The New Right's Employment Impacts on Pacific Peoples within the Porirua Area and their Responses to the Initiatives set-up to Promote Education and Ultimately Employment

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Abstract

This thesis examines the concepts of development encapsulated in the New Right ideological spectrum. More specifically this thesis focuses on the impacts of employment deregulation and responses to these effects on Pacific populations in urban Aotetora/ New Zealand. It investigates the role neo-liberalism has played since the 1984 Labour government and the subsequent 1990 National government, which many have argued coincided with the breakdown and apparently permanent collapse of Keynesian social and economic policies of the post-war era. Neo-liberalism is an economic and political project that is primarily concerned with promoting a free market economy. It is based on the principles of individualism, rationalism, flexibility and supply-side innovation manifested in the following ways: 1.) the liberalisation of competitive market forces; 2.) the abandonment of demand-side intervention in favour of supply-side policy measures; 3.) the rejection of both social partnership and welfarism; and 4.) the rejection of 'full-employment' and the liberalisation of the labour market. Some well-known neo-liberal projects have been Thatcherism (UK), Reaganism (US) and Rogernomics (NZ).

The responses taken from the research participants illustrate the impacts the New Right development approach has had on this community living in New Zealand, and more specifically living in the Porirua area. Unemployment was seen to place socio-economic stress on the individual and Pacific family unit. These broad New Right concepts which underpin a more flexible labour market are reduced-down to the current community-based employment initiatives being used, the responses and benefits of such development projects to this area, and to exemplify the disparities in the employment sector for Pacific peoples.

The impacts: The macro-level results of this thesis have shown that the New Zealand labour market has been transformed into an individualist and flexible labour environment based on contractual agreements. Pacific peoples labour market participation rates have increased in part-time work and in the service sector, however, this has been offset by large decreases in the manufacturing sector. Pacific peoples have higher unemployment rates when compared to other ethnic groups (with the exception of New Zealand Maori). **The responses:** The micro-level findings have shown that Private Training Establishments (in this case TOPEC) provide a 'seamless' education system for an individualist, flexible and contractual labour market. In conclusion, the impacts and the responses from Pacific peoples involved in the New Zealand labour market demonstrate that the path being used to close labour market disparities are based on industry training and student-centred approaches.

In loving memory of my grandmother

Paupau Elise

and to my dear uncle

Levi Masina

With God all things are possible (Matthew, 19: 26).

My child, learn what I teach you and never forget what I tell you to do. Listen to what is wise and try to understand it. Yes, beg for knowledge, plead for insight. Look for it as hard as you would for silver or some hidden treasure. If you do, you will know what it means to fear the Lord and you will succeed in learning about God. It is the Lord who gives wisdom, knowledge and understanding (Proverbs, 2: 1-6).

For I alone know the plans I have for you, declares the Lord, plans to prosper you and not harm you, plans to give a hope and future (Jeremiah, 29: 11).

Dedicated to all the people of Porirua

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Acronyms and Abbreviations

ACC	Accident Compensation Corporation
ANZSIC96	Australia and New Zealand Standard Industrial Classification-96
BRT	Business Round Table
CER	Closer Economic Relations (with Australia)
DSW	Department of Social Welfare
EC Act	Employment Contracts Act (1991)
EEC	European Economic Community
EF	Employer's Federation
ETSA	Education and Training Support Agency
FR Act	Fiscal Responsibility Act (1994)
GNP	Gross Domestic Product
GRI	Guaranteed Retirement Income
HLFS	Household Labour Force Survey
HSI	Hospitality Standards Institute
ITOs	Industry Training Organisations
LR Act	Labour Relations Act (1987)
MIRAB	Migration, Aid and Bureaucracy
MPIA	Ministry of Pacific Island Affairs
MVTTPs	Maori Vocational Trade Training Programmes
NQF	National Qualifications Framework
NZ	New Zealand
NZES	New Zealand Employment Service
NZIS	New Zealand Immigration Service
NZQA	New Zealand Qualification Authority
NZSCO95	New Zealand Standard Classification of Occupations-95
OECD	Organisation for Economic Co-operation and Development
OPEC	Organisation of Petroleum Exporting Countries
PF Act	Public Finance Act (1989)
PMTFE	Prime Ministerial Task Force on Employment
PPTA	Parents, Pupils and Teachers Association
PTEs	Private Training Establishments
SFRITO	Sport, Fitness and Recreation Industry Training Organisation
SNZ	Statistics New Zealand (Te Tari Tatau)
SOEs	State-Owned Enterprises Act (1986)
SS Act	State Sector Act (1988)
SSC	State Services Commission
TEIs	Tertiary Education Institutions
TGRETFM-PGMU	The Government's Response to the Employment Task Force and the Multi-Party Group Memorandum of Understanding
TINA	There Is No Alternative
TOPEC	The Open Pacific Education Centre
TOPs	Training Opportunity Programmes
UK	United Kingdom
US	United States
WINZ	Work and Income New Zealand

Chapter One

Research Objectives, Outline of Thesis and Research Design

1.1 Introduction

The idea for this thesis was initiated when I heard about the closing down of Mitsubishi Motors in 1998. The closing of this factory meant that a large number of people in Porirua were to be made unemployed. Thus, the process of thinking about the historical and present situation of employment and the socio-economic development of Pacific peoples within my home town had begun. My own employment experiences as an Aotearoa/ New Zealand-born Samoan growing up in this area mirrored this air of change through periods of unemployment, causal employment, and holiday work, albeit as a university student. It was these two factors which caused me to reflect on the market-orientated development approach which was believed to increase employment in the labour market and thus prosperity for the individual in New Zealand society. I believe that the 'New Zealand experiment' should be analysed in order to show how the shifts in the labour market and education have been implemented to meet the requirements of a free market.

As part of my research journey I investigated initiatives that have been established by the government as a direct result of the market reforms. I have targeted initiatives that cater for Pacific Island individuals, groups, students or participants, which can be defined as any programme, course, workshop or training facility that has been established, funded by, run or assisted by any government organisation or body.

The type of training that has become popular within these initiatives is designed to assist persons with low skills gain recognised qualifications, or credits towards qualifications, and employment (Pasikale, 1996; Skill New Zealand (Pukenga Aotearoa), 1997-1998). For example, school-leavers and the long termed unemployed who have low levels of formal qualifications are targeted for these initiatives[1]. The people who meet the eligibility criteria (refer to section 8.2.1 of Chapter Eight) participate in training initiatives that are fully-funded by the government. In effect students are not required to pay fees (Pasikale, 1996).

The main objectives of these initiatives is to provide: 1.) a flexible and individualist education system; 2.) lifelong learning; 3.) family-based and culturally sensitive initiatives; 4.) greater participation in the education system, particularly for Pacific and Maori peoples; and 5.) in part train the labour force for a casualised labour market.

In regards to the type and objectives of these initiatives I have formulated several questions which relate to employment-based initiatives for Pacific peoples. How has the government influenced the initiatives? How are these initiatives run, are they culturally appropriate, community and family oriented courses? Are these initiatives generating labour market participation? What is the nature of work people are likely to get and encouraged to train for? What impacts have resulted from being unemployed and how has this affected individuals and families?

1.2 Research Objectives

The primary focus of this research is to review the nature and extent of the current initiatives that have been established to provide employment opportunities for Pacific peoples in the Porirua area. The aim is to document the participants experiences at a macro and micro-level. This involves illuminating how the government employment policies have influenced the research participants employment or unemployment situation. Is employment or unemployment a major concern to them and how does it contribute to their own social well-being, the quality of their

[1] The Training Opportunity Programme (administered by Skill New Zealand (Pukenga Aotatora) makes up the majority of initiatives purchased from Private Training Establishments (refer to Chapter Eight).

family life and community development? Further, I aimed to review the micro-level responses to the adequacy and effectiveness of the initiatives in place to support the participants employment prospects and cultural needs. Pacific peoples (who live in the Porirua area) are the sample group, due to the very nature of this thesis which focuses on this particular group in society and geographical area of New Zealand. Both men and women were included to identify different attitudes to role the government and the initiative has played in their lives. The macro-level context examines:

- *the main theories of the New Right which have influenced and shaped the New Zealand political environment from 1984 onwards and examines how these New Right philosophies have impacted on employment and unemployment within the Aotearoa/ New Zealand context; and*

- *the impacts on Pacific peoples which are linked to the changing employment context.*

The micro-level aspect of this research examines Pacific people's participation in government funded initiatives. These initiatives encourage macro-level recognition and research about the New Right impacts on Pacific peoples, particularly in the employment sector and other socio-economic sectors. The micro-level data from this research aims to:

- *raise awareness of the responses and experiences of the research participates to the initiatives established to help advocate for, and provide employment opportunities for Pacific peoples in the Porirua area;*

- *fundamental to the objectives stated above are the actual participant responses to employment initiatives.*

- *evaluate initiatives which have made a difference to the participant's individual labour market behaviour, and in what way;*

- *raise awareness of the ways micro-level employment initiatives fit into the larger macro-level employment picture, which have been established as a result of the New Right reform agenda; and*

- *serve as an awareness-raising exercise for employment planners about the role of these initiatives and how government shifts in employment policy can impact on Pacific peoples within the New Zealand context.*

1.3 Outline of Thesis

The first section of this chapter outlined the central objectives. The rest of the chapter outlines Chapters Two to Ten and describes the research methodology behind the fieldwork and how the methodology enabled the questions raised in this thesis to be answered. The central objectives were met by asking a series of key questions. Table 1.1 outlines these and the chapters in which they are addressed. Chapter Two establishes the broad theoretical context of this thesis, including a review of the global literature on the concepts and definitions of the New Right with special emphasis on the emergence of the fourth Labour government. Chapter Three focuses on the policy shifts wrought by the fourth Labour government (and subsequent National government) and what has made these shifts so radical in the New Zealand context. Chapter Four examines the external and internal historical patterns of development which have shaped the New Zealand labour market in the post-war period.

Table 1.1: Key Questions Raised in this Thesis and the Chapters that Address them

Chapter One:
What is the central hypothesis?
What are the key questions this thesis will attempt to answer?
What kind of methodology was utilised for the research?
How did I analyse the data and repatriate the research?
What was the thesis and fieldwork timetable?
Chapter Two:
Who are the main 'thinkers' behind the New Right model?
What are the main theoretical tenets of the New Right paradigm?
Chapter Three:
What are the government disenfranchising policies (of corporatisation and privatisation) which have been underpinned by the New Right paradigm since 1984?
Chapter Four:
What are the historical patterns of development which have shaped the New Zealand labour market in the post-war period?
Chapter Five:
What are the historical parameters and principles of Labour Law?
What kind of influence has the New Right had on the individual and collective employment contract?
What are the major government legislative reforms which have influenced

and shaped the new labour market orthodoxy?

Chapter Six
What are the major historical immigration events which have moulded Pacific peoples employment trends in Aotearoa/ New Zealand (from the early 1950s to the mid-1980s)?
This Chapter also establishes the early settlement experiences of Pacific peoples living in New Zealand.

Chapter Seven:
What is the contemporary labour market status of Pacific peoples in Aotatora/ New Zealand?

Chapter Eight:
What is the main purpose and function of Skill New Zealand (Pukenga Aotearoa) formally known as ETSA?
What is The Open Pacific Education Centre organisational context?
What are the Open Pacific Education Centres main objectives, learning strategies, purpose, orientation, assessment and evaluation policies?

Chapter Nine:
What are the responses and experiences of Pacific peoples to the employment initiatives established as a result of the New Right reform agenda?

Chapter Ten:
What are the central findings of this thesis?
What are the research limitations and strengths of this research?
What are the recommendations on how to implement policies which enhance the labour participation of Pacific peoples?

Source: Adapted from Maiava, 1998

Chapter Five outlines the labour law principles and the labour market reforms which have proceeded them, with a specific emphasis on the role the New Right has had on influencing legislation and how this has shaped and impacted on the new labour market orthodoxy. Chapter Six focuses on the labour market in regards to the major historical events which have moulded Pacific peoples employment trends and settlement experiences in Aotearoa/ New Zealand. Chapter Seven examines the contemporary employment situation of Pacific peoples in New Zealand. Chapter Eight introduces the case study by examining the main purpose and function of Skill New Zealand (Pukenga Aotearoa) and the Open Pacific Education Centre (TOPEC) organisational context. Chapter Nine extends the case study by focusing on the actual responses and experiences of the research participants to the specific TOPEC courses which correspond to the key

questions raised in this thesis. Chapter Ten draws some conclusions and offers some ideas on how the findings of this thesis can better inform policies about Pacific peoples labour market participation.

1.4 Research Design and Methodology

The research design was based on the need and desire to use both quantitative and qualitative methods in order to achieve the macro and micro level objectives stated in section 1.1 of this chapter. The fourfold nature of this thesis was: one, to expose the overall policy shifts wrought by the 1984 Labour government and the 1991 National government; two, to reduce these policy shifts down to a specific sector (the labour market); three, give meaning to the responses of Pacific peoples enrolled in employment-based initiatives; and four, the research will contribute to the limited body of information and knowledge on this not-so-well understood issue.

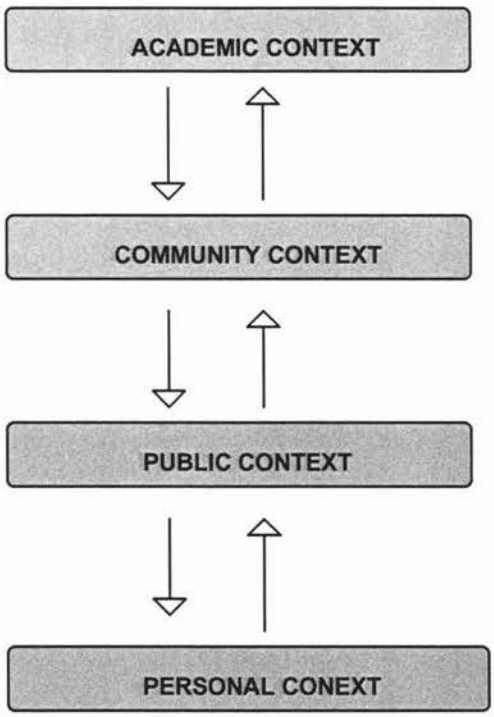
Further, the methodology used for this thesis is based on a 'pluralist premise'. Martin Tolich *et al*, (1999: 7) states that 'Social Science Research in New Zealand is resolutely pluralist: giving equal weight to quantitative and qualitative methods and including in its case studies everything from surveys, to focus groups, to textual analysis'. This thesis used quantitative methods to first draw a historical picture of the theoretical free-market context which informed the 1984 policy shifts, in order to measure the present contribution the government and the initiatives were having on the employment prospects of the research participants. To do this required quantitative data using conventional statistical analysis (Babbie, 1995; Nachmias and Nachmias, 1996). The analysis of this statistical data went a step further:

> *The method is historical case study, in which all available documents are checked against each other and pieced together like a jigsaw puzzle to form a coherent story of intertwined motives, themes, and influences (Diesing, 1991: 227).*

The collection and analysis of quantitative materials is evident throughout this thesis, but is strongly emphasised in Chapter Eight. The statistical review is based on a series of mini-hypotheses which in turn were derived from the need to answer the key questions shown in Table 1.1.

Once the quantitative component of this research was established, qualitative data could be utilised to add to the research. For example, quantitative data was chosen because it provided many sources which could be cross-referenced and compared, while qualitative data gave empirical meaning, richness and depth into peoples attitudes and their behaviour (De Vaus, 1991 as cited in Dunlop, 1999: 15). As a Pacific researcher, I am committed to research with Pacific peoples that contributes to understanding issues impacting on their development. Pacific peoples research involves four levels of social interaction, such as an academic context, community context, public context, and a personal context (refer to Figure 1.1).

Figure 1.1: Pacific Peoples Research: The Four Contexts of Social Interaction



Source: Pasikale, 1996

The academic context is concerned with adding to the body of knowledge regarding Pacific peoples and their employment experiences in New Zealand. The community context is about the collaboration, interaction and action oriented participation of Pacific peoples in research based in the Porirua area. The public context is based on making social change through the information made available by the findings resulting from this thesis. Finally, the personal context is about the role I have had on the overall dynamics of the research. In this role, and within all four social levels, this research used the anthropological methodologies of ethnography[2] and participant observation (Charlotte, 1986; Becker, 1963; Malinowski, 1922; Whyte, 1965). In addition, the concept of 'actor oriented research' (Atkinson and Hammersley, 1994) directed the practice, collection and analysis of the observations made in the qualitative component of this thesis.

The research utilised participant observation to study the groups enrolled in the employment community-based initiatives. In this method, the researcher is involved in the system of relations, the community or the organisation which he or she studies. Maurice Punch (1994: 84 cited in McCall and Simmons, 1969; Van Maanen, 1979) adds to this view by stating that:

> *... qualitative fieldwork employs participant observation as its central technique and that this involves the researcher in prolonged immersion in the life of a group, community, or organization in order to discern people's habits and thoughts as well as to decipher the social structure that binds them together.*

The qualitative research methods were used as a socialising tool in order to take part in the experiences of the actors and participated with them in their daily routines. For example, H. S. Becker (1963) studied some types of marginal behaviour by sharing the experience of a few groups, and notably E. Goffman (1961) renewed the analysis and description of social interaction by becoming a full member in the daily life of exchanges. This research adheres to this method, since it is important that the researcher is accepted and recognised by those who are being researched. Again the emphasis is based on taking a 'learning stance' or 'hands-on' approach,

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[2] As stated by Roger Keesing (1981: 6) 'the process of recording and interpreting another people's way of life is called ethnography'.

learning from the participants in order to understand what they know already, and in doing so the researcher (in this case), learns something about himself (Chambers, 1997). Hortense Powdermaker (1968: 422) writes about the researcher as a human instrument of learning:

> *Field workers ... are human instruments of research, although some have tried to be, or to present an image of, faceless robots. But there has been a reluctance to recognize the scientific significance of the field workers personality and his all-too-human characteristics ... to his mistakes, to the trial and-error nature of some of his procedures, to the role of chance, to the influence of his reactions on ... people and their culture, and other such important factors.*

The researcher while in the field is a human instrument of research. As such, the researcher hypotheses, plans, tests, and interprets research data. All these do occur, and obviously, research must be planned in advance (Powermaker, 1966). However, the researcher must also take into account that he or she can be exposed to often quite disorganised, disorderly and reflexive research processes. These include the *ad hoc* nature of the fieldwork experience, mistakes while in the field, the outsider and insider relationship, and the human characteristics which influence the researchers worldview and those researched. These reflexive fieldwork processes have influenced the following questions which are based on the researcher's reactions and feelings about the research participants and the TOPEC staff members:

- ***How did the staff react to me being there?*** *I think all the staff at TOPEC were comfortable with me being there. I did not sense any hostility, or negativity towards me and the research I was conducting. The staff were very open and honest in the way they interacted with me, they often told me that I looked like one of their students, by the way I dressed. I told them that it was all a part of the fieldwork experience. In order to 'fit' in, I was not going to come to course in a three-piece suit. Therefore, I dressed in the appropriate fashion for the fieldwork context.*

- ***Was I seen as an 'outsider' by the staff and students?*** *This is a hard question to answer, because how can one gauge or measure such things? I felt comfortable in the course, but I was in a 'changeable' position. For instance, I was a student interacting like a student and then a part-time staff member interacting like a staff member at other times, and then on top of these two worlds I was a Massey University researcher. I was floating through and around three worlds. I think that at the end of the day, she/ he conducting fieldwork is going to ask themselves this question because it is a part of the fieldwork experience. Maybe the only 'outside' thing about me was that I was*

completing a MPhil. thesis and attending Massey University, Palmerston North.

- ***My own feelings while on fieldwork: 'Just go out there and do it',*** *the words used by Punch (1994: 83) to encapsulate how to conduct the fieldwork experience. But when I was in the field doing it, I found out that I did not exactly know what to do, or what to look-out for. I came to this conclusion: fieldwork is one big 'learning curve' requiring great flexibility. Every day brought different insights and experiences, I learnt something new from the staff members, from the students and from myself.*

- ***What did I think about the staff?:*** *I think all the staff employed at TOPEC had the well-being and educational enhancement of the students in mind. The staff members consisted of several ethnic groups.* ***The students?:*** *The students were also a combination of ethnic groups, but were predominately made-up of Pacific peoples. Some TOPEC students came to course to fill in time, so as not to get bored. While others came to learn and achieve their educational goals and go onto polytechnic, or some other form of higher learning. Overall, many of the students that attended TOPEC had fallen through the 'cracks' in the educational system.*

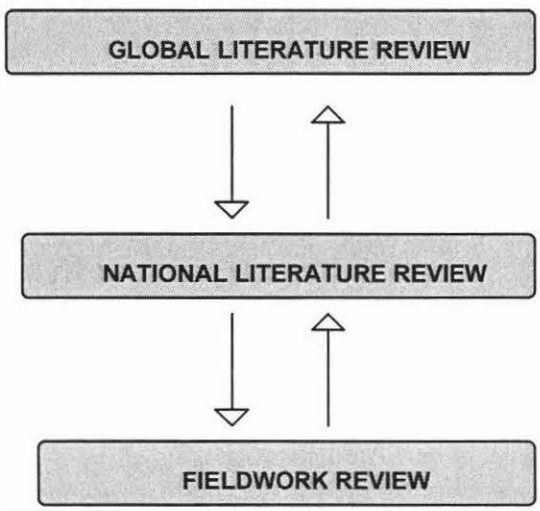
- ***What did I think about the TOPEC organisation in general?*** *The TOPEC environment is a combination of things. It is very relaxed at times and very work-focused at other times. I think TOPEC has a lot to offer Pacific peoples, who have trouble finding work, or learning in the 'traditional' education system. However, I do have some reservations about how they monitor the students and course related structure. These issues have also surfaced in the interviews I have conducted and subsequently transcribed (refer to Chapter Nine).*

Actor-oriented research provided the thesis with individual life experiences. The researcher became the research participant, and the research participant became the researcher (Chambers, 1983). Role reversal is important because it brought the uniqueness of each actors experience to the fore, and emphasised the actors making intentional efforts to interfere in the course of events and thus make a difference. Each life experience is recorded and interpreted by the researcher in order to find its own meaning. The researcher then pours over these meanings to discover what is the same, what is not the same, and what cardinal issue or patterns can be exposed (Maiava, 1998). These are the two methods which have influenced the qualitative section of this thesis. The fieldwork techniques were vital because they formed a partnership between the researcher and actors. This enabled the research to be based within the life experiences of the actors and in the continuing employment initiatives of this organisation.

1.4.1 The Three Levels of Statistical Collection and Analysis

The three levels of statistical collection and analysis (Figure 1.2) provides this thesis with a theoretical base. Further, the three levels correspond to the four contexts of Pacific peoples research and social interaction.

Figure 1.2: The Methods of Cohesion Across Three Levels of Statistical Collection and Analysis



Source: Adapted from Dunlop, 1999

The review of the global literature is based on the New Right paradigm. This process involved defining the concepts and factors within this paradigm. It also emphasised the two leading proponents of this paradigm in order to give a 'human face' to the theories they prescribe too. This information established the theoretical base and provided the research with the main context and questions for this research.

The next level focuses on the national context of this research. The principal objective in analysing this data is to demonstrate the rapid shifts since 1984 which have taken place in New Zealand and how these have impacted on New Zealand society. For example, this involved analysing material taken from government acts, national statistics from the census (both past and present) and from secondary sources, which included several key New Zealand-based intellectuals (Boston, 1987, 1990; Brash, 1996; Deeks and Boxwell, 1991; Easton, 1987, 1997; Kelsey, 1993, 1995,

krishnan *et al*, 1994; Shirley *et al,* 1990c; and Spoonley, 1982, 1990, 1993) that have written extensively on this topic.

The final level associated with this research was the fieldwork. This qualitative and empirical component included participant observation, actor oriented research and face-to-face interviews. The primary aim is to examine the responses and experiences of Pacific peoples participating in these community employment-based initiatives. The fieldwork was conducted in three phases and is discussed further in the following section.

1.5 The Field: Introduction to the Case Study

At the commencement of the fieldwork component, a meeting was arranged between the researcher and the Chief Executive[3] of TOPEC. The meeting was not directly arranged by the researcher, but instead organised through several informants that had previously worked at TOPEC, or were currently working there. Polsky (1967 cited in Sluka, 1995: 284) 'refers to this cumulative effect as 'snowballing'; 'get an introduction to one [informant] who would vouch for you with others, who in turn will vouch for you with still others'. This meeting discussed the research and invited questions to be asked about the study[4]. The research objectives and outline were then discussed with TOPEC staff members to make transparent any issues relating to the study and to invite the staff to participate. All agreed to the research. Next, the researcher was appointed a 'link person'[5] that would provide communication between the researcher, initiative tutors, management and students. This link person would decide an appropriate time to start the research and provide help (to the researcher) on any problems arising from the research.

The collection of the fieldwork data had three components: participant observation, face-to-face interviews with key informants and the gathering of secondary fieldwork related information. A quantitative and

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[3] The acting Chief Executive at this time was Sue Ah Young. This differs from the TOPEC Board of Trustees composition shown in Chapter Eight (section 8.3).

[4] It is important to firstly meet the person at the top (the most 'prestigious person' in charge of the group I was studying). It is also important to give people as honest and complete a description of what the researcher was doing, particularly when all involved ask for such an explanation (Sluka, 1995).

[5] The Student Support Manager Nesa Fauatea was appointed as the link person.

qualitative research approach was selected to enable an in-depth understanding of the diverse responses and experiences of TOPEC students. The study followed a small sample of TOPEC students in Porirua over a period of two months. The fieldwork was conducted in three phases (refer to Table 1.2):

Table 1.2: Phases in the Collection of Fieldwork Data

Phase 1:	**-Four TOPEC based initiatives were randomly chosen: two weeks were spent observing and participating in class events.**
Phase 2:	**-Face-to-face in depth interviews were conducted at the end of the two week period with research participants (one or two from each of the four initiatives[6]).**
Phase 3:	**-During and after the fieldwork period secondary data was collected from TOPEC and Skill New Zealand (Pukenga Aotearoa).**

1.5.1 Phase 1: Participant Observation

Participant observation was conducted by the researcher during the time spent in each of the four TOPEC initiatives[7].

1.) Cooking and Catering initiative;
2.) Work-Based Training initiative;
3.) Computer and Business Skills initiative; and
4.) Communication for Employment initiative.

1.5.2 Phase 2: Interviews with Key Informants

Two groups of informants were selected to provide a candid look at the realities of the lives of the people who were currently completing TOPEC training.

1.) Half the research participants were school leavers; and
2.) The other half were long term unemployed.

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[6] Unfortunately I was unable to interview the research participants from the 'Communication for Employment' initiative due to time constraints and language problems (to be discussed further in section 10.3.1 of Chapter Ten).

[7] Refer to Appendix 1 for a brief description and outline of the four TOPEC initiatives studied while I was in the field. Furthermore, Appendix 1 illustrates the other TOPEC initiative outlines.

The initial sample of six TOPEC students was selected by the researcher to provide a combination of characteristics, such as informants from different Pacific backgrounds, an age group ranging from 17 to 30 years of age, informant participation in different types of initiatives and a balance of genders. Informants were involved in unstructured and structured interviews depending on what the informant preferred. The researcher asked questions which illuminated the employment and unemployment experiences of each informant. Firstly, this researcher heard the historical employment struggles of each informant and how it has impacted on them and their families. Secondly, this researcher then proceed to ask the informants questions directly related to the TOPEC initiative he/ she is currently enrolled in. For example, how well the initiative is enhancing the labour market prospects of the informants in a New Right context.

1.5.3 Phase 3: Secondary Data Collection

Secondary data collection while in the field was gathered form several sources, which included:

1.) TOPEC publications;
2.) New Zealand Qualifications Authority documents;
3.) Prime Ministerial Task Force on Employment documents; and
4.) Skill New Zealand (Pukenga Aotearoa) documents.

The integration of these sources into the fieldwork component added greater strength to the research (refer to Chapter Eight). It is noteworthy that each document provided shared insights into the macro and micro policy shifts based within a New Right employment-based initiative context.

1.6 Analysis of Data and the Repatriation of the Research

The data collected during the fieldwork was recorded using a audio device. The recorded was were latter analysed and transcribed by the researcher into written form. Following the completion of the research the findings will be reported back to TOPEC. A summation of the findings and a copy of the transcribed interviews will be given to each of the key informants who participated in the research.

1.7 'In the Field' Timetable

The research in earnest began with the formulating of ideas in December 1998. This proceeded to the next logical step, the thesis proposal in January 1999. The actual fieldwork was conducted between September and October 1999. This fieldwork was undertaken as an independent piece of research supported by the Institute of Development Studies, School of Global Studies and sanctioned by the Massey University Human Ethics Committee (MUHEC). While in the field permission was granted by the TOPEC Chief Executive and staff members for the researcher to conduct his research. The researcher was given financial support through the Graduate Research Fund (GRF). During this fieldwork period the researcher resided in his home located in Porirua. One month was spent in TOPEC's main campus (which housed most of its educational initiatives) in Elsdon (which is adjacent to Titahi Bay). Further, one month was spent at the Lyttelton Avenue campus[8] located opposite the town centre. Data collection and observation for both TOPEC campuses was carried out everyday (except for the weekends) over a two month period. Table 1.3 illustrates the overall research timetable.

Table 1.3: Overall Research TimeTable

December - 1998:	**-Formulating ideas and background reading about the research.**
January - March 1999:	**-Going through all the 'red tape' which included the MPhil, MUHEC and GRF proposals.** **-Being allocated with a supervisor.**
April - August 1999:	**-Research preparation and literature review.**
September - October 1999:	**-In the field observation and data collection.**
November - December 1999:	**-Data analysis and writing.**
January - November 2000:	**-Review all the chapters and connect all the key threads which run throughout the thesis.**

[8] The TOPEC Lyttelton Avenue location was due to close not long after the completion of the fieldwork component. The main reasons for this was to save money and to bring the two campuses together.

Chapter Two

Establishing the Theoretical Context: Tenets of the New Right

2.1 Introduction

By the early 1980s the New Right[1] movement was gaining ascendancy in Aotearoa/ New Zealand (Kelsey, 1995). The post-war interventionist welfare (refer to Chapter Four) state had three main rivals: 'liberalism'[2], 'neo-liberalism'[3], and 'neo-conservatism'[4]. The 1984 Labour government promised to reinstate individual freedom by removing the state from the economy and creating an economic climate which was linked to the global market-place. This model of 'neo-classical'[5] economic theory was applied to the macro and micro sectors of the New Zealand economy (refer to sections 3.3 and 3.4). Furthermore, other areas of the economy, such as the public sector and social welfare were to experience radical changes to the way they used to operate, with new rules and guidelines.

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[1] This paradigm (which is not contemporary in its roots) was generally adapted in the 1980s to be used to denote a widespread reaction among Western intellectuals against interventionism which in its dilute form, has underlain the post-war welfare state (Eatwell and O'Sullivan, 1989).

[2] This strand is closely linked to neo-liberalism (in fact they are basically the same). This libertarian strand believes in the minimalist state, individual liberty, the privatisation of government infrastructure, social welfare, law and order and defence (refer to Chapter Three).

[3] Neo-liberalism is based on classical liberal theory. 'Neo' embodies notions of 'new' or 'contemporary' liberalism adapted to present-day conditions. 'Liberalism' is the political, social and economic ideology utilised as a strategy to promote social well-being, a minimalist state and individual liberty (Microsoft Encarta Encyclopaedia, 1997).

[4] Neo-conservatism is firmly established on Burkean conservatism (refer to section 2.2). 'Neo' embodies notions of something contemporary adjusted to the present-day conditions of society which are enforced by government. 'Conservatism' are the ideas which 'influence the government to take a positive role in stressing the continued importance of social institutions, such as religion and the family' (Eatwell, 1989: 5). This strand differs to the individualist aspects of the previous strands.

[5] Neo-classical economics seeks to explain seven basic propositions, i.e. methodological individualism, economic rationality, choice and substitution, equilibrium, competition, market clearing and welfare maximum, which are all used to model human activities within its macro and micro economic framework (Blaug, 1962; Boland, 1985; Hahn, 1984). Thus, social factors such as welfare, health and education are incorporated within this macro and micro economic context.

The main objective of these radical reforms was aimed at removing the structural imbalances developed over the post-war period which prevented the economy from operating in an 'efficient' manner (Chatterjee, 1992). The ideology which fuelled the New Zealand reform programme has been that of neo-liberalism and liberalism with its belief in the efficiency of competition in the market place which enables economies to achieve their fullest productive potential.

These reforms became known as the 'New Zealand experiment' (Kelsey, 1995). The significance of this experiment was to be found in the change in Labour party philosophy and to the tunnel vision exhibited by the free market believers in not exploring other alternative options concerning their policies. For example, these two main factors stand out:

- *The programme was implemented in 1984 by a Labour government, whose party had traditionally embraced a social democratic philosophy.*

- *The 'fundamentals' of the programme - market liberalisation and free trade, limited government, a narrow monetarist policy, a deregulated labour market, and fiscal restraint - were assumed to be 'given', based on common sense and consensus, and beyond challenge. These fundamentals were systematically embedded against change (Kelsey, 1995: 1-2).*

The Labour party's close historical links with the trade unions, and its 'so-called' left of centre ideology in which the state played a major role in planing the production and the distribution of the national out-put, was discarded by the way-side (Chatterjee, 1992: 5). These global ideological trends since 1984 have all been reminiscent of those used by Margaret Thatcher[6] in the United Kingdom (UK) and Ronald Reagan[7] in the United States of America (USA) since the early 1980s. This chapter, describes the New Right spectrum which has been very critical of the post-war interventionist welfare state. While chapter three takes a look at the broad state disenfranchising policies which have been underpinned by the New Right perceptive (more specifically the liberal and neo-liberal strands) which had become the main-stay of the 1980s and 1990s.

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[6] The Thatcher government was one of the world's leading exponents of the New Right ideology. Central to its policy was the reduction of government spending to reduce inflation and a strict control of money supply. To achieve a low inflation rate, huge cuts in public spending were used to justify good housekeeping and to encourage 'self help' (Kazis, 1985: 11).

[7] The Reagan government reflected the New Right ideology in its policies by providing massive individual and corporate tax cuts, increase spending on the military, while substantially cutting domestic social spending (Kazis, 1985: 10).

2.2 The Theoretical Underpinnings of the New Right

To some extent the most successful and prominent opponent of the post-war interventionist welfare state has been the New Right. The title is misleading, however, not least in its implied symmetry with the 'New Left'[8]. The New Right is more diverse even than Socialism[9] as a whole. Certainly it is ideologically inclined (a feature to which it owes its intellectual success), and it is united by a shared antipathy to Socialism which has been the foundation of the post-war interventionist welfare state. The 'failure' of the social democratic doctrine, especially in ascendant ideological and economic spheres, has fuelled the acceptance of this paradigm. In fact, the New Right's ideological and economic tendencies have insisted that social democracy and the welfare state are inconsistent with the 'moral, political and economic freedom that only free market capitalism can guarantee' (Pierson, 1998: 39).

The New Right encompasses three main strands: liberalism, neo-liberalism and neo-conservatism (refer to Table 2.1). The liberal strand is closely linked to neo-liberalism and can be viewed as a mixture of both doctrines. In economics and in social welfare its influence on the New Zealand government since 1984 has been vast. Libertarians regard most government action bar the enforcement of property rights as either unnecessary or illegitimate. The following prescriptions are typical: abolition of all statutory restraints concerning government planning; pollution; privatisation of all public property; government infrastructure (such as roads); the state sector or government departments; and government owned coporatisations (refer to sections 3.5 and 3.6); and the labour market (refer to Chapter Five).

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[8] The 'New Left' is a descriptive term loosely applied to a variety of political doctrines and social movements which emerged in the late 1950s, after the 1956 uprising in Hungary, and then developed strongly during the 1960s, particularly in opposition to the American intervention in Vietnam and the military occupation of Czechoslovakia by the Warsaw Pact countries (Markovic and Cohen, 1975; Habermas, 1970). The New Left is an uneasy alliance of diverse social movements - radical students, sections of the peace movement, and the early feminist and ecology movements - along with intellectuals of extremely varied origins and orientations, including dissident communists, anarchists, left-wing socialists and cultural critics (Caute, 1988; Marcuse,1964).

[9] Marxism is the main intellectual foundation of Socialism, combining a theory of society which explained the development of modern Capitalism, and the division of society into two main classes (Brus and Laski, 1989). The common elements that run throughout the socialist doctrine are based on the following concepts: the opposition to capitalist individualism, embodied in the very term 'Socialism' which emphasised community and the well-being of society as a whole; and a commitment to equality and to the idea of a future 'classless society' (Schumpeter, 1987).

Table 2.1: The 'New Right' Ideological Spectrum

Liberalism:	**-Emphasis on minimalist government.** **-The elimination of all sanctioned constraints regarding government planning.** **-Privatisation of all public property and infrastructure which includes welfare, education, health, law and order and defence.** **-Premium on 'consumer sovereignty' (or 'choice').** **-Non-acceptance of structural inequalities in society.**
Neo-liberalism:	**-Emphasis on the 'spontaneous order' or the 'catallaxy'.** **-Stresses the rights of the individual rather than collective social rights.** **-Presumption of equality.** **-Social well-being enhanced by individual exchanges.** **-Restoring free enterprise within a capitalist economy.** **-Critique of political decision-making combining classical liberal philosophy with an emphasis on individual liberty.** **-Rational and autonomous decision making by individuals.** **-Emphasis on the primacy of the individual - protection of individual liberties and freedoms.** **-The government is seen as destructive - there is a preference for residual government.** **-The market should provide the provision of goods and services and not the government.** **-Free-Trade.**
Neo-conservatism:	**-The importance of established authority in controlling irrational individuals.** **-Less emphasis placed on the individual.** **-More focus placed on the family unit and on religion.** **-The acceptance of only evolved institutions.**

Source: Adapted from Eatwell and O'Sullivan, 1989; Hayek, 1962; Locke, 1960; Scruton, 1980

The same minimalist government can also be applied to social policy, such as welfare (refer to section 3.7); industrial safety law (Accident Compensation Corporation, (ACC) to be supplied through private insurance); law and order and defence. Libertarians state that the present social, economic and political problems of developed capitalist societies lie not in the failure of the markets but in the mistaken pursuit of those protected market policies associated with the welfare state. As stated by Kazis (1985: 10) 'the government has taken over too many welfare functions better done by charities or the family; like care of the old, sick and small children. The 'featherbedding' of the 'work shy' should be discouraged by lowering unemployment pay and making it more difficult to receive'. Liberalism is 'individualism' in its extremist form, and even-handedly stresses both freedom and personal answerability for one's

actions. Its leading figure is John Locke, (1812 reprinted in 1960 by Laslett), and its fundamental tenet is encapsulated in the slogan of the US novelist-philosopher Ayn Rand (1957), 'Hands-Off!'

Of all New Right doctrines, neo-liberalism has been by far the most influential on governments world-wide. The 'spontaneous order' or the 'catallaxy' (refer to section 2.4) is prized above all things and is exemplified in free markets, common law and (the more conservative would add) in 'tradition' (Friedman and Friedman, 1962; Hayek, 1962; Popper, 1966). Neo-liberals deplore any politics (notably Socialism) which pretends to definitive knowledge of human needs. Such absolute knowledge is available to no central observer and hence to no government. Nevertheless such knowledge exists, but only as diffused throughout the myriad unpredictable transactions between individuals living in a 'free' and 'open society'. As many decisions as possible, therefore, should be transferred to the individual situated in the market, who is 'maximising' his or her 'choice', is thus seen to be the only genuine democracy. For example, free enterprise within a capitalist economy is the only mode of production compatible with individual freedom and suited to the temporary nature of individual aspirations in a democratic society. High priority is given to reducing inflation, whatever the social costs. Tax cuts are regarded as essential to restore incentives to the high income earners, and corporations.

The neo-conservative strand is more interested in restoring social and political authority throughout society. The neo-conservative doctrine is primarily focused at the nature of civil society, with emphasis on costume, tradition and allegiance as social bonds (Eatwell and O'Sullivan, 1989; Gamble, 1996; Pierson, 1998; Schotter, 1990). This nature of society is to be found in Burkean thought and in anti-individualism. It stresses not rights or abstract, unqualified liberty, but duty, authority, morality, religion, tradition, culture, society and national identity in an ethnocentric form (Buckley, 1967; Burke, 1790 reprinted in 1968; Scruton, 1980). This belief framework is translated into 'market' desirabilities and are thus proper objects of political concern, being as much under threat from unfettered capitalism and the liberal doctrines which promote individualism. The three key New Right strands mentioned above and the 'markets are never to

blame' rationale and 'there is no alternative option'[10], run throughout this thesis. These themes are directly linked to the main intellectual New Right thinkers (such as Adam Smith and Friedrich Von Hayak) and to the restructuring policies of New Zealand government, which will be discussed in the next chapter.

2.3 Adam Smith

Fundamental to most New Right appraisals of the conjunction between capitalism, social democracy and the welfare state is a recital of the beliefs, feelings and ideas of Adam Smith's advocacy of liberal capitalism. In 1776 Adam Smith wrote *The Wealth of Nations*, which argued for the freedom of individuals to maximise their own interests. Smith linked this individual freedom 'to an invisible hand which promoted an end which was no part of his intention' (Schotter, 1990: 11). It must be mentioned that Smith wrote this book in a different time frame and for a different audience than his contemporary followers. However, he still critiqued the interventionist (in his time mercantilist) role of the state and called for a minimal government (whether or not democratic) role in the lives of its citizens (Pierson, 1998).

Smith advocated for the spontaneously arising 'invisible hand' of the market economy as the most effective and efficient way of both appropriating resources to individuals, social welfare and the most infallible covenant of individual liberty (Copley and Sutherland, 1995; Pierson, 1998; Samuels, 1966; Schotter, 1990). The economic issues of what to produce, how and for whom, are all solved by the invisible hand which thrives in an individual, rational and free market economy. It is these instructions and the approaches in which social democracy and the welfare state have reversed them, that lie at the foundations of the modern New Right worldview. At the heart of this difference of opinion between the New Right, social democracy and the welfare state (which represents the subversion of the very principles of liberal capitalism) has been the need to

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[10] As Shirley (1990a: 382) notes, 'New Zealand politicians and economists when having to describe why the deflationary strategy which was at the centre of the New Right's economic programme was implemented, will often refer to the 'TINA' argument (There Is No Alternative)'.

achieve distinctive rights for individuals within political and economic spheres. For instance, property rights and consumer sovereignty (or choice) rights.

2.4 Friedrich Von Hayek

Von Hayek has probably written the most comprehensive and complex comments on the New Right perspective in the three volumes of *Law, Legislation and Liberty*. Hayek describes the 'Great Society' utilised by Smith as the only rational way to secure what he defines as the 'catallaxy', which is a term used to explain:

> *The special kind of spontaneous order produced by the market through people acting within the rules of the laws of property, tort and contract (Hayek, 1982, II: 109).*

Social democracy and the associated welfare state endeavour to weaken the catallaxy based on interlocking spontaneously emerging markets. Thus, both do not conform and are inconsistent with the principles of a 'great, free and just society', because economic order which has been likened to scientific inquiry can not be planned (Gamble, 1996; Gray, 1998; Hayek, 1982).

Hayek's theoretical roots can be soundly placed in the Smithian free market camp, but it has also been found in Burkean conservatism (refer to section 2.2). As in Burke's critique of the French Revolution, Hayek condemns the 'constructivist rationalism' of all those, from 1789 onwards, who have sought to recast society in accord with some understanding of the principles of reason (Hayek, 1982, I: 5, 29-34). Order and reason certainly appealed to Hayke's conservatism but this is spontaneously generated and in principle an unknowable order created by innumerable interactions within a number of interlocking markets - the catallaxy (Pierson, 1998). In other words, an orderly society is not dependent on planned notions, but instead has evolved from incremental, experimental and spontaneous orders. The configurations of contemporary society have achieved that level of complexity which far eclipses any that could have

attained by premeditated organisation.

In essence, this is Hayek's main philosophical point of view linked with the catallaxy model, that every individual should be allowed to purse their own lives insofar as the laws of the land let them, and in what ever direction they may take. In most social democracies and socialist states, the central authorities have limited control over the many millions of micro socio-economic decisions made every hour and day within its geographical boundaries. When individual decisions are restrained by statutory law or constitutional provisions, formal democracy becomes a political market, in which votes are traded against welfare benefits, subsidies, trade and union privileges. The cost, in the shape of excessive taxation or inflation or both, falls jointly on the most productive and the weakest, least politically organised members of society.

Hayek's model is like a metaphorical two sided sword. On one side is Smith's vision in the benevolence of the 'invisible hand' which will efficiently provide and promote a welfare safety-net for those less wealthy in society. Furthermore, he states that a 'condition of liberty in which all are allowed to use their knowledge for their purposes, restrained only by the rules of just conduct of universal application, is likely to produce for them the best condition for achieving their aims' (Hayek, 1982, I: 55). The other side of the sword refers to the minimal role of the state. The main concern of a centralised government is not to fulfil its own agenda (through subverting interest groups) but to provide the structures within which the catallaxy may develop. Yet there are functions which Hayek lets government intervention and increasing taxation provide for:

- *The preservation of the rule of law where law is in essence confined to the impartial application of general rules of property, contract atort;*
- *The provision of collective security against the threat of external assault;*
- *The provision for (though not necessarily the administration of) those collective or public goods which the market cannot efficiently provide; for example, protection against (internal) violence, regulation of public health and the building and maintenance of roads (Pierson, 1998: 41).*

Hayek outlines the other task of the minimalist state as being:

> *The provision of a certain minimum income for ... those who for various reasons cannot make their living in the market ... the sick, the old, the physically or mentally defective, the widows and orphans - that is all people suffering from adverse conditions which may affect anyone and against which most individuals cannot alone make adequate provision ... in a society that has reached a certain level of wealth can afford to provide for all (Hayek, 1982 III: 55).*

The responsibilities of the minimal state when relieving poverty are not to be identified, or confused with the social democratic model of the welfare state. Relief is not based on the statutory right of the citizen, but needs are to be founded on discretionary relief alleviation measures. Hayek insists that if relief was a statutory right of citizenship, then the state could coerce interest groups and therefore manufacture social justice for its own needs. Hayek's model on free market capitalism and the reduced role of the state is reinforced by the very concepts which are to be found in Public Choice Theory.

