum, and the Summertimes festivals. These are all available to everybody, with some concessions available to particular groups (e.g. children, in general get library services free). These services can be seen to perform a socially integrative function by underpinning rights of citizenship. They also remain politically sustainable because of the wide spread of beneficiaries. Because all the services are provided and available to everybody they remain of higher quality. The Council's Community Policy and Social Wellbeing Policy recognise that treating everyone the same is not fair and that some groups and individuals are either disadvantaged or have special needs. Examples of this included Council's rental housing which is targeted at those with a housing need, support for refugees and new migrants, and support for numerous community groups working with those with special needs. This form of targeting is based on the understanding that people can only be full members and participants in the common life of society if their basic needs are not only met but guaranteed.

Most participants appeared to support the above mix of universal and targeted services. However, many also believed that more funding should be available to target issues associated with poverty and hardship.

xiv) Community Development

Forum participants stated that community development was key to addressing issues of poverty. They stated that community development can assist to address issues of poverty by developing the capacity of less powerful groups to address their social, economic and political needs.

These participants believed that the Council had a key role in facilitating community development through its community development advisory staff and its community development funding. Participants also suggested that Council develop a whanau development programme to support Maori development and address issues of disparity.

xv) Compartmentalised Services

Forum participants identified that government departments and other social agencies have, for years, compartmentalised their services. Their individual focus is on the health, education, or family life, or on a myriad of sub-components of these service areas.

Participants felt that government needs to take a multi disciplinary approach and focus on the overall physical, emotional, social, and intellectual well being of people and the community. Agencies need to collaborate to provide comprehensive responses to people's needs, e.g., comprehensive education, economic, and health/mental health services.

xvi) Welfare Benefits

Forum participants argued that the answer is not ending welfare but dealing honestly with the real causes of poverty. Some participants also argued that the benefit levels are too low and trap people in poverty. They believed that Council should advocate for benefits which are adequate to cover basic living costs. Some argued that benefits should be sufficient to meet basic necessities (housing, warmth, clothing, food etc) and support participatory democracy.

Some raised concerns regarding the abatements rates set and the fact that a married couple benefit is less than two single benefits. They argued that this can encourage people not to live with their partners/children.

xvii) Not getting entitlements

Forum participants commented that many people are not aware of entitlements. Some claimed that some people are missing out on entitlements because they don't fit some criteria. Participants believed that government agencies should be responsible for ensuring that beneficiaries are aware of and receiving all their entitlements and that families are accessing appropriate tax credits. Participants argued that a "debt amnesty" would significantly reduce the financial burden on families .

xviii) Department of Work and Income

Many participants commented on problems with Department of Work and income, including poor service, long waiting times to see case workers and lack of empathy.

Other participants discussed the rising level of debt amongst low income families, much of it to the Department of Work and Income. They argued that it is often impossible for these families to clear these debts.

xix) Children

Forum participants identified that poverty's effects often take hold even before birth. Babies born to mothers living in poverty are more likely to have a low birth weight. Research has shown that a low birth weight can cause serious, costly, and lifelong disabilities, and that good nutrition during pregnancy can often prevent these problems. As well, a number of health conditions in infants and children have been tied to the inadequacy of specific nutrients in the mothers' prenatal diet.

Forum participants argued that the challenge of meeting the nutritional needs of their children continues for families in poverty as their babies grow to toddlers, and then move on to school.

Participants supported an increase in integrated service delivery models to meet the needs of children who are at-risk at an early age.

xx) Childcare/Early Childhood Education

Some participants identified that one of the greatest struggles faced by many parents, not only those in financial difficulty, is making appropriate child care arrangements. For many parents, the cost of care is beyond their means; for others, the hours of operation of childcare facilities may not coincide with their work schedules, or there may be no available spaces. As a result, many parents are forced to resort to makeshift or inadequate arrangements, or to restrict their participation in the workforce.

Several forum participants argued that children could benefit from quality childcare and pre-school education, but none more so than those at risk. Research by neuroscientists indicates that intensive intervention in the early years can make a dramatic difference for these children. Without help in the pre-school years, some children will never catch up to their peers, even after years of special education and expensive intervention. Studies have clearly illustrated the human and economic benefits of quality early childhood education, but programmes such as these cannot exist without the support of government, local government and community.

Participants supported Council's ongoing involvement in the funding and provision of early childhood education. They believed that the Council should consider this as a social investment.

xxi) Education

While the start of a child's school years may alleviate some of a parent's childcare concerns, other challenges emerge to take their place.

Although access to public education is a right of all children, there is a cost associated with fully exercising that right. Some of those costs are nothing new; children have always needed school supplies and suitable clothing to attend class. However, changing economic realities have resulted in some costs that were traditionally borne by government (or the school) being devolved to families. For the families living in poverty, finding the money to meet these expenses is often difficult.

