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Corporate Plan Output: Community Liaison, Assistance and Advocacy	

The purpose of this report is to inform the Committee about the implementation of the Government's Community Wage Strategy.

BACKGROUND

In 1996 the Coalition Agreement between New Zealand First and National signalled that a Community Wage Strategy would be developed which would involve placing unemployed people in suitable part-time community work or training in exchange for income support (a benefit). In the 1997 Budget the Community Task Force scheme was expanded and the Minister of Employment indicated that modifying Community Task Force was a practical way of introducing the proposed Community Wage Strategy.

On 1 October 1998 the Community Wage Strategy was introduced to replace the Unemployment Benefit, Sickness Benefit, Young Job Seekers Allowance, Emergency Unemployment Benefit, Training Benefit and the 55 Plus Benefit. The Community Wage is administered by Work and Income New Zealand (WINZ)¹.

The stated purposes of the Government in bringing in this Strategy were:

1. To cut the duration of long term unemployment.
2. To prevent the loss of self esteem and motivation.
3. To provide and maintain work skills that will help people find paid work.
4. To get fit and able job seekers active and participating in unpaid work, training or other activities that will give them a better chance of getting a job.
5. Because it is fair and reasonable to require job seekers to be available for part-time community work and training, where it can be provided, in return for their income.

Under the Community Wage, unemployed people receive the same basic rate of payment as they got before. To be eligible jobseekers enter into a contract called a Jobseeker Agreement. The contract requires them to be looking for paid work and to participate in organised activities when they are directed to do so for up to 20 hours per week. People may be required to participate in the following activities:

1. Community Work (the Government intends the main users to be not-for-profit community groups and schools implementing projects which benefit the community but do not displace other workers).
2. Training (e.g. Task Force Green, Jobplus Training, TOP, Joblink).
3. Other organised activities (e.g. Attending a work-focus interview or participating in a motivation or self-esteem course).

¹ Work and Income New Zealand (WINZ) is the new department created through the merger of Income Support Service, New Zealand Employment Service, Community Employment Group and Local Employment Co-ordinators Group.

Participation in these activities is not voluntary except for some older unemployed people. WINZ staff make the decision about which activities are suitable for individuals. A participation allowance of \$21 per week is paid to individuals participating in Community Work (but not to people undertaking training or other organised activities). Another \$20 per week is available to Community Wage recipients to cover "actual and reasonable" costs.

If individuals do not fulfil the requirements of the Jobseeker agreement they will face sanctions (a cut in their Community Wage or a full suspension for a period of time).

There has been a great deal of debate in the community about the implementation of the Community Wage strategy. Concerns have centred on such issues as the need for the Government to focus on job creation, the role of community organisations in acting as sponsors for Community Work placements and the requirement for people to participate in activities as directed or face sanctions. This report will not elaborate on these concerns as they will be spoken to by community group representatives at the Strategy and Resources Committee meeting.

The above information is largely drawn from the New Zealand Council of Christian Social Services and from a background paper on the introduction of the Community Wage by the Office of the Associate Minister of Social Services, Work and Income, the Hon Peter McCardle.

CHRISTCHURCH CITY COUNCIL INVOLVEMENT

The Hon Peter McCardle wrote to the Council in September 1998 outlining the Community Wage strategy and suggesting that many Councils could find a useful role as sponsors of Community Work projects.

To date, the major involvement by the Council in this new employment strategy has been in accepting Community Work and Training referrals from the Employment Services Team within the Canterbury Development Corporation. Tony Soutter from Employment Services has provided the following information on the Community Work and Training Programme:

Community Work and Training (information provided by Tony Soutter)

Employment Services, and the Canterbury Development Corporation, entered into a contract with Work and Income New Zealand to provide 180 placements on Community Work and Training (CW&T) in the 15 month period ending on 30 June 1999.

In order to fully understand this relationship it is necessary to appreciate the difference between the nationally debated Community Wage, or "Work for the Dole" and the pragmatic realities of the CW&T scheme that is currently being successfully delivered in Christchurch. The generic scheme has been criticised because of the undue compulsory and punitive elements, but these criticisms are not relevant to the manner in which Employment Services have implemented the scheme, with a positive approach to each individual.

Rather than oppose a flawed concept by opting out, Employment Services chose to create opportunities for the people of Christchurch by accentuating and adding to the positive aspects of the scheme, while at the same time ameliorating some of the less

desirable proposals. From this philosophical viewpoint Employment Services has created a Community Work and Training programme that offers the following benefits:

- A wide variety of work opportunities that do not require participants to become part of “make work“ schemes, but rather allow them to experience work environments relevant to their future aspirations.
- A comprehensive menu of training opportunities that allows the participants to chose options relevant to their current roles and their intended career paths.
- Regular and unfettered access to Council officers, who are able to offer effective advice and support when needed.
- A system of monitoring that is supportive rather than regulatory. This enables personal and family issues to be effectively addressed, while also allowing for positive role modeling, motivation and increased skill levels.
- A programme where the emphasis is firmly on voluntary participation and achievement, where nobody is forced to participate or to work on projects to which they are unsuited.

Results strongly support the structure of CW&T as run by Employment Services. There have been 124 positions listed with 90 of these being filled to date. Of the 51 people who have completed, or left, the scheme 78.5% achieved the criteria for a positive outcome. Of this group 80% have moved into full time paid employment.

Council functions using CW&T include:

- Employment Services
- Occupational Health
- Parks
- Art Gallery
- Libraries
- Water Services
- Advocacy
- MIS
- Waste Management
- Turning Point 2000

Community organisations using the scheme include:

- Linwood High School
- Ferrymead Pony Club
- PEEEP
- Small Business Enterprise Centre
- Civil Defence
- New Zealand Nuclear Free
- Villa Maria
- University Of Canterbury
- East Christchurch Shirley Cricket Club

In summary the scheme materially assists individual participants enhance their skills and improve their job prospects while providing the Council and community organisations with the opportunity to complete many worthwhile projects.

Chairman's

Recommendation: That the information be received.