2.5 Public Choice Theory

Public choice theory is a combination of economics and political science. It has mainly focused on the 'collective fallacies' of non-market decision making. The New Right have employed this theory to illustrate that under social democratic procedures, collective action through state actions, beyond that necessary minimum advocated by both Smith and Hayek, will always tend to yield outcomes that are less efficient or desirable than outcomes determined by private choice through markets (Pierson, 1998: 43). It has been stressed within this theory that the main weakness of the social democratic decision making process is that it encourages both the state and its citizens to act in a fiscally irresponsible way.

Public choice theory began with a revival of interest in voting systems (Black, 1958; Downs, 1957). Two insights, in particular, became building blocks in the public choice school. First, the possibility of 'recycling' in voting systems which was seen as helping undermine the 'traditional' idea that government action reflected 'the will of the people'. As a consequence, this theory adopts a version of the 'contractarian approach'

to government (Buchanan, 1975). For example, the individual making a private economic choice within the market has always to weigh costs against benefits in making a 'rational' decision. Public Choice and New Right theorists argue that in a political 'market' both voters and governments are able to avoid or at least deflect the consequences of spending decisions and thus to seek benefits without taking due account of costs (Pierson, 1998).

Secondly, Public Choice and New Right theorists recognise that information is costly to acquire. This insight combines with the assumption that political actors pursue their own self-interests to produce the prospect of 'government failure' - that is, government which fails to behave as an institution of mutual advantage. For instance, it is in the interests of the government to seek re-election by making as many voters feel as if they are prospering by the hand of the current regime (Schotter, 1990). Governments will than seek to manipulate economic variables in order to promise to lower taxation, inflation and unemployment. The result, in the absence of any fiscal constraints, is a bias towards high expenditure, low taxes and public deficits (Buchanan and Wagner, 1977).

Likewise, the politicians poor knowledge of the actions of their bureaucrats leaves scope for the pursuit of bureaucratic self-interest which is seen to be best served under the reward systems of most civil services, through the growth of their departments (Tullock, 1965). For instance, Pierson (1998: 44) has mentioned that 'where costs are not weighed against benefits and where the utility maximisation of bureaucrats is dependent upon the maximisation of their budgets, the public choice theorists insist that there will be a chronic tendency for the public bureaucracy to oversupply goods and services'. Hence, inadequate information here fuels excessive bureaucratic growth and this, in turn, interacts with the first public choice insight noted earlier to create a growing constituency of voters whose immediate interests also favour a large public sector.

The scene is now set for an out of control government which has neither the capacity for accountability and transparency or the inclination to satisfy the needs of its citizens. Thus, the need for reform is more pressing because the growth of government also encourages rent-seeking activity[11]. Rent-seeking activity becomes more critical when reinforced and reaffirmed by the 'monopolistic' powers of groups such as trade unions. For Hayek, public choice and New Right theorists alike, the trade unions (of which he groups into 'para-government' apparatus) were exceedingly wasteful in that they were:

> *... designed primarily to divert as much as possible of the stream of governmental favour to their members. It has come to be regarded as obviously necessary and unavoidable, yet has arisen only in response to ... the increasing necessity of ... government maintaining its majority by buying the support of particular small groups (Hayek, 1982 III: 13).*

There is an obvious solution to the issues stated above: the constitutional restraint on government actions. More specifically, there should be requirements to balance the budget, a monetary constitution, bureaucracies should be exposed to the forces of market competition, tendering, corporatisation and privatisation. The main Achilles heel of the post-war social democratic decision making process that underpins the interventionist welfare state is that it creates an environment which promotes the government and its citizens to be fiscally irresponsible. However, the individual who conducts business in the private economic sphere makes choices concerning market signals and than always proceeds to weigh opportunity costs against benefits, before making a 'sound' individual and 'rational' decision. In contrast, governments and voters while in the political market do not take notice of market signals and are thus able to deflect the impacts onto future governments and generations. Their decisions only take into account the benefits and not the costs. In view of this, the next sections of this chapter focuses on the concepts of individualism, rationalism and the efficiency-equity trade-off.

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[11] Rents in this sense are produced through government actions that create monopolies of one kind or another, as when certain activities (such as trade unions, banks, airlines etc.) are operated and licensed by the government, or when public pay exceeds the private counterpart. Such rents encourage individuals to invest resources wastefully in actions which are designed to increase their chances of acquiring the titles to them (Tullock, 1976).

2.5.1 Individualism

The concept of individualism is one of the most prevalent ideologies which weaves itself through the liberal and neo-liberal strands of the New Right. For Hayek, individualism was based on a 'spontaneous order', whereby society and the social institutions it forms have evolved from the unplanned and unintended actions of free economic actors. Individualism for New Right theorists is also linked with the invisible-hand *laissez-faire*[12] assumption where:

> *... the market is the central institution. In a market there are buyers and sellers of goods and services. Neo-liberals argue that it is through the operations of the market that the freely acting individual will be best able to pursue his/her self-interest. It is what is meant by consumer sovereignty (Cheyne et al, 1997: 81).*

The two beliefs complement each other by 'sanctifying the trust individuals have in their ability to create unplanned and consciously social institutions that further society's aims better than institutions consciously designed by the same people' (Schotter, 1990: 6). Hence, the spontaneous order is seen as superior to that of the social democratic planned and social welfare systems, since it does not decrease the control individuals have over themselves by reducing a agents 'freedom of choice' (Burckhardt, 1860; Tocqueville (1835-1840 reprinted in 1966).

The next individualist doctrine concerns practical deliberation (it is sometimes called atomism). It holds that the ends of action are all individual and thus that social goods are no more than concentrations of individual goods and hence, that there is no irreducibly social goods and meanings. 'Utilitarianism' or 'welfarism' exemplify this view, holding that the relative goodness of a state of affairs must be based exclusively on, and taken to the a function of, the various individual utilities it contains. Otto Gierke (1957: 106) identified it with Natural Law thinkers from Hobbes

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[12] This phrase literally means 'to let do'. Most accounts attribute the politically charged slogan which means 'let people do as they choose, let goods pass', to Vincent de Gournay and Adam Smith (Fusfeld, 1990; Samuels, 1966). The slogan became the rallying cry among advocates of limited government duties, which should apply only to national defence, administration of law and order and the provision of certain public goods. Furthermore, Adam Smith broadened the notion of *laissez-fare* into a comprehensive social philosophy related to individualism, rationalism and consumer sovereignty.

(1651 reprinted in 1968) to Kant, (1790 reprinted in 1952) for whom all forms of life were 'the creation of individuals' and merely 'the means to individual objects'. Charles Taylor (1985: 210) sees atomism as rooted in:

> *those philosophical traditions ... which started with the postulation of an extensionless subject, epistemologically a tabula rasa and politically a presuppositionless bearer of rights.*

A third doctrine associated with individualism is located in a political philosophy that views the individual agent as the ultimate storage place for all the rights and laws in society. Humanity comes from a 'state of nature' and have been given a full range of 'natural rights'. It is logical that the nation-state formed and symbolised by this state of nature is established by individuals in order to maintain and safeguard their natural rights and private property (Boston *et al,* 1996: 17-18; Schotter, 1990: 6-7).

This natural right implies that the state should not meddle with the social outputs conducted by individuals, as long as these distinctive agents do not violate other people's rights. The justification for this lack of intervention by the state is expressed through the will of the individuals within a society and is the equilibrium result of the nature order directed from free individuals (Billig, 1995; Martinez and Garica, 1997). As a part of their natural right individuals can keep anything that has resulted form their labour. Certainly it is in the best interests of the individual to protect the fruits of his/ her labour by reducing the role of the state, safeguarding the individualist notions of consumer sovereignty, property rights, increase profit maximisation, prefect competition and free trade.

2.5.2 Rationalism

The distinctive feature of this doctrine is the view that social life is to be explained by rational individual action[13]. The rational maximising behaviour of individuals is used in neo-classical economics, and rational choice theory can be understood as proposing to extend that economic approach to other areas of social life (Arrow, 1951; Hardin, 1982; Olson, 1965). For example, the concept of the 'economic man' as being rational

[13] Rational individual action can mean many different things in modern social thought. In this case it is understood in utilitarian terms as a matter of maximising the satisfaction of the individual's preferences (Muth, 1961).

can be traced back to Adam Smith, who viewed the economy 'consisting of two groups of self-interested agents whose selfishness is reinforced and checked by the competition of others' (Copley and Sutherland, 1995). Contemporary economics has added onto Smith's view of the economy by expressing a belief that economic agents are rational calculators capable of solving mathematical maximisation problems and decisions they face everyday. Schotter (1990: 14) states that this:

> *view comes from the early mircroeconomists who developed the theory of utility ... in order to develop the theory of demand (which was lacking in the classical economists presentation), economists had to depict economic agents as striving to maximise their utility (through the calculus of pleasure and pain) by choosing the commodity bundle that was best for them.*

The economic agent was seen to be rationally utilising what was best for him/ her in a given economic context. By comparing the convenience level of the margin, the economic agent was seen be like a rational robot whose main role in life was to resolve constrained maximisation problems given fixed prices. Hence, rationality within the economic paradigm has became closely associated with the concept of maximisation.

2.5.3 The Efficiency-Equity Trade-off

The efficiency-equity trade-off is a concept that assumes an individualistic social ethic which is used to define the equity of social outcomes. In this, there is likely to be an unfortunate trade-off between ethics and the efficiency of the outcomes determined by social institutions. For example, 'neo-classical economists and New Right theorists have separated the problems of equity from those of efficiency by appointing government three broad monetary functions: to promote efficiency, equity and stabilisation of the economy' (Schotter, 1990: 13). This assumption is one of the best examples of how the New Right has tried to promote policies that contradict each other in the name of efficiency and stabilisation. The only way these contradictions can be justified is by making trade-offs when formulating public policy.

2.6 Summary

In conclusion, this chapter has established the tenets of the New Right paradigm, by drawing links between the three main strands (liberalism, neo-liberalism and neo-conservatism); the primary intellectual figure heads (Adam Smith and Friedrich Von Hayek); and the cardinal factors (those being public choice theory, individualism, rationalism and the efficiency-equity trade-off). Furthermore, this chapter exemplified the main aspects of the liberal and neo-liberal strands by relating them to four specific areas: the 'spontaneous order'; 'individualism' and 'rationalism', 'corporatisation' and 'privatisation'; and a 'minimalist government'.

The interventionist welfare state is seen by New Right advocates as ill-conceived because it denies the individual 'freedom, justice and real long-term welfare' (Pierson, 1998: 46). The New Right has for the moment completely wrested the initiative from Socialism and the interventionist welfare state and has finally deflated the century-old assumptions of intellectual superiority which have constituted no small part of Socialism's appeal. The main New Right theoretical threads found in this chapter, which include a minimalist state, market-oriented development underpinned by the New Right concepts of individualism, and rational choice making are the key threads which run throughout this thesis. Thus, the New Right's many policy prescriptions have had dramatic short and long term consequences on New Zealand society. It is to these fundamental policy shifts that the next chapter focuses on, by turning these New Right threads (ideas and concepts) into New Zealand government legislation and policy.

Chapter Three

The Legacy of the Fourth Labour Government

3.1 Introduction

The fourth Labour government has undoubtedly displayed a 'revolutionary' approach to remaking all the sectors of the New Zealand economy (Holland and Boston, 1987). These policy shifts have been associated with their speed and magnitude. The conditions needed for this neo-liberal shift in policy included: a recognition on the part of the political and economic elites that the existing social democratic policy regime was unsustainable; a constitutional order which gives the executive relatively unhindered powers; and a competent, professional bureaucracy capable of implementing changes thrust upon it by its political masters (Holland and Boston, 1990: 7).

In its reforming zeal, the fourth Labour government encouraged the perception that 'consultation' became a procedural routine which was rarely necessary longer needed. The reforms in macro and micro economic restructuring, the state sector, education, health and social welfare are cases in point (refer to Tables 3.1, 3.2 and 3.3). Furthermore, the pace and scale of change since 1984 has left the electorate somewhat breathless and struggling to comprehend the overall strategy behind this policy shift (Holland and Boston, 1990). In part, this is because the government has struggled to express precisely what it is trying to achieve. In particular, social objectives have appeared confused as traditional commitments to areas such as education, health and welfare were questioned (Boston, 1987). It also reflects the fact that the neo-liberal concepts of 'efficiency'

and 'equity' are less attractive to the electorate than the more familiar goals of 'full employment' and 'social well-being'. In sum, the election of the fourth Labour government witnessed the beginning of a period of policy shifts in New Zealand that has left no aspect of life untouched (Shirley *et al,* 1990b). These policy shifts (underpinned by neo-liberalism) are to be discussed in this chapter.

3.2 The Reforms

The fundamental goal of the fourth Labour Government can thus be called a '... radically deregulated economy, driven by market forces' (Kelsey, 1993: 19). With this goal in mind, the main policy shifts implemented by the government were: one, capital investment shifting from domestic and protected productivity to export-based enterprises; two, a demand for cheaper and increased productivity; three, lowering taxes, especially for companies, to encourage investment and increase profits; four, cuts to government spending to achieve this lower tax burden; five, state sector administration streamlining; and six, debt repayment achieved through the sale of state assets (Brash, 1996; Kelsey, 1993). These preconditions for an unobstructed market were directly pointed at restructuring the economy, whereby they could operate and be free from government-planned policy distortions. The restructuring 'war' on the economy was aimed primarily at the macro and micro-economic front lines.

3.3 Economic Restricting: The Macro-Economic Front

The extent of the economic reforms was so great that it is difficult to describe them in short compass. They were both macro-economic (concerned with the whole environment within which producers and consumers make their choices) and micro-economic (concerned with the efficient allocation of incentive system operates in individual markets). On the macro-economic front, the initial objective for the 1984 Labour government, and which the 1990 National government carried on, was to achieve a sustained reduction in entrenched inflationary exceptions (Chatterjee, 1992: 6). To this end, a 'water-tight' monetary policy and a lowing of the financial statement (The Budget) were to be employed as the main 'yard-sticks' of control. The following synopsis of the major macro

and micro-economic reforms since 1984 provides a brief insight into the neo-liberal based shifts (refer to Table 3.1).

Table 3.1: The Major Macro and Micro Economic Reforms Since 1984: A Synopsis

Financial Markets:	**-Removal of controls on international capital flows and domestic credit in 1984; exchange rate floated in 1985.** **-Removal of barriers to entry into banking in 1987.** **-Reserve Bank Act 1989 makes the Bank autonomous and entrusts it with the task of 'achieving and maintaining stability in general level of prices'.** **-The Fiscal Responsibility Act 1994 requires the Reserve Bank and Treasury to achieve a low level of public debt and to maintain this debt at a prudent level.**
International Trade:	**-Export subsidies for agriculture and industry rapidly phased out from 1985.** **-Import quotas and licensing phased out in mid-1988 for industries outside industry plans.** **-Phasing out of quotas for trade-sensitive industries by the early 1990s.** **-Rapid bilateral removal of tariffs with Australia by 1990.** **-Phased unilateral tariff reductions with Third World countries.** **-Effective rates of industry assistance fell from 37 percent in 1985/86 to 26 percent in 1987/88, and around 19 percent in 1989-90. Tariffs on most imported goods to drop to 10 percent by 1996.**
State Sector Reforms:	**-Tax and transfer reform establishing the least distortive tax System among OECD nations.** **-Corporatisation of government departments providing commercial services.** **-Privatisation and anticipated financial surpluses to reduce public debt by one-third by 1992.** **-Reform of the government sector: emphasis on outputs.** **-Opening government procurement to private competition.**
Labour Market Reforms:	**-Labour Relations Act 1987 to encourage decentralised bargaining and union amalgamation. Repealed in 1991, and replaced by the Employment Contracts Act 1991.** **-Compulsory Unionism scrapped and national award agreements abolished.** **-State Sector Act 1988 puts public sector employment on a comparable basis to private sector.**

Source: Adapted from OECD Economics Survey: 1990/91, New Zealand

On the macro-economic front, the dollar was floated in March 1985, following the removal of all restrictions on the movements of capital into and out of New Zealand (Kelsey, 1995). Irrespective of these economic controls, many areas of government social expenditure continued to grow. For example, Brash (1996: 38) has stated that the total ' ... government spending was over 41 percent of GNP (Gross Domestic Product) at the beginning of this decade, somewhat higher than the ratio in the mid-1980s'.

To counteract this explosion in expenditure (by the early 1990s) in the areas of health, education and welfare, was the legal framework proposed by the than Minister of Finance, Ruth Richardson. This legislation was taken up again by the new Minister of Finance, Bill Birch, in late 1993 and was enacted in 1994 as the Fiscal Responsibility Act (FR Act). The FR Act specifies five guiding principles of responsible fiscal management. These principles require government economic institutions such as Treasury, the Reserve Bank and other government departments to:

- *Achieve a prudent level of public debt;*
- *Once achieved, maintain public debt at a prudent level;*
- *To achieve and maintain levels of Crown net worth that provide a buffer to adverse shocks;*
- *To manage prudently the risks facing the Crown; and*
- *To provide a reasonable degree of stability and predictability on future tax rates (Brash, 1996: 39).*

Furthermore, the Act required the government to specify in the Budget Policy Statement their broad strategic priorities for the upcoming Budget. For instance, their fiscal intentions for the next three years; and their long-term fiscal policy objectives[1] (Treasury, 1995: 13). The Budget Policy Statement must be presented to Parliament before 31 of March of every year. The presentation makes transparent the governments intentions for the current budget and keeps within the five prudent principles of fiscal management. Overall, the restructuring of the macro-economic front provided incentives and makes translucent the long and short term consequences of government spending. It also removes from future

[1] Governments must specify their intentions and objectives in terms of operating revenues; operating expenses; the balance between operating revenues and expenses; the level of the Crown's total debt; and the level of the Crown's net worth (Treasury, 1995).

generations the burden of the cost of consumption of the present generations by reducing the public sector debt (Brash, 1996: 39).

3.4 The Micro-Economic Front

The conceptual foundations for Treasury and the Reserve Bank were to be found in public choice theory. As stated by Kelsey (1993: 79) this ideology proposes that in order for 'individuals to maximise their freedom they must make a rational calculation of costs and benefits, free from the tyranny of decisions made by, or for, the majority'. To this end, the micro-economic reforms involved the withdrawal of many subsidies and incentives so that production faced greater competition both within the economy and internationally (Chatterjee, 1992). The efficiency improvement resulting from a regime of enforced competition was perceived to be conducive to productivity growth over the longer term (Brash, 1996).

In the agricultural and manufacturing sectors subsides for export-based production were gradually abolished from as early as 1984. For instance, 'agriculture the backbone of New Zealand's export earnings, experienced a reduction in its effective rate of assistance from a peak of 123 percent in 1982/83 to 15 percent by 1987/88' (Chatterjee, 1992: 9). While in the areas of manufacturing, tariffs had been removed unilaterally so that the effective support rate for manufacturing fell from 39 to 19 percent by 1990. By mid-1996, effective rates of protection for manufacturing would fall even lower to 7 percent. Simultaneously, import licensing had been removed from a few products. The shift from protected agricultural and manufacturing production to limited protection has ultimately effected both these sectors greatly.

3.5 The State Sector

The micro-economic reforms were not confined to the private sector alone. Considerable changes to the way the public sector operated were put in place with the aim of divesting the government of the day-to-day management role in the running of government departments which were then to be based on the private sector principles, in effect creating a

'contract state'[2]. According to Treasury, the old system ensured that public resources were used for a purpose other than that intended. In respects to this the main issues were implicit in: unreasonable constraints on moving money from one area of the budget to another and the policies of staff management that encouraged caution and lack of initiative (Treasury, 1989).

To cut down these problems and to lessen government's management role, would require a method of control. Financial Management Reform is used by the departments, Crown agencies and the government as a whole to maintain overall accountability. Financial Management is centred on three key fundamental principles:

- *Parliamentary Scrutiny: The Government receives money (primarily form taxes) with which it is required to take a range of economic and social actions for the greater good of the people of New Zealand. Parliament must ensure that the tax take is sufficient, but not excessive. Money should not be spent unless it is necessary and resources should be used to best effect.*

- *Accountability: Departments have to report to Ministers and the Government to Parliament to show that these standards are being met. The Public Finance Act updates and enhances the standards of information required.*

- *Improved Managerial Performance: Departments and Crown agencies need incentives that encourage good financial management practices so that resources are used efficiently. The new system gives departments greater flexibility in the management of resources*

(Treasury, 1989: 7).

The 1984 Labour and the 1990 National governments stated that they sought to improve the efficiency of the New Zealand economy. Inefficiency in the state sector was seen by these New Right governments as constraining the freedom of the economy as a whole (Brash, 1996; Martin, 1990). Reforms of the private sector could not have fully succeed without improvements in the efficiency and accountability[3] of the public sector.

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[2] As stated by Martin (1995: 37) 'central to this model is the idea of 'contract', which replaces hierarchy and command as the mechanism by which the parts are linked together ... to achieve the purposes of government'. These mechanism include the concepts of efficiency gains, transparency and accountability.

[3] The principle of accountability as the New Zealand Treasury (1989: 17) points-out 'is the foundation on which the Financial Management Reform is built upon. The new system demonstrates (i) public accountability (in producing outputs and managing resources) through formal external reports; (ii) assists the Government to make decisions concerning the allocation of limited resources across desired outcomes; (iii) assists in the negotiation and evaluation of the performance of Chief Executives in terms of their performance agreements; and (iv) identifies areas within

Indeed, there have been three major pieces of legislation which relate to the public sector management reforms. The State-Owned Enterprises Act 1986 (SOEs) essentially placed Governments departments and services on the same commercial footing as private sector enterprises. The State Sector Act 1988 (SS Act) which established a framework for a new relationship between the heads of departments and their Ministers. Further, it created a new industrial relations and employment regime, giving Chief Executives the power to hire and fire staff and (within certain limits) to fix salaries within their departments (Kelsey, 1995: 139). The Public Finance Act 1989 (PF Act) gave legislative 'power' to the financial management reforms which have been unpinned by the concepts of departmental efficiency and accountability (State Services Commission (SSC), 1992).

The benefits of departmental efficiency and accountability to the taxpayer, as stated by Treasury (1989: 8) include: 'one, receiving better value for money; two, parliament would receive information with which to monitor the performance of government (by using these concepts: 'inputs', 'outputs' and 'outcomes') departments; three, the Ministers of the Crown will also receive better information from their departments; and finally, public servants will have a clearer idea of their roles, responsibilities and resources at their disposal'.

This model monitors government departments by employing the three concepts stated in the list above. Inputs are the resources (such as salaries, accommodation, equipment etc.) which departments use to produce their goods and services. For instance, the salary of a policy advisor or money used to purchase computers are classed as inputs in which to produce outputs. Outputs are the goods and services produced by departments. Possible types of output include policy advice, the administration of regulations, the provision of services, the production of goods, the administration of grants and benefits. Furthermore, departments must be able to define outputs in terms of quality, quantity, cost and time. The information each government department presents to Parliament can be classified as individual outputs and outputs which are

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departments where activities need to be modified in the light of past performances'.

part of a class of outputs. For example, advice on an "environmental protection regime for Antarctica" is an individual output from the Ministry for the Environment. This output is part of the class of outputs (Treasury, 1989: 10).

Outcomes are used to assess the performance of any given government department. This is achieved by assessing the effects on the community of an output or set of outputs. The government decides what it wants to accomplish and proceeds to select the outputs which have the desired effect. The government may decide that an outcome can be achieved by outputs from several different suppliers. For example, to achieve the outcome "a lowered rate of crime", the government may purchase outputs from the Police, Justice, Education, Social Welfare and other suppliers. A set of outputs should conform to the following criteria:

- *The outputs in the group must be similar.*
- *The grouping must provide adequate information for Government decision making and Parliamentary scrutiny.*
- *It must reflect the level at which Parliament seeks to control the activities of that department*

(Treasury, 1989: 11).

Have inputs, outputs and outcomes really been able to measure and assess the performance of the government departments? According to Kelsey (1995: 46) 'in a time of public choice theory, strategically placed technocrats[4] such as the Business Round Table (BRT) have held the machinery of the state captive' In effect, the state sector reforms were designed to ensure their control was retained, or divested to private enterprise.

3.6 The SOEs: Corporatisation as a 'Stepping Stone' to Privatisation

When the reform process began, the New Zealand government provided a large range of goods and services. For example, the New Zealand government before the mid-1980's 'owned the largest bank, the only domestic airline, an international shipping line, the railways, all electricity generation and distribution facilities, was the main coal producer,

[4] A group of influential economists, or business professionals. The most authoritative group is the 'Business Round Table' who have had an important influence on the 1984 Labour and 1990 National Government's adoption of liberal economic policies and reforms.

owned the largest forest resource, owned the only telecommunications company and the Post Office' (Brash, 1996: 34). Over the course of the late 1980s, these operations would undergo swift changes and were to be devolved to the private sector.

The most influential piece of legislation effecting this change was the SOEs Act which was enacted in 1986. This Act provided the basis for converting the commercial entities into SOEs operating under the same conditions as private sector enterprises (Brash, 1996; Kelsey, 1995). The main functions of these new SOEs would include the need to become a successful business, to make a profit, be efficient, be a good employer and exhibit a sense of social responsibility to the community in which it operated 'when able to do so' (Kelsey, 1995: 118). To this end, 14 new SOEs were created out of organisations (refer to Table 3.2) which used to be run as government departments.

Table 3.2: State Owned Enterprises ~ 01 October 1996

Airways Corporation of New Zealand Ltd
Coal Corporation of New Zealand
Contact Energy Limited
Electricity Corporation of New Zealand Ltd
Government Property Services Ltd
Land Corporation Ltd
Meteorological Service of New Zealand
New Zealand Post Limited
Television New Zealand Limited
Terralink New Zealand Limited
Timberlands West Coast Limited
TransPower New Zealand Limited
Vehicle Testing New Zealand Limited
Works Testing New Zealand Limited
Works & Development Services Corporation Ltd (Holding Company)

Source: SSC, 1996

The new corporations would become limited liability companies with shares held by the Minister of Finance and the Minister for SOEs. These two Ministers would have the power to appoint the directors, give directions on dividends and approve an annual Statement of Corporate Intent[5]. The

[5] The SSC (1996: 9) has noted that 'the principle form of accountability to the Government is each SOEs Corporate Intent. Each board produces a draft Statement for the share holding Ministers no

primary commercial objective of the hands-off structure were intended to eliminate cross-subsidies from profitable to unprofitable services and to insulate management from political control.

The next logical step from corporatisation would be privatisation. This move was intended to facilitate efficiency gains by enabling more capital market competition. Further, it sought to facilitate the 'decoupling of macro-economic, social and political objectives from micro-economic objectives and thus making transparent some potential indicators of managerial efficiency' (Williams, 1990: 146). In sum, the SOEs reform have at a macro-economic level tried to reduce public debt and at a micro-economic level have sold government organisations in order to increase efficiency by increasing the impact of market competition.

3.7 Social Policy Reforms

The 1990 National government's neo-liberal agenda extended the fourth Labour governments reforms, by cutting government social spending. Together with Treasury they set fourth on their social welfare constraining programme. These included a comprehensive reappraisal of existing institutions and policies, focusing on social welfare, health, education and housing. Jenny Shipley *et al*, (1991: 10) viewed the main problems associated with the welfare system as being:

- *a system not sustainable in the long term*
- *created a culture of dependency*
- *was a wasteful use of the state's social resources*
- *limited freedom of choice*
- *system not designed to meet all social needs on an integrated basis*
- *system not preparing New Zealand for economic recovery*

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later than a month before the beginning of the enterprise's financial year'. The Statement of Corporate Intent contains the objectives, activities, total assets, accounting policies, performance targets, annual dividend and tax paid earnings.

The major shift in perspective from an 'universal' to a 'safety net'[6] type welfare system was signed in the 1991 Budget statement which was based on the reassessment of the obligations of the government and the responsibilities of providing the rational individual with greater personal choice[7] in the welfare market. With these issues and New Right concepts in mind, the following list provides a brief insight into the key areas linked to the spending cuts.

Table 3.3: Cuts to State Spending from 1990

Social Welfare:	**-The universal family benefit was abolished for a more targeted income related policy[8].** **-Stand-down period for the unemployed who had quit their jobs voluntarily was increased from six weeks to six mouths.** **-The age for youth rate benefits was raised from twenty to twenty five. In effect, that meant a drop of 24.7 percent from $143 to $108 a week.** **-Single adult rate reduced by $14 a week.** **-The term 'voluntarily unemployed' was introduced for people who refused two job offers, or failed to attend an arranged job interview.** **-Widows and domestic purposes beneficiaries suffered cuts of nine to sixteen percent.** **-Abolition of the superannuation tax surcharge was deferred, pending negotiations in an all-party conference called for 1991.**
Health:	**-The restructuring of the health sector into four health authorities.** **-The separation of the purchasing from the provision of health services.** **-New Zealand's population was divided into three categories: Low income earner; Modest income earner; and High income earner.** **-Category one and two users must carry a 'card' at all times to prove their eligibility for the health subsides.**
Education:	**-Introduction of greater local autonomy and accountability for education**

[6] As stated by Shipley *et al*, (1991: 13) 'the state will continue to provide a safety net - a modest standard below which people will not be allowed to fall provided they demonstrate they are prepared to help themselves. Most people would recognise the safety net as the basket of benefits now known collectively as social security ... It will provide sufficient assistance to maintain individuals and families in the daily essentials of food, clothing, power and housing at a decent level. Assistance will be closely targeted on genuine need and people will be expected to support themselves when they have the ability to do so'.

[7] As stated by Shipley *et al*, (1991: 13) 'greater personal choice ... are not simply matters of policy or organisation; they affect people living their daily lives ... The Government wants all New Zealanders, including those receiving social assistance, to be able to have a choice of where they go for health, education, housing and other social services ... they should be able to select from a wide range of organisations providing those services - not just public or state-funded organisations'.

[8] However, Susan St John (1994: 1) has stated that 'the traditional New Zealand welfare system as it operated in the late post-war period had a number of features to recommend it. For example, universal benefits and income tested benefits, funded through general taxation and largely designed to allow recipients enough income to do more than merely survive'.

	boards. **-Zoning of school areas were abolished in 1991.** **-Voluntarily 'bulk funding' for secondary schools in order to devolve control of salary budgets to school broads.** **-At a tertiary level, tuition fees were introduced in 1990, which would go up by an average of 25 percent of course costs.** **-The increase in tuition fees would be covered by Government guaranteed loans.** **-Course and living related costs are also to be covered by the Government loan scheme.** **-Repayment is to be made through the tax system.** **-Student and Accommodation allowances are to be means tested against parental income.**
Housing:	**-State house rentals, which had been subsidised at twenty-five percent of the tenant's income until 1990, would be raised to their full market value within two years.** **-This would be compensated by a cash accommodation supplement to low income families.**

Source: Adapted form Chatterjee, 1992; Brash, 1990; Kelsey, 1993/1995; Shipley *et al,* 1991; St John, 1994

Between 1987 and 1990 the welfare state was undermined by fragmented erosion, rather than comprehensive demolition. The government remained the primary deliverer of social welfare, health, education and housing. However, the universal family benefit was abolished and replaced by a selective scheme paid to families with dependent children, means tested according to parents income. The unemployment benefit was denied to 16 and 17 year olds, youth rates extended, up to a maximum of 26 weeks in cases of voluntary resignation. Widows and domestic purposes beneficiaries suffered cuts of 9 to 16 percent, as an incentive to becoming more self-supporting. The elimination of the superannuation tax surcharge was deferred, pending negotiations in an all-party conference called for 1991[9].

Perhaps the most radical welfare reforms have occurred in the health sector. The guiding principle behind these health reforms has been the separation of the purchasing from the provision of the health services. Four regional health authorities have been established, which utilise government funds to buy health services for their regions. For instance, any provider, including the 23 Crown Health Enterprises (government-

[9] As stated by Susan St John (1999: 279) the 'Bipartisan conference (March, 1991) failed to reach agreement on Guaranteed Retirement Income (GRI). The 1991Budget announcement changes the GRI into a welfare benefit with harsh abatement on joint incomes. Further, the age requirements would be raised over ten years to 65'.

owned hospitals) may tender for contracts to supply services.

In addition, user subsidies that were once universal were now targeted and restricted to those 'classed' in the in low-income category. The introduction of the Community Services Card divided the New Zealand population into three categories. Low income earners were those on income tested benefits, elderly people on low incomes, students on allowances, families on full family support and low income earners without children (Kelsey, 1993). A middle income earner who received partial Family Support would get a lesser level of Community Card subsidy. Category one and two users would be required to carry a card to prove their eligibility for these subsidies. The third category of high income earner covered any family that was not eligible for Family Support and most people who earned over $17,000 (Work and Income New Zealand (WINZ), 1999: 5-6). This also included the elderly who had any private income, amounting to the figure stated above.

Reforms in the education sector were less extreme because many of the structural changes had already been achieved through Labour's 'Tomorrow's Schools'. These changes were primarily aimed at devolving the government of its responsibility in the day-to-day management of schools. In fact, school management was devolved to school boards of trustees which came into existence in the late 1980s. The government effectively divested itself of responsibility and accountability for the delivery of educational services though, while retaining power over policy and resources. Furthermore, there has been an attempt to devolve the control of salary budgets to targeted 'bulk funding'. This has met determined resistance from the Parents, Pupils and Teachers Association (PPTA) the union that represents the primary and secondary educational community. To date less than 10 percent of government funded primary and secondary schools control their own salary budgets (tertiary institutions, however, have a much larger degree of financial autonomy since the late 1980s).

During 1991 a number of further reforms in the education sector had been under taken by the National government. Centrally determined zoning was abolished in 1991. In tertiary education, tuition fees were introduced in 1990 and would rise to an average of 25 percent of course

costs. National also introduced a deferred interest loan scheme for students, at near 'market rates' and subject to significant repayment conditions. Selective maintenance and accommodation allowances would be available, means-tested against parental income. Susan St John (1994: 92-93) explains the regressive nature of the student loan scheme:

> *Lower income earners will repay for longer and will pay a higher proportion of their life-time income than high income earners. The less wealthy will also face high marginal tax rates for longer, and perhaps for ever. Some woman may never pay any of their loans back if they marry and have children. They may well be discouraged from part-time work of any significance by the high marginal tax rates they face.*

At a time when the neo-liberal reformers were stressing the need for a skilled and committed workforce and for retraining by those whose skills were now redundant, they seemed intent on driving a wedge through heart of the education system.

State housing also faced reforms to eligibility, delivery and structure. For many years, governments provided subsidised housing and mortgages as a way of assisting low income families into housing. These housing subsidises would be phased-out by 1992 and replaced with full market rates. This would be partly compensated by a cash accommodation supplement to low income families administered by the Department of Social Welfare (DSW). It would be available to all low incomes households, regardless of weather they lived in state-owned houses, or were renting private houses. Brash (1996: 31) has stated that the housing reforms implemented by the 1990 National government:

> *... appears to have provided significantly greater housing choice for many low income families, and have compelled the government as landlord for some low income people to improve the quality of its housing.*

However, reality paints a very different picture about the housing reforms. The introduction of market rates for government housing has been linked to increases in crowding. A definition of crowding provided by the Canadian national occupancy standard and used by the 1996 Census data (as cited in the Ministry of Pacific Island Affairs (MPIA), 1999a: 40), furnishes some

insights into this issue. The standard sets the bedroom limitations of a household according to the following criteria:

- *There should be no more than two peoples per bedroom;*
- *Parents or couples share a bedroom;*
- *Children under five years, either of the same or opposite sex, may reasonably share a bedroom;*
- *Children under 18 years of the same sex may reasonably share a bedroom;*
- *A child aged five to 17 years should not share a bedroom with one under five of the opposite sex; and*
- *Single adults 18 years and over and any unpaired children require separate bedroom.*

The 1996 Census has illuminated that '79.6 percent of peoples living in crowded homes were identified as being Maori or Pacific peoples. Pacific peoples tend to have higher crowding level (4.3 people per household) compared to the New Zealand population overall (2.8 people per household), and are more likely to live in households with extended family, particularly those who were born outside New Zealand (MPIA, 1999a: 6). The health of Pacific peoples has also been effected by the housing reforms which have resulted in higher incidences of preventable respiratory and communicable diseases associated with crowding and poor quality of housing. The 1990 National government has justified crowding because it is part of the 'culture' Pacific peoples adhere to. It is generally true that many Pacific peoples have extended family staying for long periods of time at one house. However, it maybe argued that the 'market rates' imposed by the government which have left many Pacific peoples with only 'one choice'. That choice has resulted in crowding because it lessens the financial burden of paying market type rents.

The housing reforms have ensured that access to housing has been based on targeted income support and the regulation of the housing market. Housing policy and the state rental housing functions would be detached, with the latter required to work as a successful business with social objectives. The balance of operating as a business with social objectives has not been successful because it has taken from the poor to give to the poor.

3.8 The Labour-Market

The next step in the neo-liberal programme was aimed at the labour market. It is quite ironic that the fourth Labour government of 1984, set forth to reform most sectors of the economy, but did little to change compulsory unionism. Although, discreetly, they did change the nature of wage-bargaining by phasing down border protection and by the very fact that this Labour government refused to continue a long-established tradition of getting directly involved in major industrial disputes (Brash, 1996: 26).

The incumbent 1990 National government did not have any such problems and would change the structure of the labour market through its Employment Contracts Act 1991 (EC Act). The impact on the labour market resulting from the Labour Relations Act 1987 (LR Act), the State Sector Act 1988 and the 1991 Act will be discussed in Chapter Five.

3.9 Summary

By the mid-1980s, the air of change had tricked down and influenced the New Zealand political environment. The catch words of 'reform' and 'deregulation' were the order of the day, carried-out in the name of 'efficiency', 'transparency' and 'accountability'. This involved rolling back the state because it was a fundamental tenet of any programme underpinned by the New Right paradigm.

The 1984 Labour and 1990 National governments sought to improve the efficiency of the New Zealand economy. The micro and macro policy reforms have been stated by Brash (1996: 38) as having the greatest impact on reducing fiscal expenditure both 'directly through removing the need for regular injections of funding to offset operating losses, and indirectly, through reducing the debt service expenditure below the level otherwise required'. Thus, the 'great experiment' of corporatising and privatising central government operations had spread from overtly commercial enterprises and assets to include previously non-commercial actives of social welfare, health, education and housing. The welfare state was seen by the New Right theorists and powerful interest groups (such as

the BRT) as an 'ill-conceived and unprincipled intrusion upon the welfare-maximising and liberty-maximising imperatives of a liberal market society' (Pierson, 1998: 46).

However, it maybe argued that the 'real' basis for these reforms was based on re-educating New Zealand society to be true believers in the values of self-reliance, freedom, individualism, consumer choice and market signals. The post-war economy and welfare state was seen as inconsistent with these values. The next chapter presents the post-war historical trends of unemployment in New Zealand, (this serves as a scene setting section for Chapter Five).

Chapter Four

Unemployment in Aotatora/ New Zealand

4.1 Setting the Labour Market Scene

This chapter establishes a historical overview of the broader patterns of development which have shaped the labour market in New Zealand. By installing a brief pre-war and a detailed post-war backdrop, this chapter illuminates the changes wrought by the fourth Labour government and the 1990 National government in relation to unemployment within the labour market. The post-war epoch will be examined within four periods:

(1) The period from 1946[1] *to 1966 which was dominated by reconstruction and expansion;*
(2) The period 1967-1984 which represented a time of transition and decline;
(3) The period 1985-1990 which was characterised by social and economic restructuring; and
(4) The period 1991-1999[2] *which has been characterised by an individualist, flexible and contractual labour market*
(Adapted from Shirley et al, 1990c).

The four phases mentioned above are discretionary in that there is always perpetuity in labour market development. Nevertheless, the separate periods of inquiry are advantageous in that they do indicate distinct patterns of development (Shirley *et al,* 1990c: 23).

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[1] The reason for this period starting in 1946 is because the indicator of the tend of unemployment is taken from the 1946 Census.
[2] Note: this period will be discussed in more detail in Section 5.7 of the next chapter.

4.2 New Zealand in the Post-War Period

The post-war period in New Zealand, from 1946 to 1966, was governed by an institutional covenant to 'full employment' (O'Brien and Wilkes, 1993: 108). This commitment to full employment was born out of the hardships faced by New Zealand society in the economic depression[3] of the 1930s when measured unemployment rose to 12 percent of the labour force and to a lesser extant the 1890s depression (Macrae and Sinclair, 1975). The collapse of the Liberal era of government with unemployment at an all-time high, gave the first Labour government in 1935 a strong mandate to act. The first Labour government is rightly seen as having reshaped the nature of New Zealand society by ushering in the welfare state and transforming the economy through controls that provided some insulation from international fluctuations.

The economy was insulated by ensuring that the state was endowed with a strong interventionist role in the process of reconstruction (which mirrored the 'New Deal'[4] policies of the US) in the wake of the depression. Its labour and industrial relations put the seal on the process set in motion by the Liberals nearly 50 years earlier and established the framework[5] for the next 50 years. While progressive or Labour governments in other countries such as the United States, Britain and Australia were forced to deal with the depression, the incoming Labour government could ride a wave of improving economic conditions (Martin, 1996). Previous governments had established the system of unemployment relief upon

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[3] The term 'economic depression' generally refers to the trough of those cycles that for some reason are more severe and international in scope, as opposed to 'economic recessions' which are more localised, less severe and of shorter duration (Bernstein, 1987; Fearson, 1987).

[4] The 'New Deal' is the slogan applied to a group of economic policy measures implemented in the US between 1933 and 1940 (underpinned by Keynesianism) under the leadership of President Franklin Roosevelt, intended to produce recovery from the Economic Depression of the 1930s. Among the more durable policies included the: 1.) achieving and maintaining high employment; 2.) government intervention to control prices and production in agriculture and industry; 3.) liberation of monetary policy; 4.) government promotion of trade union organisations; 5.) government entry into transportation, communications, power supply and financial industries; and 6.) the beginning of the Welfare State (Green, 1996; Lehergott, 1984; Martinez and Garica, 1997; Stein, 1969).

[5] The framework established by the Liberals 50 years earlier was related to the 1890s depression, which forced the Liberal government to provide relief measures directed towards the growing unemployed. For example, as stated by Martin (1996: 24-27) 'relief measures included taking surplus labour from the congested centres to any point where there is a demand for their services'. Once in these areas the unemployed were given tools, food clothes and tobacco which was paid back through their wages. Work consisted of hard manual bush clearing and infrastructure construction. These relief measures formed the basis of the first Labour government public works programme initiated before and after World War II.

which Labour's policy of full employment and social security system could be based and had pursued fiscal policies that had created considerable overseas reserves. The first Labour government begun expansive new public works programmes and expanded the role of government in order to secure the social well-being of its citizens. The Labour party vision was one of a rationally planned, organised and controlled economy which would never again have to face economic depression which threatened social collapse. This would be backed up by a guarantee of collective security through policies such as the restoration of a decent living standard, the removal of wage cuts, reduced hours of work, a statutory minimum wage, and the introduction of national superannuation and other social benefits.

4.2.1 Broad Keynesianism

The first line of attack to deal with the issues of unemployment were underpinned by Keynesian policies. In its broadest sense Keynesianism is an approach to political, social and economic affairs of 'advanced capitalism' that validates the government taking a leading role in promoting material welfare and growth, and in regulating civil society (Kalecki, 1971; Minsky, 1975). The broad concept of Keynesianism derives from the writings of John Maynard Keynes from the late 1920s and from the policies he attempted to implement from within British official circles then, during the Second World War and in post-war reconstruction period. The fundamental idea of Keynesian thought is that capitalist economies systematically fail to generate stable growth or fully utilise human and physical resources. For example, markets which are civil society's main economic mechanisms of self-regulation and adjustment, cannot eliminate economic crises, unemployment, or inflation.

The first Labour government fostered material welfare and growth by providing an intellectual rationale for a type of government project not previously attempted under capitalism. Under it, full employment was given priority as a citizen's right which, since individual enterprise itself could not be relied on, should be delivered by the government promoting investment or through managing markets to induce businesses to invest. The broad Keynesian policies gained political and social momentum in New Zealand from the apparently intractable mass unemployment of the

early 1930s, culminating in the crises of the Great Depression. This economic cycle put the legitimisation of the capitalist order in doubt and appeared to threaten that it could collapse into 'barbarism' or give way to 'socialism' (Moggridge, 1976). Keynesianism seemed to offer a 'third way' between liberal *laissez-faire* capitalism and socialism, which by transforming New Zealand society, would strengthen and preserve it.

The policy of 'public works' - direct state investment in infrastructure - was one way to promote full employment which was outlined in Keynes major theoretical work, *The General Theory of Employment, Interest and Money* published in 1936. The increased reliance on government budget policy for achieving and maintaining high employment came in the form of public works and in other relief programmes. For example, public works and relief programmes as stated in the New Zealand Official Year-Book, Monthly Abstract of Statistics (May, 1945: 31) included the construction of:

- *Railways*
- *Public Buildings*
- *Education Buildings*
- *Lighthouses and Harbour Works*
- *Development of Tourist Resorts*
- *Roads*
- *Telegraph Extension*
- *Lands, Miscellaneous*
- *Irrigation, Water-Supply and Drainage*
- *Settlement of Unemployed Workers*
- *Native Land Settlement*
- *Defence*

His major theoretical work also illustrated the breadth of Keynesianism for, instead of public works being only a technical economic device, the policy adoption required a fundamental reconstruction of political forces. In New Zealand that included the electoral victory of the first Labour government, backed by the mass unemployed, working and middle classes.