Poverty also can mean that many young children are not physically or intellectually prepared for school. Health problems associated with poor diet and other lifestyle issues may increase. Many children fall further and further behind in school, requiring intensive and extensive special programming.

Some participants argued that we are moving backwards in terms of the right of everyone to education. Schools are reportedly relying on more than 25 percent of their operational funding coming from local contributions and donations from parents and private fund-raising. In some areas families can not afford to pay the donation expected of them. The long term prospect is that schools in wealthy areas will become wealthier because of a greater capacity for local contributions. Poorer schools will face larger classes, less qualified teachers and be unable to meet essential costs. Some participants also noted the increase in tertiary fees from \$100-\$300 for yearly fees in the 1980s to \$2,500-\$7000 in 2001.

Participants also noted the link between education and employment and incomes. Evidence shows those with relatively few educational qualifications are more likely to be unemployed and, on average, have lower incomes when in work. Participants also identified that education also affect people's opportunities to participate in other aspects of society.

Participants also noted that Maori and Pacific students fare less well in the education system than others. There are significant differences in formal educational qualifications and attainment between Maori and Pacific peoples and Pakeha. Maori and Pacific peoples have, on average, fewer formal qualifications than other ethnic groups.

xxii) Literacy Services

Forum participants discussed the association between poverty, poor literacy and poor health. Some stated that there were low literacy levels in the city and a lot of hidden illiteracy and quantitative literacy. Participants felt the Council should look at ways to support initiatives aimed at increasing literacy and numeracy.

Research indicates the approximately half the adult population has literacy levels (in English) at or above the level needed to meet complex demands of work and life in the 'knowledge society'. New Zealand is below average on quantitative literacy.

xxiii) Social disengagement

Forum participants argued that there had been not only an increase in economic inequality but also social disengagement.

Forum participants argued that poverty is not simply low income; it is an inability to influence outcomes in a regular and meaningful way. Within New Zealand it is not only the poor or those unable to find roles within the economy who are experiencing a sense of powerlessness. There is a growing proportion of the population that is alienated by a sense of disengagement and distrust. Many feel that they no longer had control over events, the society they worked for had disappeared and things no longer made sense.

xxiv) Stigmatisation

Forum participants identified that many people are (or feel) stigmatised through poverty and through their inability to cope and through their debt. They argued that there was a need to “step out of the blame model”. Forum participants argued that there is a lack of awareness of the existence and consequences of poverty.

Participants stated the neo liberal ideology has interpreted social problems as individual problems and matters of individual responsibility rather than proof of the existence of structural problems. For example, the characteristics, behaviours or attitudes of the poor have been the inferred reason for their poverty (including bad bookkeeping).

xxv) Inequality

Some forum participants argued that poverty is a by-product of increasing economic inequality. They identified that the growth of income inequality is primarily due to the growth in wage inequality. Wages at the bottom and middle of the wage scale have only recently grown after having stagnated or declined for nearly two decades. The wages of the very highest paid employees, however, have grown significantly. Factors generally identified as contributing to increasing wage inequality included globalisation, the decline of manufacturing jobs and the expansion of low-wage service jobs, the lower real value of the minimum wage and the overvaluing of certain occupations.

Forum participants identified that there were growing disparities in wealth and well being. A tiered economy has expanded, with prosperity at the top and decline in the middle and at the bottom. Participants stated that there is unprecedented hardship, widespread poverty and the demoralisation of a whole class of people.

xxvi) Housing

Participants stated that housing plays a critical role in wellbeing. Many believed that adequate, appropriate and affordable housing should be seen as an enforceable human right. The effect of poor housing on health is well documented. Sub-standard housing and high levels of mobility are a feature

of many low-income people's lives. Participants identified problems associated with poor insulation including energy costs.

Participants commended the Council for its ongoing commitment to affordable quality housing. Participants believed that Council should work in partnership with central government in the planning of public housing, advocate for the housing needs of residents and directly provide housing where there are gaps in provision. Many believed that this provision should be done in partnership with third sector providers. Some suggested that the Council should review its Housing Policy to enhance the provision of housing for Maori.

Participants also noted that it was important that there was a range of forms of housing provision to meet the different and diverse needs of those on low incomes.

xxvii) Health Issues

Participants identified that socio-economic determinants are key drivers determining health. People with the lowest income and level of education consistently have poorer health than people in higher income and education brackets. For example, those at the lower end of the socio-economic deprivation scale (NZDep96 10) show a marked increase in avoidable mortality rates over those at the most advantaged end (NZDep96 1). Participants noted that there is evidence that the gap is widening.