The second line of attack supported full employment in New Zealand by focusing not on 'reducing' the role of the government, but instead the role of the government was 'expanded' and used to insulate the economy. This was done by establishing protective tariffs, imposing import licenses and creating marketing agencies for New Zealand's primary exporters

(Daziel and Lattimore, 1991). All this was done in the name of protecting the viability of the family farm, and infant manufacturing industries while ultimately creating jobs, adding economic self-sufficiency and value to local products.

Although full employment, engineered through public spending and measures to manage private investment, was the goal around which that consensus and corporatist[6] arrangements were constructed, its near achievement led to renewed attention being the control of inflation (Kalecki, 1971). This prompted a new direction for the first Labour government. By the late 1950s, in the belief that full employment had been irrevocably achieved, its main focus became the achievement of national growth with low inflation and corporatist arrangements were increasingly used to manage the labour market in attempts to restrict wage inflation (Cawson, 1986; Williamson, 1989). For instance, the third line of attack was primarily aimed at internal economic regulations. Internal regulations were based on monetary price and inflation stabilisation, the linking of wages to the dominant economic situation by means of Arbitration Commission rulings (through Awards[7]) and the use of quasi-state agencies as instruments of government policy (Shirley *et al,* 1990c: 24).

Labour's economic policy was influenced fundamentally by the well-being of small urban and rural industries, whereas, its welfare modifications focused on income equilibrium through redistribution and the development of a 'social wage'. This conception of a social wage was epitomise in the 1938 Social Security Act which stressed the perpetuation of a healthy community. The well-being of a community was not limited to the treatment of the sick, but instead created an environment of socio-economic stability in which individuals and communities could enhance social security and productivity.

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[6] Oliver (1987 as cited in Shirley *et al,* 1990c: 34) distinguishes the strategy of corporatism in the way it 'promoted negotiations between employers, unions and the state as a means of fostering a broad national consensus on social and economic policy'.

[7] As stated by Ryan and Oldfield (1991: 97) 'awards are settlements which are registered by the Arbitration Commission and sets out wages and conditions to apply to all workers who perform the work that the award describes'.

The doctrine of the first Labour government was based on free education, a community implemented preventative health scheme (such as free milk and a dental nurse in every primary school), a free public hospital system, state housing, enhanced physical working environments and a basic minimum wage and full employment (Shirley *et al,* 1990c: 24-27; St John, 1994: 97-98). In spite of this not all of these 'cradle-to-the-grave' welfare ideals were achieved. However, they did produce full employment and with that came socio-economic well-being. It should be noted that a considerable factor in the achievements[8] of the first Labour governments expansionist policies was associated with the favourable export trading association which had been instituted with Britain in the nineteenth century.

> *It was a colonial relationship which provided a guaranteed market for staple products such as meat, wool and dairy produce. Such guarantees were important because of the narrow productive base of the New Zealand economy, and one of the main beneficiaries of this colonial relationship was the highly efficient family farm (Shirley et al, 1990c: 25).*

Sutch (1996 as cited in Easton, 1997: 47) describes this economic trading relationship as a:

> *... 'monoculture', saying that all the exports were 'processed grass', sold mainly to a single market of Britain. As late as 1965 some ninety per cent of all exports were pastoral products, and half of all exports went to Britain.*

Prior to the war, there had been a rapid growth in occupations linked to the manufacturing of primary produce and maintaining the farming sector. However, with the expansion of manufacturing and the development of the welfare state in the post-war duration, white-collar and blue-collar professions increased in scope (Easton, 1981; Shirley *et al,* 1990c). Although the family farm continued its attainability after the war, the farming community declined and by 1972 only 12 percent of the workforce was directly engaged in farming (Shirley *et al,* 1990c: 25). At the same time blue collar workforce grew rapidly due to the expansion in manufacturing based on small factories specialising in light consumer goods (Perry, 1982;

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[8] The achievements of the first Labour government are not intended to hide the unequal class structure and division of labour that existed in this pre-war period. Indeed, there were significant disparities between the owners and the workers. For instance, Maori were grossly disadvantaged in respects to the division of labour and the contribution of woman to the paid workforce was largely discounted.

Shirley *et al,* 1990c). The expansion of industry was mainly fuelled by the war effort which provided the impetus for secondary industry to expand at a steady rate through the 1960s. However, Shirley *et al*, (1990c: 25) states that 'while much of this industrial growth went into areas which enhanced employment, it had little effect on the country's dependence upon imports'.

The first post-war period also introduced transitional progress into the labour market. This was mirrored in job mobility, which in turn give rise to the mythology of a 'classless' New Zealand society (Shirley *et al,* 1990c). The workers viewed this occupational mobility as a positive concept, because if a new job turned out to be unsuitable there would be little difficulty in finding another position. Furthermore, employers added to this environment of labour mobility by means of private investment backed by government policies of economic enhancement. Producers were ready to invest because government policies guaranteed the private sector that even if an investment proved to be fleeting or unprofitable, the market and prices would eventually expand to 'ratify' the investment decision (Perry, 1982; Shirley *et al*, 1990c).

In the labour market, mandatory arbitration was reinstated together with compulsory unionism and the 40-hour week was installed (Shirley *et al,* 1990c: 25-26; Walsh, 1993a: 182). These measures reinforced trade union powers in the labour market and the government's explicit commitment to socio-economic stabilisation and full employment. Figure 4.1 displays the registered[9] unemployment numbers of the first post-war period. The full employment policy of the first Labour government was commonplace in New Zealand society at this point in time. In 1946 the registered unemployed did not exceed 386 people. By 1959 more than 1,188 registered unemployed had been reached, which was still a very low number compared with the next two post-war periods to be discussed (Martin, 1996: 382).

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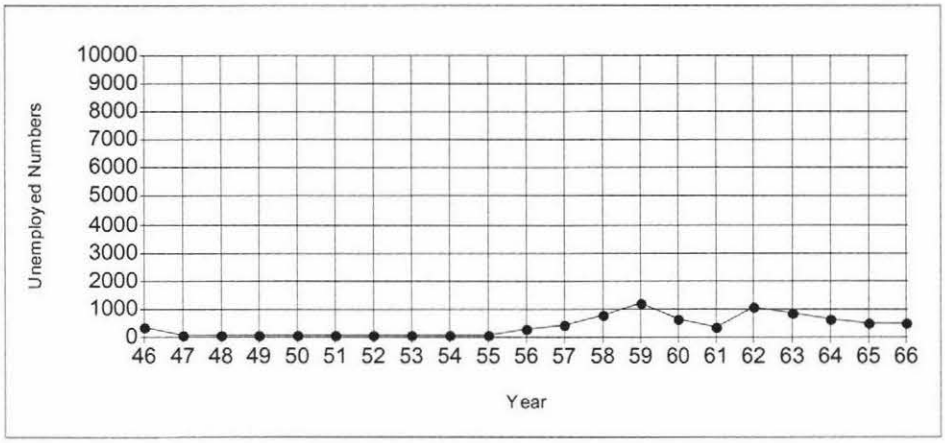
[9] Shirley *et al*, (1990c: 121) notes that 'the registered unemployed are those who have used the New Zealand Employment Service (NZES) of the Department of Labour which maintains a register of those seeking work through the Department. The total on this register is announced monthly and is often used as an indicator of the unemployment rate'.

Figure 4.1: Numbers of Registered Unemployed, 1946-1966



Source: Adapted from New Zealand Official Year-Book, 1945/47-49/50; Martin, 1996

One of the primary social ramifications associated with full employment is the way in which it has facilitated the transition of rural Maori to urban areas. At the end of World War II, three quarters of the Maori population still lived in country areas. By the mid 1970s three quarters of the Maori population was in urban areas with over a fifth living in Auckland (Dunstall, 1981 as cited in Shirley *et al,* 1990c: 26; Spoonley, 1982). In addition, to the Maori 'pull' to the urban areas, was the Pacific Islands immigration transition from their homelands to the New Zealand urban environment. Pacific peoples increased the growth of the labour force, drawn by the demand for workers due to a rapidly productive export sector and a shortage in manual labour (O'Brien and Wilkes,1993). The relationship between Pacific peoples immigration and the labour market impacts on these minority groups is to be explored fully in Chapter's Six and Seven. The next section focuses on Keynesian macro-economic policy.

4.2.2 Narrow Keynesianism

The broad political agenda of Keynesianism had its roots in the technical revolution Keynes believed he had achieved in economic theory. The key ideas of this economic theory were contained in his *Treatise on Money* published in 1930. In fact the easiest way to look at Keynesian theory is to view the main arguments he gave for classical economic theory as being wrong. In essence Keynes argued that markets would not automatically lead to full employment, but instead the economy could settle in equilibrium at any level of unemployment. This meant that classical

policies of non-intervention would not work. The economy would need prodding if it was to head in the right direction, and this meant active intervention by the government to manage the level of demand (these policies became known as 'demand-management' and 'circular flow income' policies[10]).

The key to this theoretical revolution was a relationship between unemployment and inflation[11] discovered by Professor A.W. Phillips. The relationship was based on observations he made of unemployment and changes in wage levels in Britain from 1861 to 1957. He found that there was a 'trade-off' between unemployment and inflation. Any attempt by governments to reduce unemployment was likely to lead to increased inflation and vice versa (http://147.134.144.30/knudsen). This relationship forms the foundation of the Keynesian theorem. The Phillips Curve indicates that if unemployment is very small wages increase rapidly, while if unemployment is large, wages gradually descend (refer to Figure 4.2).

> *At the point U0 unemployment is such that wages will be stable ... when unemployment is low employers have an incentive to bid up the wage rate because of the scarcity of labour, while unions use their economic power to reinforce this process. However, when unemployment is high, employers are wanting to cut wages while workers are not strong enough to have effective unions to prevent the wage cutting (Easton and Thomson, 1982: 306).*

It maybe argued that unemployment should not be higher then U0 to stop inflation. For example, Easton and Thomson (1982: 306) have stated that 'what often happens is that wages increase at a steady rate with labour productivity increases. There would be no inflation if wages increased no faster than labour productivity is increasing'. This may explain why New Zealand in the first post-war period had literally 'zero unemployment' and 'zero inflation' (Hazledine, 1995). Easton and Thomson, (1982: 306-307) have stated that '... the change in average labour productivity for the

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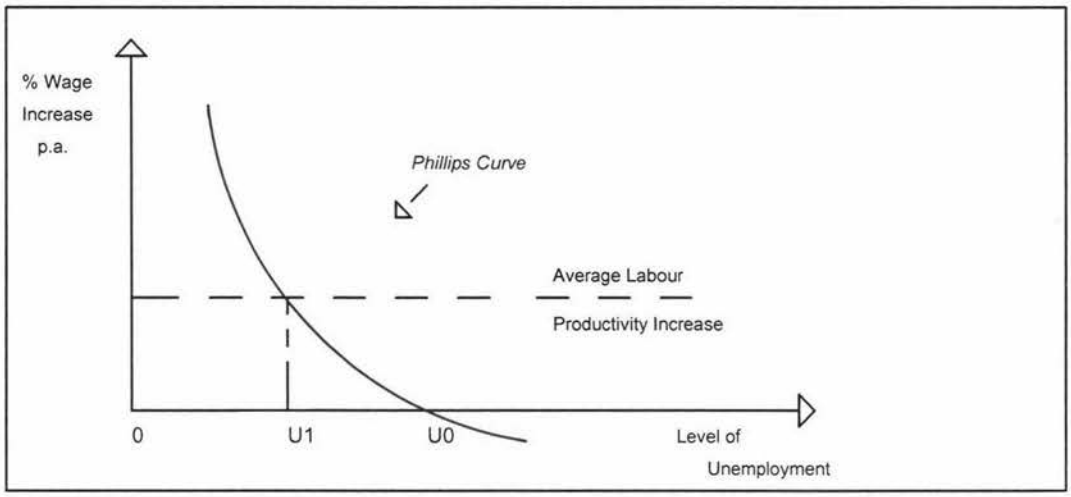
[10] Demand management and circular flow income policies are based on adjusting the level of demand to try to ensure that the economy arrives at a full employment equilibrium (http://www.bizednet.bris.ac.uk).

[11] 'Inflation' describes a general 'increase in prices and a fall in the value of money' (Collins Gem English Dictionary, 1982: 277). Inflation can cause a variety of problems for the economy. When prices climb more quickly than those of our competitors abroad, then we will rapidly become uncompetitive and as a result exports will fall. Inflation can also cause problems domestically as wages try to keep up and as a result those on fixed incomes suffer the most. People's savings will also fall in value (http://www.scottishlife.co.uk).

economy is shown as a horizontal line (that is, independent of the level of unemployment and unaffected by inflation), and that suggests that unemployment need only be as high as U1 (that is less than U0) for there to be no inflation. Moreover, the higher the productivity increase the lower can unemployment be without inflation' (refer to Figure 4.2).

Figure 4.2: Phillips Curve



Source: Adapted from Easton and Thomson, 1982; http://www.bizednet.bris.ac.uk

To lessen the impacts of this trade-off Keynesians incorporated the circular flow of income into demand management policies. If there was disequilibrium between 'leakages' (savings, tax and imports), and 'injections' (government expenditure), then classical economists believed that prices would adjust to restore equilibrium. Keynes, however, believed that the level of 'output' (National Income), would adjust (Keynes, 1936). For example, if a government were to increase injections for some reason. This would mean an imbalance between leakages and injections. As a result of the extra aggregate demand[12] firms would employ more people. This would in turn mean more income in the economy some of which will

[12] Aggregate demand is the total level of demand in the economy. It is the total of all desired expenditure at any time by all groups in the economy (http://econ161.berkeley.edu). The main groups are consumers (consumption), firms (who spend on investment), government (government expenditure) and overseas (exports). Total aggregate demand is therefore: C + I + G + (X-M) = AD
Where:
C = consumption expenditure
I = investment expenditure
G = government expenditure
(X-M) = net exports (exports - imports)
AD = aggregate demand (Bautista, 2000).

be spent and some saved (or paid in tax). The extra spending would prompt the firms in the economy to produce even more, which leads to even more employment and therefore more income (Easton, 1997: 110-112). This process would go on until it stopped. It would eventually stop because each time income increased, the level of leakages also increased. Once leakages and injections were equal again, equilibrium would be restored. This process is called the 'multiplier effect' (Argyrous, 1996: 128-129; Snower, 1997: 21).

The broad and narrow Keynisan policies initiated by the government after the Depression and at the end of the Second World war period established a model of development which endured for over 30 years. In all these developments the government played an important role providing the infrastructure (in the form of public works) and ensuring insulation and protection for industry by means of a highly regulated and protected economy. The cradle-to-the-grave socio-economic policies focused on full employment, as being the main road to be travelled, in order to increase the well-being of its citizens. At the same time, the road to prosperity was provisioned with free state services, such as education, health, and social welfare, which accounted for a sizeable investment in human capital.

Underlying the broad Keynesian policies is the narrow economy theory which justified that government spending, augmented by the multiplier effect, could be used to shift demand curves, to bring it into balance with supply without recourse to wage cuts. By the 1970s Keynesian socio-economics had lost many of its loyal supporters and the belief that the manipulation of government policy can lift economic growth and result in full employment has largely disappeared across the political spectrum. However, these policies were responsible for setting-up New Zealand's reputation as one of the leading welfare states within the industrialised world in the immediate post-war period (Shirley *et al,* 1990c).

4.3 New Zealand in the Period 1967-1984

As can be seen, the early post-war period produced the main goal of full employment. In contrast the period of 1967 to 1984 was marked by a retrogression in performance and adherence to this goal. In part this was due to a combination of external and internal trends and forces (refer to Table 4.1).

Table 4.1: External and Internal Trends and Forces that have Impacted on New Zealand in the Period, 1967-1984

The United Kingdom: Joining the European Economic Community (EEC):	**-The UK initiated negotiations in 1957 with the EEC.** **-Britain's formally joined the EEC in 1972.** **-Greater agricultural protectionism from EEC affiliated countries towards non-affiliated nations, such as New Zealand.** **-Traditional trading relationship between New Zealand and Britain changed dramatically. (e.g. huge cuts to primary export commodities from New Zealand, such as wool, meat and dairy products).**
The Wool Price Collapse, 1966-1971:	**-December 1966 world prices for wool fell by over 20 percent and further 20 percent the following year.** **-The exceptional years of 1972 and 1973 provided a short-term boom for wool prices, but then went bust in the following years.** **-New Zealand wool prices were never to recover to pre-1950s and early 1960s prices.**
Adding to the Commodity Collapse:	**-Global recession.** **-Northern Hemisphere protectionism and agricultural dumping of surplus products in New Zealand export markets.** **-Declining world prices for meat and other dairy products.** **-Substitutes found for wool, meat and butter.**
Terms of Trade, 1966-1980:	**-From 1966 the terms of trade begin to decline.** **-Imports become increasingly expensive in terms of the quantity New Zealand had to export.** **-Since 1966 export prices have fallen 2.5 percent each year relative to import prices, and by 1977 they were 27 percent below the boom average.**
Adding to the Terms of Trade Decline:	**-A strong dependence on imported fuels.** **-Global recession.**

	-The First Oil Shock, 1973-1974: Organisation of Petroleum Exporting Countries (OPEC) engineered a major rise in the price of oil and at the same time cutback supply.
Diversification of New Zealand Industry:	**-Capital intensive 'Think Big' projects.** **-The dismantling of some import controls.** **-Developed programmes designed to strengthen the agricultural and manufacturing sectors, such as tourism, forestry, horticulture etc.** **-Closer Economic Relations (CER) with Australia.** **-The opening up of new markets: resulting in increased exports to the Australian, Asian and US markets.** **-Opened up internal financial market to overseas investment and competition.**
Entry into the Workforce by Woman:	**-Increasing numbers of woman entered paid work.**
Rising Unemployment, 1966-1984:	**-Registered unemployed rose from a comparatively low number of 3,858 in 1967, to 66,534 in 1984.** **-Unemployment or redundancies was no longer just a temporary phenomenon.** **-Rising unemployment for Maori and Pacific peoples.**
Adding to the Rise in Unemployment:	**-Global recession.** **-The Second Oil Shock (1979-1980).** **-Stagflation in the New Zealand economy.**

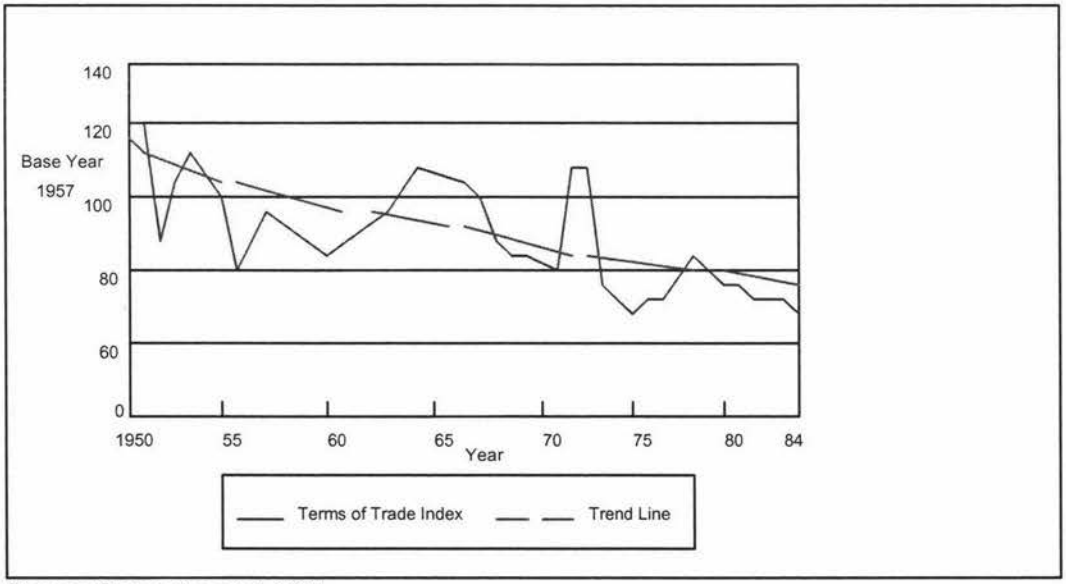
Source: Adapted from Bollard, 1987; Dalziel and Lattimore, 1991; Easton, 1981; Easton and Thomson, 1982; Easton, 1997; Lane and Hamer, 1973

New Zealand's traditional exports were no longer a reliable source for primary exports, due to the establishment of international trading blocks. The UK initiated talks with the EEC in 1957, but did not join until 1972 (Wooding, 1987). However, it was blatantly clear even in 1957 that New Zealand's main market would reduce the level of trading because of the Common Market's agricultural protection policy (Lane, 1973). Compounding this issue would be a 'crash' in wool, meat and dairy commodity prices. For example, as stated by Easton (1997: 48):

> *The great earthquake hit New Zealand in December 1966, in the Wool Exchange in Auckland. Bidding for wool was weak, prices collapsed, and the Wool Commission found itself buying in much of the clip ... Except for the brief period of the international price boom in 1972 and 1973, relative wool prices have never returned to their level of the 1960s ... The story for meat and dairy products is less spectacular, but their relative prices declined too.*

The external shocks of a global recession would severely impact on the New Zealand economy. The declining prices in export commodities reflected the international recession happening in this period. The international demand for commodities was not rising as quickly as supply. This was due to 'stagflation' (a stagnant economy coupled with high inflation) in external markets and in New Zealand internal markets (O'Brien and Wilkes, 1993). Adding more fire to this decline in prices was the 'dumping' of surplus agricultural products (by Northern Hemisphere farmers) into New Zealand export markets, thus maintaining the cycle of decreasing prices. The development of synthetic materials for wool, red meats by white meats and butter by margarine, added again to a decline in overall prices (Easton, 1997; Ward, 1973). Experiencing slowly expanding markets and subsidised protection, the terms of trade[13] for New Zealand were in decline in the second post-war period (refer to Figure 4.3).

Figure 4.3: The New Zealand Terms of Trade, 1950-1984



Source: Crocombe *et al,* 1991

[13] As stated by Easton and Thomson (1982: 137) 'the measure of the quantity of imports that can be purchased with a given quantity of exports is called the terms of trade'.

The most prominent feature of Figure 4.3 illustrates that New Zealand's terms of trade index[14] is variable to extreme shifts in external markets. As a consequence the terms of trade tend to vary sharply from year to year. For instance, between 1971 and 1973 the terms of trade 'boomed' to nearly 50 percent in just three years, but one year later had fallen back to their 1971 world commodity 'bust' prices (Easton, 1981). The causes of the major movements in the 1960s and 1970s were 'New Zealand's export concentration in a relatively small range of agricultural products and markets, and a strong dependence on imported fuels' (Dalziel and Lattimore, 1991: 31). The main result of New Zealand's 'dependence' on agricultural products, would increase its vulnerability to international commodity price fluctuations. For example, as stated by Dalziel and Lattimore, (1991: 31) '... when the world price of wool rose or fell, our terms of trade rose or fell with them'. New Zealand was also exposed to large increases in the price of oil in 1973-1974 (the First Oil Shock[15]) and to a lesser extent from 1979-1980 (the Second Oil Shock).

In order to lessen this impact, the government established the 'Think Big' energy projects of the late 1970s, to reduce New Zealand's dependence on imported fuels. These Think Big projects were based on developing New Zealand's energy and export industries, such as petrochemicals (the Maui Gas Field, which was discovered in 1968), electricity generation (coal and water), aluminium smelting, steel production and the processing of forestry products (Shirley *et al,* 1990c; Culy and Gale, 1987). The Think Big strategy proved to be unsuccessful, since the projects required the price of oil to rise a lot more than it did before they became economically viable (Dalziel and Lattimore, 1991). Another failure associated with this strategy was the way private companies, which were not immune to international forces, risked bankruptcy in building and

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[14] Terms of trade statistics are given a quantitative dimension by being expressed as an index. For example, 'export prices (Px) are divided by import prices (Pm) and related to some base period (such as the December quarter 1977). The value of Px/Pm in the base period is given a value of 100 (or sometimes 1000). Thus, a 10 percent rise in the ratio indicates we can purchase 10 percent more imports for the same quantity of exports. Conversely a 5 percent fall means that 5 percent less imports can be purchased for the same exports' (Easton and Thomson, 1982: 137). Note: That the 'base period' as indicated in Figure 4.3 is stated as the December quarter 1957.

[15] Dalziel and Lattimore (1991: 45) state that 'the outbreak of the Arab-Israeli war in October 1973 cemented an accord amongst OPEC oil producers for the first time, allowing the cartel to engineer a major rise in the price of oil through agreed cutbacks in its supply. The impact in New Zealand was muted at first, but in June quarter of 1974 our Fuel Import Price Index doubled. At the same time, the world economy moved into prolonged recession as a result of the oil shock'.

managing these big projects. These financial risks were at the end of the day carried by the New Zealand taxpayer. However, on a more positive note they did provide employment in the construction of the projects, even if it was only in the short term (Shirley *et al*, 1990c).

Confronted with a worsening terms of trade and oil price rises, the New Zealand economy was forced to diversify. The economy was gradually opened up to overseas competition by removing some of the import controls and by establishing incentives which were designed to reinforce the export capacity of both the agricultural and manufacturing sectors. Brian Easton (1997: 48) compares this period with the 1990s in order to highlight the process of market diversification:

> *Once there was wool, supported by meat and dairy products. Today meat and dairy products remain second and third, but they hold a much smaller share of exports. The chief foreign exchange earner is tourism, while horticulture, fish, wood products, and general manufactures all earn more than the wool clip.*

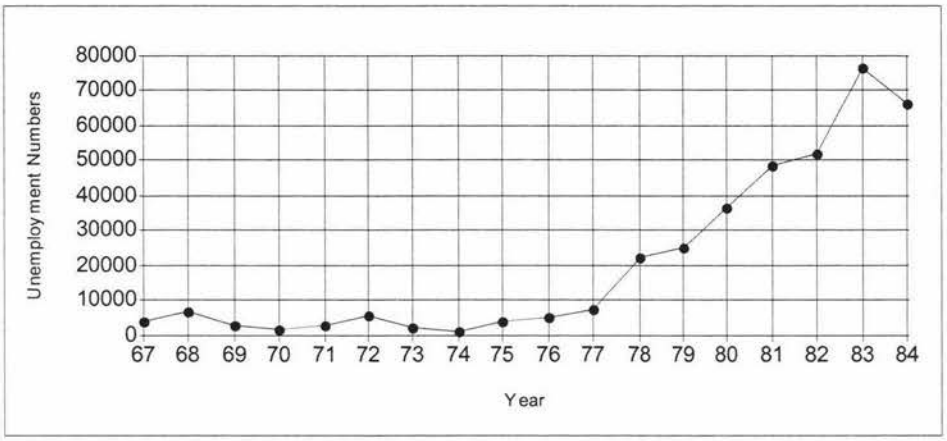
The diversification and restructuring effort proved to be successful and can clearly be seen in international statistics. For example, Could (1985 as cited in Shirley *et al,* 1990c: 28) provided statistics for 20 Organisation for Economic Co-operation and Development (OECD) countries showing New Zealand 'with the third highest concentration in export markets in 1965, however, in 1981 the country was ranked in the centre of the index'. In addition, Closer Economic Relations with Australia (CER), since 1981, illustrate the dramatic change in the manufacturing sector. The external diversification push meant that many manufacturers became exporters. The manufacturing sector which was covered by the comprehensive barrier of protection, became divided as export manufacturing rose while the domestic oriented sector stagnated. Basically, CER is a trading system formed to lessen the bastion of protectionism by extending the trading relationship with Australia into a co-operative confederated market. As a result 'New Zealand intra-industry trade is stronger with Australia then any other country' (Easton, 1997: 146). The next notable trader with New Zealand is the US, followed by several Asian countries (Crocombe *et al,* 1991).

The next diversification push centred around the opening up of the financial system to foreign investment, amalgamations, take-overs and competition. This diversification reflected the new methods used in overseas financial systems which have been suited to the New Zealand context. For example, Bayliss (1973: 79) makes note that 'Australian developments in particular have exercised a considerable impact since a substantial number of New Zealand's major financial institutions are Australian owned'. As a direct consequence there was a fourfold rise in the level of foreign ownership in New Zealand during the late 1960s. This changing figure of ownership was mirrored in the control of small business confirming their lack of power to influence major international financial trends. Gould, (1985 as cited in Easton, 1997: 48) encapsulates this air of change by saying that 'no other OECD country has diversified as greatly'.

The growth in the numbers of woman entering paid work increased in this period. For instance, in '1966 woman comprised 27 percent of the labour force, rising to 35 percent by 1984' (Shirley *et al,* 1990c: 29). Paid employment extended the control women had on their financial security and independence. It also provided an avenue for fellowship outside of the home and an alternative to repetitive household work (Shirley *et al,* 1990c). However, increasing participation rates did not lead to full social and economic equality. Celia Briar (1995: 144) states that 'whilst woman's labour force participation rates are still appreciably higher than before World War II, woman still do not participate on the same terms as men'. Even the arrival of comparative pay rates with men did not bring equal opportunity (Briar, 1995).

The changing nature of the New Zealand economy would intensify the problems of the labour market. During the recession period of 1967-8, for the first time since the depression unemployment became a significant issue, reaching a peak level of more than 8,000 registered unemployed in 1968 (Martin, 1996). This was tiny by the standards of today, but politically disturbing after more than two decades of full employment. The unemployment tend of 1967-68 indicated what was to follow as the numbers of registered unemployed would rise to unprecedented levels (refer to Figure 4.4).

Figure 4.4: Numbers of Registered Unemployed, 1967-1984



Source: Adapted from Braae and Gallacher, 1983; Martin, 1996

New Zealand society's perception of unemployment has changed over time. Figure 4.4 illustrates the drastic increase in the numbers of registered unemployed. The surplus labour market demand of the 1950s and 1960s was primarily based on the notions and expectations of a worker getting a job in the immediate future if he or she was unemployed. By 1977 the registered unemployment numbers began to rise sharply. This signified an end of an era, that being, unemployment or redundancies were no longer seen as just a temporary phenomenon. Long term unemployment became a problem of increasing severity.

The elected Muldoon government sought to deal with the problem by government intervention. This was implemented by establishing Think Big projects, a wage and price freeze[16] and job creation schemes administered by the Labour Department (O'Brien and Wilkes, 1993; Kelsey, 1995). In 1975 the public sector special work schemes began primarily aimed at the general population, but did not focus along ethnic lines. By 1980 registered unemployment rose to around 50,000, largely affecting the

[16] In June 1982 the government introduced a wage and price freeze which lasted till November of 1984. Dalziel and Lattimore (1991: 47) state that 'the freeze was effective in reducing inflation to single figures ... and also produced a marked increase in the income share of profits in those two years as real wages fell. However, the nominal money supply continued to grow throughout the freeze, and government expenditure did not fall in line with tax cuts made at its introduction, so that the Budget deficit in 1984 was back to its 1972 level (9 percent of GDP). There was a major run on the New Zealand dollar leading up to the 1984 election, making a major devaluation of the currency necessary. Thus, because the freeze was not supported by appropriate monetary, fiscal and exchange rate policies, there were enormous pent-up inflationary pressures as the freeze came to an end towards the end of the 1984 calendar year'.

unskilled and semi-skilled workers. For example, 'unemployment generally affects the weakest part of the community and reduces their ability to help themselves ... among the groups most likely to make demands on the welfare system in New Zealand are the unskilled, the Maoris and the Pacific Islander's, the young children, the old and the disabled' (Rosenberg, 1977 as cited in Dwyer, 1984: 138). This meant embracing a flexible labour market policy which shifted the focus towards improving the skills of ethnic minorities and the more disadvantaged in society by providing training that would hopefully improve opportunities for employment.

The uncertain directions of the period 1967-84, was a crucial catalyst for change since it upset the country's post-war equilibrium in a way that meant that things would never be the same again (Martin, 1996). To the emerging New Right acolytes, the declining terms of trade and a stagflated economy (high unemployment and inflation) provided evidence that the founding fathers of the Right were indeed 'right' and that the interventionist policies of the government were 'wrong'. Rather than advocating a change in economic management while maintaining full employment, they sought to change the economic strategy which had been pursued for over 40 years. Thus, an increasingly indebted National government found itself unable to cope and subsequently lost the 1984 'snap election' and was thus relieved of office.

4.4 The Period 1985-1990

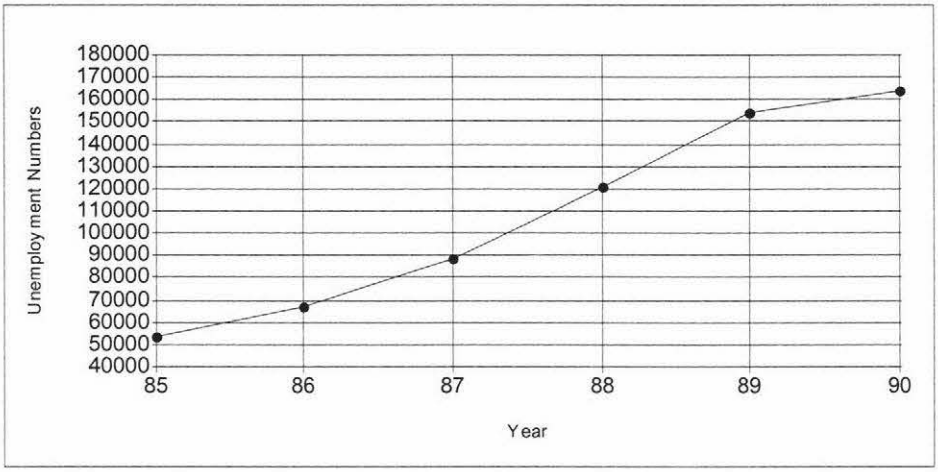
The incumbent Labour government signalled a complete transformation in social and economic policy. The philosophy of the fourth Labour government was not underpinned by the 'Keynisan' or 'corporatist' compromises of the past. Pervious post-war changes were to pale into insignificance. Post-war prosperity and stability, based on the corporatist relationship of policy-making that served well the interests of a range of groups, from farmers to manufacturers to trade unions was to change. Both National and Labour, in spite of their political differences, were able to agree on the central goals of state-directed economic growth supported by a moderate level of protection and backed by full employment. The government had greatly strengthened its intervention in wage-fixing and

industrial relations by means of income policies in the 1970s. Indeed, Muldoon's increasingly heavy-handed interventions late in the decade, which culminated in the wage freeze of the early 1980s, were probably the most important immediate factors impelling a shift towards 'rolling back the state'.

The new Labour government soon advocated an open 'market-led' economy, in the belief that the market was generally a more efficient mechanism for identifying needs and allocating resources than the government. The main goal was not full employment, but instead focused on easing subsidies for industry and producers while trying to free up controls on the labour market. Treasury's briefing papers[17] to the new government (Economic Management, 1984), made it clear that orthodox wages and employment policy would be changed. For instance, (Bollard, 1989; Easton 1989a; Endres, 1989; Jesson, 1989; Shirley, 1988b as cited in Shirley et al, 1990c: 35) indicated that what was important about Treasury thinking 'was the initially covert later overt, assumption that economic policy should no longer adopt employment as its highest priority'. In fact they were more successful in reducing their interventionist role regarding subsidies to producers, but were far less successful in freeing up the labour market (a matter which continued for the subsequent National government to complete). Moreover, the adopted shifts in government policy was linked to a massive rise in the level of unemployment (as shown in Figure 4.5).

[17] This Treasury briefing paper argued that centralised wage-fixing through general wage orders or income policies helped maintain a rigid labour market, and that mechanisms at the industry or enterprise level needed to be introduced. For example, real wage levels relative to labour productivity needed to fall to reduce unemployment, which reflected a lack of labour market flexibility. Furthermore, job subsidies diverted resources from productive areas and displaced employment from other activities, hence slowing employment growth. Finally, job creation assistance should only be given to those in serious long-term difficulty (Treasury, Economic Management, 1984: Summary of Chapter Eleven).

Figure 4.5: Numbers of Registered Unemployed, 1985-1990



Source: Adapted from McGurck, 1989; Shirley *et al*, 1990c

Figure 4.5 shows the total number of registered employed, from the year starting 1985 to the end of 1990. The number of unemployed between 1984 to 1986, there has been a steady and accelerating increase in the total level of unemployment (an increase of about 20,000). What is startling is not so much the direction of these shifts, which were consistent with thinking in much of the world, as their speed. The 1984 Labour government changed more of the socio-economic fabric of New Zealand society in a shorter period than had any other government.

4.5 Summary

In conclusion, the main purpose of this chapter has established a historical over-view of the broader patterns of development which have shaped the labour market in the post-war period. From 1946 until 1966, New Zealand had a long period of full employment (as can be seen in Figures 4.1 and 4.4), was founded on a productive export sector, high overseas prices and a shortage of labour. Despite the drift toward high and persistent unemployment which began in the second post-war period (from the early 1970s to 1984), it was the key shift in economic and social relations after 1985 which produced a dramatic raise in the unemployment rate. This change was related to the globalisation of production, combined with domestic factors which were also important.

Further, this chapter compared the main differences inherit in the two main ideological paradigms associated with the four post-war periods. The Keynesian paradigm which was built on corporatist compromises, full employment, an economic policy focusing on demand side economics and a universal welfare system. While the last two post-war periods (the period 1990-1999 will be discussed in the next chapter), have been based on the New Right policies of restructuring, diversification, increased international investment and competition, an economic policy focused on reducing inflation and changing the corporatist compromise (which was seen to maintain a rigid labour market) with a more individualised, rational and flexible labour market. The following chapter will present the specific New Right threads which have influenced and shaped the contract of employment and labour market participation in the 1990s.

Chapter Five

The Contemporary Labour Market Reforms and the Current New Zealand Unemployment Situation

5.1 Introduction

This chapter will develop a detailed understanding of the labour law principles and the labour market reforms which have proceeded them. This will be developed in terms of key government legislation that has influenced and shaped the new labour market orthodoxy. For this purpose, the historical underpinnings of the labour law context will be discussed in section 5.2. Section 5.3 continues by focusing on the evolution of the contract of employment. In addition, the New Right's influence on the 'individual' employment contract will also be examined in section 5.4. Section 5.5 progresses into the legislative changes to the cardinal Acts which will develop an overall picture of what has happened to labour market reform. For instance, this part of the chapter examines the 1984 Labour government's subtle changes to the labour market. From these changes the study will proceed to discuss the National government's 1991 Employment Contacts Act in section 5.6. Section 5.7 is a combination of the two threads which have been woven throughout this chapter. The first being a review of the years 1990 to 1999, based on the current status and changes related to employment which will secondly incorporate the legislative changes discussed before hand. Section 5.8 will give a summation of what has been discussed in this chapter.

5.2 Setting the Historical Parameters of Labour Law

The main propose of this section will be an historical profile of the important aspects of labour law. Four guidelines will shape the direction of this analysis. The first being based on what has come to be called Roman law, which according to Bray (as cited in Williams, 1984b: 15), 'has shaped the concept of jurisprudence in those countries geographically located 'west of Visitula'.

The second and third guidelines are to be found in the British judicial beliefs of common law and statute law which suggest a different model to Roman law. British law is the main foundation the New Zealand legal system is established on, mindful of the relationship between Britain and the indigenous peoples of Aotatora founded on Te Tiriti O Waitangi. The colonisation of New Zealand in the eighteenth century not only transplanted the customs and value systems of these settlers, but also their judicial tradition onto Tangata Whenua and their lands. This British colonial system has also shaped the legal procedure of both the US and the nations that constitute the Commonwealth.

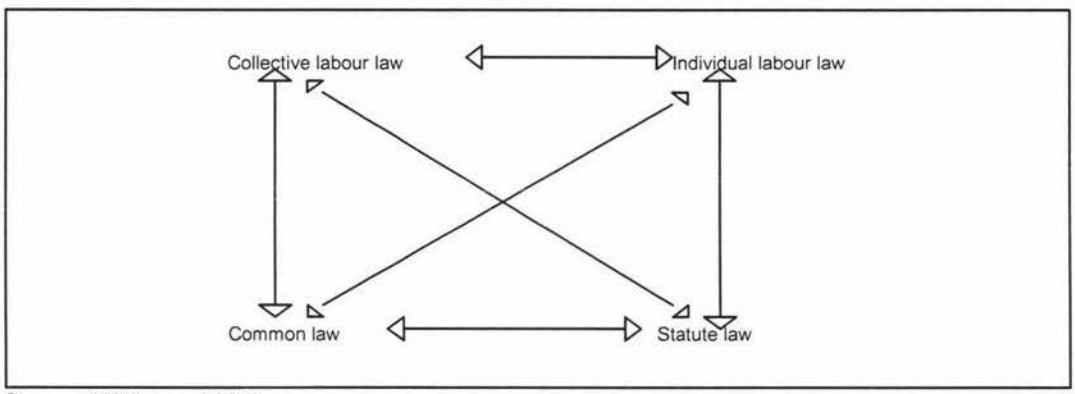
A fourth guideline is prescribed by the important differentiation that exists between individual and collective labour law. Individual labour law is entrenched in the free association of an employment contract covering only one employer and employee. John Deeks *et al,* (1994: 102) has stated that 'when any one person is hired for a job, a contract is formed between that individual worker on the one hand and their employer on the other'. Alternatively, collective labour law is a legal framework induced with such proceedings as collective bargaining and agreements, which cover more than one employer or more than one employee (Ryan and Oldfield, 1991: 97). It is also concerned with the inter-relationships formed through different trade union organisations, on industrial conflicts and resolution.

The idea that reciprocal mandated duties flow from what amounts to a free exchange of guarantees was a late arrival in the long history of British legal practice. One such possible reason for this lies in the fact that the tradition of the master to commend and the servant to obey which

began with the Statute of Labourers (1351) and was later bolstered by the Statute of Artificers (1563) and the Poor Law of (1601), had over several centuries built on what in effect was a employment relationship based upon what can only be described as a superior-inferior status (Williams, 1984b: 18).

While the essence of section 5.2 is the establishment of labour law perimeters for the intention of giving cohesion to the analysis, a cautionary note must be entered here. Labour relations law is a 'part and parcel' of history and is therefore an ever changing process. This is particularly evident in Figure 5.1 where points of discussion relating to this topic interact and protrude into other labour law boundaries.

Figure 5.1: Labour Relations Law: Subject Matter Parameters



Source: Williams, 1984b

Figure 5.1 encapsulates the changeable nature of the four forms of labour law. The importance of their inter-related historical developments should not be over looked, specially when the following discussion centres on the evolution of the contract of employment.

5.3 The Evolution of the Contract of Employment

The employment contract is a legally binding agreement that gives each party permitted 'equitable rights' and requires them to execute certain duties. These employment rights and duties can be located within a combination of four key forces, the first being 'common law'. A definition of common law is described as 'that body of past practice and custom which upon the test of judicial examination has passed into common acceptance

as the result of a series of test cases which have incrementally defined its meaning' (Williams, 1984b: 17-18). In other words it can also be described as 'judge made' law which has been transplanted from its British roots into a New Zealand context. The English common law tradition is linked to three main concepts:

- *'master'*
- *'servant'*
- *'contract of service'*

(Deeks and Boxall, 1991: 69).

The very essence of the common law contract lies in the belief that the process of reciprocal obligation between employer and employee is done by independent agents who stand before the law in a relationship of complete equality (Williams, 1992: 3). Certainly this notion of equality fails the empirical test of the labour market reality, but continues to deeply influence the relationship between master and servant. This concept was carried over into British common law during the nineteenth century and exists in the New Zealand labour law environment to this very day.

In New Zealand, the Industrial Conciliation and Arbitration Act 1894[1] replaced the word 'master and servant' in preference of 'employer' and 'employee'. The term 'contract of service'[2] means the same thing as the more contemporary term 'contract of employment' (Deeks and Boxall, 1991). Thus, the common law principles are not a new phenomenon, this is reflected in a return to a much older tradition of master and servant. This short discussion on common law makes it obvious that it has had a profound influence on the employment relationship within New Zealand. Especially on the role of master and servant to command and obey (the power to command and obey will be discussed fully in section 5.4), which directly influences how a contract of employment is formed and terminated. However, there have been other significant influences which will be examined next.

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[1] Martin (1996: 55-56) states it was '... an Act to encourage the Formation of Industrial Unions and Associations, and to facilitate the Settlement of Industrial Disputes'.

[2] This older term is still used, together with the more contemporary term in order to distinguish it from contracts for services. For example, employees work under contracts of service while independent contractors (such as electricians, plumbers etc.) work under contracts for services (Industrial Relations Service, March: 1999).

The New Zealand Parliament, since 1894, has had much to say about the workplace and therefore the contract of employment. Statute law has been the main forum in which the government has flexed its powers to change the rules affecting the employment relationship. These rules are significant because they affect the quality and equality of work life. For instance, 'employers must maintain certain minimum conditions in factories and offices. And legally, they are not free to discriminate on the basis of sex, religious belief or race in employment decisions' (Deeks and Boxall, 1991: 71).

The role utilised by statute law regarding the labour relationship is very complex, as it is changeable. Historically, the main power of statute law is that it protects collective organisations such as trade union legal rights. However, since 1991 the weight of statute law has reinforced the 'operational core' of the common law principles. Basically, the common law operational core is founded in a voluntary employment relationship, enacted by free agents who are equal in all respects. In summary, statute law has continually created a inter-related and changeable foundation of legal rights on to the employment parameters of each worker regardless of whether he/ she is a union member or not.

The third primarily factor in the evolution of the employment contract has been influenced by the awards system. This is a important document produced from successful collective negotiations (usually annual) between the employer and a union (Thomas, 1986: 15). Both sides are legally bound to follow these agreements and to identify the conflicting terms between 'contracts of service' and 'contracts for services'. There are several reasons why the employer and unions must identify this distinction before the award is ratified with the Arbitration Commission:

(1) Employees receive the protection of industrial legislation while independent contractors are largely outside of it.
(2) Employees receive the benefit of award/agreement rates and conditions (for example, access for union members to the valuable personal grievance procedure), while independent contractors are not.
(3) Employers are generally liable for the acts of their employees but not for those of their independent contractors.
(4) Independent contractors can claim a much larger range of tax deductions than employees. (And employers must deduct PAYE for employees but not from fees

charged by independent contractors)
(Deeks and Boxall, 1991: 73).

In effect, awards provide a legal structure which eliminates the need for individuals employees shielded by them to negotiate with their employer on the conflicting points mentioned above. While, on the other hand, individuals (such as independent contractors and executives), not covered by collective agreements and awards must still resort to individual bargaining in order to fulfil their personal objectives.

The last influence which has shaped the employment contract is workplace customs. These are based on unwritten agreements established between the employee and employer. For instance, there may be an unofficial verbal law utilised in certain workplace contexts in which only employees with a particular qualification can get promoted to a higher supervisor or management level.

The contemporary contract of employment has been shaped by the four traditional influences discussed above. The historical development of the employment contract has created the very nature in which a individual job is formed and how it is terminated. However, is has also been influenced greatly by legislative acts of government, by workplace customs and by the provisions of the award or collective agreement they work under. Certainly the contract of employment is a special form of contract. It is very different from a contract which involves the sale and purchase of a commercial product. The difference lies in the social relationship of leasing one's talents to another for money in the form of wages. This relationship and how it relates to the New Right's notions of the individual employment contract will be discussed in the next section.

5.4 The New Right and the Individual Contract of Employment

New Right theorists view labour market reform and the individual contract of employment as paramount in any economy. The withdrawal of the government from any interventionist role reinforces the freedom of the market to rule. The New Right's association with statue law and the individual contract of employment is firmly embedded in three key principles:

- *'freedom of association'*
- *'flexible labour market'*
- *'the power of the master to command and role of the servant to obey'*

(Adapted from Easton, 1987).

New Right theorists view individuals within the labour market as being rational and autonomous exercising their right to make their own choices in a freely operating market, in which his/ her freedoms are protected by the government. Under these conditions freedom of association is seen to be more efficient because employers and employees are negotiating with an individual or one union rather than with a number of unions or individuals (Thomas, 1986: 14). The freedom of association claims to protect the rights of individual workers and employers to be represented by the bargaining agent of their choice, to decide on the bargaining structure which best suits them, to determine the scope of their agreements themselves and whether or not they join a union (Geare, 1988: 106).

Through collective bargaining, unions pursue a minimum rate for the job and the standardisation of that relative pay rate, to parallel other employment organisations. In contrast advocates of the New Right view greater flexibility as the main cure for the structural rigidities of labour market. They wish to see pay more directly related to individual performance and to the profitability of the enterprise (Deek and Boxall, 1991: 125). They believe that the individual employment contract provides a pay structure which is relative to the employers ability to pay. For instance, when profitability declines there should be flexibility in reducing the pay level within the company.

Trade Unions and collective employment contracts are seen to place unnecessary restrictions on the way in which labour is utilised within companies. It is argued that job flexibility is required because the use of new technology has reinforced the need for upward occupational mobility. Increasing the freedom of moving employees from job to job within a company without restrictions such as pay relativities between occupations is a fundamental tenant of the New Right and the individual employment contract.

New Right advocates and employers seek to have greater flexibility in the numbers of people they employ without incurring major costs when demand for labour falls, for example, by avoiding redundancy and severance payments in times of economic down turn. The flexibility required to do this involves reducing the essential labour force by increasing the use of part-time employees, employees on short-term contracts and sub-contractors. The arguments for pay, job and contractual flexibility are clearly based on the New Right concept of rational self maximising.

The common law tradition of employer and employee is given additional weight by the New Right perspective of the employment contract being a morally neutral and voluntary relationship. The terms of which are defined by the individuals concerned and ratified by reciprocal agreement. Unfortunately, the power of the employer to command and role of the employee to obey is not morally neutral or equitable. Such labour market freedom is confined to the employees right to either accept or leave employment, since all other freedoms are vested in the employer's common law right to command.

The New Right perception of the employee as a economic agent active in a bi-lateral system of mutual relationships (it implies equal power between employer and employee) which do not then require collectivist intervention and regulative and prescriptive norms are entranced in the individual employment contract. The older tradition of master and servant is utilised to reinforce the freedom of association and a more flexible individual contract of employment. As a change in the direction of this discussion, the following section progresses to describe the legislative changes to the cardinal Acts which help to develop an overall picture of the nature of the labour market reforms.

5.5 Labour Relations Act 1987

The Labour Relations Act 1987 is undoubtedly the most important piece of industrial legislation in New Zealand. Its predecessor, the Industrial Relations Act 1983, was also a major price of industrial legislation, but applied only to the Private Sector. The SOEs Act 1986 and the SS Act which came into force on 1 April 1988, makes the Labour Relations Act even more significant, by essentially making its principles applicable to the Public Sector (Harbridge and Hince, 1993a: 227). Hence, public service organisations were deemed registered under the Labour Relations Act and the Registrar of Unions was given the additional responsibility of applying that policy to recognised service organisations negotiating on behalf of employees of government departments, SOEs and health and education services (Harbridge and Hince, 1994: 4). In its preamble, the Act states that its purpose is:

> *(a) To facilitate the formation of effective and accountable unions and effective and accountable employer organisations;*
> *(b) To provide procedures for the orderly conduct of relations between workers and employers;*
> *(c) To provide a framework to enable agreements to be reached between workers and employers (Labour Relations Act, 1987: Preamble).*

Certainly, this Act does find the middle ground of industrial legislation by retaining some key features of existing law. Firstly, registered trade unions still had the right to access conciliation and dispute procedures which basically remained the same. In addition, registered trade unions kept their monopoly over categories of workers covered by their membership rules (Kelsey, 1995). Registration supported by the Act is voluntary, but a composite of legislative provisions makes the pressure to register more persuasive. The advantages of registration are:

(a) Exclusive coverage of the workers covered by the unions membership rule;
(b) Exclusive rights to negotiate on behalf of those workers;
(c) Access to compulsory conciliation procedures for the negotiate of awards;
(d) Ability to negotiate that have effect beyond the original parties to them;
(f) Access to procedures for resolving disputes of interest and disputes of rights and personal grievances; and
(g) Access to the Labour Court and the Arbitration Commission in accordance with the procedures provided under this Act (Registration of Unions (s 7(1)).

Secondly, the awards system still provided 'blanket coverage'[3], whether or not individual workers were represented by a union. Thirdly, the provision for mandatory unionism, which was restored by Labour in 1985, remained the same till the end of 1990. Finally, the Labour Relations Act also reforms and reinforces the law concerning direct action by making strikes and lockouts related to disputes of interest legal during the last sixty days of awards and agreements.

Industrial disputes are not just related to workers going on strike or employers locking out workers from their premises. In fact the term has a technical meaning. This is directly related to the way the law works. For instance, Williams (1984b: 19) has stated that 'if an employer wishes to have a change in his/ her collective employment agreement or award, then in order to have that change made, the employee or employer must create a dispute in order that the matter can be dealt with'.

However, the supporters of further regulation did not have it all there way, the adherents of 'Rogernomics'[4] had their own agendas for reforming the labour market and showed no such indecisiveness pertaining to this matter. The New Right camp had their say, by making sure that the Act made unions and government departments organisationally more streamlined, financially viable and independent of government guarantees of membership. With the help of government the New Right built in several objectives relating to union structure, operation awards and agreements. The '1,000 member' rule was (registered unions were now required to have a minimum of 1,000 members) a central deceive utilised in the facilitation of these objectives (Harbrige and Hince, 1994). Unions and employers were encouraged to make deals that were more appropriate to the economic conditions a industry or enterprise was currently in. For example, the Act stipulates that workers can be covered by an award or an agreement but not by both, thus effectively eliminating the practice of 'second tier

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[3] A blanket coverage or clause can be used in a collective agreement to extend the rights of the original party to cover firms and employers who are not named. Furthermore, the blanket coverage can also cover firms and employers who intend to enter the industry, as well as those who are already inside it (Williams, 1984a: 21-22).

[4] Rogernomics is a term utilised to describe the chief architect of the first wave of reforms within New Zealand between 1984-88, by the Minister of Finance Roger Douglas.

bargaining'[5], which was believed to be a source of wage inflation.

In effect these objectives had begun the process of settlements that relate more closely to the ability to pay in specific industries and enterprises. The labour market system would be essentially more decentralised, less besieged with occupational relativities and thus be more flexible. The New Right camp regarded this as an essential ingredient if New the Zealand economy was going to respond effectively to heightened international competition (Deeks and Boxall, 1991).

Thus, the Labour Relations Act 1987 largely kept intact the privileges of registered trade unions but the system has been changed to accommodate greater freedom of choice in the bargaining process and to encourage greater decentralisation of decision making. Certainly, the Act moved New Zealand from an arbitration system banning strikes to a system accommodating both voluntary and collective settlements tolerating the use of direct action as a bargaining ploy. The Labour party opened the door to labour market deregulation and through this door came the policy community that would drive the Employment Contact Act 1991.

5.5.1 Labour of Love

Getting the Labour Relations Act 1987 enacted under the Labour government was always going to be a difficult task (because the 1984 government shifted its policy focus from those Labour governments of the past by advocating for less government intervention in the labour market). Some significant changes where needed in order for the Act to proceed. Hence, the Labour government of 1984-90 upheld compulsory unionism[6] and lifted the wage and price freeze in October of the same year (Brash, 1996: 26).

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[5] This is a practice used to covered a worker by an award and then by a house agreement negotiated on top of it (Deeks and Boxall, 1991: 87).

[6] The fourth Labour government reinstated compulsory unionism because the unqualified preference provisions (a clause in an award or agreement requiring compulsory membership of a union for all eligible workers) had been repealed in 1983 when Jim Bolger was the Minister of Labour in the Muldoon government (Thomas, 1986: 39).

Illustrating the legislative changes begins with the process that made this Act. That process was directed and 'managed by a coalition of government (Labour and Prime Minister's Departments) and union officials, supported by a determined Minister of Labour' (Walsh and Ryan, 1993b: 14). This tight-nit group directed and controlled all aspects of the legislation internally and externally by strategically placing allies within the Labour party. These allies mustered all their resources to counter the demands to deregulate and to a large degree they succeeded. Labour analyst Pat Walsh (1989: 168) explains this process.

> *... an agenda for the radical labour market deregulate was turned back. The key factors in that outcome were the political opposition to deregulation from the Minister of Labour, whose views coincided with the with long-standing policy inclination of the officials with who he was able to form a common cause. That coalition prevailed over the supporters of deregulation. They made effective use of their links with the union officials and were backed by a majority in caucus, whose involvement was more significant than in other policy areas. They built upon the legacy of the past relations and consensus and consolidated earlier decisions which favoured their cause. They operated effectively in political and policy infighting and at all times maintained control over the policy and legislative process.*

Their success in controlling the supporters[7] of labour market deregulation in this environment of economic change meant that the policy community who had maintained control had a vested duty in protecting the principles of the Act. They justified its very existence because it was seen to tread the middle ground found between the two extremes of radical deregulation and further regulation. The final result was the Labour Relations Act 1987.

5.6 The Open Door Policy to Labour Market Deregulation

The door to labour market deregulation had been slightly opened with the enactment of the Labour Relations Act. The incumbent National government was now committed to completely opening the entrance to the deregulation of the labour market. The Trade Unions and the system of

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[7] The main New Right supporters of the radical labour market deregulation camp comprised of the adherents of Rogernomics within the Labour caucus, the Business Round Table, Employer's Federation (EF) and Treasury.

conciliation/ arbitration were natural enemies of the New Right disciples within the National party, who were committed to free enterprise. As far back as 1983, the National Party with the support of almost all its Members of Parliament, weakened the union base by abolishing the unqualified preference provisions (refer to footnote number 6). In the early 1990s National went a step further by openly committing itself to radical labour market reform.

With the backing of an alternative policy community made up of the interest groups who were dissatisfied with the lack of progress towards enterprise and industry bargaining flexibility. These groups drew on the New Right philosophy which argued for a more complete form of labour market deregulation based on a pure contractual model. Treasury (Briefing Papers, 1990) supported this philosophy by prudently demanding for a reorientation of policies which are currently inhibiting our economic performance and the removal of impediments to a more flexible market.

The National Party and policy supporters reinforced the commitment to labour deregulation in its 1990 election manifesto which symbolised the Labour Relations Act 'as constraining employers and employees from developing their own specific labour relations policies and consequently as restricting growth in productivity, income and employment' (Walsh and Ryan, 1993: 16). The National Party election manifesto had five key components in regards to labour market deregulation:

1.) Voluntary unionism: National proposed to reintroduce the voluntary unionism package it had implemented in its previous term in government, which Labour had repealed. It argued that this would make unions more responsive to the needs of their members.
2.) Bargaining structure: A variety of arrangements (individual contracts, workplace or enterprise agreements, or industry and national awards) were put forward as being potentially acceptable. Employers and employees would choose their own bargaining arrangements and bargaining agents.
3.) Binding contracts: Collective agreements should have the status of binding contracts, enforceable in a court of law.
4.) Dispute resolution: All individuals should have access to procedures for the resolution of disputes and personal grievances. The functions of the Labour Court and the Arbitration Commission were to be reviewed.
5.) Minimum code: In order to ensure a safety net for workers in the newly competitive environment, a new minimum code of employment was to be introduced (National Party, 1990: 26-27).

The notion of labour market flexibility was introduced as the means by which New Zealand would join the so-called 'developed' economies of the world. The ends would be based on the common law principles which claimed to offer employment contracts that reflected social and equity values. Thus, the National government moved quickly to introduce the Employment Contract Bill in December 1990 and came into effect (the transitional period) on the 15 May 1991.

5.6.1 The Employment Contracts Act 1991

The introduction of the Employment Contracts Act 1991 was characterised a fundamental change in New Zealand Industrial Legislation. This change is clearly reflected in the preamble to the Act when compared with its predecessor (the preamble to the Labour Relations Act 1987 is stated in section 5.5). By contrast, the purpose of the Employment Contracts Act is:

> *... to promote an efficient labour market and, in particular:*
> *(a) To provide for freedom of association.*
> *(b) To allow employees to determine who should represent their interests in relation to employment issues ... (EC Act, 1991: Preamble).*

Part One of the Act provides for freedom of association and gives employees the right to associate or not to associate with other employees for the purpose of advancing their collective employment interests. Collective employment contracts were allowed, but were not encouraged. Even where an individual worker had authorised such negotiation, employers could, by law, not be compelled to negotiate a collective contract (Kelsey, 1995: 181). Furthermore, membership to any employee organisation was entirely voluntary and discrimination in employment matters on the grounds of membership or non-membership of an employee organisation is prohibited.

Part Two of the Act deals with issues of representation and bargaining arrangements (s 9-25). The Employment Contracts Act is founded on 'contrasting and conflicting set of political, philosophical and economic assumptions, and the practical effects of this change are becoming apparent in the two areas mentioned above' (Kiely and Caisley,

1993: 53). For instance, the Employment Contracts Act abolished the very system which safeguarded representation and bargaining for employees, such as the conciliation council mechanism, the Arbitration Court and the concept of an award. Instead, representation was to be based on the freedom of the individual to chose the preferred person, group or organisation to represent him/ her in negotiating towards both types of employment contract, individual or collective. While bargaining was to be towards a employment contract, a term which covers not only collective documents (previously known as awards or agreements), but also individual agreements, commonly known as contracts of service (Ryan and Oldfield, 1991).

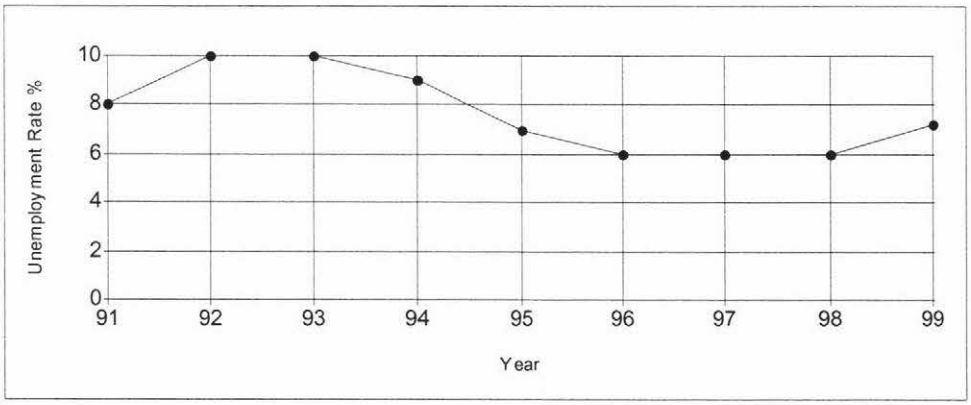
Under the Employment Contracts Act unions lost their special privileges which protected employees. The terms 'trade union' or 'unionism' were deleted from all sections of the Act, and replaced with the market jargon of 'employee organisation'. However, such organisations are accorded neither registered status nor any of the historical rights that specifically pertained to trade unions. All sections of the Labour Relations Act dealing with membership, ballots and elections within unions have been deleted, and all exclusive rights previously accorded to unions have been withdrawn (Douglas, 1993: 197-198).

Whilst unions can have their say in industrial relations under the Act, they no longer have automatic and exclusive rights in the workplace. Exclusive rights in order for unions to fully represent workers in collective negotiations and processing grievances are two of the key rights which have been abolished in this Act (Maloney, 1998). Registered Trade Unions, a key feature in the New Zealand workplace since 1894, had their union base weakened by the New Right. The pendulum of labour reform had swung in favour of the New Right which applied contractual common law remedies to enforce free enterprise in the labour market. The next section focuses on the two threads which have been woven throughout this chapter. The first being a review of the years 1991 to 1999, based on the current status and changes related to unemployment and secondly, how the Employment Contracts Act 1991 has impacted on the labour market.

5.7 Review of the Years 1991-1999

Whereas Chapter Four concentrated on those structural changes and policies which have formed the labour market and thus, effectual employment in first post-war period and ineffectual employment in the last two periods, section 5.7 focus is on the current situation. Figures 4.1, 4.4 and 4.5 have been based on the NZES Unemployment Register of the Labour Department. For example, the current unemployment figures have been taken form the Household Labour Force Survey (HLFS) which is grounded '... on a sample of approximately 12,000 private and non-private households. The respondents are selected on a statistically representative basis from rural and urban areas throughout New Zealand. One eighth of the sample is rotated out each quarter, so the typical households is in the survey for two years and there is substantial overlap from quarter to quarter' (Shirley *et al,* 1990c: 117). Figure 5.2 illustrates this steady rise in the registered unemployment numbers for the period 1991 to 1999.

Figure 5.2: Numbers of Registered Unemployed, 1991-1999



Note: The unemployment rate for the years 1991-99 has been the average quarterly statistics from the HLFS. For example, the HLFS monthly average for the months ended March 1992 and December 1997.
Source: Adapted from Key Census Statistics: Labour Market (HLFS Quarterly Series), 1998 and 1999 (March - December)

As Figure 5.2 shows, the HLFS official unemployment rate has fallen from a peak of 10 percent in September of 1992 and 1993 to 7.2 percent in March of 1999. In 1996 there were approximately 139,000 people unemployed in New Zealand, representing 6 percent of the population aged 15 years and over. A decease of 18,000, when compared with the 1990 figure of just under 160,000 unemployed (refer to Figure 4.4). Overall, Figure 5.2 has shown a fall in the unemployment rate at a macro-level

across New Zealand society. However, what figure 5.2 does not show is the wide diffusion in the frequency of unemployment at the micro-level of New Zealand society.

For example, the rate of occurrence for unemployment for Pacific peoples is four times greater than for Europeans (SNZ (Te Tari Tatau) HLFS, 1998; SNZ (Te Tari Tatau), 1998a). This source of disadvantage is even greater when one compares the relatively low rates of labour force participation of Pacific peoples. The incidence for Pacific peoples is five times greater than for Europeans. Labour force participation rates also vary regionally: the incidence among persons living in Northland is around twice that of persons living in Canterbury, Otago or Southland (Gibbs, 1994). The uneven burdens of unemployment for Pacific peoples will be discussed fully in Chapter Seven and will be highlighted by the responses of the research participants in Chapter Nine.

5.7.1 The Employment Contracts Act Impact on the Trade Unions

Trade unions have been hit hardest by the fundamental changes over the past decade. As Harbridge and Hince (1994: 10) have noted 'the main aspects of these impacts have resulted in a decrease in the number of unions (from 259 in 1985 to 67 in 1993), and a decrease in the number of union members (from 683,006 in 1985 to 409,112 in 1993)'. The various New Right campaigns of state sector reform, corporatisation, privatisation and macro and micro economic reform have all changed the numerical foundations of the unions.

The utilisation of legislative law has more than anything else undermined the scale of unionism. For instance, the '1,000 members' rule which was enforced by the Labour Relations Act 1987 and the elimination of the union registration and compulsory unionism under the Employment Contracts Act 1991 are the best examples. Table 5.1 illustrates a sample of the quantitative changes to unionism that has occurred (from May of 1991 to December of 1993) since the implantation of the EC Act.

Table 5.1: The Numerical Decline in Union Membership under the Employment Contract Act, 1991-1993

Month/ Year	Union Numbers	Union Membership
May 1991	80	603,118
Dec 1991	66	514,325
Dec 1992	58	428,160
Dec 1993	67	409,112

Source: Adapted from Harbridge and Hince, 1993a, 1993b; Industrial Relations Centre Survey, December, 1992 and Industrial Relations Centre Survey, December, 1993; Maloney, 1998; Martin,1996

As can be seen the strong statistical evidence supports the hypothesis that union membership fell in the context of the Employment Contracts Act 1991. These changes have persisted to dominate not only the years from 1991 to 1993, but also well into the late 1990s. The direction of change would move towards employees on individual contracts in contrast to collective contracts which again undermined the power of the unions. In essence the power of the union movement which was located in compulsory unionism was taken away and left to a flexible labour market environment that slashed union membership numbers in the name of individual freedom.

5.7.2 The Increase in Part-Time Work

Whatman (1995: 356) has described part-time[8] work (or the casualisation of the labour force) as those jobs that fall outside the definition of standard employment, for any of the following reasons. That is, they may be:

- *Part-time;*
- *Casual;*
- *Irregular hours or on-call work;*
- *Seasonal, temporary or fixed team contracts;*
- *Self employment;*
- *Undertaken as 'homework';*
- *Undertaken in the 'black' economy; and*
- *Any combination of the above.*

[8] Part-time work means seeking fewer than 30 hours of work per week (SNZ, NZ Official Year-Book, 1998).

The definition of part-time work tends to countervail the assumptions that individual workers, presumably possessing the skills that employers are signalling they need, will appear in the required numbers once the disorganisation of collectivism is removed. There is clear evidence of casualisation, a sharp rise in part-time employment now available from any statistical study. For example, Table 5.2 shows that for the year ended December 1997, an average of 1,308,700 people were employed in the full-time labour force and 384,500 in part-time. Compared with five years ago, full-time employment has grown by 13.8 percent and part-time employment by 21.4 percent. Overall, the last decade has shown that full-time employment increased by 2.0 percent, while part-time employment increased by a massive 40.4 percent (SNZ, NZ Official Year-Book, 1997/98). Table 5.2 also shows the average number of males and females employed and unemployed on a full-time and part-time basis in the years ended December 1992 and 1997. Around three times as many women as men are employed on a part-time basis, although the number of part-time workers of both sexes increased in recent years. Males working part-time increased by 20.8 percent between 1992 and 1997, while the number of females working part-time grew by 21.6 percent over the same period (SNZ, NZ Official Year-Book, 1997/98).

Table 5.2: Labour Force by Full-Time and Part-Time Status, 1992 and 1997*

	Male		Female		Total	
	1992	1997	1992	1997	1992	1997
	(000)		(000)		(000)	
Full-Time:						
Employed	*736.1*	*837.0*	*413.6*	*471.0*	*1149.8*	*1308.7*
*Unemployed***	*92.4*	*55.8*	*44.7*	*30.5*	*137.1*	*86.3*
Total:	828.5	892.8	458.4	502.3	1286.8	1395.1
Part-Time:						
Employed	*84.7*	*102.3*	*232.1*	*282.2*	*316.8*	*384.5*
*Unemployed***	*8.4*	*10.6*	*23.4*	*23.4*	*31.8*	*34.6*
Total:	93.1	113.0	255.6	306.1	348.6	419.1
Total Full and Part Time Labour Force:	921.6	1005.8	713.9	808.4	1635.5	1814.2
% in Labour Force Full-Time	*89.9*	*88.8*	*64.2*	*62.1*	*78.9*	*76.9*
Total Working-Age Population:	1259.7	1350.7	1323.0	1417.0	2582.7	2767.7
Participation Rate (Full-Time)	*11.1*	*6.3*	*9.8*	*6.1*	*10.7*	*6.2*
Participation Rate (Part-Time)	*9.0*	*9.4*	*9.2*	*7.8*	*9.1*	*8.2*

* HLFS annual averages for the years ended March 1992 and 1997.
** For unemployed persons, full-time means seeking 30 or more hours of work per week.
Source: HLFS as published in the SNZ, NZ Official Year-Book, 1998.

In fact the notion of an efficient and flexible labour market in which all matters of concern are comprised of bi-lateral contracts ratified by common law runs into immediate difficulty once empirical reality is admitted into the argument. The proportion of workers now employed outside even the most minimal contractual arrangements is now a growing problem. The 1993 Survey of Labour Market Adjustment provides some information on the relative working conditions of casual as opposed to permanent, and part-time as opposed to full-time employees. The main findings showed that part-time or casual employees are less likely than those in full-time to have access to a wide range of employment conditions (such as sick leave, annual leave or parental leave), and were unaware of the terms of their employment contract (Ryan, 1994; Sayers, 1993).

In a survey done by Harbrige (1993) on members of the Service Workers Union find that women's overall take home pay had declined for about 30 percent of the respondents. Of the 20 percent that had an increase, most were attributed to longer hours. Forty percent of the of the people surveyed experienced a reduction in penal and overtime rates and allowances. Around 7.5 percent of respondents indicated that sick leave and annual leave were not applicable to them, while over 17 percent indicated that bereavement leave was not applicable (Whatman, 1995). In sum, the raise of part-work in the labour market has disadvantaged the most vulnerable in terms of employment protection, this contradicts the common law principle of equity between the employer and employee before the law, but reinforces the New Right concepts of individualism, freedom of choice and flexibility.

5.8 Summary

In conclusion, this chapter continued on from the post-war historical over-view by examining the legislative changes related to unemployment in New Zealand. These changes were founded on the policies of the New Right which have taken the concept of neo-liberal *laissez-faire* to its 'rational' and 'logical' conclusion. Inflation and a more individual, rational and flexible labour market based on common law contractual remedies became the governments highest priority. Seen in this light unemployment was regarded as a fine tuning issue to a more efficient economy.

Probably the most detrimental aspect of this New Right employment strategy (entrenched in the Employment Contracts Act 1991) was the way it has undermined the trade unions and workers in favour of short-term financial gain. The interests of BRT, EF and Treasury were substantially advanced, while the interests of the trade unions and the less skilled were pushed aside. The main thrust of the Employment Contracts Act was directed at the removal of legislation which suppressed the common law and the rights of individual workers. The following chapter sets the immigration scene of Pacific peoples to New Zealand from 1951 to 1986 (one of the key motives for migration being the expanding post-war labour market).

Chapter Six

Pacific Peoples Immigration to Aotatora/ New Zealand

'... I heard New Zealand was a great place to live, and that the jobs paid better, and the people were friendly. It was said to be the 'land of hopes and dreams' (Taulia, 1999: 2).

6.1 Introduction

The 'land of hopes and dreams' expresses how many Pacific peoples felt about New Zealand in this early immigration period (1951-1986). Many in the villages would hear talk of their families already in New Zealand, and their stories of life across the seas offered glamorous appeal and influenced others in the village to immigrant to this new land. Life in New Zealand was seen to be sophisticated, where people lived in urban areas portrayed in stories, movies and newspapers, that circulated in the Pacific Islands. Other key motives based on economic factors have also attracted many to New Zealand. For example, immigration is closely related to making money, and New Zealand is considered by many as, 'a gold-mine waiting for the gold-digger' (Pitt and Macpherson, 1974: 97). All these romanticised notions have attracted many to the 'bright lights' of the big city and to the expectations of money that comes with it.

The purpose of this chapter is to explore: 1.) the historical development of Pacific peoples immigration; 2.) the key motives behind the initial impetus to immigrate; and 3.) then proceed to examine the settlement experiences of Pacific peoples. Sections 6.4 and 6.5 combines the immigration and settlement experiences by focusing on the 'darker side' of the Pacific immigration story, for example, examining the role the New

Zealand government has taken in supporting racists policies primarily aimed at the early Pacific migrants.

6.2 Migration History

Towards the end of World War II until the mid 1970s, the New Zealand economy was enjoying a period of economic prosperity that was accompanied by both quantitative and qualitative changes in the demand for labour (O'Brien and Wilkes, 1993). The 'pull' and 'push' factors provided the impetus for Pacific peoples to consider emigration to New Zealand. The pull factor included New Zealand's historic ties[1], greater employment opportunities in its 'booming secondary industries', higher education opportunities, and a more varied way of life (SNZ, NZ Official Year-Book, 1998). The push factor was fuelled by 'increased population pressure in the islands, as population levels recovered from the demographic disasters of the nineteenth century' (Bertram and Watters, 1985: 502). The following Table (6.1) highlights Pacific peoples immigration numbers for the period, 1951-1986.

Table 6.1 Pacific Migration* Numbers when Compared to the Total New Zealand Population, 1951-1986

Pacific Migrants		New Zealand Population	
Year(five yearly)	Number	Year(five yearly)	Number
1951**	3,624	1951	1,970,500
1956**	8,103	1956	2,209,200
1961**	14,340	1961	2,461,300
1966**	26,271	1966	2,711,300
1971**	43,752	1971	2,898,500
1976**	65,694	1976	3,163,400
1981***	1,600	1981	3,194,500
1986***	4,200	1986	3,313,500

* Figures include migrants of Pacific nationalities from: Samoa, Cook Islands, Fiji, Tonga, Niue, Tokelau and other Pacific nations.

** Unfortunately published data for the period 1951-1976, while showing total arrivals by country, do not separate all Pacific nations individually. Hence, the data for this period is taken from the Pacific population resident in New Zealand (refer to Table 7.1). Another point to consider is that Pacific immigration data is only available back to 1979. Prior to this date it is not possible to provide specific immigration information.

*** The period 1981-1986 is taken from specific immigration data for the Pacific nations stated above. Note the large disparities in the figures for the period 1951-1976, which is based on population, while the period 1981-1986 is based on the total inflow of Pacific migrants to New Zealand.

Source: Adapted from the SNZ (Te Tari Tatau), 1993a; SNZ, NZ Official Year-Book, 1998

[1] Refer to Section 6.4 for a detailed analysis of New Zealand's sphere of colonial administration and influence over the Islands of Samoa, Niue, Tokelau, Tonga and the Cook Islands.

Significant emigration from the Pacific began in the 1950s and reached its peak during the 1960s and 1970s. For example, Table 6.1 shows that in 1951 there were only 3,624 Pacific peoples who had migrated to New Zealand. This rose to 14,340 in 1961, 43,752 in 1971 and 65,694 in 1976 (SNZ, NZ Official Year-Book, 1998). The period 1981-1986 shows a decrease in immigration from the Pacific region, coinciding with a 'stagflated economy' and reduced access to New Zealand enforced by immigration polices (refer to section 6.4). Overall, Pacific peoples migration and population in New Zealand for this period (1951-1986), is relatively small when compared with the total New Zealand population.

As stated earlier immigration from the Pacific picked up in the mid-1960s and escalated through to the mid-1970s: largely through the high demand for workers needed in the secondary sector. For example, the demand for skilled manual labour and white collar workers was met largely through immigration from the UK and other European countries. The shortages within the unskilled and semi-skilled occupations of secondary industries were filled by the migration of Maori workers from rural New Zealand (Krishnan *et al,* 1994) and immigrant workers from the Cook Islands, Tokelau, Niue, Fiji, Samoa and Tonga (Ongley, 1991). Pacific peoples were drawn from the periphery of capitalism into industrial production as wage labour to areas such as Wellington (Hutt Valley/ Porirua), Auckland (South Auckland), and developing single industrial towns, such as Tokoroa[2] (Spoonley, 1990). These migrants made up a substantial proportion of the production line workers in industries such as vehicle and domestic appliance assembly. Further, they were also employed in (the service sector) hospital kitchens and laundries (Gibson, 1983; Spoonley, 1990). The labour market segmentation polices will be discussed further in Section 6.4.

Pacific peoples have a double task coping with a non-Pacific society in a new land and maintaining their own culture. Despite high rates of unemployment and the ever changing New Zealand policies, migration

[2] Although Pacific peoples are not numerically strong in the South Island of New Zealand it would be wrong to not acknowledge the early migrant influence Pacific peoples have had in the main centres of the South. However, the main aim of this chapter is focused on Pacific peoples in the North Island, mainly because of the large numbers who have made this part of the country their home in the early immigration period.

from the Pacific continues although more slowly than during the 1960s and 1970s. The main motivation for migrating continues to be reinforced by the obvious economic disparities between New Zealand and the Pacific Islands (Ongley, 1991). The next section of this chapter examines the key motivations for emigrating to New Zealand.

6.3 Motives of Migration

Better Life

My educated brother leaves today
for overseas
He says, he goes
look for a better life
Many jobs
big pays
small fa'alavelaves[3]
He wants good schools
for his children
He says he'll die here at home
with less jobs
little pay
no good schools
and plenty of fa'alavelaves
And soon as he settles
down into a nice big house
and many money
he'll send for me
to come drive his
second hand car

(Petaia, 1980: 3).

Ruperake Petaia's poem encapsulates and illustrates the strong MIRAB system[4] which enticed many Pacific peoples to move to the land of the 'long white cloud'. The MIRAB system is an acronym coined by Bertram and Watters (1985) standing for 'migration, remittances[5], aid[6] and bureaucracy'[7]. This system describes the economic and social structure of

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[3] 'Fa'alavelave' is a term used to describe (in Samoan terms) a ceremonial occasion (weddings, funerals, etc.) requiring the exchange of gifts. The gifts are a combination of money, food and fine mats.

[4] Chapter Six focuses on the host nations contribution to the MIRAB system. For instance, the migration and remittances section of the acronym.

[5] 'Remittances' is income sent by migrants back to their home country. Most permanent and temporary migrants save part of their income and send it back to their family.

[6] 'Aid' within a MIRAB system is 'usually described as "development aid", has in fact tended to have the character of a straight-forward supplement to local incomes and consumption, and accounts for a large proportion of both' (Bertram and Watters, 1985: 499).

[7] 'Bureaucracy' within a MIRAB system is usually bulk funded by the aid inflow. For example, 'the government sector accounts for 52 percent of total cash employment in the Cook Islands, over 90 percent in Tokelau, over 85 percent in Niue' (Bertram and Watters, 1985: 500).

several small to medium sized Pacific nations whose economies are 'dependent' on aid and remittance flows from migrants to larger countries. For example, as stated by Bertram and Watters (1985: 501):

> *A large proportion of their labour force - in several cases, half - is resident overseas on a long-term basis, without severing their economic, social and cultural links with the home community. Remittances in cash and kind from these workers are distributed through kin-group channels to provide a major source of disposable income in the island economy.*

The economic motive of relatively well-paid jobs and the acquisition of Western products influenced many to make this journey. The social motives of family and the church made it easier for Pacific peoples to migrant. These Pacific social structures 'provided a sense of security and comfort that came with the assurance of *aiga* (family) and a church to belong to when they arrived in this host country' (Taule'ale' Ausumai, 1998 as cited in Tiatia, 1998: 17).

Many migrants viewed New Zealand as a place in which one could escape from the burdens of highly stratified societies where the notion of the *fa'alavelave* consumed large amounts of a families income. This notion of 'cultural freedom' is expressed by Thaman (1985: 111): 'New Zealand gave me a sense of independence, America helped me to understand and tolerate difference .... The openness of society encourages people to experiment with their life-styles and change is accepted more readily, perhaps because there are not centuries of tradition dictating behaviour'. Furthermore, the technological advances in the areas of telecommunication and aviation facilitated and made the incentive to migrant not only easier, but a lot faster time-wise (Bertram and Watters, 1985). Tiatia (1998: 17) stated that '... improved transport services between New Zealand and the Island nations and the increasing interest in the external world, resulted in an influx of Pacific migrants to New Zealand - mostly to the main cities'.

6.3.1 Education

Since the 1960s Pacific nations have sent their most promising students to New Zealand for secondary and tertiary schooling. For many families this is a major sacrifice, one which is still made in the Pacific and in New Zealand by parents who view education as an avenue into a better future. For example, Konai Helu Thaman (1985: 106) states that she:

> *... left home in January 1963, bound for New Zealand for reasons that social scientists label 'educational'. I had a scholarship to complete my secondary schooling, and later to obtain a university degree and a school-teacher qualification ....*

This is one of the main motives why Pacific peoples are currently involved in tertiary education. To gain tertiary qualifications is to bestow *mana,* not only on yourself, but also on your family and extended family. For instance, Thaman (1985: 110) stated that 'the expectations placed on me were great when I left home, they were even greater when I returned. There was something magical about a university degree; it was supposed to do many things'. For many early migrant families in New Zealand, the plan to stay was short term. The goal was usually to return home, financially secure with money for the extended family, the village and church. Many however, came to stay by choice or simply never went home because of the many job opportunities at the time and to the deepening bonds and commitment to family within New Zealand.

6.3.2 Family

Another motive of migration is related to the basic institution of Pacific Islands life - the *'aiga'.* The *aiga* stimulates migration in several ways: the prime motive was simply to be able to stay with relatives on arrival; while others used the family network to help in the process of migration - plane fares, permits, housing or even jobs. These family motives have come to be known as 'chain migration' or 'transnational corporations of kin'[8] (refer to sections 6.4 and 6.5.1). But more importantly,

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[8] 'Transnational corporations of kin' is a term used to describe 'family or kin units in the small Pacific societies act and calculate on a transnational scale, especially via the regional labour market' (Bertram and Watters, 1985: 511). These family units or kin groups are very flexible and adapt to take advantage of economic opportunities. Many Pacific family units act like transnational corporations by allocating resources and transfers of income internationally, between the family unit

it is seen as a means of supporting the family back home through remittance (Pitt and Macpherson, 1974). These remittances are often crucial for the survival of families, villages and even entire Pacific nations. As stated by Bertram and Watters (1985: 504) 'the flow of remittances from overseas-resident members of Island households is a major source both of cash incomes in the village economy, and of import capacity in the balance of payments ...' The family net works and the MIRAB system within the home (Pacific nations) and host country (New Zealand) seems to support this motive one way or another, as the *aiga* seems to be the main stimulation towards migration.

6.3.3 Employment

During the post-war period, it was assumed by many that one of the main motives of migration among Pacific peoples was for economic reasons (Fairburn, 1961). For instance, many chose to come to New Zealand for a better life: they knew that they would have no trouble in finding a job, and they could send money back to their families back home. For example, as stated by Brosnan and Wilson (1989 as cited in Krishnan *et al,* 1994: 21) 'New Zealand provided an opportunity to earn higher wages and allowed increased access to a wider range of consumer goods and medical services'. However, employment, health care and the prospects of increased consumer goods is to be balanced against the 'cultural shock' experienced by many migrants. To be an immigrant, to not know the language and to be part of a group which encounters and is subjected to racial prejudice, is harrowing. Albert Wendt (1987: 53) gives a powerful impression of the incomprehensible and overwhelming world in which the early Pacific immigrant feels she/ he has been cast adrift in the new found occupation and life:

> *During the mans first four weeks at odd jobs he swept the floors, helped out in the cafeteria and oiled the machines. He was afraid of the factory, he understood little of what went in it. Caught in the noise, the overwhelming size of the building, the intricate system of machines and conveyor belts and cables, the large number of workers whose language he didn't understand, he felt small, lost. It was as if he was trapped in the belly of a huge metallic fish. He felt safe in the fish only at morning tea*

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in the host nation and to the extended family unit in the home nation.

> *time and in the lunch hour when he was with other Samoan workers. He yearned to work with the crops again or to go out to sea and fish. He was not used to the monotonous routine of getting up early in the morning catching a crowded bus filling in a certain number of hours with humiliating work. But he enjoyed the big pay he received at the end of every week; it was more money that he had ever earned before.*

Konai Helu Thaman (1985: 111) expresses this powerful impression of the new world Pacific migrants face through this verse:

Cars . . . Noise . . . Sirens
People never stop to chat
Or even say 'hello'
Where are they all hurrying?
This thing says 'Expire'
Wonder what it means.
'Great Sales' a sign says
And above it spells 'Woolworths'
I walk in and 'Clearance' is everywhere
I buy some things I cannot remember
Except that a lady with a painted face
Gives me some blue stamps
'I have no letters to post' I say
But she ignores me
And gives me my change
There are lots of people here
But no one sees me
Hey, people I am lost
I am here
We are all here
And we aren't.

The passages by Albert Wendt and Konai Helu Thaman expresses how most early immigrants felt and how alienated they were in their new-found society. The following section examines the issues relating to immigrant settlement, focusing particularly on the government's immigration policies and how it has affected employment and how employment affects housing, concerns that all immigrants face when coming from small villages to large urban cities (Graves, 1984). Another issue is that of the perception New Zealand society places on Pacific migrants.

6.4 Immigration Policies

Section 6.4 examines the issues relating to Pacific peoples settlement in New Zealand, focusing on the government's immigration policies and how they have affected employment. The socio-economic motivations for immigrating to New Zealand are also associated with New Zealand's political and strategic expansion into the Pacific region. For example, New Zealand aimed to portray itself as an extension of the British empire and as a paternalistic 'father' to its Pacific Islands 'children', emphasising education and economic mobility as a tool of social conditioning. As a result, in 1901 New Zealand annexed the fifteen Islands which make-up the Cook group and the Island of Niue (Lay, 1996). In 1914 (the outbreak of World War I) New Zealand sent troops to take control of Western Samoa which was under German rule (Howe, 1984). Malama Meleisa (1987: 126) states that:

> *... upon the outbreak of war in Europe, New Zealand was invited by Britain to seize German Samoa. An Expeditionary Force was sent to Samoa ... New Zealand had always regarded the Pacific as a British sphere of influence.*

The small atolls of the Tokelau group (to the North of Samoa) also fell under New Zealand jurisdiction. However, the Fijian Islands were controlled by direct colonial rule enforced from Britain (Kiste, 1994; Krishnan *et al,* 1994). The Kingdom of Tonga had not been subjected to direct colonial rule, though as a British Protectorate it was part of the British Empire and as such was connected to both New Zealand and Australia (Hau'ofa, 1985). The strong motives of immigration and the political expansion by New Zealand into the Pacific led to major population movements (in the early 1960s and 1970s) throughout the South Pacific region.

The Immigration Restriction Act of 1920 was seen as the cornerstone of New Zealand immigration policy. This Act gave the Minister and immigration officials the ability in deciding who could pass through the barriers and who could not. For instance, section 5 of the 1920 Act imposed controls on immigration and gave the Minister and the department the power to require all those not of British birth and parentage to obtain

entry permits. To this was added the informal requirements that those of British birth and parentage had also to be wholly of European race and colour (Martin, 1996).

In the early 1920s, the Cook Islands, Niue and Tokelau became New Zealand dependencies. In the late 1940s peoples from these Islands were granted New Zealand citizenship, and, therefore, enjoyed unrestricted entry into New Zealand (Martin, 1996; Spoonley, 1990). For example, this Tokelauan migrant story illustrates the free entry system:

> *Her father was from the Tokeaus so she was automatically able to come here without have to apply for citizenship. She lived with her brother and his wife in Wellington (New Zealand Immigration Service (NZIS), 1999: Card 8B).*

In 1965 the Cook Islands then Niue, in 1974, became independent states in 'free association'[9] with New Zealand, while the Tokelaus were administered from Wellington until 1994 (Lay, 1996). The free entry system for these three Island groups resulted in net population losses for Niue in particular. For example, by the end of the 1970s, a third of Niue's population of 5,000 had emigrated. Samoans could be granted permanent residence under an annual quota[10] (which introduced in 1962) or under family reunion provisions along with Tongans, Fijians[11] and the other smaller Pacific ethnic groups.

Samoa's attainment of self-rule in 1962 was accompanied by the signing of the Treaty of Friendship with New Zealand. Both of these factors had an effect on this newly independent Pacific nation. For instance, these policies have not only influenced the numbers that make up the communities in New Zealand, but have also influenced the rights and status of those resident in both the Pacific and in New Zealand. The NZIS introduced a quota system for Western Samoan citizens, and under the quota system, applicants had to meet normal immigration criteria (such as health, good character etc.), along with being in possession of an

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[9] Cook Island peoples, Niueans and Tokelauans continue to have the right of free entry into New Zealand after independence.

[10] As part of the Treaty of Friendship New Zealand established an annual quota. This quota guaranteed a set number of places for Samoan immigrants (NZIS, 1999: 16).

[11] In the early 1970s an official and tightly controlled guestworker scheme was introduced which was used primarily for the recruitment of rural labour from Fiji (Bedford and Gibson, 1986).

acceptable guarantee of employment (Trlin, 1986). As stated by Zodgekar (1986 as cited in Krishnan *et al,* 1994: 17) 'immigration from both Tonga and Fiji has been more rigorously controlled, but the numbers of people from these Islands have increased over the past twenty years'.

The quota system did not go unchallenged. In 1982 the Privy Council in London ruled that a so-called 'overstayer' (refer to section 6.5) from Western Samoa, Falema'i Lesa, was in fact a New Zealand citizen based on two legislative Acts. For instance, the British Nationality and Status of Aliens Act, 1923 and the British Nationality and New Zealand Citizenship Act of 1948 conferred New Zealand citizenship on Samoans born in Western Samoa prior to 1948 (Krishnan *et al,* 1994; MacDonald, 1986a; Spoonley, 1990: 158). The main consequence of this ruling, effected about 100,000 people from Western Samoa, who were considered eligible for unrestricted entry to New Zealand (MacDonald, 1986a).