Forum participants discussed how lower socio-economic groups have poorer health status and a higher incidence of disability than the general population. They argued that this poorer health is related to differences in:

- Uptake of health and disability support services;
- Lifestyle behaviours (particularly smoking, inappropriate diet, alcohol consumption, and lack of exercise);
- Physiological risk factors (obesity, diabetes, high blood pressure);
- Socio-economic circumstances, such as income and labour-force participation, education, and housing;
- Stress;
- Lack of access.

Participants argued that many could not afford a doctor, a dentist or prescriptions. They noted that diseases associated with poverty have reappeared, for example tuberculosis, scurvy and rickets.

Participants noted that Maori, on average, have lower life expectancy and independent life expectancy, and higher disability, youth suicide and young adolescent birth rates. This difference is apparent in all age groups.

Much of the relatively poor health status of Maori can be attributed to poorer socio-economic status. However, there are other factors that lead to a health

gap between Maori and non-Maori that go beyond socio-economic status. However, even when deprivation is taken into account, Maori have worse health than non-Maori. There are cultural factors at play that selectively disadvantage Maori by affecting risk behaviours and/or affecting uptake of, or access to, health services.

Participants also noted that the health of Pacific peoples in New Zealand still experience a heavy burden of avoidable morbidity and mortality. Much of this can be explained by their low socio-economic status. However, there are also factors associated with migrant population, language barriers, and unique cultural experiences that have an impact on health.

Participants support the adoption of a population health approach (i.e. addressing the wider determinants of health).

xxviii) Multi Disadvantage

Forum participants identified that many people in poverty have multiple issues which compound; for example a combination of low incomes, inadequate and/or frequent changes in housing, family problems, poor health, and low school attainment.

xxix) New migrants and refugees

Forum participants discussed the problems faced by new migrants and refugees, including language difficulties, difficulties in finding employment, discrimination and health and mental health issues.

Some participants suggested that there was a need for a public education/awareness strategy aimed at reducing discrimination.

xxx) Definition of Poverty

Forum participants noted that there is no universally agreed definition of poverty and no official New Zealand poverty lines. Participants also stated that there is a lack of regular monitoring of poverty levels in the city and nationally and many uncertainties in the poverty research over the last decade. However, some noted that the 'quality of life survey' was a good monitoring tool.

Most participants endorsed the Council's definition of poverty and hardship as encompassing three dimensions:

- ☐ Material/financial (an inability to provide material necessities such as accommodation and food);
- ☐ Spiritual/isolatory (a poverty of spirit; isolation from other members of the community);
- ☐ Participatory (an inability to participate in community life, including a lack of choice in decision making).

6.2. SUMMARY OF COMMUNITY FORUMS

The community forums suggested that the Council adopt the following definition of poverty and hardship as encompassing three dimensions:

- ☐ Material/financial (an inability to provide material necessities such as accommodation and food);
- Spiritual/isolatory (a poverty of spirit; isolation from other members of the community);
- Participatory (an inability to participate in community life, including a lack of choice in decision making).

The forums endorsed the Council's ongoing commitment to social development and its provision of social services, including the Council's

- ongoing involvement in community development, including its employment of community development facilitators;
- balanced mix of universal and targeted services;
- commitment to supporting refugee and new migrant services;
- ongoing commitment to affordable quality housing;
- social investment in early childhood education.

The forums also endorsed the Council's ongoing support and recognition of the voluntary sector, including its initiative to develop relationship agreements and its current funding arrangements, including the range of funding mechanisms and options which meet different needs of organisations.

The forums supported initiatives to develop processes to assess the social impacts of its activities (within the substantially triple bottom line framework i.e. 'the people step') and monitor of quality of life in partnership with six major cities.

The forums believed that the Council should work with central government to:

- develop long term strategies to deal with unemployment and the changing nature of work, including job training and employment preparation programmes that relate to the local workplace and job coaching, mentoring, and on-the-job training;
- ensure employment initiatives are integrated with social development initiatives;
- promote effective cross-sectoral and cross-agency collaboration to respond to the complex needs of society;

- encourage a mix of central and local government funded, central and local government delivered, community funded and community delivered services and private sector services;
- support Maori driven employment initiatives and strategies;
- develop strategies aimed at reducing discrimination.

The forums believed that the Council should advocate to central government regarding:

- the need to improve funding (of voluntary sector) policies and practices;
- the perceived problems with government agencies, such as the Department of Work and Income, operating in the city;
- the perceived problems associated with the compartmentalisation of services and lack of integrated approaches and hence the need for integrated service delivery models;
- the provision of quality welfare services, including free health care for all in need, including dental health;
- the provision of adequate benefits to cover basic living costs and initiatives aimed at supplementing low incomes and increase low wages, for example increases in minimum wage rates, family support package, and supplemental benefits to wages;
- the need to ensure beneficiaries are aware of, and receiving, all their entitlements and that families are accessing appropriate tax credits;
- a debt amnesty from DWI to enable families to recover from the burden of debts;
- concerns regarding the impacts of growing income inequality;
- the need to adopt an official measure of poverty and regularly monitor poverty levels.

The forums suggested that the Council should:

- continue to develop processes for community engagement in decision-making, policy implementation and community governance;
- expand and improve its social investment funding and continue to develop best practise in funding and administration of grants;
- develop a whanau development strategy to address issues of disparity and support holistic delivery in a Maori context;
- implement the Treaty in partnership with the tangata whenua as a means of improving the social and economic wellbeing of all Maori living in the city;
- address the issue of ensuring Maori representation on the Council

itself;

- review the Housing Policy to enhance the provision of Maori housing needs;
- investigate ways to support community based literacy and numeracy and digital divide services.

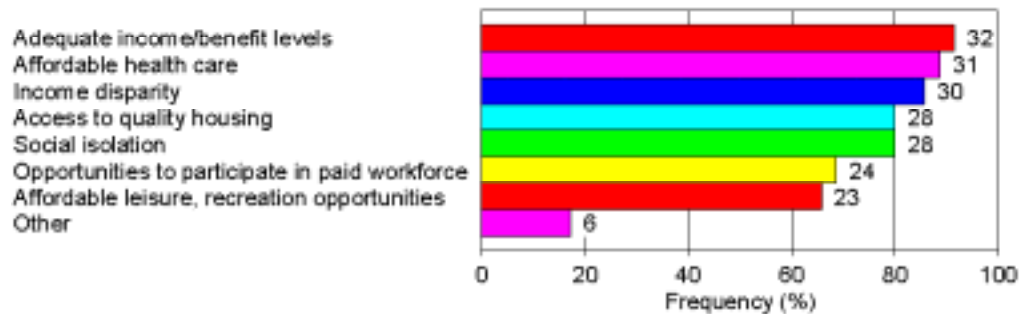
7. RESIDENTS' VIEWS

The Poverty Taskforce placed a short questionnaire in the City Scene to get feedback consider are factors related to poverty and to what they feel Council's role should be.

Readers were asked which factors they considered were important to poverty. Respondents identified that following

7.1. FACTORS RELATING TO POVERTY

Important factors related to poverty



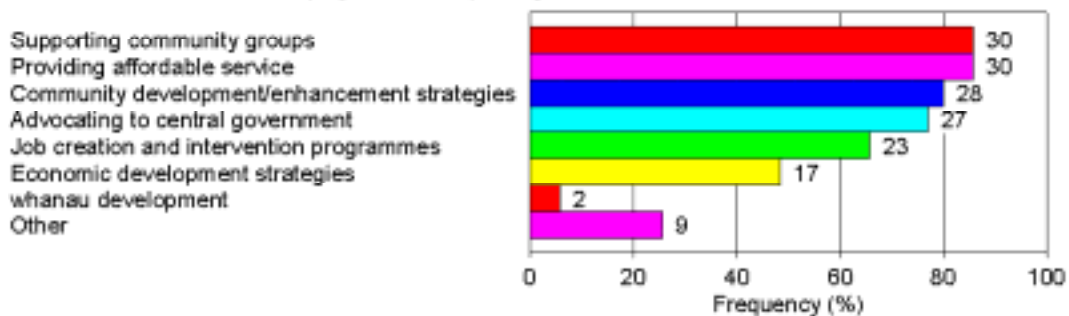
* Note: Multiple answers can total over 100%.

Figure 1:

7.2. COUNCIL ROLES

Readers were also asked what roles the Council should play in addressing poverty. Respondents identified the following:

The roles the Council should play to address poverty



* Note: Multiple answers can total over 100%.

Figure 3:

8. SUMMARY OF COUNCIL EXPENDITURE

This section identifies the Christchurch City Council services and resources that are available to citizens and groups of citizens on limited or low incomes.

It provides a summarised list of services, grants and expenditure costs of free or low cost services provided by each Council unit.

The community grants, services and programmes that specifically address disadvantage and that alleviate poverty and hardship are identified on the basis of the budget provision for the 2000/2001 financial year (information drawn from unit summaries in the Council Corporate Plan).

Information provided includes specifically targeted support:

- Community Services
- Employment Services
- Housing

and universal provision of services accessible to all citizens:

- Library and Information services
- Parks
- Leisure
- Art Gallery

8.1. TARGETED SERVICES

i) **Community Services**

The Council provides a wide range of services, resources and advice in what is generically captured in the Corporate Plan under the heading Community and Customer Services. Service provision and grants from the Corporate Plan that specifically target the prevention of poverty and hardship in the community are listed in the table below.