Krishnan *et al,* (1994: 17-18) states that 'following the Privy Council ruling, discussions between New Zealand and Western Samoa led to the passing of the Citizenship Western Samoa Act which became law on 14 September 1982'. The main result was that under this legislation, all Western Samoans present in New Zealand at the time were granted citizenship. Further, all Samoan's granted permanent residence in the future had an immediate right to citizenship (MacDonald, 1986a). This Act over-ruled the Privy Council decision, and avoided the possibility of 100,000 Samoan's claiming New Zealand citizenship (Spoonely, 1990). In effect, it negated the decision made by the highest court in the land, which concerned citizenship, and instead was 'watered-down' to an immigration solution. For example, the draconian annual quota system prior to the Privy Council decision remained unchanged. The response of the New Zealand and Samoan government's must be put in context regarding the economic circumstances facing both nations regarding this Act. For instance, Krishnan *et al,* (1994: 18) states that:

> *Economic factors included rising unemployment, particularly in industries which had traditionally employed migrant labour. The negotiations centred around the Western Samoan government's concern with the prospect of large scale out-migration of the most productive age groups from Samoa, with the implication*

> *that the majority of the Western Samoan population would become New Zealand citizens.*

The New Zealand response also illuminates the racist assumptions and policies practised by the successive New Zealand governments toward Pacific Islands, Asian and Southern European nations. The emigration of Pacific peoples was not an isolated phenomenon. In fact, in other parts of the world enterprising people were being pulled from the periphery to so-called developed nations. There was also increasing flows of migrants to Europe during the post-war period. The countries with strong economic links to their former colonies such as Britain and France, tended to recruit from these areas: the former from the West Indies, and the Indian subcontinent; the latter from West Africa, Algeria, the French Caribbean and Vietnam (Stone, 1985: 11). These migrants were mainly single male workers who had left their families in their countries of origin. European immigration also flowed to New Zealand in the late 1940s-1970s, and like the Pacific migrants (already in New Zealand at this point in time) they were racially discriminated against in regards to immigration policy. A Department of Labour statement of policy, 1954 (as cited in Martin 1996: 278) makes clear reference to this blatantly racist immigration policy:

> *More specific practices could be crudely summarised as: the policy operates to encourage Northern Europeans, e.g. Norwegians, Danes, Dutch and to discourage Southern Europeans such as Italians and to exclude all coloured races.*

Martin (1996: 278) goes on to state that many potential migrants were excluded due to race and colour and were only to be admitted on humanitarian grounds:

> *Thus applicants from eastern and southern European and Mediterranean countries were given permits only on humanitarian grounds ... broadly speaking, only Indians and the Chinese admitted were wives and children of existing residents. Other Asians and those from the Pacific Islands were refused entry, with some exception made for part-Europeans.*

The incorporation of Pacific workers into specific sectors of the economy (one reason for Pacific Islands labour segmentation[12] that exists today; refer to Chapter Seven) is largely due to the pattern of labour demand in New Zealand and to the process of chain migration. The migration of Pacific peoples typically went like this. One family member migrated to New Zealand found a job, in those days a relatively easy task, (employers were happy to except a flood of new immigrants to fill the positions on the factory floor (Spoonley, 1990), once established, remittances were then sent 'home' to either assist or completely cover airfares for other family members. This kind of chain migration is expressed through the statements of two Pacific migrants:

> *I left, Western Samoa in 1978 to come to New Zealand. I came to stay with my uncle and I applied for citizenship. It took seven months for me to find out I could stay permanently (NZIS, 1999: Card 8B).*

> *Even though the house was full, it had its advantages, because we were able to help pay the rent, and it was much cheaper than living in your own house. My relatives had to find me a job so that I could get a permit to come to New Zealand ... (Taulia, 1999: 15).*

Brosnan and Wilson (1989 as cited in Krishnan *et al,* 1994: 21) have insisted that 'government immigration policies have been a key factor in shaping the pattern of labour market segmentation of Pacific Island workers' (refer to Figure 6.1). Figure 6.1 illustrates that skilled labour migration was encouraged from the UK, while unskilled and semi-skilled positions were filled by the migration of Maori from rural areas. The next step in this segmentation process involved the need for temporary and permanent labour migration from the Pacific.

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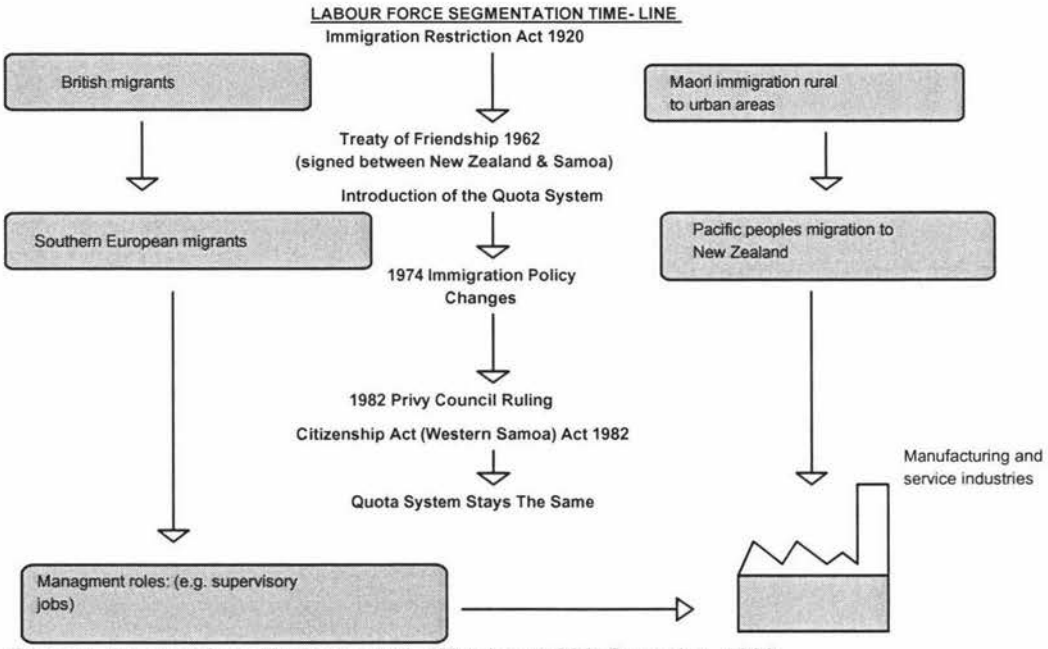
[12] A number of processes have been identified as producing segmentation. For example, discrimination, internal labour markets, social networks, trade unions, political power, and education (Spoonley, 1990).

Figure 6.1: Government Segmentation of the Pacific Islands Work Force



Source: Adapted from Krishnan *et al*, 1994; Lay, 1996; Spoonley, 1990

When the demand for unskilled and semi-skilled labour was high, Pacific peoples found the entry to New Zealand less difficult. With the economic expansion of the 1950s and 1960s, a 'blind eye' was usually turned to those migrants that did not meet the legal requirements for entry into the country. Thus, Pacific workers had established a reputation of being a reliable and cheap labour force, so employers were not usually concerned about the paper work of their permit regulations (Pearson, 1990). By the early 1970s newly arriving Pacific workers were considered as cheap and abundant labour for unskilled jobs. In most cases Pacific immigrants did the jobs non-Pacific workers no longer wanted to do or had been educated beyond (Lay, 1996). For example, factory work, assembly-line production, processing, cleaning; work which involved long hours in unpleasant and in many cases, in dangerous work conditions.

The actions of Pacific workers themselves also determined their position in the labour market (Krishnan *et al,* 1994). As mentioned previously, many migrants came to New Zealand by way of chain migration, which (in a Pacific context) is a method of finding work (through word of mouth), through family and friends already here. Another important

factor was related to the overtime added on to wages, this was seen as an incentive for many Pacific migrants to stay in manual jobs.

Paul Spoonely (1978) has also indicated that employers also played an important role in this process. For example, manufactures would hire members of only one specific migrant group and would depend on present workers to secure new labour. This process of labour recruitment was entrenched in stereotypical racist and gender presumptions made by employers about the suitability of particular ethnic groups for particular jobs (Krishnan *et al,* 1994: 21). For example, Lay (1996: 13) states that 'some employers, such as hospital laundries, became very dependent upon the labour of Pacific Island women'.

6.5 Government-Supported Racism

In the early 1970s, the oil crisis and a deepening world recession cut into New Zealand's economic growth. These, and a number of other deteriorating economic conditions, such as increasing unemployment and a stagflated economy (refer to Chapter Four), resulted in mounting government concern about immigration levels. As there was concern about competition for jobs which were starting to appear, an immigration policy review was undertaken in 1974. The policy changes of 1974 not only introduced tougher regulations against its Pacific neighbours, but also imposed entry permits for all non-New Zealand citizens, including people of British and Irish ancestry (Pearson, 1990).

In 1974, Prime Minister and leader of the Labour led government, Norman Kirk, was reported in the New Zealand Herald as saying that 'control on immigration might be necessary if our economic resources, particularly housing, were 'strained too severely' (Toft, 1990: 112). While this remark was referred particularly to British immigrants, the Pacific immigrants who had been of great asset to the workforce in more prosperous times, now found themselves less welcome. The Labour government began drawing public attention to the issue of 'overstayers', or migrants who entered on temporary permits and who subsequently overstayed these permits. Therefore, acting on information from the Immigration Division of the Department of Labour, the police undertook a

campaign of looking for, convicting and deporting overstayers. Although Pacific peoples made up only six percent of immigration to New Zealand during 1973-74 (Farmer, 1985), they were used as scapegoats to justify this blatantly racist overstayer campaign, and they were specifically targeted by the police. This method came to be known as the infamous 'dawn raids', where the police sought to surprise suspected offenders by early-morning raids and random street checks.

The campaign was seen by anti-racist groups as being of similarity to South Africa's pass laws, whereby it gave the police license to apprehend non-Europeans in public places (Toft, 1990). This kind of racist campaign specifically targeted at Pacific peoples is expressed through this deep felt dawn-raid experience:

> *While we were still sleeping, my husband woke up to a big knock at the door. When he went to see who it was, all I could hear was a lot of noise, people coming into the house and telling my husband where his papers are, and are you a New Zealand citizen, and if you have a permit .... It was the police, they were looking around to see if there was anyone else in the house. ... I ran to our bedroom and got our passports and permits, but one of the policemen followed me because they thought I was running away or something. But once they saw that we had our permits and passports, they let go of my husband and left the house. If I didn't asked them, they wouldn't have apologised for disturbing us in the early hours of the morning, and when they left we both started to cry because we didn't know why they just came in and harassed us like that (Tauila, 1999: 11).*

Pacific peoples were targeted as overstayers during the campaign in the mid-1970s, the term 'overstayer' became synonymous with Pacific communities (Spoonley, 1993) and is still used today to label Pacific peoples:

> *From that time of the 'dawn-raids', Pacific Islanders were not only identified as Samoans or Tongans, in their island groups, but now as 'overstayers', and this word is still used to identify our people even today. We sometimes joke around, and call our own people overstayers, but when you think back to the 'dawn raids', it wasn't a joke at the time. It is a very scary situation to be in (Tauila, 1999: 12).*

As a result of the Labour government's campaign to draw public attention to the issue of overstayers, Pacific peoples are targeted as overstayers and as a result the term overstayer became largely synonymous with Pacific communities (Spoonely, 1993). This term did not take into account that other migrant communities in New Zealand at the time were also overstayers themselves. For example, Krishnan *et al,* (1994: 18) states that:

> *A report from the Office of the Race Relations Conciliator showed that between 1985 and 1986, a vastly disproportionate number of Pacific peoples were prosecuted as overstayers. In 1985-86 period, 86 percent of prosecutions for overstaying concerned Pacific peoples, despite the fact that they represented only a third of all overstayers. In comparison, overstayers from the US and the UK made up 31 percent of all overstayers and only 5 percent of prosecutions.*

Although Pacific peoples come from the different Island groups in the Pacific and have different cultural and physical traits, they are 'lumped together' in a group and identified under a 'collective term' (Montagu, 1997: 45). Tiatia (1998: 11) develops this argument by stating that '... one is categorised by the wider society as a Pacific Islander, which is a 'blanket term' only, as all Pacific societies are uniquely diverse'. This ethnic and geographical fallacy is emphasised by the MPIA (1999a: 8):

> *Terms used to describe peoples in Aotatora/ New Zealand who have migrated from the Pacific Islands or identify with the Pacific Islands because of ancestry or heritage, vary considerably (e.g. Pacific Island, Pacific Nations person, Polynesian Pacific Islander, etc.). There is no officially sanctioned term to describe this group of peoples. The term* ***"Pacific peoples"*** *does not refer to a single ethnicity, nationality or culture. The term is one of* ***"peoples"*** *rather than* ***"people"*** *to be used ....*

Government-supported racism was also played out by the opposing National Party. In the 1975 National Party election campaign, racist advertising was directed against migrants in the form of television commercials. They were used to portray Pacific peoples as violent, who broke the law and who took jobs away from so-called 'real New Zealanders' (Krishnan *et al,* 1994). A television broadcast contained 'a cartoon depicting a Polynesian character snarling and clawing the air like a tiger, and then fighting with a non-Pacific person. The narrator warned that

Labour policies had caused unemployment, which in turn aroused anger and violence, especially among those who came from places expecting great things' (Toft, 1990: 112). The subsequent National Government then stepped up its campaign in 1976 against Pacific peoples by again authorising state agencies (the police and immigration officials) to prosecute and deport Pacific peoples who were identified as overstayers. The National government carried out the dawn-raids like the previous Labour government, on people who appeared to look like they belonged to a Pacific ethnic group (Spoonley, 1993). With these campaigns, an investigating Race Relations Officer saw the National Party as 'climbing on the bandwagon of Polynesian violence' (Toft, 1990: 112-13) and felt that:

> *The cartoon obviously referred to Polynesians and that the implication was that Polynesians are violent people, or more correctly, are involved in the violence on our streets. More importantly, however, the featuring of a Polynesian-type figure only in a violent situation, in the light of the adverse, negative publicity relating to Polynesians and violence, has the net effect of stereotyping Polynesians as violent people.*

In sum, Pacific peoples at this point in time were used as scapegoats of high unemployment and economic recession which had more to do with the first oil crisis and New Zealand being a dependent part of the world capitalist system. For an understanding of labour migration and the continued disadvantage of Pacific Island workers in New Zealand's labour market, one must also consider the stereotypical perceptions that the wider society has of Pacific peoples.

6.5.1 Stereotypes

Ongley (1991) has suggested that Pacific ethnic groups, along with other non-European immigrant groups have been seen in an unfavourable light compared with European immigrant groups, these stereotypical characteristics involve a presumption that Pacific peoples are only capable of doing certain types of work, particularly manual work (Krishnan *et al,* 1994). It is this type of stereotype that reflects the public interpretation of the Pacific population, and is based on their position in the New Zealand labour market (Miles, 1982 as cited in Krishnan *et al*, 1994). However, instead of this position having been determined by particular characteristics

of the Pacific population, it was more determined by the selective immigration of the post-war period (the encouragement of labour migration for low-skilled manual work) (Miles, 1982; Ongley, 1991). With that in mind, few attempts were made by New Zealand employers to diversify the range of occupations and industries to which Pacific workers were recruited. For example, Miles (1982 as cited in Krishnan *et al,* 1994: 22) 'has argued that when people are allocated to a narrow range of employment opportunities (particularly low-skilled manual employment), this results in the negative connotations of material disadvantage being associated with, and explained by, racial/ ethnic characteristics'. Thus, the cycle of racial and ethnic stereotyping is continued (Spoonley, 1993).

Shelter is seen as one of the basic human needs, along with food and clothing. Therefore, when migrant workers come to the cities for employment opportunities, accommodation is a sought after necessity. With the economic expansion of the 1950s and 1960s, it brought with it unskilled and semi-skilled employment, but also cheap rental and housing. Since most Pacific migrants had little or no capital, with large families, and little knowledge of sources of finance, they tended to occupy the cheap inner-city rental accommodation (Pearson, 1990). However, in the 1960s with the relocation of industry and the building of large suburban housing areas, moves were made from the inner-city to these suburbs. The decentralisation of industry and commerce promoted moves to the suburbs of East and South Auckland, and outer suburbs such as Otara and Porirua were now accommodating the incoming workers (Loomis, 1990).

Government housing policies also reinforced these residential movements. The Pacific migrants utilised state rental or the house purchase schemes that were available through the Housing Corporation and the Department of Maori Affairs (Pearson, 1990). Pacific peoples have tended to live in working class residential areas, and occupationally and residentially they have become part of the working class of New Zealand. Class is something that is not acquired at birth, but is something that is 'distinct from race, caste, and ethnic stratification' (Berreman, 1979: 197). According to Berreman, class is determined according to one's attributes such as their income, occupation, education and lifestyle. Within a class system, individuals can be able to change their status through fortune or

misfortune. In the case of Pacific migrants, they can 'move up the ranks' to the middle-class if they were to acquire economic wealth by excelling in avenues such as education, employment and sport.

Studies on housing have shown that there are certainly areas of lower valued, crowded housing where migrant workers are concentrated (Loomis, 1990). These areas were located in the centre of the main cities, and slowly moved to the outer suburbs or at the periphery. In the periphery migrant workers frequently encounter ethnocentrism and racial discrimination in gaining access to and maintenance of rental accommodation (Spoonley, 1978). With the concentration of the migrant workers to these suburbs, Loomis (1990: 90) saw it as resembling Third World cities:

> *The resulting geographic distribution of classes and ethnic groups has come to resemble some Third World cities where the poor are housed at the edge of the city, or in special government run townships.*

However, according to Loomis (1990) and Graves (1984), some migrant groups do tend to live together, at least when they first arrive, and that most Pacific immigrants lived with kin upon arrival in New Zealand. The concentration of the Pacific migrants to these industrial suburbs arises from a combination of choices and constraints. According to Pearson (1990) in many societies, migrants not only move to these certain parts of the city because of the hardships faced, but they also reinforce segregatory patterns by choosing to live with and close by kin already settled in those areas. When one moves to an unfamiliar surrounding, one will seek out familiar faces and familiar customs. The chain migration pattern therefore, promotes residential closeness and such concentrations assist communal solidarity, the establishment of voluntary associations, and the retention for ethnic identities.

6.6 Summary

Transitional processes of immigration are important factors within the Pacific region. This issue of immigration can enhance our understanding of the push and pull factors, because it is an important factor in shaping and influencing almost all aspects of social life in the host and

home country. Migration involves people moving from one place to another and in doing so there are impacts for the places they leave and implications for the places they move to. Their movement also results in significant flows of resources between the source and destination regions, with labour going one way and remittances in the other.

New Zealand, like other Western industrial countries, embarked on a programme of industrial expansion after World War II. The labour demands generated by this expanding urban secondary sector were filled by European immigration, while the rural-to-urban migration of Maori and Pacific migration, filled the low-skilled and low-waged positions in secondary sector industries.

The mid-1970s saw economic conditions declining, and workers from the Pacific became a convenient political object of blame for the economic problems facing New Zealand. As Pacific workers had been actively recruited into certain sectors of the New Zealand economy, few attempts had been made to increase the range of occupations and industries in which Pacific workers were employed. The concentration of Pacific workers in low waged, low-skilled manufacturing jobs left them in a vulnerable position in the late 1980s, as economic recession effected employment and living conditions. The New Right policies of restructuring and unemployment had a disproportionate impact on these secondary sector industries as well as production and labouring occupations.

Although the process of labour migration has been an important determinant of the position of Pacific workers in the New Zealand labour market, it does not provide a complete explanation for their continued segregation within a segmented labour force. Factors contributing to the continued marginalising of Pacific peoples include historical labour market segregation, stereotypical perceptions and racial discrimination.

With the labour opportunities, accommodation was another issue that migrant workers faced, when moving from the cities to the suburbs. Generally, the standards which they resided were of impoverished conditions and substandard dwellings. But this matter was not all 'doom and gloom', as not only do Pacific migrants tend to be concentrated in

certain areas because of hardship, but also by their choice to be with kin and other Pacific faces. Pacific peoples will continue to do what they have been doing in New Zealand since the 1960s. They drive themselves as all immigrant peoples seeking a better future, they make sacrifices for their children, the church, the village and family both in New Zealand and the Pacific Islands. They apply great pressure and expectations onto their children. In the process some of them achieve their goals and some of them do not.

Many Pacific peoples have migrated to the shores of New Zealand for the ultimate dream of a better life. Although they may have experiences that might otherwise hinder the fulfilment of that dream, it does not in any way stop them. Now that they have made New Zealand their home, they have not forgotten their past, their place of origin will still remain, along with their place of current residence. There is a Proverbial expression amongst the Samoans:

"E lele le Toloa, ae ma'au i le vaevae"

Translated, it means that although the 'Toloa', (the white albatross) travels great distances, it looks back to its origin where its heart always remains. The wandering 'Toloa' is in many ways symbolic reaction to the migration of Pacific peoples to New Zealand; looking to a new home for a new life but looking to the old home for directions; belonging to both and to neither; but most of all belonging to themselves. The following chapter presents the contemporary employment situation of Pacific peoples in New Zealand.

Chapter Seven

The Contemporary Labour Market Situation of Pacific Peoples in Aotatora/ New Zealand

7.1 Introduction

New Zealand has experienced record levels of unemployment in the period 1985-1999 (refer to Chapters Four and Five (section 5.7) and an economy which underwent momentous structural reforms. Governments sought New Right policies, underpinned by labour market deregulation and decentralisation, as a means of improving productivity and bringing New Zealand out of economic recession. Pacific and Maori peoples have borne the brunt of labour market deregulation and economic restructuring. This chapter analysis Statistics New Zealand (SNZ) (1986), (1991) and (1996) Census of Population Dwellings and the Pacific Islands Statistical Profiles (1995) and (1998) of the six main Pacific ethnic groups, those being: Cook Island Maori; Samoan; Tongan; Fijian; Tokelauan; and Niuean peoples[1] living in New Zealand. This data presents the social and economic impacts of labour market policies of structural reform on Pacific peoples in New Zealand. This focuses on data related to the definitions of Pacific ethnic groups, population and geographical distribution, labour force participation, employment (fill-time and part-time), unemployment, industrial and occupational distribution, and the numbers of Pacific peoples currently

[1] It would be wrong not to mention the smaller Pacific ethnic groups of Tahiti, Hawai'i, Micronesia and Melanesia which make New Zealand their home. These Pacific areas fall into 39 ethnic groups (refer to Appendix 2). Detailed analysis has not been carried out on the specific groups incorporated within this category, due to the large numbers of ethnic groups and small amounts of individuals who specified that they belong to these ethnic groups. Further, this chapter will only utilise the six Pacific ethnic groups stated in the introduction because of the large volume of Census based data to be found and for consistency. Therefore, a detailed examination of these relatively small Pacific groups will not contribute to the present analysis.

enrolled in tertiary education institutions and community-based employment initiatives. Where appropriate, comparison is made in this chapter with the Maori population and the New Zealand population as a whole.

7.2 Definitions of Pacific Ethnic Groups

The main issue linked to the analysis of information based on Pacific ethnic difference is the way groups and individuals answer the question of ethnic origin. Further, the concept of ethnicity also '... reflects the established practices and perceptions of the dominant ethnic group ...' (SNZ (Te Tari Tatau), 1993b: 13). The statement below shows a brief insight into the ideas about what constitutes ethnicity, and the criteria used in selecting an appropriate definition for use in the New Zealand context.

> *Cultural groups may be associated with one or more of the following characteristics: ancestral origins, common history, language, birthplace, and religion ... (Statistics Canada, 1980 as cited in SNZ (Te Tari Tatau), 1993b: 13).*

The nomination of ethnic origin is self-determined. However, for many, this is not as 'clear-cut' as one might think. For example, individuals may select and identify with more than one ethnic group; which may depend on the significance they assign to their diverse ethnic origins. The analysis presented in this chapter, includes any 'ethnic group or groups that a person identifies with or feels they belong to', as indicated in the 1986, 1991 and 1996 Census of Population and Dwellings. This also applies to any individual who specifies that they belong to a particular Maori ethnic group and is counted as a New Zealand Maori (Krishnan *et al,* 1994).

The identification of ethnic origins must take into account more than one ethnic group or groups a Pacific person may belong too. This results in duplicated estimates of the number of Pacific ethnic groups resident in New Zealand. For instance, as stated by Krishnan *et al,* (1994: 27) 'the Samoan ethnic group includes all persons who specified Samoan as their sole ethnic group, or as one of several ethnic groups. Where the Pacific Island population is referred to as a whole[2], however, each person is only

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[2] Refer to Appendix 3 for the categories to be utilised where each response is assigned to a 'whole group'.

counted once, thus giving a 'true' count of the individuals'. This method of ethnic origin counting gives a clear meaning to the data analysed and stops the double counting of ethnic groups. Further, issues and complexities emanate when individuals responding to the question of ethnic origin, confuse or mistake 'ethnicity' with 'nationality' (refer to footnote 3) (Krishnan *et al,* 1994; Olzak, 1983).

7.3 Population and Geographical Distribution

Pacific peoples are one of the fastest increasing population groups in New Zealand (refer to Table 7.1) (Krishnan *et al*, 1994: 28). At the time of the 1991 Census, 167,293 peoples specified that they belonged to a Pacific ethnic group. In 1996 this represented 211,000 peoples, or 6 percent of the total New Zealand population (SNZ (Te Tari Tatau) Samoan People in NZ, 1998: 9). By 2051, the Pacific population is projected to increase to 600,000 peoples, or 12 percent of New Zealand's population (MPIA, 1999b: 5).

Table 7.1: Pacific Population Living in New Zealand, 1941-1996

Year	Pacific Population
1941*	2,159
1951*	3,624
1956*	8,103
1961*	14,340
1966*	26,271
1971*	43,752
1976*	65,694
1981*	93,941
1986**	130,293
1991**	167,293
1996**	211,000

* 1945-1981 comprises persons who specified themselves as being solely Pacific origin and of mixed Pacific origin.
** 1986-1996 comprises persons who stated a sole Pacific ethnic group.
Source: Adapted from Bathgate *et al*, 1994; MPIA, 1999b; SNZ (Te Tari Tatau), 1986, 1991 and 1996 Census of Population and Dwellings; SNZ (Te Tari Tatau), 1993a; SNZ, NZ Official Year-Book, 1998

The overall, high Pacific growth rates can be linked to three main factors: higher fertility rates amongst Pacific woman; the relatively larger proportion of Pacific peoples in the main reproductive age groups; and the net gain of migration from the Pacific Islands (Krishnan *et al*, 1994; SNZ (Te Tari Tatau), 1993a). Among the Pacific population living in New Zealand in 1991, people who specified Samoan ethnicity were by far the largest group

numbering 85,743; this figure increased to 101,754 (a population change of 18.7 percent) in 1996. Samoans were followed by Cook Island Maori 37,857 in 1991, which increased to 47,019 (a population change of 24.2 percent) in 1996. Tongans were the third largest population group with 23,175 in 1991, by 1996 it had increased to 31,389 (a population change of 35.5 percent). Niueans occupied the fourth spot with 14,424 in 1991, by 1996 this figure enlarged to 18,447 (a population change of 28.1 percent). The Fijian population[3] was 5,097 in 1991, by 1996 it increased to 7,695 (a population change of 51.0 percent). Tokelauan peoples made up 4,146 of the total Pacific population in New Zealand in 1991, this increased to 4,917 (a population change of 18.6 percent) in 1996 (SNZ (Te Tari Tatau), NZ Now: People and Places, 1997; SNZ (Te Tari Tatau), Pacific Peoples Statistical Profiles, 1995/ 1998).

As stated, the natural increase of Pacific peoples born in New Zealand, rather than immigration (refer to Chapter Six), has become a much more significant factor in the growth of some Pacific ethnic groups (Krishnan *et al,* 1994). For example, 'Pacific children under 5 years make up 1 in every 9, or 11.0 percent, of all New Zealanders of this age' (SNZ (Te Tari Tatau), 1997 NZ Now: People and Places: 39). The Pacific peoples who have migrated are generally young thus, the number of elderly Pacific peoples is relatively still small. This situation for the elderly element is likely to change in the future, as those early migrants enter the older age groups. Overall, the Pacific population as a whole has the lowest median age of the four major ethnic groups, at 20.4 years, but the highest fertility rates in the (0-19) age groups (SNZ (Te Tari Tatau), 1997 NZ Now: People and Places).

Bedford and Didham (1989) argue that the position of Pacific peoples in the New Zealand population is very diverse due to the New Zealand-born element. When the Pacific population is analysed only as a whole (therefore leaving out this New Zealand-born section), stereotyping pertaining to this group is reinforced. In reality, analysis which accounts for

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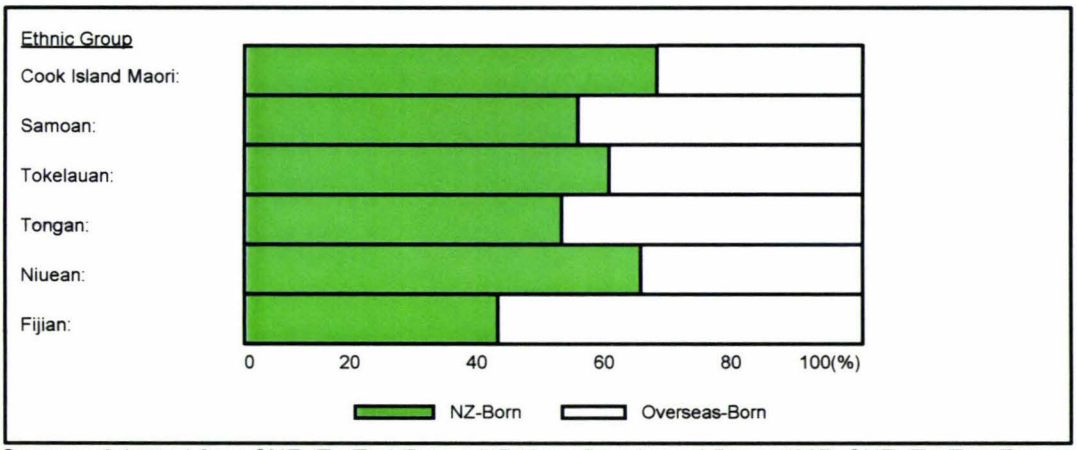
[3] As stated by Krishnan *et al*, (1994: 27-28) 'In Fiji, only indigenous Melanesian peoples are termed 'Fijians'. Indigenous Fijians however, comprise only about half the population of Fiji. The balance is made up of peoples from Fiji, who are not Melanesian in origin, but have identified their ethnicity as Fijian'. In order to maintain consistency this chapter utilises the official origin counting method of the 1996 Census which excludes Fijian Indian and the smaller ethnic groups who live in Fiji.

the differences amongst this population shows that 'in 1996, 57.8 percent of Pacific Islands who specified a birthplace were born here, compared with 49.6 percent in 1991' (SNZ (Te Tari Tatau), 1997 NZ Now: People and Places: 39). The likelihood of being born in New Zealand was highly correlated with the rights of citizenship and ethnicity characteristics. Krishnan *et al*, (1994: 36) has stated that 'over half of all Cook Island peoples, Tokelauans and Niueans are born in New Zealand (refer to Figure 7.1). People from these islands have a much longer history of migration to New Zealand and, furthermore due to their citizenship status, have had unrestricted entry' (refer to Chapter Six).

Figure 7.1: Proportion of Pacific Ethnic Groups Born In and Out of New Zealand, 1996



Source: Adapted from SNZ (Te Tari Tatau) NZ Now: People and Place,1997; SNZ (Te Tari Tatau), 1997b

In contrast, the entry of Fijians and Tongans to New Zealand has been much more strictly controlled and has predominantly been restricted to short term labour migration contracts (Krishnan *et al,* 1994: 36-37). Samoans, however, have a 56.8 percent New Zealand-born rate. The main reason for this could be that access to New Zealand (although restricted) has seemed to be 'easier' for Samoans than Tongans and Fijians (Krishnan *et al,* 1994: 37). Tongans have had by far the largest increase in the New Zealand-born component; from 42 percent in 1991 to 52.1 percent in 1996.

The need to differentiate between the migrant and locally born components of this population cannot be overlooked, due to the very different circumstances and life experiences of each group (Tiatia, 1998). Furthermore, the stereotypes of the Pacific population, associated with the immigrant component of this population may not reflect the 'true' reality of the New Zealand-born component of this population. In fact, Pacific communities now established in New Zealand, through the process of immigration and a high rate of natural increase, are likely to rapidly enlarge the New Zealand- born element of these six Pacific populations.

The next section focuses on the geographical distribution of Pacific peoples resident in New Zealand. The 'browning' of Auckland (Legat, 1988: 66). The term expresses how Auckland has become the largest Pacific Islands city in the world (Bedford and Gibson, 1986). The Wellington region also has a notable concentration of Pacific peoples residing within its boundaries. The majority of the six Pacific ethnic groups analysed in this chapter dwell in the main urban areas of New Zealand (refer to Table 7.2). This is closely correlated to the socio-economic motives and opportunities of migration, such as education, health care, employment, church and family networks.

Table 7.2: Geographical Distribution of the Six Pacific Ethnic Populations, 1996

Auckland Urban Area (%)		Hamilton Urban Area (%)
Tongan	78	2
Samoan	65	1
Cook Island Maori	56	2
Niuean	77	2
Fijian	57	3
Tokelauan	23	1
Palmerston North Urban Area (%)		**Wellington Urban Area (%)**
Tongan	1	5
Samoan	1	17
Cook Island Maori	1	12
Niuean	1	6
Fijian	2	10
Tokelauan	1	53
Christchurch Urban Area (%)		**Dunedin urban Area (%)**
Tongan	2	1
Samoan	4	1
Cook Island Maori	2	1
Niuean	2	1
Fijian	4	1
Tokelauan	1	1

Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998; SNZ (Te Tari Tatau), 1997c; SNZ (Te Tari Tatau), 1998c

In 1996 the Auckland urban region was home to over 78 percent (or eight out of every ten) Tongan peoples. They were followed by the Niuean community with 77 percent, Samoan (65 percent), Fijian (57 percent), Cook Island Maori (56 percent) and Tokelauan (23 percent). The Wellington region accounted for the second highest concentration of Pacific peoples: Tokelauan (53 percent[4]) Samoan (percent 17), Cook Island Maori (12 percent), Fijian (10 percent), Niuean (6 percent) and Tongan (5 percent). The Palmerston North and Hamilton regions have a combined total of 5 percent of Fijians living in these two areas. This is followed by Cook Island Maori with (3 percent), Niuean (3 percent), Tongan (3 percent), Samoan (2 percent) and Tokelauan (2 percent). Fijians and Samoans accounted for a combined total of five percent of Pacific peoples living in the two main South Island areas. Followed by the Cook Island Maori with (3 percent), Niuean (3 percent), Tongan (3 percent) and Tokelauan (2 percent). The total population of New Zealand was almost five times more likely than the six Pacific populations (analysed in this chapter) to live in rural areas. However, the Fijian ethnic group were twice as likely as other Pacific ethnic groups to live in rural areas[5]. The Tokelauan ethnic group also has a substantial population living in the Rotorua region[6].

7.4 Labour Force Participation

The 1996 Census has shown that Pacific and Maori peoples have lower labour force participation rates[7] than the European population. For example, the participation rates for the six main Pacific ethnic groups dropped from 70 percent to 58.8 percent over the five year period from 1991 to 1996 (refer to Table 7.3). However, this general decrease varied for men and woman associated with the Pacific ethnic groups. The labour participation rates during the period 1991 to 1996 for men fell from 82.1

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[4] Tokelauans are the only Pacific ethnic group to have a large population base outside of the Auckland region. This is mainly due to the large amount of: 1.) work to be found in the car-assembly plants in the Hutt Valley (in the 1960s) and in Porirua (in the early 1970s); and 2.) the 1966 hurricane that devastated Tokelau, which led to the resettlement of most of the population in Porirua, Hutt Valley and Rotorua (SNZ (Te Tari Tatau), 1997 NZ Now: People and Place: 40).

[5] This higher representation of Fijians in rural areas is linked to the immigration policies which originally motivated Fijians to New Zealand to work as agricultural labourers. Fiji was suspended from the scheme after the 1987 coups (Levick and Bedford, 1998).

[6] In the 1960s the Tokelauan ethnic group was assisted by the New Zealand government, to work in the labour-hungry timber industry located in this area. Hence, the large numbers of Tokelauans (6 percent in 1996) live in this region.

[7] As stated in the SNZ report (Te Tari Tatau), Niuean People in NZ, 1998: 55) 'the percentage of people aged 15 years or over who are either employed or are activity seeking work'.

percent to 70.1 percent. The rates for women also declined from 58.9 percent to 47.7 percent (MPIA, 1999b: 22).

Table 7.3: Labour Force Participation Rates by Ethnic Group, Gender and NZ-Born/ Overseas-Born, 1996

	Labour Force Participation Rates (%)		
Ethnic Group	NZ-born/ Overseas-born*	NZ-born/ Overseas-born**	Total
	Male	Female	
Samoan	71	59	65
Cook Island Maori	70	55	62
Tongan	68	54	61
Niuean	70	56	65
Tokelauan	65	55	59
Fijian	73	65	70
Total Pacific Island Ethnic Groups:	70.7	50.9	58.8
Maori:	72.7	50.8	61.0
Total NZ population:	75.2	57.4	66.2

* Total taken from both the NZ and overseas-born male groups
** Total taken from both the NZ and overseas-born female groups
Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998; SNZ (Te Tari Tatau), 1997a; MPIA,1999b

The overall decrease must be placed into the New Right deregulated flexible labour market context. What this means is that the decrease stated above must also take into account the high unemployment rates for Pacific men and woman (refer to section 7.6), the increase in part-time work (refer to section 7.5), and the lower labour participation rates for both Pacific men and women, emphasised in the (15-19) and (50-59) age groups. For instance, 'Pacific Islands youth aged between 15 and 19 experienced much higher unemployment (33 percent) then older participants aged between 20 and 64 (14 percent)' (SNZ (Te Tari Tatau), 1998c: 20). The lack of labour force participation in these two age groups can be linked to the persistent levels of unemployment from the latter half of the 1980s and well into the 1990s.

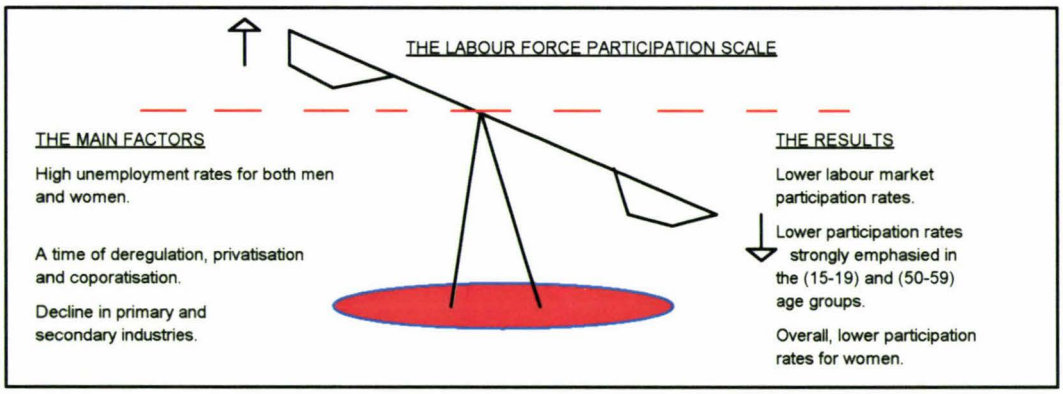
This high level of unemployment may have discouraged younger men and women from entering the labour force and provided them with incentive to remain in vocational education and training (refer to section 7.9). Further, the older population of the Pacific work force may have been forced out of the labour force due to a loss of jobs in industries which had largely employed them (Krishnan *et al,* 1994: 46). Indeed, many of the

older work force may have been forced to take early retirement because their work place was closely, mainly due to economic restructuring and deregulation (Krishnan *et al,* 1994).

The likelihood of being in the labour force[8] varied between different Pacific ethnic groups (Krishnan *et al,* 1994). For example, while labour participation rates ranged between 65 and 71 percent for five of the Pacific ethnic groups (the male total column), the rate for Fijians was 73 percent. While 65 percent of Fijian woman were in the labour force in 1996, the comparable rate for the five remaining Pacific ethnic groups was 50.9 percent. Overall, the most important factor is related to the national population's labour participation rates. Pacific men and women are less likely to be in the labour force than men and woman in the national population (Krishnan *et al,* 1994). The following Figure (7.2A-B), summarises the main factors influencing Pacific peoples labour force participation rates, for the years 1986-1996.

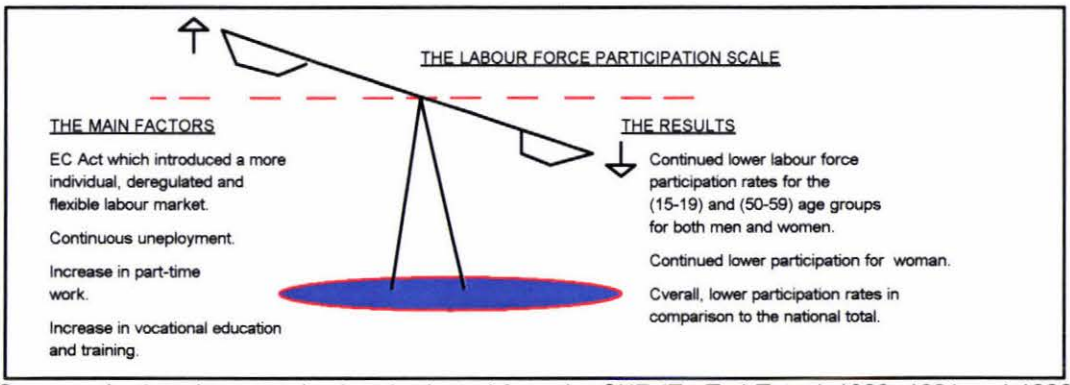
Figure 7.2: Pacific Peoples Labour Force Participation Rate Factors and Results, 1986-1996

A 1986-1991



[8] 'People aged 15 years or over employed for one or more hours a week, or unemployed and activity seeking work' (SNZ (Te Tari Tatau) Niuean People in NZ, 1998: 55).

B 1991-1996



Source: Analysed, summarised and adapted from the SNZ (Te Tari Tatau) 1986, 1991 and 1996 Census of Population and Dwellings

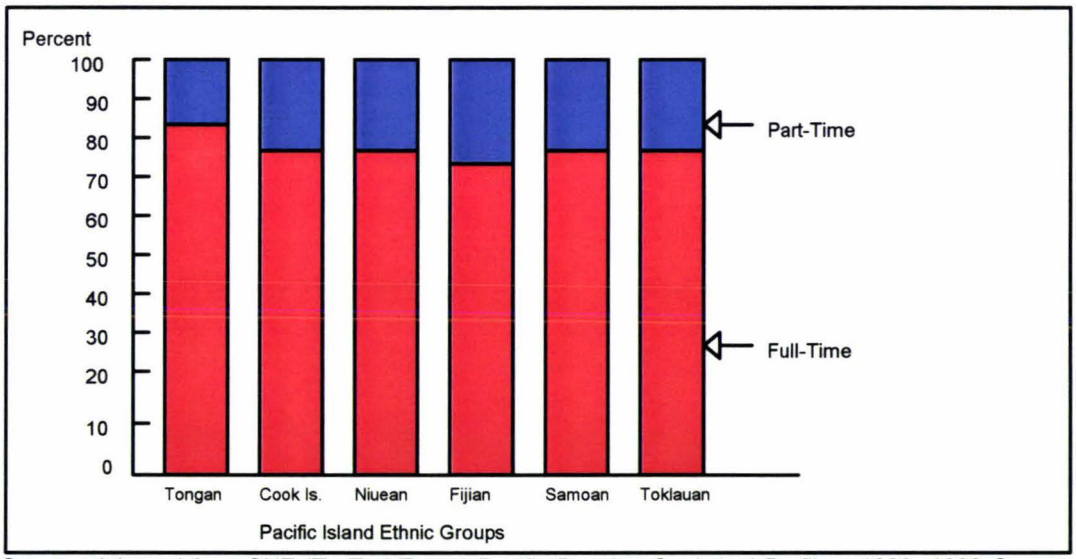
7.5 Full-Time and Part-Time Employment

The combination of industrial restructuring and economic recession was characterised by a substantial fall in the total New Zealand employment figures. At the time of the 1991 Census, employment fell from 1,499,421 in 1986 to 1,400,400 in 1991. However, the 1996 Census, shows that 1,630,812 people over the age of 15 years were employed. This represents an increase of 230,412 from the five years since 1991 (SNZ (Te Tari Tatau), 1996 Census of Population and Dwellings).

The biggest growth in Pacific people's employment since the 1991 Census has been located in part-time work. Figure 7.3 shows that all six Pacific ethnic groups experienced considerable growth in part-time work. For example, in 1991 part-time employment for both Samoan men and woman stood at 10 percent, while full-time employment stood at 90 percent. In 1996 part-time employment increased by 10 percent at the expense of full-time employment, which contracted by 10 percent. Of all the Pacific ethnic groups, Tongans were slightly less likely to work part-time, while Fijians were slightly more likely to work part-time then the other ethnic groups. The experience of reduced full-time work and its replacement with part-time is not confined to Pacific peoples[9]. For instance, 'some 55.9 percent of the intercensal growth in employment came from a growth in part-time employment ...' (SNZ, 1998b: 13).

[9] Refer to Chapter Five (section 5.7.2), for more information on the overall New Zealand part-time employment increases.