Community Funding and Assistance	Budget Provision 00/01
Community Board Discretionary Funding	240,000
Community Development Fund (Metro/C.Board)	349,000
Metropolitan Discretionary Fund	148,000
Mayors Welfare Fund	129,000
Youth Advoc./Projects/Workers	559,690
Childrens Advoc./Projects/Workers (Total budget \$608,324 including some Social Initiative funding)	110,000
Total	1,535,690

ii) **Social Initiatives**

Council-related projects	\$'000	Other projects	\$'000
4x Employment Programmes (CDC)	\$385	4x Community Devpt Facilitators*	\$130
Field Workers in School (Children's Advocate)	\$110	Drug Education	\$100
Youth Advocate – since transferred out of Social Initiatives Fund	\$55	Early Intervention	\$75
Out of School Care (Children's Advocate)	\$50	Young Parents (Hebron)	\$50
Anger Management (CDC – since transferred to another organisation)	\$20	Refugee & New Migrants	\$45
		Disability Initiatives	\$40
		Youth Education (TKW)	\$25
		Mental Health Care	\$10
Sub-total	\$620	Sub-total	\$475
TOTAL: \$1,095,000			

(* Includes two joint projects with Council Service Centres not counted as Council-related projects)

iii) Employment Services

The Council funds a significant employment advocacy service for unemployed citizens through the overall Economic Development and Employment Services of the Canterbury Development Corporation. These services are detailed in the following table.

Employment Services	Budget 00/01
Employment Advice	44,349
New Business Entrants Support	30,000
Education Initiatives	50,000
Management Govt. Employ. Schemes	69,219
Sub total	193,568
Youth Employment	
Actionworks	301,456
Youth At Risk	139,132
Training Schemes	125,000
Sub Total	565,588
Employment Schemes	
Adult Community Employment	356,166
Targeted Youth Employment	119,566
Apprenticeship Programme	29,797
Community Initiative Support	534,032
Sub Total	1,039,561
Total	1,798,717

iv) Housing

The total housing budget for 2000/2001 financial year has been included as services directly contributing to the alleviation of poverty and hardship in Christchurch. City Property Manager Rob Dally reports that at least 80% of all housing is provided to people in low income circumstances and/or to situations of hardship.

Housing	Budget Provision 00/01
Elderly Person Housing	4,841,539
Trust Housing	46,000
Owner Occupier Housing	26,098
Public Rental Housing	1,587,355
General Housing	54,124
Tenancy Services/Welfare/Policy	963,074
Sub Total	7,518,882
Revenue	(9,251,860)
Total for reinvestment	(1,732,978)

v) **Targeted Services - Summary**

Services specifically targeted at the prevention of poverty and hardship are summarised in the following table.

Summary of Targeted Services	Budget Provision 00/01
Community Services	2,635,690
Employment Services	1,798,717
Housing (for reinvestment)	(1,732,978)
Total	4,434,407

8.2. UNIVERSAL PROVISION OF SERVICES

The following describes the universal provision of services to all citizens in Christchurch and is represented by a summarised estimate of services and facilities described in the Corporate Plan.

Library and Information Services, Parks, Leisure Services and the Art Gallery all provide a substantial universal contribution to community events, activities, resources and recreation across the City.

These include:

- ☐ Events and Festivals
- ☐ Recreation and Arts
- ☐ Sports
- ☐ Stadia
- ☐ Pools
- ☐ Leisure Centres and Golf Courses
- ☐ Camping Grounds
- ☐ Toilets (Cathedral Square)
- ☐ Creche
- ☐ Information Services and Resources
- ☐ Parks and Park services

Universal services are summarised in the following table.

Summary of Universal Provision	Budget Provision 00/01
Library and Information Services	20,823,737
Parks	15,948,814
Leisure Services	10,198,702
Art Gallery	2,588,437
Total	49,559,690

8.3. SUMMARY OF CURRENT COUNCIL EXPENDITURE

The total Council response to poverty and hardship is difficult to quantify. For the purposes of this short information report a summarised estimate of services by Council unit has been taken from the 2000/2001 Corporate Plan.

From this initial assessment of Council financial contribution to poverty and hardship the following conclusions have been made:

- The Council makes an amount of \$49.5 million available for universal provision
- The Council additionally specifically targets \$4.4 million annually towards the prevention of poverty and hardship (8.8% of universal provision).

9. DISCUSSION AND RECOMMENDATIONS

9.1. SOCIAL INVESTMENT

The Poverty Taskforce commends the Council for its ongoing commitment to improving the quality of life for residents and its investment in the social infrastructure of the city. It endorses the Council's provision of a balanced mix of universal and targeted services. It particularly notes the Council's ongoing commitment to the provision of affordable quality housing.