Figure 7.3 Proportion of Pacific Peoples in Full-Time and Part-Time Employment, 1996



Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998; 1996 Census of Population and Dwellings

Pacific woman accounted for the majority of those working part-time within their own respective ethnic groups (refer to Table 7.4). Tongan woman (28 percent), were more likely to working in part-time employment than men (17 percent) (SNZ (Te Tari Tatau), Tongan People in NZ, 1998). Overall, Pacific woman make up two-thirds of all Pacific peoples who are employed part-time.

Table 7.4: Part-Time Employment Distribution by Ethnic Group and Gender, 1996

Ethnic Group	Part-Time (%) Female	Part-Time (%) Male
Tongan	28	17
Cook Island Maori	30	16
Niuean	29	15
Fijian	31	17
Samoan	30	16
Tokelauan	30	15

Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998

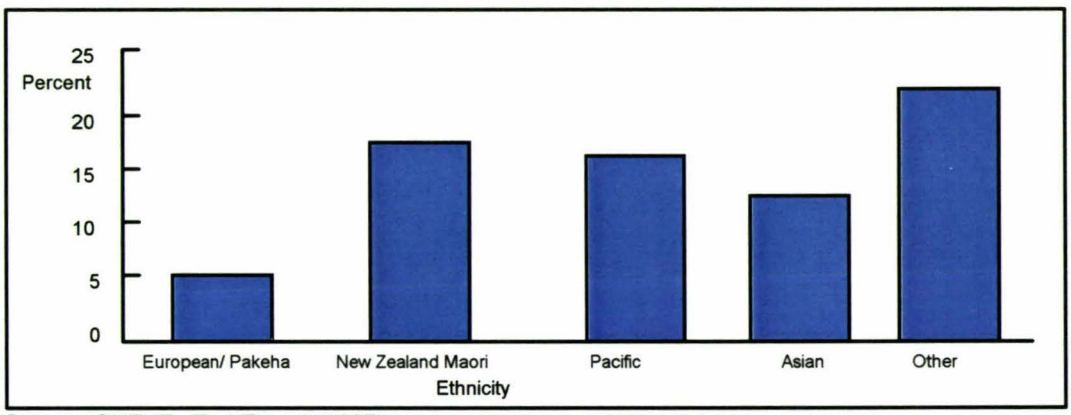
The shift to part-time work has two important implications for Pacific peoples. Firstly, the EC Act is unlikely to reduce labour market segmentation or increase labour participation rates for Pacific peoples.

What this shift will do is re-segment the market along different lines as greater priority is given to alternative forms of employment (such as part-time work). Secondly, without the protection of legislation in order to counteract common law, Pacific peoples (particularly woman), will suffer a disproportionate loss of bargaining power, be forced into unstable work, longer hours, lower wages/ or worse in unsafe conditions and be more susceptible to careless employers looking for short term financial gain.

7.6 Unemployment

Large-scale unemployment is a burden of major importance, because it reflects the generally disadvantaged position of Pacific peoples involved in the labour market (Krishnan *et al,* 1994). At the time of the 1996 Census, unemployment rates for Pacific workers were over double the unemployment rate for the European ethnic group (refer to Figure 7.4). For example, proportionately fewer people are unemployed in the European ethnic group than any other ethnic group. The European ethnic group have the lowest unemployment rate of 5.4 percent. The Asian ethnic group had an unemployment rate of 14 percent. This was followed by the Pacific ethnic groups 16.2. The New Zealand Maori ethnic group had an unemployment rate of 17.5 percent, and 23.6 percent in the remaining 'other' ethnic groups (SNZ (Te Tari Tatau), 1998b). Krishnan *et al,* (1994: 55) has argued that 'unemployment in the Pacific workforce is much more comparable to the experience of Maori'.

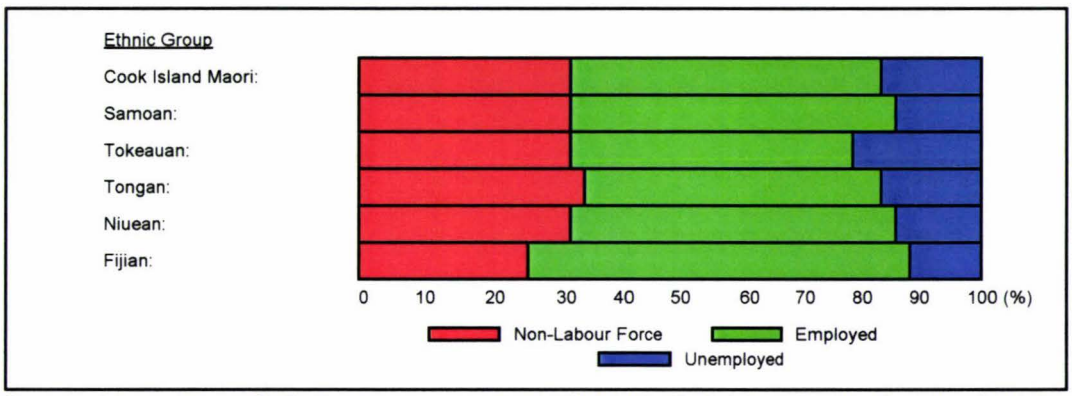
Figure 7.4: Unemployment Rate by Ethnicity, 1996



Source: SNZ (Te Tari Tatau), 1997b

The unemployment rate for the six Pacific ethnic groups, when compared individually is also considerably high (refer to Figures 7.5 and 7.6). The highest unemployment rate is shown in the Tokelauan ethnic group (24 percent), followed by the Cook Island Maori (19 percent), Tongan (18 percent), Niuean and Samoan (16 percent), and Fijian (12 percent). The Fijian ethnic group did have a lower unemployment rate than that of the other five Pacific ethnic groups.

Figure 7.5: Pacific Ethnic Groups Labour Force Characteristics by Non-Labour Force, Employed and Unemployed, 1996



Source: Adapted from SNZ (Te Tari Tatau), 1998c; SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998

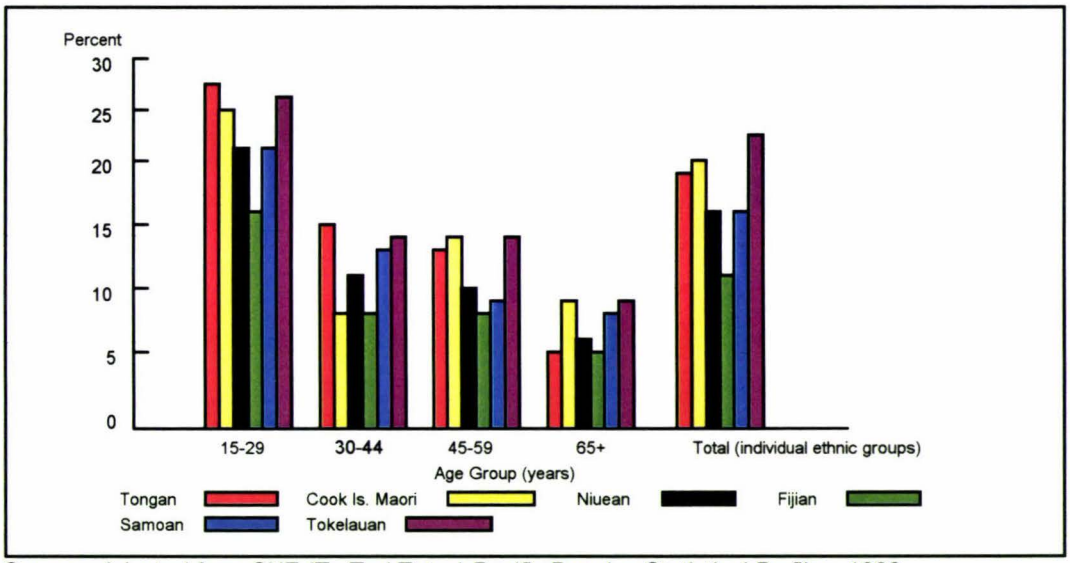
Unemployment varies between the New Zealand and overseas-born element of the Pacific community. Table 7.5 shows that overseas-born Pacific peoples have a lower unemployment rate than those born in New Zealand. This maybe due to the different age structures of these two groups, which have been affected more by industrial and economic restructuring. For example, overseas-born Pacific peoples tend to be older than their New Zealand-born counterparts, as Figure 7.6 shows, older Pacific peoples are less likely to be unemployed than those in the 15-29 group (SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998).

Table 7.5: Unemployment Rate of Pacific Ethnic Groups by NZ-Born and Overseas-Born, 1996

Ethnic Group	NZ-born (%)*	Overseas-born (%)**
Samoan	17	16
Cook Island Maori	21	17
Tongan	21	17
Niuean	17	14
Tokelauan	26	23
Fijian	15	11

* Total taken from both the male and female NZ-born groups
** Total taken from both the male and female Overseas-born groups
Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998

Figure 7.6: Unemployment Rates by Pacific Ethnic Groups and Age, 1996



Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998

Unemployment is closely related to the highest levels in qualification gained[10]. Throughout the total New Zealand population, one finds that those with formal qualifications have lower rates of unemployment than those without such qualifications. For example, as stated in the SNZ report (Te Tari Tatau) 1998b: 17) '... 39.4 percent of the unemployed were without any formal educational qualifications. In comparison 25.2 percent of employed people were without formal educational qualifications'. However, the importance placed on formal qualifications should not be over

[10] As stated in the SNZ report (Te Tari Tatau) Fijian People in NZ, 1998: 53) 'The most advanced formally-recognised educational attainment by people aged 15 years and over. Includes respondents who may still be at school'.

emphasised, as 'the 1996 Census also showed that the unemployed are well represented amongst those studying: more than 20 percent of the unemployed said they had attended a full and/ or part-time study course ...' (SNZ (Te Tari Tatau) 1998b: 17).

Overall, the unequal burden and distribution of unemployment for Pacific peoples is well documented in the 1991-1996 Census of Population and Dwellings. Unemployment is higher for Pacific men and woman when compared with European men and woman, (with the exception of the Maori ethnic group). The rise of unemployment affects Pacific youth, again being more pronounced when compared with the European ethnic group. Unemployment rates for those aged between 15-29 stand at some 25 percent. To some extent this is artificially high, because it includes numbers of students who are in part-time, or full-time study. Further, the unemployment rate for the Pacific ethnic groups are also associated with industrial and economy restructuring, particularly the decline of the manufacturing industries. Those shifts are discussed in more detail below.

7.7 Industrial Distribution

The 1980s and the early to late 1990s will be remembered in New Zealand's labour market history as a period of industrial and occupational restructuring. In practice this has meant some industries have grown much more rapidly than others implying a shift in labour market ideology, reinforced by large amounts of capital and labour out of older industries into newer, faster growing sectors. The only sectors to grow were finance, community, and personal services. This restructuring has also meant the reorganisation and redistribution of resources within existing industries in the quest for higher productivity (Barth, 1996). Consequently this has meant a fundamental shift from primary and secondary sectors to the service sector[11] which parallels similar labour market transitions in many other industrialised nations.

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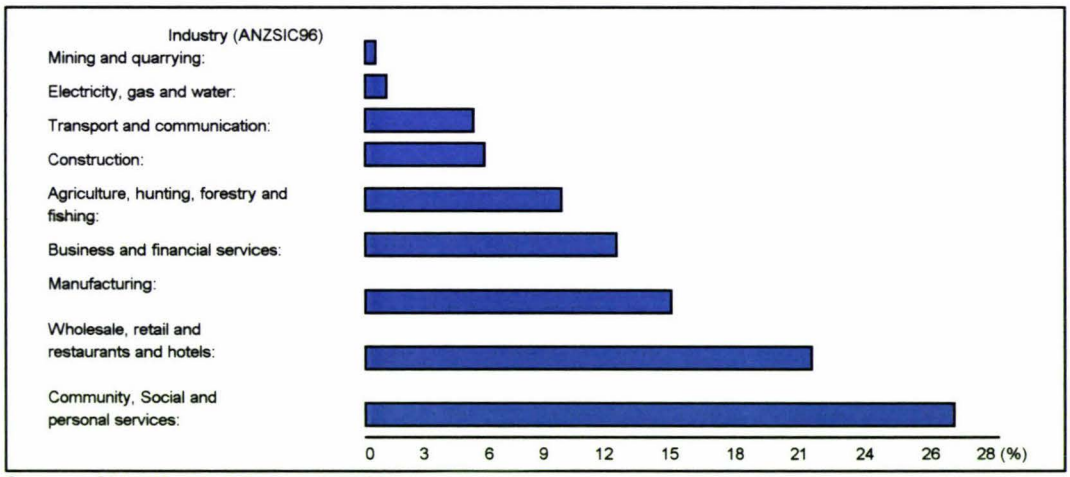
[11] The classification of industries is based on the Australia and New Zealand Standard Industrial Classification-96 (ANZSIC96). The 'primary sector' includes the major industrial divisions of agriculture, hunting, forestry, fishing, mining and quarrying. The 'secondary sector' includes the major industrial divisions of manufacturing, electricity, and construction. The 'service sector' includes the major industrial divisions of wholesale, retail trade, restaurants and hotels, transport, storage, communications, financing, insurance, real estate, business services, community, social and personal services (SNZ (Te Tari Tatau), 1998b). This classification will be used to provide comparability between the 1991 and 1996 Population and Dwellings Censuses.

The wholesale, retail trade, restaurants and the hotel industry have seen the largest increase of employment. Since 1991 the number of people employed in this industry grew to 347,172, an increase of 62,751 or 22.1 percent. In contrast, the largest decreases were in the manufacturing, electricity, gas/ water and construction industries, which fell by 25 percent from 433,971 to 326,943 people (SNZ (Te Tari Tatau), 1998b). At the time of the 1996 Census, almost half of those employed were working in the service industry (refer to Figure 7.7). The community, social and personal services accounted for 26.3 percent, while wholesale and retail trade, restaurants and hotels accounted for a further 22.7 percent. In total, 750,201 people are employed in these service industries (SNZ (Te Tari Tatau) NZ Official Year-Book, 1998).

Figure 7.7: Total New Zealand Industrial Distribution of Employment, 1996

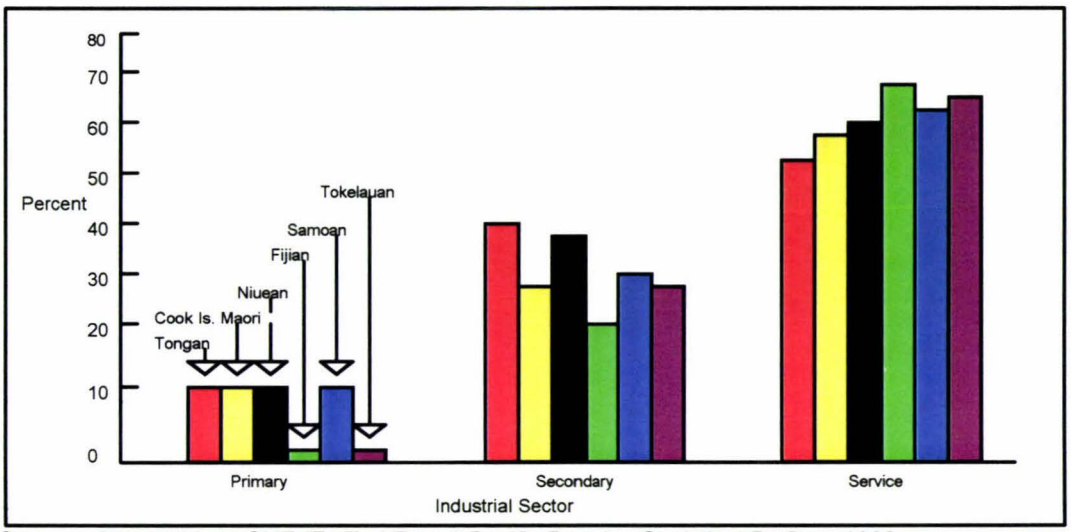


Source: SNZ (Te Tari Tatau), 1998b

Pacific labour was encouraged to New Zealand, in the 1960s to work primarily in secondary industries, particularly manufacturing (Spoonley, 1990). In fact, because of the large proportion of Pacific peoples employed in secondary industries, the continued impact of labour segmentation and sectoral shifts on the overall Pacific work force is substantial. Pacific labour is primarily found in the secondary industries when compared to the New Zealand total. For example, Niuean people are more likely to be in secondary industries (37 percent), when compared to the New Zealand secondary industry total (23 percent) (SNZ (Te Tari Tatau), Niuean People in NZ, 1998: 36). However, this dominance in secondary industries is

undergoing a fundamental shift to the service industry (refer to Figure 7.8). When comparing individual Pacific ethnic groups against each other, shows a gradual shift to the service sector for both men and woman. For example, Tongan (56 percent), Cook Island Maori (62 percent), Niuean (61 percent), Fijian (72 percent), Samoan (63 percent), and Tokelauan (66 percent) (SNZ (Te Tari Tatau), Pacific Peoples Statistical Profiles, 1998).

Figure 7.8: Employment of Pacific Ethnic Groups by Industrial Sector, 1996



Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998

Overall, the most important comparison is with the national population. Pacific men and women are less likely to be in the primary and service sector industries then men and woman in the national population. However, the structural shifts in the New Zealand labour market and economy has increased the numbers of Pacific peoples moving into the service sector when compared on an individual ethnic group basis. Further, the shift must also take into account the transition of the Pacific population from 'migrants' to a 'New Zealand-born' community. This relationship and how it influences occupational distribution will be discussed in the next section.

7.8 Occupational Distribution

The shift to the service sector since 1991 may potentially offer more Pacific peoples opportunities to raise their occupational position. The decline of manufacturing industries has impacted relatively on Pacific employment rates. While there has been a shift in industrial and occupational mobility into the service sector, most of the Pacific labour force continues to be located in unskilled and semi-skilled jobs (refer to Table 7.6: located in the manufacturing column). The occupational[12] distribution of the Pacific labour force at the time of the 1991 showed that men were mainly in semi and unskilled occupations of plant and machine operators and assemblers or elementary (63 percent) (SNZ (Te Tari Tatau), 1991). In 1996 the most common occupations for employed Pacific men continued to be located in semi or unskilled occupations of plant and machine operators and assemblers or elementary occupations (48 percent) (SNZ (Te Tari Tatau), 1998c). Just under half of employed Pacific woman worked in clerical occupations (24 percent), or as service and sales workers (24 percent) (SNZ (Te Tari Tatau), 1998c).

Table 7.6: Specific Industry of Employment of Pacific Peoples, 1996

Industry	Pacific Ethnic Group Totals* (%)					
	Tongan	Cook Is.	Niuean	Fijian	Samoan	Tokelauan
Manufacturing:	35	30	31	19	31	24
Retail trade:	11	10	11	14	11	12
Property and business services:	9	9	8	10	8	8
Accommodation, cafes and restaurants:	8	6	6	7	6	6
Wholesale trade:	6	6	7	6	6	7
Construction:	6	5	5	4	3	5
Government administration and defence:	5	5	5	5	5	7
Health and community services:	4	5	6	8	7	9
Education:	4	4	4	5	4	5
Transport and storage:	3	4	4	5	5	3
Agriculture, forestry and fishing:	3	4	2	4	2	4
Personal and other services:	3	4	3	4	4	3
Communication services:	2	2	3	2	3	-
Finance and insurance:	2	2	3	4	3	3
Cultural and recreational services:	1	2	2	2	2	2
Electricity, gas and water supply:	0	1	0	1	0	1
Mining:	0	0	0	0	0	0

* The total is taken from the industry of employment average (for the NZ/ overseas-born elements).
Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998

[12] The occupational classification employed is based on the New Zealand Standard Classification of Occupations-95 (NZSCO95) (SNZ (Te Tari Tatau), 1998b). This classification will be used to provide comparability between the 1991 and 1996 Population and Dwellings Censuses and to link the industrial sectors to the occupational areas.

Table 7.6 also shows that the latter occupational areas of the table continue to show significant under-representation of employed Pacific peoples. For example, the main occupational areas of agriculture/ forestry and fishing, personal and other services, finance and insurance, electricity, gas and water supply, and mining. Although this was the case across most Pacific ethnic groups, exceptions occurred amongst the Fijian ethnic group (refer to Table 7.7). For example, as stated in the SNZ report (Te Tari Tatau), Fijian People in NZ, 1998: 37) 'twenty-two percent of Fijian adults were employed in service and sales occupations at the time of the 1996 Census. A further 19 percent were employed as clerks'. When compared with the Tongan ethnic group, elementary work was the most common (22 percent), and service and sales (17 percent) was ranked third and clerks (12 percent) was ranked fourth in the top five Tongan occupations.

Table 7.7: Top Five Occupations of the Six Pacific Ethnic Groups, 1996

Occupation	Pacific Ethnic Group Totals* (%)					
	Tongan	Cook Is.	Niuean	Fijian	Samoan	Tokelauan
Service and sales workers:	17	16	18	22	17	20
Elementary occupations:	22	19	18	12	16	17
Clerks:	12	14	16	19	17	17
Plant and machine operators and assemblers:	20	21	19	10	20	15
Trade workers:	10	7	11	10	10	11

* The total is taken from the top five occupations (for the NZ/ Overseas-born elements and for both men and woman), for all six Pacific ethnic groups.
Source: Adapted from SNZ (Te Tari Tatau) Pacific Peoples Statistical Profiles, 1998

The transition from a migrant community to New Zealand Pacific-born community is important when associated with occupational distribution. For instance, 'New Zealand-born Samoans were more than twice as likely to be employed in skilled occupations than their overseas-born counterparts (11 percent with 5 percent). Overseas-born Samoan people were nearly three times as likely to be working in unskilled and semi-skilled occupations (27 percent with 10 percent)' (SNZ (Te Tari Tatau), Samoan People in NZ, 1998). Overall, the Pacific population is segmented and over represented in unskilled and semi-skilled occupations which are affected by labour market restructuring and economic recession. The following section examines the shift into vocational education and training by Pacific peoples.

7.9 Pacific Peoples Enrolled in Tertiary Education and Community-Based Employment Initiatives in New Zealand

The increase in vocational education and training within the total New Zealand population is shown in Table 7.8. The proportion of Tertiary Education Institution[13] (TEI) students who are Pacific and Maori, or of Asian ethnicity has increased since 1996. The most pronounced increase came from the Asian students, whose numbers have increased from 7.3 percent in 1996 to 12.7 percent in 1998. Pacific TEI students are more likely to be in the 20-30 age groups and less likely to be in the 40 or more age group, than students from other ethnic groups (Ministry of Education, 1998). This generally reflects three major factors: 1.) the younger age profile of Pacific peoples born in New Zealand; 2.) the greater tendency of older Pacific peoples to be migrants and to have lower levels of educational qualifications. In contrast younger New Zealand-born were more likely to hold post-school qualifications (MPIA, 1999b); and 3.) by far the greatest factor is the economic and industrial restructuring which moved the emphasis from employment once leaving school, to further vocational educational and training.

While there is growth in Pacific and Maori peoples participation rates in TEIs, one must take into account the general under-representation when compared to the European and Asian ethnic groups. The dominance of Training Opportunity Programmes in Private Training Establishments[14] (PTEs) is primarily set-up to provide an opportunity for those who would not otherwise attend TEIs, once secondary school was completed. In contrast to under-representation at TEIs, Pacific and Maori students are over-represented at PTEs, comprising 10 percent 29 percent respectively of the formal student body (Ministry of Education, 1998). Monitoring of participation by Pacific peoples is complicated by the unavailability of population data expect in Census years, but in comparing 1996 Census populations with tertiary student numbers, indicates clearly that both Pacific and Maori peoples are under-represented in TEIs compared to there

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[13] As stated by the Ministry of Education (1998: 2) 'These refer to public tertiary education institutions (TEIs), of which there are four kinds defined in the Education Act 1989: universities, polytechnics, colleges of education and *wanaga*. Each TEI is governed by its own council. They are Crown entities, required to fellow standard public sector financial accountability processes'.

[14] Refer to Chapter Eight (sections 8.2.1 and 8.3), for a more detailed analysis of the Training Opportunity Programme and the Private Training Establishment functions.

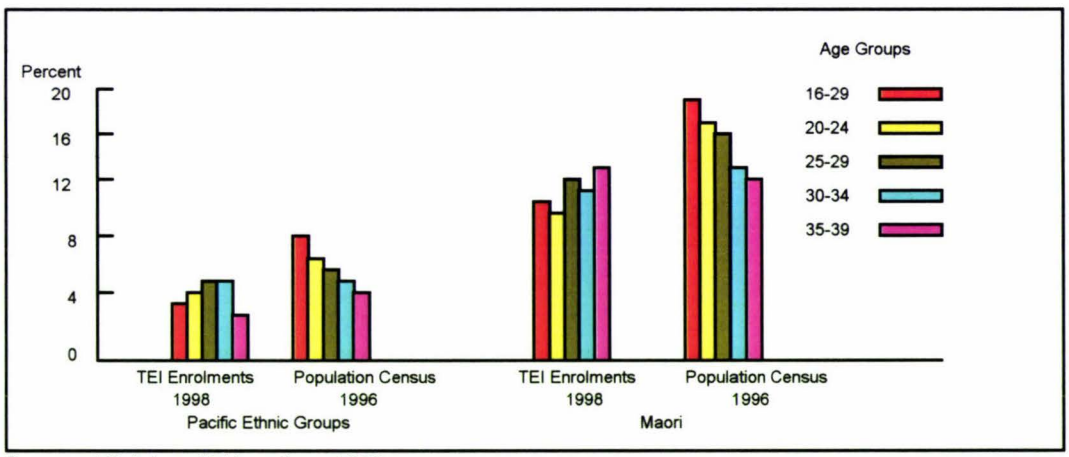
numbers in the general population (refer to Figure 7.9).

Table 7.8: Percentage of Students by Ethnic Group, 1996-1998

	Formal Students at TEIs (%)			Formal Students at Private Training Establishments (%)
Ethnic Group	1996	1997	1998	1998
European/ Pakeha:	73.9	72.8	70.7	45.3
Maori:	11.6	11.7	12.6	28.7
Pacific Peoples:	3.7	3.5	3.8	9.5
Asian:	7.3	8.7	9.5	12.7
Other Ethnic Groups:	3.5	3.3	3.4	3.8
Total NZ Students:	100	100	100	100

Source: Adapted from the Ministry of Education, 1998

Figure 7.9: Percentage of 1998 Tertiary Education Institution Enrolments and 1996 Census Population by Ethnicity and Age Group



Source: Ministry of Education, 1998

The levels of vocational education and training reflect the industrial and occupations of the total student population of New Zealand. In line with the findings throughout this chapter, the major industries employing full-time and part-time students at the time of the 1996 Census were the retail, accommodation, cafes and restaurant industries. For example, 'of those students combining full-time study and employment, close to half of the female students (48 percent) and a third of male students (32 percent) were employed in service and sale occupations' (Ministry of Education, 1998: 25). Students who attended a part-time study course (58 percent) at

the time of the 1996 Census were employed on a full-time basis, and 17 percent were employed part-time (Ministry of Education, 1998: 25). Overall, the figures show a large number of Pacific students attending Training Opportunity Programmes and a greater tendency for Pacific and Maori students to participate in TEIs later in life, with fewer students taking the pathway directly from school to tertiary education. It could argued that this movement is related to the low levels of educational attainment which transcends to experiences of higher rates of unemployment.

7.10 Summary

Since the 1996 Census there has been increasing growth in economic activity and major shifts in industries and occupations. However, there remains a wide dispersion in the incidence of labour market segmentation and degradation on some sectors of the population. The Pacific ethnic groups continue to experience falling labour force participation rates amongst men and women of all ages. Declines in labour force participation are most acute within the 15-24 and 50-59 age groups. Part-time employment, particularly amongst Pacific women, continues to grow at the expense of full-time employment. Unemployment rates for Pacific ethnic groups are proportionally higher than other ethnic groups (with the exception of New Zealand Maori). The uneven unemployment burden is shared more by the young and by those with low levels of educational attainment.

These transformations are linked with the significant shifts in the structure of the New Zealand division of labour. Service sector industries are employing more Pacific peoples, but this does not offset the loss in manufacturing industries. Further, the expansion of the service sector is closely linked to the increase in the causalisation of the work force (on a individual ethnic group basis and nation-wide). Despite these changes, Pacific workers (when compared with the New Zealand population), are still more likely to be found in semi-skilled and unskilled occupations. However, there is movement of Pacific workers into professional occupations, primarily from the New Zealand-born community.

Overall, the figures indicate that the contemporary labour market status of Pacific peoples is based within a very complex web of variables, including the different experiences of the New Zealand-born element when compared to overseas-born Pacific peoples. However, one constant seems to stay the same: that is the persistent segmentation, low wages, poor job security and limited bargaining power of the general Pacific work force. The following chapter backgrounds and introduces the case study by examining the main purpose and function of Skill New Zealand (Pukenga Aotearoa) and the Open Pacific Education Centre organisational context. This Private Training Establishment is primarily funded by Skill New Zealand (Pukenga Aotearoa) and utilised by Pacific peoples within Porirua for further vocational education and training.

Chapter Eight

The Open Pacific Education Centre Context

8.1 Introduction

The main purpose of this chapter is to describe and give meaning to Pacific people's responses living in the Porirua area to the initiatives set-up to promote education and employment. This chapter will analyses the main government funding agency associated with TOPEC (Skill New Zealand (Pukenga Aotearoa) which was formally known as the Education and Training Support Agency (ETSA) and then proceeds to examine the organisational context and main characteristics of TOPEC. These being, the main objectives/ orientation, the Pacific peoples student-centred strategy, unit standards, and purpose.

8.2 Background to Skill New Zealand (Pukenga Aotearoa)

The Education and Training Support Agency (ETSA)[1] was established in 1990. This government organisation leads the Governments strategy for developing New Zealand's skilled workforce potential and life long learning is called Skill New Zealand Pukenga Aotearoa. Skill New Zealand (Pukenga Aotearoa) is a specialist purchaser of education and training services that focus on individual's learning needs, as a cost effective and relevant alternative to 'traditional' institution-based training (Ministry of Education, 1998). Its primary focus is on the transition from education and training to work and on increasing access to training in the workplace. It promotes a variety of training opportunities suitable for

[1] The change in trading name was approved in September 1998, although the legislation (refer to the following paragraph), establishing the organisation as ETSA has not been changed (Ministry of Education, 1998).

different types of people, and provides access to national qualifications for many people who would not otherwise be involved in tertiary education and training. Particular attention is given to those under-represented in training including Pacific peoples, Maori, woman with low or no qualifications, older workers with redundant or unrecognised skills, and to closing the educational disparities between non-Pacific peoples and non-Maori peoples. With these aims in mind, the Mission Statement of Skill New Zealand (Pukenga Aotearoa) is:

- *To make a **leading** contribution to skills development to increase New Zealand's prosperity and social well being.*
- *To foster a lifelong learning culture where individuals achieve nationally recognised qualifications.*
- *To **advocate** enterprise investment in training for competitive advantage (Skills NZ (Pukenga Aotearoa), 1997-1998: 6).*

Skill New Zealand (Pukenga Aotearoa) is administered and is incorporated under the umbrella of the Ministry of Education. Its legislative mandate comes from the Education Act 1989 (and subsequent amendments) and the Industry Training Act 1992. Furthermore, as a Crown entity, Skill New Zealand (Pukenga Aotearoa) operates within the framework of the SS Act, 1988 (s 30) and (s 40) of the PF Act, 1989 (Skill NZ (Pukenga Aotearoa), 1997-1998: 5). The Agency is headed by a Board comprised of community and industry representatives, appointed by the Minister of Education. The Board operates under the Charter to the Minister, and is funded through Vote: Education (ETSA, 1991; Skill NZ (Pukenga Aotearoa), 1997-1998: 4-5). Annually, the Board negotiates for funds and agrees to achieve particular results for the funding provided.

8.2.1 The Functions

'Skills for Enterprise' is the name used to describe the industry training reforms which have been in progress since 1991. The three major components are the 'Internal Skill New Zealand (Pukenga Aotearoa) Course Reforms', the 'Industry Training Organisation (ITOs) Strategy', and the 'National Qualifications Framework' (NQF) administered by the New Zealand Qualifications Authority[2] (NZQA). The following (Table 8.1)

[2] NZQA is a Crown Agency that reports directly to the Minister of Education and to the Minister for Tertiary Education in 1999. Its functions are to: '1.) co-ordinate all qualifications in post-compulsory education and training from senior secondary to degree level so that they have a purpose and a

provides a brief insight into the three key areas of reform in industry training.

Table 8.1: The Industry Training Reforms from 1991-1994

	Internal ETSA (Skill NZ) Course Reforms	ITOs	NQF
1991:	-Access Training Scheme. -Career Education Service[3]. -Apprenticeship Education Services.		-The NQF facilitates continuous upgrading which are formally recognised standards. -Based on unit Standards.
1993:	-Training Opportunity Programme (TOPs). -Career Services-Rapuara. (formerly the Career Education Service) -Maori Vocational Trade Training Programmes (MVTTPs). (formerly administered by *Te Puni Kokiri*). -Apprenticeship Scheme.		
1994:	-Training Opportunity Programme (TOPs). -Skill Enhancement Programme. (formerly (MVTTPs). -ETSA (Skill NZ) devolve Apprenticeship scheme to (ITOs). -Skills Pathways.	-ITOs are established to identify their industries current and future skill needs and to set national unit standards. -Develop training packages which are formally recognised. -ITOs are intended to be self-sufficient.	
1998:	-ETSA changed its name to Skill NZ (Pukenga Aotearoa).		

Source: Adapted from ETSA, 1991; Prime Ministerial Task Force on Employment (PMTFE), 1994; Skill NZ (Pukenga Aotearoa), 1997-1998

In 1991 Skill NZ (Pukenga Aotearoa) was responsible for the implementation of three major training schemes; the ACCESS Training Scheme, Apprenticeship Scheme and Careers Education Services (ETSA, 1991). The Agency diversifies the training options to meet the needs of existing and emerging industries. One example is the piloting of the

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relationship to each other that students and the public can understand; 2.) oversee the setting and regular review of standards as they relate to qualifications; 3.) ensure New Zealand qualifications are recognised overseas and overseas qualifications are recognised in New Zealand; and 4.) administer national examinations, both secondary and tertiary' (Ministry of Education, 1998: 82).

[3] Career Services-Rapuara as stated by Tararoa (2000) 'were an entity on their own. They were not a part of Skill NZ (Pukenga Aotearoa), although we may have worked together'. In fact Career Services-Rapuara was 'established in 1990 to assist the achievement of government education, training and employment goals. It does this through the provision of information, advice and guidance services that are designed to help people make informed career choices' (Ministry of Education, 1998: 82). I have included this entity into the overall education reforms to ensure inclusiveness to the discussion.

traineeship concept with a number of interested groups. In addition to this operational focus, ETSA works with the Ministry of Education to develop labour market training policy and services.

Skill New Zealand (Pukenga Aotearoa) views generic skills and knowledge as central to the ability of individuals to adapt, particularly to the changing demand for specific skills. Those who lack generic skills are seriously disadvantaged in the labour force, given that educational achievements are important in determining the type of job an individual obtains. The main way in which Skill New Zealand (Pukenga Aotearoa) provides assistance for those who do not have basic generic skills is through the Training Opportunity Programmes[4] (TOPs). The ACCESS and TOPs courses are similar in course eligibility, funding and content. In fact the only difference between ACCESS and TOPs are the qualifications received while on TOPs. For example, TOPs leads to a recognised qualification and it also opens more doors for minority groups to use TOPs courses (Tararoa, 2000). As with ACCESS courses, providers[5] (the majority of whom are registered training establishments) are free to choose who they enrol on their course, but only receive Skill New Zealand (Pukenga Aotearoa) funding for those who fall within the eligibility criteria[6].

In the same year, the Career Education Service became Career Services-Rapuara. In addition, to these services, the Agency took over the Maori Vocational Trade Training Programmes targeted at Maori and Pacific youth, previously administered by *Te Puni Kokiri*. In 1994 the Agency changed the MVTTPs to Skill Enhancement[7] programmes which will

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[4] TOPs is a 'fully funded programme designed to help people who have low qualifications, no qualifications, or limited skills to gain independence through education and training. Skill NZ (Pukenga Aotearoa) has contracts with a variety of registered training establishments to deliver the courses' (The Governments Response to the Employment Task Force and the Multi-Party Group Memorandum of Understanding (TGRETFM-PGMU), 1995: 42). In 1999 the TOPs courses were stream-lined into two separate programmes administered by Skill NZ (Pukenga Aotearoa) and WINZ (this will be discussed further in section 8.3.4).

[5] Skill NZ (Pukenga Aotearoa) contracts third party organisations (such as TOPEC) to implement the training programmes it funds having first established the objectives and performance criteria against which the programmes will be measured in conjunction with NZQA and the NQF.

[6] In order to be eligible for a TOPs course, trainees have to fit into one or more of the following eligibility categories: 'aged 18 years and over and registered with WINZ for 26 weeks or more: with low qualifications (no more than two School Certificate passes); young school leavers with low qualifications; and registered as a Domestic Purposes or Widows beneficiary (with or without dependent children) for a least 1 year or more' (PMTFE, 1994: 120; Tararoa, 2000).

[7] This programme is 'targeted at young Maori and Pacific peoples aged from 16 to 21 years and is designed to encourage these groups to take up vocational education and training'. (TGRETFM-PGMU, 1995: 42). This programme will be discussed in section 8.3.4.

eventually be operated in parallel with Skill Pathways[8]. These two programmes allowed employers to deliver training and give students practical experience in the work place. In late 1994 Skill NZ (Pukenga Aotearoa) continued the internal restructuring process and as a result devolved the monitoring and administrating of the trade apprenticeship programmes to ITOs. Skill NZ (Pukenga Aotearoa) purchases training from training providers and co-purchase training via ITOs in order to develop New Zealand's human resources to meet the needs of enterprises operating in internationally competitive markets (Skill NZ (Pukenga Aotearoa), 1997-1998: 5).

The ITOs Strategy is designed to increase the quality, relevance and amount of structured industry training in New Zealand. Under the ITOs strategy, ITOs set national skill standards for their industry which are registered on the NQF. For example, ITOs are responsible for identifying their industry's current and future skill needs, setting national unit standards and developing training packages (PMTFE, 1994; PMTFE, n.d. The Interim Report). Skill NZ (Pukenga Aotearoa) industry training resources (which previously went directly to polytechnics for apprenticeship training) have been progressively transferred to ITOs to enable them to administer training arrangements and to purchase off-job training from the training provider which best meets their needs. In 1994 there were 35 ITOs covering more than 38 percent of the labour force (PMTFE, 1994). The main focus of this strategy was intended to extend the systematic training to industry sectors without a history of apprenticeships or forms of structured training. The current status of the ITOs strategy will be further discussed in section 8.3.4.

The NQF is comprised of eight levels. At each level there are a number of unit standards which vary in size and credit rating (refer to Table 8.3). The NQF is designed to facilitate continuous training, skills upgrading and retraining throughout an individual's working life. The framework aims to do this by allowing skills to be formally recognised no matter where they are learnt, and by making it easier for similar components of one

[8] 'A transitional measure designed to encourage the development of innovative training pathways linked to the NQF. These pathways combine on-and-off job training, which can be based in schools, employment or post-school institutions. It is targeted at 16 to 21 year olds' (Skill NZ (Pukenga Aotearoa), 1997-1998).

qualification to be cross-credited to another (PMTFE, 1994; TOPEC: Assessment and Moderation Policy, 1998). The foundation of the NQF is the 'unit standard' (this will be discussed further in section 8.3.3) which specifies the performance criteria against which the competency of the trainee is assessed. The NQF begins at Form 5 and consists of tailored packages of credits and are nationally recognised. Although the concept behind the NQF is simple, in reality and practice it is quite complex and confusing[9]. With no limit on the size of the NQF, the numbers of unit standards could become large, raising concerns about the potential for the NQF to grow complex, and difficult to use and update.

Under the NQF any provider can offer any course, as long as they are accredited[10] to do so. This has implications for the way in which courses are funded. Different levels of government assistance across providers offering the same courses may create an incentive for students/ trainees to select courses on the basis of the government support available, rather than the educational appropriateness of the course (PMTFE, n.d. The Interim Report). In sum, the three main reform strategies have given the Agency a specialist role in the purchasing of education and training services. These education and training services are flexible, individualist, and non-institutional training options designed to upskill individuals to improve their long term employment prospects. The internal Skill New Zealand (Pukenga Aotearoa) restructuring process, the ITOs strategy and the NQF have formed the basis for these education and training options.

8.2.2 The Purpose

The main purpose of the Skill New Zealand (Pukenga Aotearoa) is to raise the skill level of all New Zealanders and to ensure the maximum utilisation of the nations human resources for economic good. It promotes a variety of training opportunities suitable for different types of people,

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[9] I personally found the NQF (based on the unit standard) to be quite complex and confusing. Furthermore, I found out that I was not alone in this environment of confusion. All the research participants I interviewed did not know what a unit comprised of and how many they could do in a year to complete their course of study.

[10] All training providers of courses, or ITOs based on the NZQA-registered unit standards are required to apply for accreditation to teach the course. Accreditation means 'that the provider concerned has the equipment, expertise and quality management structures necessary to provide quality education and training in a particular course scope' (PMTFE, 1994: 118).

encouraging them to develop skills and qualifications throughout their working lives. Skill New Zealand (Pukenga Aotearoa):

- *is committed to ensuring equal access to training for all;*
- *purchases training relevant to the needs of trainees, informed by sound knowledge of regional communities and expertise in regional labour markets;*
- *maximises the likelihood of obtaining the results that the government wants through purchasing for outcomes;*
- *ensures accountability for government money by using transparent purchasing and contract management processes, and making timely and relevant information available to Ministers;*
- *uses knowledge about individual, firm and industry behaviour built up through monitoring and evaluating existing initiatives, to inform the design of new proposals with increased sophistication; and*
- *shares information about best practice in the training market between regions, through using effective communication systems such as regular business learning exchanges for staff (Skill NZ (Pukenga Aotearoa), 1997-1998: 5).*

Skill New Zealand (Pukenga Aotearoa) views the skills needed for this economic good as an essential prerequisite for economic growth and an improved standard of living for all New Zealanders (ETSA, 1991). The Agency focuses on all groups within New Zealand society, that they be equipped with 'tomorrow's' skills, and enabled to move forward at the same pace. This gives Skill New Zealand (Pukenga Aotearoa) the opportunity to focus on 'upskilling' those groups or 'individuals' whose needs are currently not well served by 'traditional' educational institutions. The next section focuses on the 'provider' element of this relationship.

8.3 The Organisational Context of The Open Pacific Education Centre

The Mission Statement of the Open Pacific Education Centre is to provide:

> *'Quality education focusing on student achievement'*
> *(TOPEC: Functions and Purpose Report, 1999: 1).*

The Open Pacific Education Centre began operations in 1992 and is one of two Pacific providers in the Porirua basin and one of five in the Wellington region. TOPEC's main funding is provided by Skill NZ (Pukenga Aotearoa), the Ministry of Education, WINZ, MPIA and the Ministry of Youth Affairs. The Centre has been registered with NZQA as a accredited Private Training Establishment[11] (PTE) since 1994. The TOPEC Board of Trustees

[11] PTE is defined, rather broadly, in the Education Act 1989 as 'an establishment, other than an

is comprised of educational, business and founding trustee members. For example, the TOPEC Board of Trustees includes:

- *Pauli Simmons Management Consultant*
- *Juliana Motu Staff Representative*
- *Fitu Ah Young Founding Trustee - Chief Executive*
- *Prof. Don Gilling Business Appointment - Chairperson Designate*
- *Kevin Spicer Business Appointment*
- *Pita FaaeaFounding Trustee*

(TOPEC: Functions and Purpose Report, 1999: 1).

It also has an Academic Board, comprising of professional people from the community, business and a TOPEC staff member to advise it on academic matters and on course content and direction. The Academic Board's terms of reference are to give advice on TOPEC course curriculum; determine appropriate courses and units of learning and advise the Board of Trustees (TOPEC: Assessment and Moderation Policy, 1998: 5; TOPEC: Functions and Purpose Report, 1999: 2).

8.3.1 TOPEC Objectives

TOPEC objectives are based within a learning environment that meets the needs of Pacific peoples. All TOPEC courses are classroom-room based with an emphasis on 'learning by doing'. For instance, learning by doing incorporates a combination of theoretical and hands on modules[12]. This means that the work experience is arranged for students to complement the understanding they develop of the theory behind the modules and the skills they need to learn. These modules include 'work-based training skills', 'learning how to learn skills' and 'self confidence skills'. TOPEC courses have embodied an approach to learning which makes clear the learning objectives to all students (refer to Figure 8.1).

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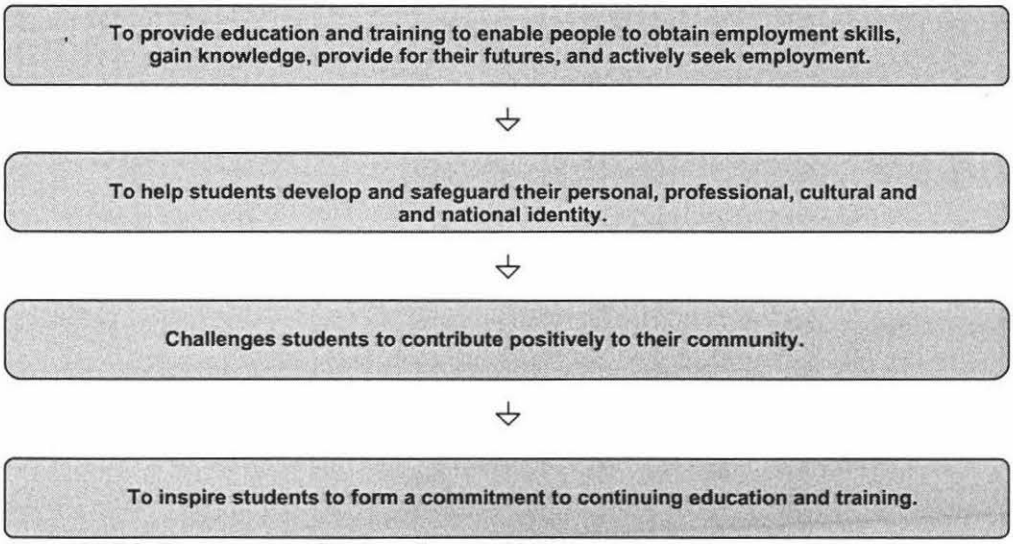
institution, that provides, post-school education or vocational training' (Education Act, 1989 as cited in the Ministry of Education, 1998: 2). In the context of this chapter the term is generally used for PTEs registered with the NZQA.

[12] Refer to Appendix 4 for an outline of these hands on modules.

Figure 8.1: The Main TOPEC Objectives



Source: TOPEC: Functions and Purpose Report, 1999: pp. 1-2.

TOPEC is primarily set-up to provide education which can lead to other other forms of high leaning. Further, this strategy includes 'skill pathways'[13], and 'stair-casing'. For example, students who have completed TOPEC courses are able to progress to the various Wellington based Polytechnics, the New Zealand Institute of Sport, Otago University School of Physical Education, and the Otago Sports Institute. This progression on to advanced training is catered by the TOPEC Careers Service team.

A variety of teaching methods are utilised, depending on the subject matter and on the needs of the students. TOPEC acknowledges that there are different learning characteristics among students and important cultural factors that must be taken into consideration when teaching Pacific peoples. This cultural recognition is reinforced by Skill NZ (Pukenga Aotearoa) 1999, Training Opportunities for young people: 10) which 'ensures that the training it purchases is provided in a manner which recognises and values Pacific Islands people'.

[13] 'Skill pathways' or 'stair-casing', is related to the needs of the individual students educational and vocational plan based within a Pacific peoples framework. As stated in the (Skill NZ (Pukenga Aotearoa) 1999, Training Opportunities for young people: 12) 'The Skills Pathway plan for the student must have: 1.) relevant and up to date information for making informed choices about their future; 2.) the student is to be supported in developing and maintaining a pathway plan; 3.) the students plan is to be developed in a context of personal, family, whanau, hapu or iwi values; 4.) the students pathway plan identifies next and further educational and vocational goals; and 5.) the students pathway identifies the board skill areas and personal development required to achieve their educational and vocational goals'.

8.3.2 Pacific Peoples Student-Centred Strategy

The TOPEC tutors have to be flexible and comfortable with two approaches to teaching. The first approach focuses on the traditional *palagi*[14] method of teaching, such as leading discussions in a group, giving presentations of subject material, and supervising project work (TOPEC: Functions and Purpose Report, 1999: 3). The second teaching strategy is the 'student-centred' approach which is tailored to suit the learning needs of Pacific peoples. The student-centred approach includes a 'holistic' learning style which aims to educate the whole person rather then the individual. Subjects are taken together rather than separately and subject connections stressed with the students own life experiences (Skill NZ (Pukenga Aotearoa) 1999, Training Opportunities for people 18 years and over: 44).

Individual learning is important[15], but in a Pacific learning context collective group approaches which stress learning interpersonal relations and co-operation, may be more beneficial. Collective knowledge is pooled and subject issues, or meanings are worked out in group discussion. New students are incorporated into existing groups with an emphasis on the learner looking, listening and imitating, with a minimum of words of instruction from the tutor. Tutors explain the subject matter and leave the students to make and learn from their own mistakes. The tutors are placed in a 'supportive role', for example, as an organiser of resources. This does not mean that the students are left on their own, or are not helped. Assistance and guidance will be given when it is necessary. The students are encouraged to learn by doing, by utilising role plays, group discussions and mock interviews in the class room context. Furthermore, students are also encouraged to participate in hands-on work experience to ensure familiarity with the workplace context.

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[14] The word 'palagi' is used in this paragraph to describe the traditional European teaching approaches.

[15] While it is important to reinforce and validate these Pacific approaches to learning, it is also critical for Pacific students to develop appropriate skills for the successful participation in the highly literate world of education and work (Skill NZ (Pukenga Aotearoa) 1999, Training Opportunities for people 18 years and over: 45). Like most things in life a balanced focus is needed. To be confident in both educational systems can enhance the well-being of Pacific peoples involved in training.

Most Pacific peoples have an 'oral tradition' where genealogy, history, values and beliefs are transmitted by oral means, for instance, through songs, dance, myths, legends and poetry (Tiatia, 1998; Skill NZ (Pukenga Aotearoa) 1999, Training Opportunities for people 18 years and over: 45). The 'tradition' of recital, imagery, story-telling and drama is a useful medium in expressing and eliminating the experiences and insights of the student to the subject matter being taught. Learning by rote or memorisation plays an important part in transmitting and safeguarding a students cultural identity (TOPEC: Functions and Purpose Report, 1999: 2).

'Shyness' or 'not wanting to draw attention to oneself' is one of the biggest barriers associated with the lack of participation by Pacific students in educational activities. Attention is deflected from the individual by peer grouping, team work, buddy approaches and by the use of humour. Tutors avoid singling out individuals for praise or blame in the class-room context (for fear of making the student conceited or embarrassed). In addition, approval and disapproval is carried-out in a non-verbal fashion. The main focus of this strategy, when dealing with shyness, is about maximising individual participation by employing group strategies. The collective group as a whole is to be praised rather than the individual (TOPEC: Functions and Purpose Report, 1999: 3).

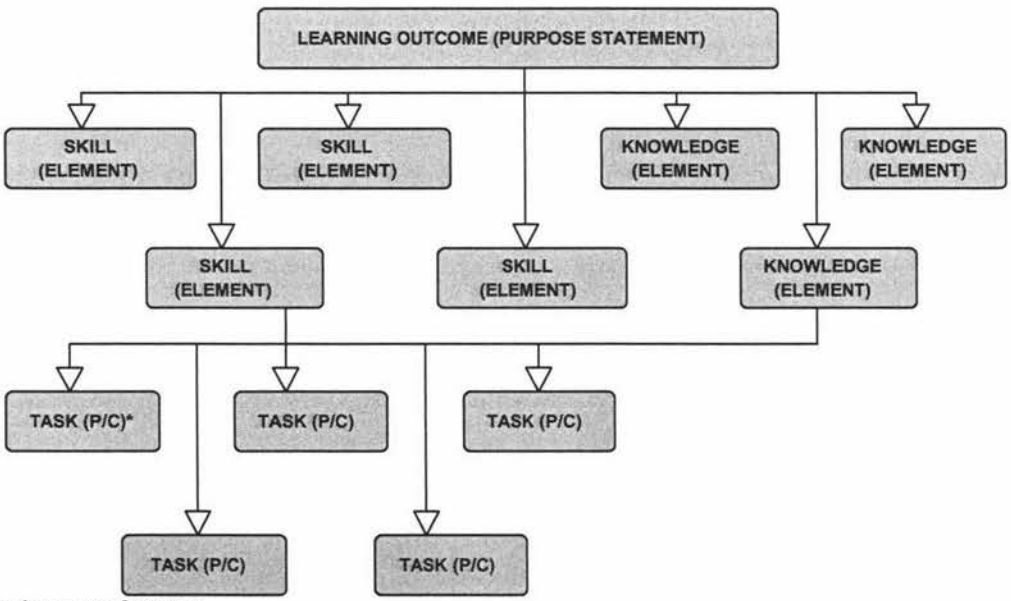
Many Pacific students are motivated by a combination of family-based goals and socio-economic influences. Creating positive links between the home and the TOPEC courses creates an environment of support for the students. TOPEC has arranged with the Ministry of Education a Loans and Allowances Scheme for the students to apply for (TOPEC: Functions and Purpose Report, 1999: 4). In addition, TOPEC provides assistance with literacy/ numeracy skills and caters to the student's cultural needs. The cultural needs of the students have been built into the course and are emphasised in the leadership and cultural camp which is held during summer. The student's general needs are co-ordinated by the Student Support Manager (when I was conducting by fieldwork the Student Support Manager was Nesa Fauatea) for such things as counselling, health, career planning, budgeting advice and pastoral care. In conjunction with the general needs programme, visiting speakers from various government departments and agencies visit TOPEC on a

regular basis. For instance, the Sport, Fitness and Recreation Industry Training Organisation (SFRITO) and the Health Department discussing issues related to sexual health and smoking.

8.3.3 Unit Standards

The objective of a teaching and learning programme (course) is for the student to obtain learning outcomes. This is the knowledge and the skills that enable the student to perform set tasks professionally and consistently (TOPEC: Assessment and Moderation Policy, 1998: 3). The NQF defines learning outcomes in unit standards which are the criteria against which performance in a particular area of skill or knowledge will be measured (PMTFE, 1994). Qualifications consist of tailored packages of credits and is linked to the Skills Pathways strategy (refer to section 8.3.1). Figure 8.2 sets-out the three main unit standard components[16] of the NQF.

Figure 8.2: The Three Main Unit Standard Components



* Performance Criterion
Source: TOPEC: Assessment and Moderation Policy, 1998: pp. 3-4.

[16] NQF unit standards are comprised of three main components: 'purpose statements' which specify learning outcomes. For example, the purpose statement of the NZQA and Hospitality Standards Institute (HSI) for unit standard 168 version 2 is shown in Table 8.2.

Table 8.2: Purpose Statement

Level 3 **Credit 4**	
Food Safety **Demonstrate food contamination hazards, and control methods used in a food business:**	
Purpose Statement:	**-This is a theory based unit standard designed for all people working, or preparing to work, in a food business. People credited with this unit standard are able to demonstrate knowledge of hazards that cause food borne illness and cause food borne illness and food spoilage in a food business.**

Source: Adapted from HSI, 1998 unit standard 168 version 2: p.1; NZQA, 1999 unit standard 168 version 2: p.1.

'Elements' are used to describe knowledge and skills; and the 'performance criteria' is employed to describe the tasks that the learner is able to perform to demonstrate the knowledge and skills. For example, Table 8.3 employs unit standard 168 version 2[17] to demonstrate these two concepts.

Table 8.3: Elements and Performance Criteria

Level 3 **Credit 4**	
Food Safety **Demonstrate food contamination hazards, and control methods used in a food business:**	
Element 1:	**-Demonstrate knowledge of the hazards that cause food borne illness and food spoilage in a food business.**
Performance Criteria 1.1:	**-Hazards are identified and explained in terms of food borne illness and food spoilage caused.**
Range Items[18]:	**-Hazards - biological, chemical, physical.**

Source: NZQA, 1999 unit standard 168 version 2: pp. 2-6.

The 'assessment' is the process of judging evidence that a learning outcome has been (or has not been) achieved. The assessment for unit standard 168 version 2[19] focuses on the students in-depth knowledge of the

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[17] Refer to Appendix 5 for a brief list of the elements and performance criteria needed to complete this unit standard.

[18] 'Range items' are the range of situations or contexts that apply to the unit. Evidence must be provided for each range item at least once.

[19] I have utilised this particular unit standard (168 version 2) as an example of the three main components of the NQF, because the Cooking and Catering class were achieving this standard while I was conducting my field research.

[20] Direct or indirect evidence can be used. The most obvious direct technique is to write the answer in the space provided under the performance criterion. However, students can also choose to use pictures and diagrams as evidence. Indirect forms of evidence include work experience reports or a

subject matter. The practical demonstration requirements for achievement of this unit standard, the assessment and associated evidence[20] of the students ability and knowledge, would be employed to compete this unit standard (HSI, 1998 unit standard 168 version 2: 2). The recording or assesment sheets[21] contain structured judgement sheets used for evaluating the students in-depth knowledge of each performance criterion. Once a student has completed a course they receive a certificate of achievement and a performance report.

Quality assurance is important for students, PTE providers, and ITOs that have choosen vocational education and training and for maintaining national and international 'credibility' for the standard and 'value' of the educational programmes and outcomes (Ministry of Education, 1998). Quality assurance is maintained by the 'NZQA which retains course approval and accreditation for all degree qualifications offered by providers other than unuversities' (Ministry of Education, 1998: 33). The quality of education and training delivery in the context of the NQF is assured in three ways (refer Figure 8.3).

At a PTE level an 'assessor' is (usually a TOPEC course tutor) responsible for designing and administering assessments. The assessor analyses the knowledge, skill and performance criteria of an individual student. A moderator[22] in association with an internal moderation panel is responsible for approving assessment and moderation plans for individual courses. Both parties ensure that TOPEC meets the external moderation obligations and review assessment decisions where the assessor and the moderator are unable to agree (TOPEC: Assessment and Moderation Policy, 1998: 5). An external moderation panel is responsible for moderating assessments for courses of two semesters or more and reviewing assessment decisions where the internal panel is unable to agree.

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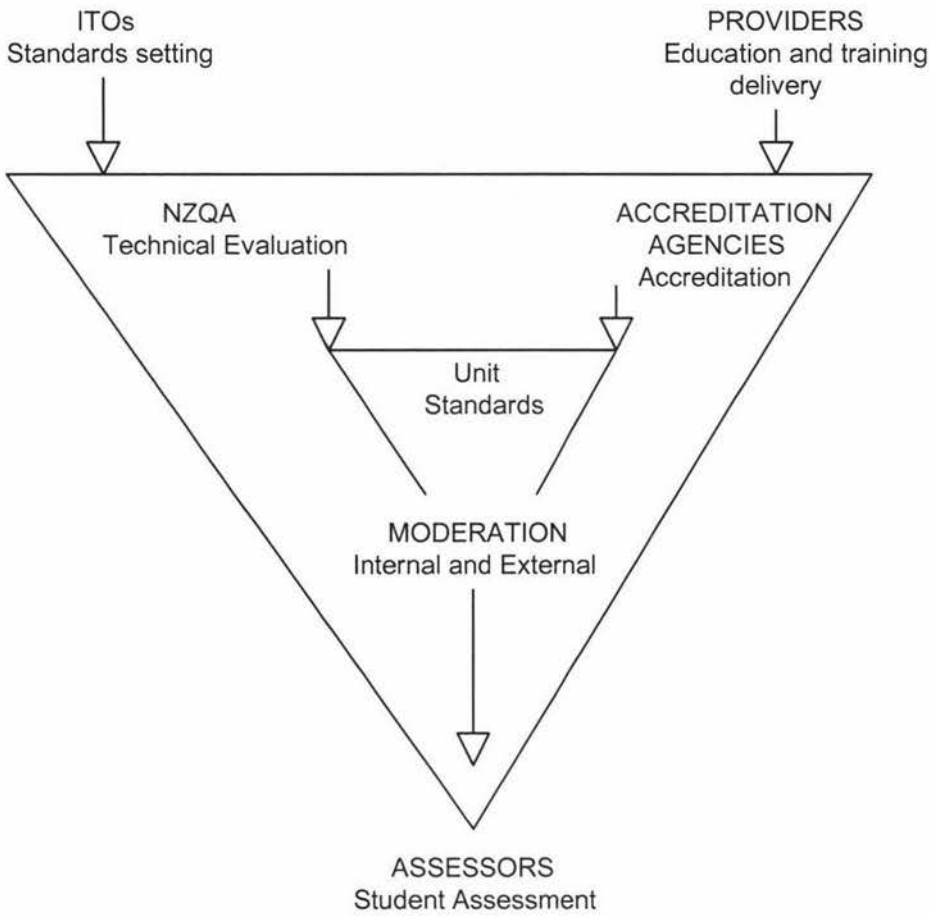
certificate from another institution (TOPEC: Assessment and Moderation Policy, 1998: 6-7).

[21] See Appendix 6 for the judgement sheets used for evaluating.

[22] A 'moderator' is an experienced assessor appointed by the Chief Executive or the Academic Committee to check the quality of an assessment.

Figure 8.3: The Quality Assurance Triangle



Source: Adapted from PMTFE, 1994; TOPEC: Assessment and Moderation Policy, 1998

Unit standards classified by ITOs undergo technical evaluation[23] by NZQA before being registered on the NQF. The education and training providers have to be registered by the NZQA (if they are privately owned like TOPEC) and be accredited by an approved accreditation agency to deliver NQF based programmes. Assessments based on the NQF unit standards are moderated by a method jointly approved by the relevant ITOs, training providers and NZQA.

[23] Unit standards are developed under the auspices of the relevant accreditation agency or ITOs. Once developed the unit standards are endorsed by the ITOs, undergo technical evaluation by NZQA and are finally registered on the NQF.

8.3.4 Purpose

TOPEC has three main purposes: to increase the participation of Pacific and Maori peoples in higher education (through the student-centred strategy and by applying learning by doing approaches); to enhance the social and cultural needs of its students and to encourage students to volunteer for community service. All TOPEC courses fall within a certain course scope. This scope provides a learning by doing approach which includes work experience to ensure applicability of the training to what students will experience in the workplace. TOPEC tutors establish what careers are of interest to individual students and then proceed to arrange an appropriate work experience programme. The tutor and the student work through the following topics to ensure that both parties understand what is required in their choice of work experience. For example:

- *Skills required/ that may be learned*
- *Personal qualities and physical characteristics needed in the job*
- *Contact with people*
- *Work places*
- *Equipment and working conditions*
- *Hours and travel*
- *Useful related work experience and training to enter the job*
- *Salary and job prospects*

(TOPEC: Purpose and Function Report, 1998: 7)

When both parties have gained an understanding of these topics, the tutor will then proceed to match the student to a workplace which meets their learning and vocational needs. Students are asked to demonstrate a basic understanding of the Health and Safety in Employment Act 1992, this is a form of protection for the student, employer and TOPEC. They are also asked to sign a code of conduct after they have read it and have indicated that they understand the document. Employers are then contacted as to what is expected of them in providing work experience. For instance, employers must provide quality work experience to enhance the students learning. Furthermore, employers are asked to sign a contract of services that protects the students rights and outlines assessments specific to the course.

TOPEC tutors liaise closely with a key contact person in the organisation to monitor the students progress and also advise the student's tutor of any concerns arising from the work experience. In this way a reciprocal review and evaluation processes can be utilised and the assessment documented. If the student does not feel comfortable with the workplace or does not feel happy about the assessment being undertaken then he/ she may withdraw without penalty. A new work experience will have to be arranged in order to complete the specific module.

The second TOPEC objective focuses on the cultural and social aspects of the students overall development. For instance, field trips are planned to relevant course places, such as the public library, WINZ and the Citizens Advice Bureau. Guest speakers are invited to give interactive presentations about health issues and career information and services. The final purpose encourages students to apply for volunteer service with a charitable organisation in order to develop their work, community and social skills. An assessment can be cross-credited to other unit standards the student is completing. The assessor must collect the evidence and be satisfied that the student has displayed competence and has satisfactorily met the performance criteria for the relevant module. The following paragraphs update and focus on the two main courses which TOPEC provides and then proceeds to update the current ITOs situation.

The government decided on 1 January 1999 to split TOPs into two initiatives in order to focus resources on two major target groups[24]. The policy fundamentals upon which TOPs is based (since 1992) have not been changed. The main 'purpose is to provide quality, cost effective education and training for learners with no or low qualifications' (Skill NZ (Pukenga Aotearoa) 1999, Training Opportunities for young people: 4). However, the two TOPs programmes have separate government purchasers which have different eligibility, access, recruitment and accountability requirements. For instance, Training Opportunities for Young people is still funded by Vote: Education and administered by Skill NZ (Pukenga Aotearoa) under the Ministry of Education. Training Opportunities for people aged 18 and

[24] TOPs was split into two programmes: The 18 years and over Training Programme was primarily aimed at the long term unemployed with have low qualifications, and Youth Training for 16 and 17 year olds with low or no qualifications (Skill NZ (Pukenga Aotearoa) 1999, Training Opportunities for people 18 years and over: 4-5).

over is funded by Vote: Education, but administered by WINZ. Overall, TOPEC purchases more Training Opportunities Programmes aimed at younger school leavers, but does provide one Training Opportunity Programme designed for the older and longer termed unemployed which is managed by WINZ[25].

In 1998 Skill NZ (Pukenga Aotearoa) made a distinction between the two cultural strands of the Skill Enhancement Programme. These are the Rangatahi Maia Maori and Tupulage Le Lumana'i for Pacific peoples (Skill NZ (Pukenga Aotearoa), 1997-1998: 11). This allowed training providers to focus and develop the training according to its ethnic and cultural foundations. ITOs have extended the range and coverage of the industry training they undertake. In 1998 most of the industrial sector was covered and involved in training arrangements with ITOs. For example, ITOs have the potential to cover 90 percent of the workforce which previously had no systematic training arrangements (Skill NZ (Pukenga Aotearoa), 1997-1998: 8).

8.4 Summary

This chapter has shown that the educational reforms reflect the major policy shifts that have occurred to other sectors of New Zealand society in the 1980s and 1990s. Coxon *et al*, (1994 as cited in Pasikale, 1996: 19) 'claimed the reforms were about government attempts to reduce educational expenditure, to break the traditional notions of a welfare state, and align the public education system with the thinking of a 'worldwide political and economic movement, known as the New Right'. As a consequence, Training Opportunities became a key part of Skill New Zealand's aim to raise the level of all New Zealander's so that they can participate in a flexible labour market. As a result, Skill New Zealand (Pukenga Aotearoa) is still in the process of organisational renewal in a complex and fast paced labour market context. Skill New Zealand (Pukenga Aotearoa) priorities have included strategies to eliminate the educational and employment disparities for Maori and Pacific peoples and the need to ensure a nationally integrated quality service (NZQA: NQF) and

[25] The Training Opportunities Programme for people aged 18 years and over administered by WINZ in conjunction with TOPEC is called the 'Tama Tane O Le Pasifika'.

achievement of outcomes (unit standards) for trainees.

On the other hand New Right adherents have argued that the educational, funding and administration deregulation reforms have resulted in greater participation rates in the education system and the fostering of lifelong learning habits. The transition from a predominantly government controlled education system towards a 'seamless'[26] education system, which promotes greater individualism, choice and flexibility, is a fundamental part of the current education policies. At the training level, many PTE providers (such as TOPEC) have utilised cultural elements to enhance the labour market prospects of those who have fallen through the cracks in the educational system. In many cases mainstream education has not worked for numerous Pacific students, there are those who, for various reasons, have not acquired the education and skills they need to fulfil their potential in the labour market. Having looked at the nature of the training education reforms and the concepts of the New Right (that include individualism and flexibility), which influence the participation of Pacific peoples in vocational training, the following chapter examines the responses and experiences of the research participants to the four specific TOPEC initiatives which correspond to the key questions raised in this thesis (refer to Chapter One).

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[26] As stated by the Ministry of Education (1993 as cited in Pasikale, 1996: 19) 'a 'seamless' education system is a system under which it no longer matters with which provider or in which educational programme students are studying. All learning will lead to qualifications within the same framework'.

Chapter Nine

The Case Study: Responses and Experiences

9.1 Introduction

Research data on Pacific peoples in Aotearoa/ New Zealand is largely confined to 'faceless' census statistics, official customer-type data in government departments and agencies and to a small number of independent studies (Pasikale, 1996). There is even less information on specific topics relating to Pacific peoples employment participation in a free market context. The use of quantitative research in terms of raw statistics does have its place in the formation of macro policy. However, at the micro policy level, one cannot adequately or effectively measure the human responses to these employment initiatives which directly or indirectly affect Pacific peoples at a grass-roots level from this data. Consequently, the need for in depth qualitative information on Pacific peoples responses to the initiatives was a driving factor for this research. The primary objectives of the research were to make visible the stories and backgrounds of Pacific learners participating in community employment-based initiatives and to contribute information to the body of knowledge related to these ethnic groups within New Zealand society.

The responses and experiences addressed in this chapter are based on four key themes[1]: 1.) a brief introduction to the individual research participants (which are divided into two sub-groups, the recent school leaver and long term unemployed[2]); 2.) employment status; 3.) responses

[1] These key themes are directly related to the central hypothesis of this thesis and to the mini-hypothesises stated in the individual chapter outlines (refer to Table 1.1) shown in Chapter One.
[2] The two main groups are not intended to 'box' research participants into a category. The primary

to government employment policies and how these policies have affected research participants and their families; and 4.) responses related to the initiatives. Chapter Nine examines the responses and experiences of the research participants to the specific TOPEC courses which correspond to the key questions raised in this thesis. Consequently, a qualitative method is utilised in order to illuminate the human characteristics (such as feelings, aspirations and emotions) of the research participants (Babbie, 1995; Lofland, 1984; Silverman, 1993).

9.2 The Research Participants

- **Recent school leavers:**

Tua: was born in Samoa and immigrated to New Zealand in late 1996. Tua attended Lulumoega Fou College.

> ***The researcher: Is that the same as the Mormon Church Collage in Pesega?***
>
> ***Tua: No, this collage was ran by the E.F.K.S. Church[3]. I started my third form there and my last year there was in 1995. In 1996 I changed schools and went to the Mormon Church College in Pesega[4] and did my sixth form year there and also sat my Sixth Form Certificate there. At the end of 1996 my sister living in New Zealand wanted me to come and stay with her and her husband. A little bit about my family, there is five in my family: my father, mother, my two sisters and myself. Now I am here in New Zealand and I am taking***

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aim of the two categories is to show: 1.) the age of the research participants; 2.) their employment situation; and 3.) to highlight the government's plan to split TOPs into two initiatives (refer to Chapter Eight) related to the two sub-groups stated on page 1.

[3] The Congregational Samoan Church (E.F.K.S.) has its roots in the London Missionary Society (LMS) which commenced work in Samoa in August 1830, when the Rev. John Williams, accompanied by Rev. Charles Barff, visited Samoa and located Tahitian teachers at Sapalii in the Island of Savai'i. Half of all Samoans living in Samoa today belong to the E.F.K.S., derived from the LMS. The E.F.K.S Church has also been called the 'Lotu Taiti' after the LMS Tahitian missionary teachers (Howe, 1984: 235-238; Kiste, 1994: 22-23; Swaney, 1994: 31-32).

[4] The Church of the Latter Day Saints, the adherents of which are referred to as Mormons, was established in Samoa in 1888. The Latter Day Saints headquarters is situated next to the Mormon Church College and is about two miles east of Apia (*The Cyclopedia of Samoa, Tonga, Tahiti and the Cook Islands,* 1983: 76).

this course at TOPEC. I started TOPEC in late 1997, with the Conservation Corps[5]. I finished that course in 1998. In 1999 I enrolled in the Cooking and Catering course.

Kaisalina: a 18 year old youth of Samoan descent. She is currently a TOPEC student who is doing the Computer and Business Skills course. Kaisalina has one sister and four brothers and lives with her parents in Porirua.

Peter (pseudonym): a 18 year old of Rarotongan descent. He is attending the Work Based Training course run by TOPEC. This is his first year on this course. Last year he was on the Conservation Corps course.

- **The long term unemployed:**

John (pseudonym): is 27 years old and has been unemployed for about four years. He is currently doing a Work-Based Training course, run by TOPEC, in the hope of finding work. He is originally from Auckland, but has lived in Porirua for about 16 years.

James (pseudonym): is a Cook Island Maori and is currently enrolled on the Cooking and Catering course. He currently resides in Porirua.

Nina: is currently enrolled in the Work Based Training course. She has seven sisters and two brothers. She has a infant daughter which is the only grandchild of the family.

The researcher: Have you lived in Porirua all your life?

Nina: I lived in Tokoroa for a while, for like five years. I did a whole lot of TOPs courses up their at Waiariki

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[5] The New Zealand Conservation Corps is a 'community youth development programme administered by the Ministry of Youth Affairs and funded by the government and local communities. The programme aims to provide young people between the ages of 16 and 25 with opportunities to develop their work skills, self-esteem, confidence and qualifications. At a local level, Conservation Corps projects work extensively with agencies such as the Department of Conservation and local authorities to undertake conservation work that is both beneficial for project members and enhances and protects the New Zealand environment' (Hamilton, 1999).

Polytechnic. I did mostly administration and technology stuff like that.

9.3 Employment Status

The New Right's approach is to treat the people participating in labour market as rational individuals. This justifies treating the labour market as any other economic market. In fact, all markets have their own special characteristics and few adjust in a simple manner depicted in elementary economic textbooks. Unfortunately, New Right advocates are mostly familiar with financial markets which arguably come closest to the textbook model. However, labour markets are very different to financial markets. The major difference between labour markets and other markets is that the commodity being traded is a social relationship, which is generally not based on rational individual actions. This influences all aspects of the labour market. Social processes interact with economic factors to produce markets which are heavily segmented.

This labour market segmentation is noted in Chapters Five, Six and Seven and is shown in the responses (at a micro-level) given by the research participates when asked about work experience, full-time and part-time employment. Of the three recent school leavers all had participated in some form of work experience. Generally, the work experience was set-up by the initiatives they were enrolled in.

Kaisalina: I did my work experience at the 'Taeaomanino Trust'[6], in September of this year. I really enjoyed my time there because I learnt some new things and I went to meetings where you meet new people.

Peter: I did work experience with the Porirua City Council, with the Conservation course.

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[6] The 'Taeaomanino Trust' is a community trust which has been allocated the contract to place 'social workers' into Porirua East primary schools. This service caters for Pacific families and takes into account Pacific peoples cultural values and beliefs when working with families in the school and family home environment.

Employment for Tua was a combination of work experience and full-time work. Further, a key motivational factor for Tua was based on remittance (refer to Chapter Six). Many Pacific peoples (in Tua's case is especially true, because Tua's parents still live in Samoa with his younger sister), find employment to support family back in the islands. For example,

> ***Tua: Well, I have worked for my uncle down at the centre, but my first job was with North City Shopping Centre in the beginning of 1997. I got this job through word of mouth through my cousin who was working for North City at that time. That is when they opened the new extension connected onto the old North City Shopping Centre. I went to them and told them my background and was 'straight-up' with them that I had just come from Samoa. They said to me your English is good and that they thought I had been in New Zealand for a long time. So they gave me a job. The only reason I left the job was because it was contracted for a short period of time.***
>
> ***The researcher: What kind of job was it?***
>
> ***Tua: Car park security, we would look after customer cars when they are shopping. It was good working within a team environment. After that I got a job at Twin Harbours with my uncle.***

The main aim of the work experience component (refer to Chapter Eight) is to give priority assistance to unemployed young people. Unemployed young people (recent school leavers) are less likely to have work disciplines and skills (PMTFE, n.d.). This is partly explained by their lack of work experience, therefore, work-based training is focused on the specific needs of young Pacific job-seekers. For instance, work experience is utilised as an earlier intervention tool in which to improve the employment prospects of young Pacific peoples and help prevent them becoming long-term unemployed. This notion that the older Pacific population (the long termed unemployed) are some how disadvantaged because they are in this

mature employment category, does not show the 'real' empirical features of the employment context. Of the three long termed unemployed research participants all had long term and part-time jobs.

> ***The researcher: Have you had more part-time work then full-time work?***
>
> ***John: ... mostly part-time work. The longest job I had was working in the building industry. I worked there for two years, and I also had a job as a store person.***
>
> ***Nina: ... I went to Te Puke and started Kiwi-fruit picking for a while, that was a seasonal job.***
>
> ***James: Well, my first job was a painter. I painted the 'Cannon's Creek Fanau Centre'. That job did not last too long because when we finished it, that was it. My jobs varied after that, working in a kitchen and where ever else I could find work. The last time I worked was last Saturday and Sunday, in Waikanae, doing a function for about twenty people.***

In addition, James takes advantage of the increase in part-work by playing-off two systems:

> ***James: With my 'perk jobs'[7] I was more or less paying off my share of the bills. The two months off was 'sweet-as'. I was still on the benefit 'rigging' the system. What they don't know, don't hurt.***

The two categories of recent school leaver and the long term unemployed does not show the undercurrents of the employment context. This included the increase in part-time work or the casualisation of the labour market (reinforced by Chapters Five and Seven: sections 5.7.2 and 7.5). The three older research informants and one younger informant have adapted

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[7] 'Perk jobs' or 'under the table jobs' are both terms used to describe work which does not officially exist and therefore not taxed by the government. These terms can also be related to 'rigging' the system. For example, getting a WINZ benefit while still working unofficially.

to this segmented flexible labour market by participating in part-time work, while the two younger research participants tried work experience provided by the course. One older informant has gone a step further by playing-off the labour market, against the welfare system, in order to make ends meet.

I hypothesised that the employment prospects of Pacific peoples in the TOPEC initiatives were very bleak, due to labour market segmentation and deregulation. This section has shown that the New Right reforms have maintained labour market segmentation through two patterns, work experience and through part-time work. Work experience is not based on full-employment, but is founded on policy which is susceptible to individualism and competition. In other words, people are unequal by nature, but New Right advocates view this as good because the contributions of the wealthiest, the best-educated, the toughest, will eventually benefit everyone. Nothing in particular is owed to the people who go through work experience and participate in part-time employment and consequently receive little benefit out of it. What happens to them is their own fault, never the fault of a system which is primarily established to provide short-term labour market participation. The next section explores responses to macro employment policy.

9.4 Responses to Government Employment Policy

Supporters of the New Right would argue that its minimalist approach to employment and skills training meets market conditions. For instance, the voluntary association of employers to form ITOs (refer to Chapter Eight), allows industry to directly determine what skills it may want to develop. However, there are some crucial reasons for the governments employment and skills training failure.

Since 1992, when the Apprenticeship Act was repealed and replaced by the Industry Training Act (reinforced by the Education Act 1989), there has been no indication that the government believed apprenticeships are a useful form of training. Most young people entering training have lost the mixture of job security and broad-based training that was the strength of the old apprenticeship system. Whereas the old principle needed to be expanded to new industries and to have a wider mix

of skills across and between industries, the focus now is for system-type training for a narrow job function. The next failure is based on qualifications. Under the new system, qualifications are based on the NQF administered by the NZQA (refer to Chapter Eight). This system is very confusing and adds to the complex unclear structure and recognition of many courses run by PTEs. The third failure is based on the role workers will take in regards to employment policy. This is unclear, because the government and the EF have sent a message to employers; workers are disposable and there is no need for labour market policy or planning. As a policymaker the government allowed work-based skills development to be undermined by the drive for labour flexibility, individualism and cheap wages.

All six research participants were asked to respond to how government policies have impacted on the employment situation in the Porirua area. Out of the six, two stated that the government was trying to improve the employment situation for Pacific peoples. Tua viewed the government employment policy as commendable, because more TOPEC initiatives had been established to cater for Pacific peoples. This was a positive sign for him:

> ***The researcher: Has the government improved or made worse the employment situation for Pacific peoples living in the Porirua area?***
>
> ***Tua: To be honest, I don't know about other people, but personally I think the government is making a commitment towards Pacific Islanders so they can make a better life for themselves. For example, TOPEC, I think only started with one course[8] which was the Communication for Employment. Now there are about seven to eight courses funded by the government for Pacific Islanders. If the government did not want the Pacific person to do well, they would not have added the other courses.***

[8] The word 'course' is used to describe an individual initiative or the organisation running the course which in this case is TOPEC.

Nina expressed this in a different fashion, by pin-pointing the positive nature of what the government was doing in regards to employment in Porirua on the number of jobs available, and on the governments commitment in making the initiatives free, in order to encourage learners to gain the qualifications needed for the jobs.

> ***Nina: I reckon the government is doing quite well. I mean, what there doing now is good, because there is a lot of jobs out there, but you need the qualifications for those jobs and not many Pacific Islanders have those qualifications, or know where to get them. The TOPs and TOPEC courses are free which encourages Pacific Islanders to attend these courses, so they can get the qualifications.***

When I asked John the same question his answer reflected two opinions about government employment policy. On the one hand, they should do more, and on the other hand, the initiatives were a good idea because it provided educational access for Pacific peoples.

> ***John: They should be doing more I think. However, the setting-up of courses, like the one I am in is a good idea because it enables Pacific Islanders to come and use them.***

While the three remaining research participants noted that the government had made the employment situation for Pacific peoples worse, or the that the government was not doing enough.

> ***James: They have made things worse.***
>
> ***Peter: No, not too much.***
>
> ***Kaisalina: I think they should do more.***

The second part of the question asked the participants to state what was needed to improve the employment prospects for Pacific peoples. All six research participants varied on what the government needed to do in order to improve labour market participation. Both Tua and James recommended that the government needed to improve the standard, organisation and monitoring of courses.

> ***Tua: Yes, there are, they come from my own personal experiences related to the course I am in. For example, recently I have not been coming to my course and have been coming late to the course. The course is not giving me warnings so I don't know if they are doing their job right, back to the government, saying this guy has not been turning up. To me they should set the limits, where if you miss the course a lot, without explaining why you were not at the course, you should be warned. If it continues the course should ask that person to leave. What I am trying to say, is I want the government to monitor TOPEC better and for TOPEC to be more severe. To improve the employment prospects through TOPEC, the government should monitor the courses better. There is no point in finding a job and turning up late, or not coming in at all, like I was doing at the course.***

> ***James: The government needs to improve the standard and organisation of courses. Basically, just the delivery of the courses, to get the courses out there to the people.***

Kaisalina stated that the government should add more initiatives to the TOPEC course scope in order to improve the skills and qualifications needed to find work. Peter felt it was a funding issue, in that more resources should be allocated by the government to the courses and students, while John wanted the government to create more work in Porirua.

Kaisalina: Make more courses, so that more people will come and improve their skills needed to find a job.

Peter: They need to give more funding for the courses, make more student loans available to TOPEC students and increase travel allowances.

John: Probably, just to create more jobs.

Nina's position was that nothing was wrong so why change it. The only improvement was based on the government making the courses free (this differs from Nina's earlier position on this matter which was quite positive, however, she did foresee an negative aspect relating to the courses being free to all). The TOPEC courses are funded by the government and are thus free to the students. This seems to encourage a 'lazy student attitude'. For instance, not turning up on time for classes, or not doing the unit standard work, because the students perceive that they are not paying for the courses out of their own pockets. Low allowances and travel allowances for many students also contributes to this attitude.

Nina: I reckon, it's quite good what there doing, just leave it like that. One bad thing related to the courses being free is that a lot of people just go on the courses for the 'hell-of-it'. When they start these courses they can't be bothered coming in, or can't be bothered committing to the whole thing. It's just like what that lady was saying yesterday[9].

All the research participants were able to identify with some aspect of how the government improved or made worse the employment prospects of Pacific peoples living in Porirua. The first question exposed varied responses from the participants, thus no set-pattern regarding the governments role in employment was found. This could have been a result of the question not being fully understood by the participants. Further, the research participants may not have known what was at the heart of this

[9] On the 21 September 1999, Sue Ah-Young talked about how the courses were funded by the government and were thus free to the students.

question. This researcher asked this question in the belief that the research participants had some knowledge of the main theories of the New Right which have influenced and shaped the current employment situation in New Zealand and in the Porirua area. In hindsight, care should have been taken to avoid 'leading' questions. For example, the research participants should have been asked to explain what the government had done, instead of giving them two leading choices, on whether the government had improved or made worse the employment situation.

However, this section has identified different attitudes that relate to how the research participants perceive the role the government and the initiative have on labour market participation. This is an important part of the research process because ideas and attitudes are not always consistent or clear. In relation to the second part of the question, all six participants felt that the government needed to improve the monitoring of courses and to provide more funding and make the initiatives more accessible to Pacific peoples.

Overall, the main objective of the government should be to achieve a high-skilled, high-waged economy, which is necessary to achieve a more equitable and responsible society and a fully employed society. However, since 1990 the government has moved away from this objective by emphasising low-cost, low-tax and a low-waged economy. This kind of policy takes the country in the opposite direction to where it needs to go if New Zealand is to achieve increased employment with a higher skills base.

9.4.1 The Impact Unemployment has on the Research Participants and their Families

This section will highlight the responses to a series of questions related to the impacts unemployment has on the individual research participants and their families. Finding a job is for most people a situation of servitude and an expression of their creativity. It represents one of the most important roles performed by human beings in society, namely the ability to translate a part of themselves into something which they produce or maintain. Work, both paid and unpaid, assigns status and more importantly often gives a sense of self-worth. For example,

The researcher: Is employment a major concern to you?

Peter: Yes.
The researcher: How come?

Peter: Because it feels good to find a job.

Nina: Yes, because I want to do something with my life before I settle down.

For Peter and Nina work represented more than just 'work' manifested in the employee and employer relationship (refer to Chapter Five). It transcended this economic relationship by enhancing not just the economic realities of a modern environment, but also notions of physical and mental well-being. The notion of work also contributes to a sense of 'belonging' to a new nation, given the desire of many Pacific peoples to settle in a different cultural context. The commodification of the employee and employer relationship based within a flexible New Right context ignores this aspect of work by reducing this social transaction to one of mere economics. As can be seen from the responses of these two research participants work is not just based on money. It follows that unemployment inevitably deprives individuals of their human value, and despite the safety net provided by the welfare state, it undermines individual and family relationships.

The researcher: How has unemployment affected you and your family?

Tua: 'Big time'. Life in New Zealand is hard, and if you don't have a job, you do not eat. You cannot pay the rent and other bills. Money talks. It's not too bad in the Islands because you can grow your food and live with your family, so you don't have to worry too much about money problems.

John: It's a real problem finding the money to pay the bills, it's a big hassle. Basically, if you don't work, you don't eat.

Tua and John felt that unemployment increased individual socio-economic stress. For instance, unemployment basically meant that if one does not have a job then one's family does not eat, or can afford to pay the bills. This is also related to an increase in friction, stress and tension between family members.

Peter: Unemployment has increased the level of stress on my family and places stress on me finding a job.

Unemployment has also been associated with a vicious cycle. This cycle leads to a deterioration in family health, behaviour and educational attainment. For example, Nina and John have stated that:

Nina: Most of my family have not really had a job and have relied on benefits, like the Unemployment Benefit, or some other benefit. When I look at my family, I kind of think to myself, I don't want to be like that. I really want to get a job, I want to do something, I want to get up and see what it is like to have a job.

John: Well, just recently (in the beginning of this year) my family members found work. My brothers found work. But before that everyone was unemployed.

In summary, since 1984 policy makers have ignored the important social and economic role employment and unemployment have had on Pacific peoples. In fact they have listened to, and been captured by, powerful groups who do not reflect either the public interest or the social good of minority groups. The New Right pressure groups, such as the BRT, EF and Treasury, with their never ending faith in the free market, have exerted an undue influence on the course of national and regional employment development. As evidenced from the fourth Labour government's economic reforms and carried-on by the 1990 National government's social

reforms (refer to Chapter Three), these political forces have little or no appreciation of the human impacts behind the unemployment statistics which have affected the Pacific ethnic groups more when compared to the total population (refer to Chapter Seven).

Unemployment is a huge waste of human and economic resources. As demonstrated by the responses of the research participants, unemployment strikes at the heart of ones dignity, identity, personal confidence and self-worth. It undermines the structure of family life by perpetuating a cycle of socio-economic burden carried by all family members. It is not just the individual who suffers when he/ she does not have a job. In a Pacific family context, it is the collective family unit which suffers the most. Further, as work is a structuring element in the research participants psychological make-up, the experience of unemployment is often disorientating. For example, it also erodes productivity and it severs the fundamental relationship between effort and reward, which is not only a wage relationship, but also a crucial element in social integration and individual character-building. Although technology and a flexible labour market is changing the ways in which production is accomplished, people have changed little, to the extent that their sense of self-worth and social well-being is still mainly derived from work. For the research participants the expectation of work represents an opportunity to earn money, to look after their family members, to pay the bills, to sustain a varied life and to participate fully in society.

9.5 Responses to the Initiatives

Throughout the period of fieldwork the main objective was to examine the questions and answers from a position of being well informed by getting as close to the research participants as possible and attempting to understand and present a view from their perspective. The main purpose of section 9.5 is to describe the responses and experiences (at a micro-level) related to what the research participants felt they had learnt on the TOPEC initiative they were currently enrolled, and whether it had made difference to the participant's labour market behaviour and prospects, and in what way. Furthermore, it focuses on the responses to why cultural identity is an important aspect of the TOPEC initiatives. Finally, this section

also examines if the initiatives were geared for short-term or long-term labour market participation. Table 9.1 highlights the positive, negative and contributing factors related to the responses given by the research participants and the observations made by the researcher. All these responses will be discussed in the following sections of this chapter.

Table 9.1: The Positive, Negative and Contributing Factors Related to the Responses taken from the Informants and Observations made by the Researcher

The Key Positive Aspects taken from the Responses:	**-Work-based training or work experience.** **-Building self confidence.** **-Improved communication skills.** **-Foot in the door: in relation to finding work.** **-Experiences and knowledge sharing.** **-Something to do, and takes away the monotony of staying at home.** **-Builds cultural identity.**
Positive Contributing Aspects taken from the Observations made by the Researcher:	**-Cultural and personal needs service.** **-Holistic and individualised teaching approaches.** **-Enhanced the informant's self-worth and confidence in themselves.**
The Key Negative Aspects taken from the Responses:	**-Lack of governmental monitoring (refer to section 9.4).** **-Course structure.** **-Lack of student loans information made available to TOPEC students.** **-Lack of course communication.** **-Lack of class rules and discipline.** **-Lazy student attitude shown by some of the students, which was linked to the courses being free.** **-Fragmented student attendance and unit standard work.**
Negative Aspects taken from the Observations made by the Researcher and Feelings Expressed by other Students and a Staff Member ***(Note: That the only aspect based on empirical evidence is the campus relocation):***	**-High staff turn over.** **-'Bums on seat' policy.** **-Course hopping.** **-Campus relocation.**
Overall, TOPEC is established on a latent basis to cater for an individualist labour market.	

9.5.1 How the Research Participants Viewed the Initiatives

When I asked the research participants about how their courses were going so far the responses expressed were grouped in two key themes which included 'experiences and knowledge sharing' and 'wanting to achieve a certain skill, knowledge and qualification'. Tua, James and Kaisalina all felt they had learnt something and were achieving their goals related to the initiatives they were in.