The Taskforce believes that large standard solutions are not adequate in addressing the challenges faced in communities today. It is wrong to assume that one size fits all. Different communities will have different requirements and different capacities. Multiple level and multiple dimensional solutions mean that communities are able to achieve outcomes and cater for citizen's diverse contributions and approaches. The interplay between these is important and will inevitably produce better outcomes.

Recommendations

1. That this city extends its activities aimed at building social capital and supporting community responses to social issues, and that the Council provide a leadership role as both funder and catalyst. For example, in the areas of
 - community development;
 - refugee and new migrant services;
 - affordable quality housing;
 - early childhood care and learning centres;
 - community based literacy and numeracy and digital divide programmes;
 - the Healthy Christchurch initiative.
2. That the Council expand and improve its social investment funding and continue to develop best practise in funding and administration of grants.
3. That the monitoring of poverty and the impact on Council's services on poverty be incorporated in the Council's social sustainability assessment processes and quality of life indicators project.

9.2. COMMUNITY ENGAGEMENT

The Taskforce believes that the Council's ability to address issues of poverty will hinge on its ability to mobilise communities, create cooperation and maintain community interest and involvement. There should be an emphasis

on relationship building and engagement rather than consultation. While consultation processes may be appropriate in certain instances, participatory processes are more congruent within strategies to reduce poverty. Consultation has a once and for all quality: participation only at a particular moment on confined terms - often only after fundamental and irreversible policy directions have been established. Consultation elicits only particular kinds of information from consumers and does not live up to democracy. Engagement involves sustained and continuing processes of decision making and policy implementation - in different ways at all stages of decision making and planning.

The Taskforce believes that it is important to see people as the solution and not the problem – to listen not only to what they want but what they can contribute. There are many people in the city whose voices are rarely heard. The Taskforce believes that the Council needs to develop methods to incorporate these voices and ensure the needs and preferences of all citizens are reflected in visions. It is important to consider how citizens' situations inhibit their ability to voice their concerns or participate in the officially defined channels of citizen participation. For example, people using social services are in a relatively powerless position not only because of their dependence on public resources but, further, because the majority of them are from already disadvantaged and marginalised social groups. The Taskforce notes that people, particularly those in low-income neighbourhoods, are often not regarded as “assets”, instead, they are seen as needy and recipients of services. Typically, people from powerless social groups have little experience of expressing their views in formal public contexts and little grounds for optimism that their views will make a difference. It is important that effort is put in to ensuring that we give these people a voice (and hand) in the processes. The appointment of development workers and community activists, and the provision of training programmes to engage people, assure them that involvement is worthwhile and prepare them to work toward the changes they want to see.

Processes for ensuring an equal voice/engagement from Maori (hapu, whanau and mana whenua) will need to be identified, including of ensuring Maori representation on Council itself. The Council also has statutory, contractual and ethical obligations under the Treaty of Waitangi to ensure Maori are engaged in decision making and implementation. Our legacy of a history of exclusion and discrimination, and of cultural loading of our institutions, means Maori are least likely to be heard.

Recommendations

4. That the Council extends its commitment to community governance and community participation.
5. That the Council identifies alternative ways to increase participation in decision making processes at a governance and management level, particularly iwi/Maori participation and representation.

9.3. COLLABORATION

The forging and maintaining of relationships across institutions and agencies is essential if the city is to be successful in addressing issues related to poverty. Not only has the range of issues increased but the issues have also become more complex as communities face seemingly intractable problems in health, welfare and employment. The ability to build relationships across a network of agencies is therefore crucial. Council must be committed to working co-operatively with the voluntary, private and public agencies. It must establish durable and sustainable relationships as opposed to one-shot deals or quick fixes.

Collaboration does not require conformity but allows each agency to contribute to the outcomes in a manner which is appropriate and within their to their institutional and financial constraints. As the democratically accountable body representing geographical communities the Council is well placed to work with agencies to identify issues and broker collaboration between sectors and between groups.

During the course of its work the Taskforce identified a number of issues concerning government agencies, including some perceived problems with agencies such as the Department of Work and Income. The Taskforce believes that the Council should meet with Ministers and government departments including Ministers of Social Services and Employment, Economic Development, Health, Labour, Community and Voluntary Sector and Education. At this meeting the Council could discuss the issues raised in this report and seek to find appropriate solutions, for example the feasibility of a debt amnesty for beneficiaries.

Recommendations

6. That the Council meets with relevant Ministers and departments to develop collaborative responses to poverty and social development initiatives.

9.4. VOLUNTARY SECTOR

The Taskforce notes that there is a multifaceted inter-dependence between the Council and the voluntary sector. The achievement of many of the desired outcomes in the social sector depends on the availability of a voluntary sector willing and able to:

- Respond appropriately to locally identified needs in order to avoid the need for more costly funded interventions at a later stage.
- Deliver services efficiently on behalf of local government and the community.

In addition voluntary organisations provide opportunities for learning and skill enhancement, engage communities in identifying and addressing local needs, play a vital role in promoting social justice and provide a voice for the disadvantaged and facilitate the development of social capital and participatory democracy.

Recommendation

7. That the Council continues to develop a robust relationship between itself and the voluntary sector, including effective collaborations based on openness, trust and mutual recognition.

9.5. DISPARITY

Maori disparities relative to the rest of the population have not only remained persistent over time, overall, the social and economic position of Maori relative to non-Maori has worsened over the last decade. Even when deprivation or economic inequality is taken into account, Maori have worse outcomes than non-Maori. It is not just a matter of Maori being in lower socioeconomic groups, there are cultural factors at play that selectively disadvantage Maori. Any approach to reducing disparity must consider what it is about our society that increases the chances of Maori having poorer health and other social outcomes.

The Taskforce notes that Maori in Christchurch are more likely than average to be living in socially disadvantaged areas, to be unemployed, to have poorer health and higher death rates and to have lower levels of educational attainment and lower levels of incomes (see Appendix 1 for summary of disparities). The Taskforce believes that community development and social investment programmes targeted at iwi/Maori may help address these disparities and compliment the Council's current community development and social investment activities.

Recommendations

8. That the Council, in consultation with Ngai Tahu Development Corporation, establish a whanau/hapu development programme including the establishment of whanau/hapu development advisory positions and a development fund.

9.6. EMPLOYMENT

This report highlights the importance of productive employment opportunities for reducing poverty and encouraging civic participation. It also identifies that qualifications are important for many jobs, that experience is even more important, and that most applicants for vacancies are considered not suitable by the advertising employer. It recognises the value of private and social investment in early childhood, primary and secondary education to provide a

solid foundation for maintaining a skilled workforce in the city.

There appears to be a shortage, but not a severe shortage, of skilled workers in Christchurch, with the greatest reported shortages being for trades workers and plant and machinery operators. The Taskforce notes the importance of social capital/cohesion to sustaining and maintaining economic development and employment growth. The Canterbury Development Corporation (CDC) is in a unique position to monitor emerging business opportunities, employers' demand for skilled labour and the availability of suitably qualified and experienced workers.

The Endowment Fund (established from the Orion money) provides an ideal opportunity to “encourage a beneficial spiral of rising incomes and prosperity.”

Recommendations

9. That the Council, through the CDC, accepts a co-ordination role to provide information and bring together stakeholders concerned with developing and maintaining a skilled labour force in Christchurch;
10. That the Council, through the CDC, encourages initiatives such as the Employment Scholarship Programme to develop pilot schemes that allow workers to gain relevant experience or on-the-job training through fixed term internships;
11. That the CDC is encouraged by the Council to address issues of social cohesion and social capital.
12. That the Council requests that the Canterbury Development Corporation investigates the development of an industry-based employment and training package to facilitate the provision of short term contracts (up to one year) to enable significant numbers of new entrants to gain industry experience and skill as employees.
13. That Te Kaiwhakahaere o Te Runanga o Ngai Tahu has a decision making role in the allocation of the economic development funding from the Endowment Fund.

10. APPENDIX 1: NATIONAL DISPARITY (MAORI AND NON MAORI)

	Maori	Non-Maori
Early childhood education	38%	60%
School leavers entering formal tertiary study	22%	45%
School leavers with 6 th Form Cert or more	40%	72%
Entry into formal tertiary education	0.7%	3.1%
Tertiary degree	2.6%	8%
Suspensions and expulsion	44.9%	20.1%
Retention rates for 16 year olds	69%	89%
Retention rates for 17 year olds	42%	69%
Unemployment in working population	18%	7.7%
Unemployment in youth population	30%	15%
Median income per week, employed population	\$485	\$536
Household earning less than \$400 per week	25%	15%
Earn > \$30,000	13%	21.6%
Receive income support	46%	
Apprehension rates	145 per 1000	44 per 1000
Prosecution rates	69 per 1000	19 per 1000
Convictions	50 per 1000	12 per 1000

Youth convictions 14- 16 years 17-19 years	2.7 per 1000 131.8 per 1000	.5 per 1000 41.9 per 1000
Monetary penalty (rather than custodial of community type sentence)	26%	37%
Imprisonment		
Proportion of prison population	49.4% (1856 inmates)	50.6% (1903 inmates)
Household crowding index (over 1.0 is over)	.79	.62
Life expectancy females (years)	72	81
Life Expectancy (men)	67	76
Infant mortality/1000 births	7.5	4.5
Hospitalisation	26,000 per 100,000	14,000 per 100,000
Rental accommodation	46%	25%
Suicide rates	2-3 times higher than non Maori	
Self injury	Over 1981-97, the disparity between Maori and non-Maori self-injury hospitalisation rates almost trebled for both genders	
Admission rates to psychiatric hospitals	40% higher form Maori than non- Maori and have doubled since 1985	
Avoidable mortality rates	2.5 times as high as non Maori	
Infant mortality	More than twice non Maori rate	

11. APPENDIX 2: FORUM PARTICIPANTS

John Elvidge	Presbyterian Support
George Nimmo	Presbyterian Support
David Morrell	ChCh City Mission
Jon Brian	Catholic Social Services
Heather Rodwell	Salvation Army
Glenn Dodson	Stepping Stone Trust
Cindy Surgay	Catholic Social Services
Alan Aitken	Comm. Dev. Network trust
Ann Currie	Crown Public Health
Bernard McMillan	CDC
Beverly McNabb	Methodist Mission
Claire Bryant	Comm. Employment Group
Ewen Coker	Poor People's Embassy
Lynette Ebborn	Linwood Service Centre
Ruth Mason	Bryndwr Churches
Shona Hickey	Maori Legal Services
Jenny Smith	Te Whare Roimata
Michael McNabb	Shirley S.C
Grant Harris	Field worker for Schools
Barbara Ford	Papanui S.C.
Graham French	Maori Legal Services
A.M. Ali	PEETO
Abdirisqq	Somali Community

Ahmed Yusuf Ali	Ethiopian Association
Diane Toombs	Liane Dalziel Electorate Office ChCh East
Eldred Gilbert	School Health Service
George Clark	Christchurch City Council
Gunter Munsig	CDHB Family Mental Health Service
Hassan	Somali Community
Jan McLauchlan	Safer Christchurch
Jane Van Leeuwen-Vaissaire	PEETO
Julie MacDonald	Christchurch City Council
Kimberlee Woods	Tim Barnett MP Office
Laloifi Tonuwaipia	Child, Youth & Family Services
Lib Edmonds	Union & Community Health Centre
Noel Doney	Child, Youth & Family Services
Patrick O'Connor	PEETO
Penny Newcombe	School Health Service
Rhona Thorpe	Independent Advocate
Robin Scott	NZ Police –Community Relations
Sahra Hussein	Somali Womens Trust
Sandy Brindson	Ministry of Health
Sarah Lamont	ChCh Polytech ESOL
Ying Huang	ChCh Polytech Interpreting Course
Zeindo A. Hussein	RRS/ Somali Community
Vida Hasrati	President of the Interpreters Society

Alo Collins	P.I. Community Health Project
Ann Blackler	ChCh Supergrans
Ann Stokes	ChCh Supergrans
Anni Watkin	Youth & Cultural Development
Brigid Sullivan	Open Home Foundation
Claire Milne	Phillipstown Community Centre
Dale Johnson	Otautahi Womens Refuge
Eve Nissen	Union & Community Health Care
Francis Anderson	Mental Health Foundation
Helen Gatony	Tenants Protection Association
Jan McKillop	ChCh Budget Services
Jane Kerr	Social Worker in Schools
Jill Summer	Council of Social Services
Judy Roughon	Solo Women as Parents
Kate O'Neill	Waipuna Community Trust
Katherine Peet	Council of Social Services
Lyn Campbell	Open Home Foundation
Mary-Anne Beckingsale	Open Home Foundation
May Langdon	Council of Social Services
Moira Austin	Cholmondeley Childrens' Home
Rachel Mullins	DPA
Roger Hamilton	Glen Elg Childrens Health Camp
Sara Kenna	Open Home Foundation
Sharon Torstonson	Council of Social Services
Siale Faitotonu	Kahoa Taulova Trust (Tongan)

Sue Bagshaw	198 Youth Health
Sue Turner	Mental Health Foundation
Susan Gill Fiona Pimm	Kingdom Resources He Oranga Pounamu
Carolyn Brand	Poutokomanawa Charitable Trust; Maori Womens Welfare League Poutama Training Centre Trust
Kim Manahi	Lifelinks
Karen Morgan	Te Rito Arahi
Maureen McManus	Rehua Marae
Fia Aiono	Rehua Marae
Elsie Roder	Taranaki Whanau
Harata Pitama	Maori Perspective Unit Department of Labour
Jacky Martin	Te Roopu Ara Hou
Kawiti Tukuru	Maori Disabilities & Resource
Evelyn Riddell	Nga Peka Matauranga O Waitaha
Kulcha Trust	
Kiri Hamilton Association	Otautahi Maori Wardens
Gaye Stanley	Child, Youth & Family
Lenis Davidson	Otautahi Women's Refuge
Janet Kercher	Te Ngai Tuahuriri Runanga
Daryl Gregory	He Waka Tapu
Gilbert Taurua	He Waka Tapu
Tracee Rerekura	He Oranga Pounamu