> ***The researcher: What do you think of the course so far?***
>
> ***Tua: The course has been helpful to me. I like working within a team this teaches me about other people's experiences and knowledge. For example, Henry who is in my class, I joke around with him a lot while in class, but at the same time I learn a lot from him through his experiences. But most of all, the tutors have been very good because they share their experiences and knowledge. This sharing helps me a lot.***
>
> ***James: Its been good. I have to improve on my attendance, other than that I have enjoyed the course.***
>
> ***Kaisalina: The course is important to me because I am learning new skills related to computers. Basically, just doing the work and getting a certificate at the end of the course.***

9.5.2 Employment Outlook and Prospects

Of the six research participants, five felt that the initiatives made a positive contribution to their employment outlook. The participants referred to their own employment outlook in specific outcomes, such as; 'improving communication skills', 'becoming a Chef' (for Tau and James because they are both doing a Cooking a Catering course), 'competing the unit

standards', 'participating in work experience', 'building self confidence' and 'finding employment'.

The researcher: How has the course influenced your employment out-look?

Tua: The course has. Susan[10] has told me and the others in my class what it is like out there. At the same time we train for the tasks needed to be a Chef. For example, cooking practicals using your hands, theory work (covered by unit standards) and work logs[11] for the practical. Every two weeks we have a restaurant day[12], like we have tomorrow.

James: I feel confident in my cooking skills now, and this will carry on to finding a job.

John: For me, it has built my confidence in finding work, in doing interviews, in understanding employment contracts. A lot of people out there don't have information about contracts, whether they should sign them or not.

Kaisalina: By doing the unit work provided by the course and through the work experience I have just finished.

Peter: Yes, I will find a job at the end of this course.

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[10] Susan is the Cooking and Catering course tutor.
[11] Refer to Appendix 7 for an example of the 'log of work' used on restaurant day.
[12] Restaurant day involves the Cooking and Catering class preparing a three course meal to be eaten (at lunch time) by staff, students and family. The class appoints a 'Head Chef' who over sees the menu and sets the preparation and cooking tasks for the students in the class to follow. A strict timetable or log is followed. The food is served by the Cooking and Hospitality class. Money is paid for the meal ($5 for students and $7 for staff and family members) which goes back to TOPEC. I participated in this lunch to show my support for the class and to try out their cuisine.

Generally, the participants were positive about their abilities to complete the training and find employment. The participants felt that the building of confidence in their own abilities and doing work-based training were two key factors in finding work.

> ***Tua: To me the course will help me get a job. Tomorrow I am going for a job interview for the new Westpac Trust Stadium in Wellington, working in the kitchen. They will ask if I have work experience and what skills I have, I cannot say just sitting at home, that will get me nowhere. But through this course, I can say I have skills related to cooking and catering. Overall, the course is good because it provides me with a foot in the door.***

> ***John: The tutors and the work we do is related to work place reality. We have a rule in class, that if you come in late, you have to pay 50 cents. I can relate that to getting to work on time, or ringing in if you are going to be late, or not coming in at all. This 'drums' into me that you have to turn up to work on time. This has really helped, especially if your been unemployed for a while because it 'wakes' you up.***

> ***Nina: You get some work experience out of it.***

James felt that it was good idea to have work-based training in the initiative because it provided a 'foot in the door', but balanced this aspect against the power the employer had on whether he or she would give him a job.

> ***James: I think it will get me a foot in the door, but if I get the job or not is up to the employer.***

Further, John and Kaisalina expressed that the initiative was not just based on changing labour market behaviour and achieving goals. Fundamentally, the initiatives also provided 'something to do' and it helped to 'break the boredom' associated with staying at home.

John: Yes, it helps a lot. It's better than staying at home and looking at the 'four walls'. You are out there doing everything and building your confidence, where if you stay at home it gets really boring.

Kaisalina: It gives me something to do so I don't get bored.

However, Nina felt that the TOPEC initiative she was on did not influence her employment out look or improve labour market behaviour and participation. As stated earlier Nina thought the work experience component of the initiative was a good idea, but that the course structure lacked time management and made her lazy and dependent on the tutor to find her a job.

The researcher: How has the course influenced your employment out-look?

Nina: Not really. It's kind of made me depend more on Ed[13] to do everything. He tells us what he is doing in class and then it's kind of like 'leave it up to Ed', he will do everything. Whereas, I know I could look through the paper and ring up, but then there is a part of me that's going 'you don't have to', it can wait till next week. It has made me a bit lazy.

The main point Nina is trying to express is related to the efficient usage of time while in class. For instance, Nina felt that more class time should be allocated to work-based skills, work experience and the unit standard work they were currently doing, instead of reading the newspaper for long periods of time. Nina and John, in their responses to this issue regarding course structure, shared the same concerns.

Nina: When I heard of the course title 'Work-Based Training', I thought everyone would go and do a bit of work experience every week for a couple of days.

[13] Ed (short for Edward) is the Work-Based Training course tutor.

When I came in I was told every body just sits down and looks through the newspaper and you just ring up for jobs. I was like thinking we should be learning stuff before we even look for jobs. It's important to learn about how to write letters[14] and ring up for interviews so I thought we would be taught that, so I waited, but it was just the same thing everyday. Come into course and look through the papers.

John: When you first come into the course you study the basics of work-based training. After you have done all the units you just sit around trying to find work in the newspaper. For example, after you have done all the unit work, there is not really much to do on the course after that. We should be finding work experience before we finish the units. If we don't find work experience before hand, we should keep going on with the unit work.

Further, Nina wanted more responsibility focused on improving her own employment prospects and labour participation. She also wanted her tutor to push her more in doing the unit standard based work because she felt that the course was not getting her foot through the employment door.

Nina: It's more like when I tell Ed about it he says OK and that's about it. It's not well you should do this, or you should do that, or it's best if you write a letter which says this, or that.

The researcher: Do you think its getting your foot through the employment door?

Nina: Not really. To me I think coming to this course is just like 'kicking back' and let things just flow by.

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[14] To be fair, not long after the interview with Nina the class were being taught letter writing and interview skills. The class was also assigned an 'Employment Skills Project' to complete (refer to Appendix 8 for an outline of this assignment).

Tua and Kaisalina also felt that the initiatives were not 'strict' enough on student attendance and that the communication between the staff and students was very weak.

> ***The researcher: Are there any problems with your course?***
>
> ***Tua: Basically, just two things: lack of communication between students and the staff on general TOPEC rules and they are not monitoring attendance.***
>
> ***Kaisalina: It's not strict enough.***

I proceeded to ask Kaisalina why she felt that the initiative lacked discipline. I rephrased the question and asked her what she felt about the change in tutor, because I felt that this was linked to the issue of enforcing rules and discipline in her class.

> ***The researcher: What did you think about the change in the tutors[15]?***
>
> ***Kaisalina: It's different.***
>
> ***The researcher: Has the change put you off the course?***
>
> ***Kaisalina: In some ways it has. When Fau was here she made us do work, she was strict and I liked that. Now its like its up to the students what they want to do in class, because Fau is not here. The new tutor Dave is repeating the work we have already done with Fau ... I have heard that they will be trying to catch up on the***

[15] The politics of the Computer and Business class, when I was observing, revolved around the departure of their original tutor Fau on maternity leave. Dave the new tutor stepped into full this vacancy. To be fair to Dave, I think he was thrown into the 'deep end', where he found it hard teaching (refer to Appendix 9 for a sample taken from the Field Research Log: Dated 04/10/99) the class or living up the bond established by Fau with the class. As a result students stayed away or came late to class, therefore fragmenting the unit standard work. This can also be linked to the 'lazy' attitude some students had in achieving their goals while attending TOPEC courses.

work by doing all the work I have completed.

The students in Kaisalina's class were not turning up to class and this resulted in the unit work being fragmented. For example, the unit work would be done by the people who have turned up to class, thus the other students would miss-out. At the end of the day, not too many students completed all the unit standards for the computer course. I think Kaisalina would probably be the only one who completed all the units for the course while I was observing. Once the unit work became fragmented the participants found it hard to work out how many unit standards they had finished or how many were needed to be completed in order to gain the certificate of completion for the course.

The following points highlight my own observations and the views expressed to me from other TOPEC students and a staff member (who will remain anonymous) while in the field. It is important to note that the first three issues have no empirical base to support these views. The fourth issue is based on empirical evidence because I was observing this class when the movement in campuses occurred. These issues include the 'high turn over' in TOPEC staff, the 'bums on seat' policy, 'course hopping' and 'relocation of the centre campus to Elsdon'.

- The high turn over in TOPEC staff leaving the course. Many of the students felt that having a tutor leave when they had not completed their course disrupted the unit standard unit work and the general dynamics and continuities of class structure.

- The 'bums on seats' policy was an observation expressed to me by a staff member who felt that some students were being kept on for funding purposes. Generally, more students means more funding. This view contradicts the main aim of TOPEC which is to prepare students to go onto higher education (refer to Chapter Eight: section 8.3.5). Again I must note that their is no empirical evidence that indicates whether this is happening or not.

- The subject of 'course hopping' by the TOPEC students which included some of the informants is thought to be a phenomenon in TOPEC and TOPs initiatives. I felt that many of the students viewed the initiatives as a vocation in itself, instead of the vocation leading to employment.

- The last week I was in the field, TOPEC was in a process of moving their Porirua Centre campus to Elsdon, which is located Titahi Bay. This move was ill-planned, because it divided the two initiatives which used the centre campus. The Communication for Employment initiative utilised the Porirua City Library as a class room for about two weeks, while the class rooms were being refurbished and built in Elsdon. This move interrupted the learning achievements of the students in this class.

9.5.3 Cultural Needs and Empowerment

All the participants felt proud to be a Pacific person because their culture valued family and taught them to respect other people, (especially older people) and it enabled them to share their own particular cultural experiences with others. The six participants felt that their cultural needs had been maintained in the TOPEC initiatives. They expressed this in a number of examples taken from the responses they gave, for instance through cultural and sports days held by TOPEC.

> ***The researcher: Has the course provided for your cultural needs as a Pacific person?***
>
> ***Tua: I don't want the course taking over my Samoan side, by killing my own language. I don't mind learning things from other cultures in theory and practical work, as long as it does not drag me away from my culture. That is the most important thing to me. I try to find a balance. We also have sports and cultural days. I have been teaching other people Samoan dances. I like teaching other people not from Samoa about my culture. I also talk to them about my culture, like how we respect our elders.***

Peter: On the Conservation course we had a Island day. We performed our own cultural songs and dance.

John: There has been talk about a cultural food day or a trip.

Tua emphasised cultural needs in respecting other people (specifically people who were older than him):

The researcher: If the staff do take a stand would you accept it or would you get upset about it?

Tua: Well, most of the staff are Islanders and they know where I am coming from. To be honest I don't think that way and I don't mind.

The researcher: Even if a palagi[16] tutor tells you to do something or make a stand?

Tua: It would be different in the way they say it, but to be honest I don't mind them telling me what to do. They're the boss of me right now. If I think about it in a fa'a Samoan[17] way, they are my parents while I am at the course, therefore I should respect them.

I rephrased the question in order to discern if the cultural needs of the students were being maintained on a 'token' type basis, only to be seen on cultural days and not throughout the course structure. The cultural needs of the participants were not just based on cultural interaction, but were also located in the tutors themselves. As can be seen in John's responses:

The researcher: Do you think Pacific Islands culture runs right through the course, or has it been put to the side?

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[16] Palagi is used to describe a non-Samoan, usually a person of European descent.
[17] Samoan custom, or the Samoan way of life.

> ***John: I think its a big part of the course. A lot of people in the course have trouble specking English and there are tutors who speak their language. A course deals with this 'Communication for Employment'. Overall, I think the course is incorporating cultures in all areas of work. Instead of putting culture out there with the one off cultural days.***

Nina expressed that she liked the sharing of cultural knowledge, beliefs and customs while attending the course:

> **Nina:** ***You meet new people and in doing so you understand more about different cultures. Like with the Samoan culture, I didn't really understand some of it unit I joined the course. Now I understand a little bit about it.***

Cultural needs for James was based on the numbers of Cook Island peoples on the other initiatives and on the freedom found in TOPEC to be 'your own cultural self'.

> ***The researcher: Has the course provided for your cultural needs as a Pacific Island person?***
>
> ***James: I think it has, well I am not the only Cook Islander on the course at TOPEC.***
>
> ***The researcher: In what ways?***
>
> ***James: Just having Pacific Islanders being around me. People being their own cultural self.***

Kaisalina, like the other research participants, was expected to maintain respect for her elders and value the family. But at the same time felt she was compelled to ascertain *palagi* skills in order to survive in the labour market. The main *palagi* skill was identified as being competent in a literate English specking world, which is to be balanced against her own cultural framework.

Kaisalina: I think there is a mix. I like the balance of palagi and Island culture, so it has provided for my cultural needs.

Nina went a step further and linked cultural needs to ethnic differences in her class context.

The researcher: Has the course provided for your cultural needs as a Pacific Island person?

Nina: With me I don't really know my culture that well. But when I started here, I thought that it was just for Pacific Islanders. I didn't know that they also cater for other ethnic groups. For example, in my class there are a couple of pakeha[18] and they were real 'clued-up'[19] and they kind of put the Pacific Islanders on the course down. You know how some of the class are slow learners, or don't really get what is happening and then all of a sudden the pakeha people would put up their hand up and would be 'hard-out' showing the others in class 'they're all that', 'they're the bomb'[20], and they know everything. That's what gets me mad because I can see there are a few slow learners in class and I can relate to their needs, whereas the pakehas in class cannot.

Nina believed that the *pakeha* students in her class preferred theory-related work and found learning easier because it was their language, they knew what to say, they knew all the answers to the questions and were less worried about getting the answers wrong. On the other hand, Nina felt that many of the Pacific students in class had difficulties with learning because of language barriers (for many in Nina's class English was not their first language), family and cultural differences when compared to the *pakeha* students and that many found it hard to express their views in class

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[18] A non-Maori, usually a person of European descent.
[19] 'Clued-up' is a term employed to describe an individual who is seen to be intelligent.
[20] They're all that' and 'they're the bomb' are terms used to describe an individual, or a group of people who think that they know everything, or who think that they are better then everybody else.

because they did not to want 'lose face' in front of their *pakeha* peers. Nina noted that the only way to over come this problem was to have classes with only Pacific peoples in it, where you could act and be your own cultural self.

> ***The researcher: Do you learn more with just Pacific peoples in class?***
>
> ***Nina: With your own culture, you get along with everybody. You're on the same 'wave-length' , or you think the same. Even if you have a slow learner in class, Pacific people they know how to help them better even if the slow learner was a pakeha. I think Pacific Islanders take time to help the slower in class, whereas, pakeha kind of think they know everything and they would rather keep to themselves instead of helping the others in class. They think its a waste of time.***

Five of the research participants viewed the notion of empowerment to be based within a higher level of confidence which came from the initiative they were in.

> ***The researcher: Is the course empowering? And in what ways?***
>
> ***Tua: It has improved by English skills, so I can communicate with other people. It has raised my confidence, because I used to be a shy person, now I am not. It has also made me proud of myself and my culture.***
>
> ***John: Yes, it is because we talk about things which are really happening in the real world. Like work ethics, like getting to work on time.***

James: It has made me again more confident in my cooking skills. People hassle me and I can still cook and be on time.

Kaisalina: Yes, I think it is empowering on a day-to-day basis.

Peter: It has made more confident and focused in finding a job. It's better then being on the Unemployment Benefit and the course gets you doing work needed to find a job, like the phone interview work we did in class.

However, Nina's responses was quite different in that the initiative did not empower her because it was to easy, but she felt that it would empower the others in her class. At the end of the day Nina felt that it was up to the student. For instance, what the student puts into the course is what that student will get out of the course. Basically, empowerment did not come out of the initiative instead it was to be found within the students themselves.

Nina: I think the course is really easy, but in saying this I can understand the other guys in class because this course will make them stronger and help them. But for me, I have been through all those other courses. I kind of think this course is the same as the others I have been on, but it is a bit easier.

Overall, TOPEC prides itself on their mission statement: 'quality education focusing on student achievement'. This mission statement establishes the nature and role of TOPEC by providing education and training which enables students to obtain employment skills, gain knowledge, provide for their futures, and actively seek employment. This is achieved by assisting students to develop and safeguard their personal, professional, cultural and national identity. For example, TOPEC students are encouraged to contribute positively to their culture, community, and provides educational paths which form a commitment to lifelong learning.

With the nature and role of TOPEC in mind, I would like to elaborate on the positive strengths of the courses which provide a learning environment in order to meet the needs of Pacific and Maori peoples. The courses are classroom-based with an emphasis on 'doing by learning' or 'hands on' modules which incorporate work experience to ensure the applicability of the training to what students will experience in the workplace. The courses use a combination of individualised and holistic learning approaches. For example, students are encouraged to learn by doing using role plays, mock interviews, story telling, imagery etc. Furthermore, TOPEC provides a one-on-one literacy, numeracy and learning assistance tutor for students who lack these skills. Finally, one of TOPEC's great strengths is found in the cultural support provided by staff members and through its links with the wider community. For instance, TOPEC overseas the welfare of each student by providing:

- *Tutors of Pacific descent who were on the same 'wave-length' as the students. (i.e. this made the interaction between the staff and students easier and assisted the use of the student-centred approach to learning).*

- *Outside institutions which presented and talked about relevant issues.*

As a result of the government's strategy to divide the TOPs courses in order to focus resources on two major target groups (refer to section 8.3.4) has affected TOPEC course structure. In order for TOPEC to fill their courses with students who fit the criteria has caused the following weaknesses. Many students were attending the courses in order to get away from mainstream education. The courses are meant to provide an alternative educational and training avenue, only if the student had fallen through the cracks in the 'traditional' education system and not to provide an education and training structure where students jumped from course to course. Furthermore, many students would receive either an independent youth, travel, or training allowance. This set-up an environment where the main motivate was not to learn, but to receive money because the courses the students were attending were provided free of charge. Many students felt that they either gained employment or just continued to attend the courses for the sake of doing something. For example, Nina felt that she did enjoy the course at first, but became bored and eventually found the course was not enhancing her own labour market participation.

9.6 Summary

In conclusion, the responses to the TOPEC initiatives have been a 'mixed bag' of both positive and negative responses. Vocational training was developed to provide minority groups with an option that would enable them to participate in the labour market. TOPECs employment initiatives are targeted at the young school leaver and the long term unemployed and are aimed at dealing with the socio-economic consequences of unemployment. These measures have been examined in Chapter Eight and as such they represent a 'watered down' version of the policies advanced by the New Right since 1984. The TOPEC courses have provided many of the research participants with a sense of belonging and cultural identity, but have not addressed the fundamental issue of unemployment.

The current high levels of unemployment mitigate against schooling for an uncertain future and thus any relationship between education and employment is confined to the needs of a free market. For example, if the initiatives are set-up to cater for the free market and not for the well-being of the student, then the positive responses expressed in this chapter will not benefit the very people the initiatives were established for. If vocational training is to play an important role in the lives of the research participants, both providers and participants need to agree on the nature and form this development will take.

At the end of the day success for Pacific peoples is associated with getting a job. Finding work is linked to a social sense of participating, belonging and contributing towards their own development, their families development and to the development of the society they live in. Chapter Ten draws the conclusion and offers some ideas on how the findings of this thesis can better inform policies about Pacific peoples employment development.

Chapter Ten

Conclusions, Discussion and Recommendations

10.1 Introduction

The main goal of the work presented in this thesis was to develop a historical picture of the impacts the New Right paradigm had on the New Zealand labour market and to highlight the responses of Pacific peoples enrolled on employment-based initiatives. This thesis begun with a critical analysis of the theoretical underpinnings that influence the overall policy shifts wrought by the 1984 Labour government and the 1990 National government. It then proceeded to reduce these policy shifts down to a specific sector (the labour market). It gives meaning to the responses of Pacific peoples enrolled in employment-based initiatives by examining the impacts resulting from government employment policies. Finally, it provides recommendations on how to implement programmes which enhance the labour market participation of Pacific peoples. The aim is to document the historical impacts and participant responses within a macro and micro-level framework. The work presented in this thesis represents a first step toward this goal. The following conclusion focuses on the central findings of the thesis, the discussion and the recommendations.

10.2 Central Findings of the Thesis

The central objectives and findings of this thesis were met by asking several key questions that I formulated to express the responses, experiences and issues facing Pacific peoples enrolled on employment-based initiatives (refer to Table 1.1). For example:

- *What are the key theoretical tenets of the New Right?*
- *How has the government influenced the initiatives?*
- *What impacts have resulted from being unemployed and how has this affected individuals and families?*
- *How are these initiatives run, are they culturally appropriate, community and family oriented initiatives?*
- *Are these initiatives generating greater labour market participation?*
- *What is the nature of work people are likely to get and encouraged to train for?*

Chapters Two to Nine addresses these questions. The results of the research are further divided into two groups (macro and micro-level findings), and are directly related to the key questions stated above.

10.2.1 Macro-Level Findings

- *The New Right paradigm is based on the 'nature of the individual'.*

- *The rational, autonomous individual exercising the right to make choices in the freely operating market, in which his/ her freedoms are protected by the government. Further the freely choosing individual is seen as the fundamental unit of society.*

- *The New Right utilises ideas about how incentives shape economic behaviour to the political sphere (i.e. public choice theory).*

- *The New Right is an 'umbrella' term utilised to describe the diversity of views and groupings within this paradigm. For instance, the three main New Right groupings shown in Chapter Two are: Liberalism, Neo-liberalism and Neo-conservatism.*

Chapter Two shows that Adam Smith and Friedrich Von Hayek provided the basis for the New Right by explaining how the voluntary interactions between rational individuals in markets drive improvements in individual well-being. The nature of society comprises two institutions - the market which is the main site for voluntary exchanges between sovereign consumers, and the government which is seen as the regulator of the market. For example, the New Right views the government's main role as one which ensures individual liberties, facilitates voluntary exchanges through the enforcement of property rights, and through contract laws. Chapter Two also shows that the New Right global developments within neo-conservatism in the UK (Thatcherism) and the US (Reaganism) in the 1970s and 1980s have been the ideological backbone which have shaped and influenced the radical macro and micro-level economic and social policy shifts in New Zealand since 1984.

- *The New Right ideology since 1984 has been implemented by a small (but powerful) group of technocrats (such as the adherents of Rogernomics within the Labour caucus) and technopols (such as the BRT and EF) responsible for the radical departure from their Labour party roots.*

What made these policy shifts so radical was their speed and magnitude and that they were initiated by a Labour government with its 'traditional' roots based in the 'left' of the political spectrum. The implications of these radical policy shifts left no corner of New Zealand society untouched. Further, the research shows (refer to Chapter Three, sections 3.1 and 3.2) that the preconditions for an unobstructed market were directly aimed at restructuring the economy, whereby it could operate and be free from government-planned policy distortions. Chapter Three reveals that the Chicago School of economic theory greatly influenced the 1984 Labour government, the 1990 National government and Treasury. This New Right economic theory (at a macro-economic level) is used as the main market mechanism for preserving individual liberty and advocating a limited role for the government.

- ***Macro-level reform:*** *Government fiscal deficits and inflationary monetary policy damage welfare and economic growth. Therefore, the government needs to be (in an economic sense) non-interventionist by allowing the market to determine supply and demand. The focus is one in which the government relinquishes from implementing 'Keynesian' economics (i.e. the emphasis should be on supply-side economics).*

- *Deregulation of domestic markets: Freeing the markets from the governments 'dead hand' (i.e. government regulation, tariff and subsidy reduction).*

- ***Micro-level reform:*** *Public sector reforms: The contracting out of service provisions, the introduction of internal markets, corporatisation and privatisation and the separation of the roles of purchaser and provider.*

- *The social welfare, health, housing and education reforms: New Right adherents viewed the current welfare system as unsustainable, created a culture of 'dependency', limited the freedom of choice and was seen as huge fiscal drain (i.e. benefits were seen as a fiscal drain).*

- *Introducing labour market 'flexibility'.*

New Right policy in the macro areas of the New Zealand economy in the period since 1984 has been dominated by the minimalist approach to financial market regulation. For instance, the monetary policy approach entrenched in the Reserve Bank Act 1989 and the FR Act 1994 (refer to

section 3.3), represent a pure translation of New Right ideas into government legislation and policy. In the public sector area New Right ideas have been used to analyses firms and other kinds of organisations, in order to bring government departments onto the same 'footing' as private companies. For example, the SS Act 1988 and the PF Act 1989 (refer to section 3.5), have turned these New Right ideas into government policy. Over the course of the late 1980s government-owned operations (such as telecommunications, the Post Office etc.) were devolved to the private sector (refer to section 3.6). The SOEs Act 1986 provided the basis for converting government-owned entities into SOEs operating under the same conditions as private sector companies.

In other areas, from social welfare, health to labour market policy, the impact of the New Right has been pronounced. Section 3.7 shows that within these areas the emphasis has been placed on individual choice, from a 'universal' to a 'safety net' approach, and corporate efficiency in service delivery. Overall, Chapter Three illuminated that the New Right in its post-1980s ascendancy reflected the preference for less government, and the reassessment of government obligations and the responsibilities of providing the rational individual with greater personal choice in economic and welfare markets.

- *The post-war period in New Zealand, from 1946 to 1966 was governed by an institutional covenant to full employment. Keynesian aggregate demand-side economic policies were employed from 1946 to 1966.*

- *New Zealand in the period 1967 to 1984 was marked by a retrogression in performance and adherence to the goal of full employment.*

- *New Zealand in the period 1985 to 1990 singled a complete transformation in economic and social policy.*

Chapter Four demonstrated that the periods of inquiry stated above indicate three distinct patterns of development (refer to section 4.4). For example, the period 1946 to 1966 (refer to sections 4.2, 4.2.1 and 4.2.2) is based on the commitment to full employment and a Keynesian emphasis on aggregate demand side economics. The main research results for this period show:

- *A strong government interventionist role in the process of reconstruction in the wake of the depression and directly after World War II.*

- *The government promoted Keynesianism in the social and economic spheres of New Zealand society. This included promoting material wealth and growth, and in regulating civil society.*

- *This period generally achieved the goal of full employment, engineered through public spending, investment in the private sector, which was based within consensus and corporatist arrangements.*

- *Occupations linked to the family farm was the primarily means of employment. However, with the expansion of manufacturing and the development of the welfare state lead to a increase in white-collar and blue-collar occupational mobility.*

- *A primary social ramification associated with full employment is the way in which it has pulled rural Maori and Pacific peoples to urban areas of New Zealand.*

- *A very low unemployment and inflation rate over this period. These results helped to establish New Zealand's reputation as one of the leading welfare states within the industrialised world in the immediate post-war period.*

The second pattern of development shows that the period 1967 to 1984 (refer to section 4.3) is one of transition, or a staging point for the next pattern of development. The research results for this period highlight:

- *A marked retrogression in performance and a slight move away from the goal of full employment. Section 4.3 shows that this was due to a combination of external and internal trends and forces (refer to Table 4.1).*

- *An economy which is gradually opened up to overseas competition. For example, the agricultural, manufacturing and financial systems.*

- *Growth in the number of woman entering paid work.*

- *A sharp raise in the level of unemployment. This signified an end of an era, that being, unemployment or redundancies were no longer seen as a temporary phenomenon.*

- *The Muldoon government (1975-84) sought to counteract these issues by establishing Think Big projects, a wage and price freeze and job creation schemes. These schemes generally did not achieve the results predicted by this government and by the 1984 snap election was relieved of office.*

The period 1985 to 1990 (refer to section 4.4 and to Chapter Three for a more detailed discussion) signalled a complete transformation in social and economic policy. The fourth Labour government advocated for a 'free

market economy', in the belief that the market was generally a more efficient mechanism for identifying needs and allocating resources than the government. The research results for this period show:

- *That the main goal was not full employment, but instead focused on easing subsidies for industry and producers while trying to free up controls on the labour market.*

- *The adopted New Right philosophy is linked to a massive rise in the level of unemployment.*

The main goal of Chapter Four was to compare the main differences inherit in the two main ideological paradigms associated with the four post-war periods. This chapter shows that the Keynesian paradigm which was built on corporatist compromises, full employment, an economic policy focusing on demand-side economics and a universal welfare system. The period 1985 to 1990 is based on the New Right policies of: limited government intervention, restructuring, diversification, increased international investment and competition, an economic policy focused on reducing inflation at the expense of full employment and changing the corporatist compromise (which was seen to maintain a rigid labour market) with a more individualised, 'rational' and flexible labour market.

The objective of Chapter Five was to develop an understanding of the labour principles and the labour market reforms which preceded them. The research shows (refer to sections 5.2 and 5.3) that there are four main labour law concepts which have shaped labour relations in New Zealand since 1894, namely:

- *Common law is based on the relationship formed by the employer and employee.*

- *Statute law is based on the role the government has taken in order to change the rules affecting the employment relationship.*

- *Individual labour law is entrenched in the free association of an employment contract covering only one employer and employee.*

- *Collective labour law is a legal framework which covers more than one employer or more than one employee.*

New Right adherents view labour market reform and the individual contract of employment as of paramount importance for the New Zealand economy. The withdrawal of the government from any interventionist role reinforces the freedom of the market and the concepts which underpin this paradigm. Section 5.4 shows that the individual employment contract is firmly embedded in three key principles:

- *The freedom of association.*
- *A flexible labour market.*
- *The power of the employer to command and the role of the employee to obey.*

As noted in Chapter Five, New Right theorists view individuals within the labour market as being rational and autonomous exercising their right to make their own choices in a freely operating market, in which his/ her freedoms are protected by the government. Under these conditions freedom of association is seen to be more efficient because employers and employees are negotiating with an individual or one union rather than with a number of unions or individuals. For example:

- *The freedom of association claims to protect the rights of individual workers and employers to be represented by the bargaining agent of their choice, to decide on the bargaining structure which best suits them, to determine the scope of their agreements themselves and whether or not they join a union.*

Through collective bargaining, unions pursue a minimum rate for the job and the standardisation of that relative pay rate, to parallel other employment organisations. In contrast, advocates of the New Right view greater flexibility as the main cure for the structural rigidities of the labour market. They wish to see pay more directly related to individual performance and to the profitability of the enterprise. They believe that the individual employment contract provides a pay structure which is relative to the employers ability to pay. For instance:

- *When profitability declines there should be flexibility in reducing the pay level within the company.*

Trade Unions and collective employment contracts are seen to place unnecessary restrictions on the way in which labour is utilised within companies. It is argued that job flexibility is required because the use of new technology has reinforced the need for upward occupational mobility. Increasing the freedom of moving employees from job to job within a company without restrictions such as pay relativities between occupations is a fundamental tenant of the New Right and the individual employment contract.

New Right advocates and employers seek to have greater flexibility in the numbers of people they employ without incurring major costs when demand for labour falls, for example, by avoiding redundancy and severance payments in times of economic down turn. The research implications shows that:

- *The flexibility required to do this involves reducing the essential labour force by increasing the use of part-time employees, employees on short-term contracts and sub-contractors.*

- *The arguments for pay, job and contractual flexibility are clearly based on the New Right concept of rational self maximising.*

The common law tradition of 'employer' and 'employee' is given additional weight by the New Right perspective of the employment contract being a morally neutral and voluntary relationship. The terms of which are defined by the individuals concerned and ratified by reciprocal agreement. The research shows that despite this general preconception, the power of the 'employer' to command and role of the 'employee' to obey is not morally neutral or equitable. Hence, market freedom is confined to the employees right to either accept or leave employment, since all other freedoms are vested in the employer's common law right to command.

The New Right perception of the employee as a economic agent active in a bi-lateral system of mutual relationships (it implies equal power between employer and employee) which do not then require collectivist intervention and regulative and prescriptive norms are entrenched in the individual employment contract. The older tradition of master and servant is utilised to reinforce the freedom of association and a more flexible individual contract of employment.

The research shows (refer to section 5.5) that historically, New Zealand labour legislation was based within a workplace relationship centred on an exception of inequality of bargaining power, exploitation of employees, and industrial conflict. Labour legislation initiatives taken by the Labour government between 1984 and 1990 - primarily the LR Act 1987 adhered to this view. The research shows (refer to section 5.5.1) that the main ingredient needed to enact this legislation was achieved by:

- *A policy community that had maintained control and had a vested duty in protecting the principles of the Act in an environment of New Right economic change.*

The door to labour market reform had been slightly opened with the enactment of the LR Act (refer to section 5.6). The research shows that with the backing of an alternative policy community made up of the interest groups who were dissatisfied with the lack of progress towards enterprise and industry, bargaining flexibility fuelled the labour market deregulation process. These groups drew on the New Right philosophy which argued for a more complete form of labour market deregulation based on a pure contractual model. In 1991, the National government passed the EC Act (refer to 5.6.1). The research shows that the primary function of the EC Act was to eliminate compulsion from union membership, and from union involvement in the employment contracting process. The research shows (refer to sections 5.7, 5.7.1 and 5.7.2) that the main impacts linked to the general economic and labour market reforms since 1990 are:

- *A steady rise and subsequent levelling-off in the registered unemployment numbers for the period 1991 to 1999.*

- *The wide diffusion in the frequency of unemployment at the micro-level of New Zealand society. For example, the rate of occurrence for unemployment for Pacific peoples is four times greater than for Europeans (refer to Chapter Seven).*

- *A decrease in the number of unions for the period 1991 to 1993, from 259 in 1985 to 67 in 1993.*

- *A increase in the causlisation of the labour force. Further, a lack of protection and access to a wide range of employment conditions (such as sick leave, annual leave etc.), and many part-time workers are unaware of the terms of their employment contracts.*

This chapter continued on from a post-war historical over-view by examining the legislative changes related to unemployment in New Zealand. Further, this chapter highlighted the changes that were founded on the policies of the New Right which have taken the concept of the New Right to its 'rational' and 'logical' conclusion. Inflation and a more individual, rational and flexible labour market based on common law contractual remedies became the governments highest priority. Seen in this light unemployment was regarded as a fine tuning issue to a more efficient economy.

Chapter Six focused on the historical development of the early Pacific immigration period (1951-1986). The results from this chapter (refer to sections 6.2 and 6.3) show that the early impetus to migrate was influenced primarily by these key factors:

- *New Zealand's colonial and post-colonial ties with the Pacific Islands.*
- *The MIRAB system.*
- *Employment, family, education and church.*
- *Technological advances in the areas of aviation and telecommunication.*

During the post-war period, it was assumed by many that one of the main motives of migration among Pacific peoples was for economic reasons (refer to section 6.3.3). The results highlight this to be true, for instance, many chose to come to New Zealand to enhance economic prosperity through employment, assistance by chain migration, and transnational corporations of kin networks within New Zealand. The second part of this chapter proceeded to discuss the darker side of the Pacific immigration story by examining the role the New Zealand government and society has taken in supporting racist immigration policies, labour market segmentation (refer to sections 6.4 and 6.5) and perpetuating stereotypes (refer to section 6.5.1). The main findings for this part of the chapter shows:

- *That numerous Acts of government have perpetrated and undermined Southern Europeans and Pacific peoples from entering New Zealand. For example, the Immigration Restriction Act 1920, the Citizenship Act 1982 and the subsequent quota system.*

- *In times of economic prosperity, Pacific peoples found entry into New Zealand less difficult. However, in times of economic recession Pacific peoples found entry into the country more difficult then it had previously been.*

- *Early Pacific migrants have been used as 'scapegoats' in times of economic recession. For example, Government-supported racism in the form of Television campaigns, dawn-raids and random pass-port checks.*

- *A number of processes have produced labour market segmentation: discrimination, social networks, political power, education, internal labour markets and trade unions.*

Although the process of labour migration has been an important determinant of the position of Pacific workers in the New Zealand labour market, it does not provide a complete explanation for their continued segregation within a segmented labour force. The main factors contributing to the continued marginalising of Pacific peoples include historical labour market segregation, stereotypical perceptions and racial discrimination.

Chapter Seven (refer to section 7.2) showed that Pacific peoples resident in New Zealand are culturally/ ethnically diverse and (refer to section 7.3) are one of the fastest increasing populations groups in New Zealand:

- *In 1996, Pacific peoples are estimated to number 211,000, or 6 percent of the total New Zealand population. The Pacific population is projected to increase to 600,000, or 12 percent of New Zealand's population by the year 2051.*

The six main Pacific ethnic groups analysed in this chapter shows that among the Pacific population living in New Zealand in 1996, people who specified:

- *Samoan ethnicity were the largest group numbering 101,754, Cook Island Maori 47,019, Tongan 31,389, Niueans 18,447, Fijian 7,695 and Tokelauan 4,917.*

Pacific peoples born in New Zealand, rather than immigration has become a much more significant factor in the growth of many Pacific ethnic groups, for example:

- *In 1996, 57.8 percent of Pacific peoples who specified birthplace were born in New Zealand, compared with 49.6 percent in 1991. Further, the likelihood of being born in New Zealand was linked with the rights of citizenship and ethnicity characteristics.*

The most important implication resulting from the results - more than just the faceless numbers - is the nature of these population statistics. It is a fact that the increase will be greatest in the youth of the Pacific population.

- *Pacific children under 5 years make up 1 in every 9, or 11.0 percent of all New Zealanders of this age. By 2051, it has been projected that this ratio will be 1 in 5 (MPIA, 1999b).*

The majority of the six Pacific ethnic groups examined in this chapter dwell in the main urban areas of New Zealand. The results show that:

- *Auckland is the largest Pacific city in the world. Wellington also has a notable concentration of Pacific peoples residing within its boundaries. This large concentration of Pacific peoples in urban areas is closely correlated to the motives and opportunities that come with migration.*

- *The Tokelauans are the only Pacific ethnic group to have a large population base outside of the Auckland region.*

- *The Fijian ethnic group was twice as likely as other Pacific ethnic groups to live rural areas.*

The research demonstrated the need to acknowledge and focus on the Pacific population pyramid which is still a comparatively young one. The socio-economic advancement of New Zealand society will reflect the enhancement and increased participation of this youthful element of the Pacific population. Furthermore, the research has shown the differences that exist between the migrant and locally-born components of this population cannot be overlooked, due to the very different circumstances and life experiences of each group. The stereotypes of the Pacific population, associated with the immigrant component of this population, may not reflect the 'true' reality of the New Zealand-born component of this population. In fact, Pacific communities now established in New Zealand, through the process of immigration and a high rate of natural increase, is likely to rapidly enlarge the New Zealand-born element of these six Pacific populations.

The employment experience of Pacific peoples has mirrored the socio-economic demands for migrant labour since the end of World War II unit the mid 1970s. For example, the push and pull factors provided the impetus for Pacific peoples to consider emigration to New Zealand. One of the main pull factors was linked to the greater employment opportunities in the booming secondary industries. By the early 1970s newly arriving Pacific workers were considered as cheap and abundant labour for semi and unskilled jobs. In most cases Pacific immigrants did the jobs non-Pacific workers no longer wanted to do or had been educated beyond. For instance, factory work, assembly-line production, processing, cleaning; work which involved long hours in unpleasant and in many cases, in dangerous work conditions. These labour market experiences have established the contemporary patterns of employment for the general Pacific population living in New Zealand.

The research showed (refer to sections 7.4 to 7.9) that the New Right deregulated flexible labour market context paints a very bleak picture for Pacific peoples. For example:

- ***Labour market participation:*** *lower participation rates when compared with other ethnic groups. Further, the continued labour market segmentation of the Pacific labour force along the lines of part-time work.*

- *Lower participation rates emphasised in the (15-19) and (50-59) age groups and lower participation rates for Pacific women.*

- ***Part-time employment:*** *The biggest growth in Pacific peoples employment since the enactment of the 1991 EC Act has been located in part-time employment. Further, Pacific women accounted for the majority of those working part-time within their own ethnic groups.*

- ***Unemployment:*** *Higher unemployment rates for Pacific peoples when compared with the other ethnic groups.*

- *The unemployment rate for the Pacific peoples is more comparable to the experience of New Zealand Maori.*

- *Unemployment varies between the New Zealand-born and overseas-born element of the Pacific community, between age and between different Pacific ethnic groups.*

- *Unemployment is closely linked to the highest levels in qualification gained.*

- ***Industrial distribution:*** *Pacific men and woman are less likely to be in the primary and service sector industries than men and woman in the national population.*

- *On an individual Pacific ethnic group type basis shows an increase in the numbers moving into the service sector.*

- ***Occupational distribution:*** *Most of the Pacific labour force continues to be located in unskilled and semi-skilled jobs. For Pacific men the most common occupation was plant and machine operators and assemblers or elementary occupations, while under half of Pacific woman were employed in clerical occupations, or as service and sales workers.*

- ***PTEs and TEIs:*** *An increase in vocational education and training within the total New Zealand population. Pacific and Maori students are over-represented at PTEs and under-represented at TEIs.*

The research shows that the labour market indictors out-lined above are negative, indicating significant gaps between the position of Pacific peoples and the rest the population. These transformations are linked to the significant shifts in the structure of the New Zealand division of labour and to the continued labour segmentation on some sectors of the population.

The essence of Chapter Eight was to introduce the educational reforms and state the role and purpose of Skill NZ (Pukenga Aotearoa) and TOPEC. This chapter has shown that the educational reforms mirror the major policy shifts that have occurred to other spheres of New Zealand society in the 1980s and 1990s. Sections 8.2 to 8.2.2 have shown that the educational reforms are based on the New Right ideology which assumes:

- *Access to educational choice and individual efforts will reduce the inequalities in society.*

Further, these reforms have seen the government's role changed in order to:

- *Reduce educational expenditure.*

- *Limit government intervention in education and break the 'traditional' notions of the welfare state.*

The research shows (refer to sections 8.4 to 8.3.4) that the vocational education and training courses are provided by a range of learning organisations including PTEs (in this case TOPEC is the provider) which have gained registration and accreditation status from NZQA. The NZQA conferred status gives PTEs permission to operate as learning institutions, to teach units of the NQF, to allow students to gain units towards nationally recognised qualifications, and to bid for funding (the main funding comes from Skill NZ (Pukenga Aotearoa) to provide government funded training courses (like TOPs courses). The research has shown that the NZQA administered NQF is based on the notion of a:

- *Seamless education system: Is a system under which it no longer matters with which provider or in which educational programme students are studying under. All learning will lead to qualifications within the same framework.*

The TOPEC courses have worked within this framework to provide training and to reduce the educational disparities for Maori and Pacific peoples that have fallen through the cracks in the educational system. In sum, Chapter Eight has shown that New Right adherents have argued that the educational reforms have resulted in greater participation rates in the education system and the fostering of lifelong learning. While others have viewed these reforms as a way of aligning the education system with the concepts of the New Right which provide the labour market with a flexible and short term labour force.

10.2.2 Micro-Level Findings

The primary objective for Chapter Nine was to make visible the micro-level responses of Pacific peoples participating in community employment-based initiatives. The major fieldwork findings are divided into chapter parts starting from sections 9.3 and 9.4 which shows that:

- *The responses from the six research participants reinforces the pattern of labour market re-segmentation, along the lines of a flexible part-time work force.*

- *All six research participants felt that the government needed to improve the monitoring of courses and to provide more funding for the courses.*

Section 9.4.1 highlights the responses related to the impacts unemployment has on the six research participants and their families. The results show that finding a job (both paid and unpaid) for the research participants:

- *Provided the means to translate a part of themselves into something which they produce or maintain.*
- *Assigns status and more importantly often gives a sense of self-worth.*

The research participants felt that work transcended the employee and employer relationship. It was not just based on an economic relationship commodified within a New Right context, it was also based on important social aspects. The responses show that to be unemployed:

- *Deprived research participants of their human value, and despite the safety net provided by the government, it undermined the family unit.*
- *Unemployment increased socio-economic stress (i.e. being unemployed meant that you could not pay the bills or provide enough food for your family).*

Sections 9.5 to 9.5.3 describes the responses and experiences related to what the research participates felt they had learnt on the TOPEC courses and how these courses made a difference to their labour market behaviour and employment prospects. The results show that most of the participants felt that the courses they were enrolled in improved:

- *Communication skills, self confidence and got a 'foot in the door' in regards to finding a job.*

Overall, the courses also changed labour market behaviour by making the participants more 'pro-active' in relation to finding employment, for example:

- *The courses provided work-based training and 'broke' the cycle of unemployment. (i.e. the courses took away the monotony of staying at home and instilled a work ethic).*

However, on a negative note many of the research participants also felt that the courses lacked:

- *Adequate external monitoring and internal course structure (i.e. fragmented student unit work and low student attendance).*
- *Clear communication between the staff and students.*

Many students felt that the negative responses were linked to:

- *The high staff turn over, a bums on seat policy, course hopping, the courses being free of charge (which contributed to a general 'lazy' student attitude), and the relocation of the centre campus to Elsdon.*

The results show that all six research participants felt that their cultural needs had been maintained.

- *Through cultural sports days.*
- *By having tutors who were from a Pacific ethnic group who were on the same 'wave-length' as the students.*
- *By taking into account the pedagogical educational aspects (i.e. using the Pacific peoples student-centred strategy with the 'traditional' Western educational model to learning).*
- *By having Pacific students around them - this enable the participants to be their own 'Pacific self'.*

Vocational education and training was developed to provide disadvantaged groups with more opportunities that would lead to greater participation in the labour market. The assumptions underlying the New Right paradigm perpetuate the myth that equal choices and access exist for all persons who have 'up-graded' their skills. The research shows that most of the participants expected that the initiatives would enhance their learning and employment prospects. However, the research participants were unaware that structural segmentation in the labour market and policies (such as the EC Act 1991) which advocates for a flexible work force may hinder their progress to find stable long term employment. For example, at a micro-level TOPEC in practice provides:

- *Cultural, community and family oriented initiatives.*

However, at a macro-level TOPEC is:

- *Implementing the NQF which is designed to be simple, (i.e. the NQFs main purpose is to facilitate seamless training throughout the individuals working life). However, in reality and practice it is quite complex and confusing for students (refer to section 8.2.1).*

- *Generating labour market participation in order to cater for a flexible and individualist work force, which is based on contractual agreements.*

- *Providing education and training that leads to a labour market where short term employment, instead of long term employment is the norm.*

- *Without an apprenticeship scheme students tend to go on to courses that are not relevant. For example, some students do industry-based training courses (such as hospitality), instead of going further in that area, they continue on to courses they have just completed, or leave the training programmes all together.*

10.3 Discussion

The following discussion focuses on the issues and positive aspects I have encountered during the course of the research. Section 10.3.1 discusses all the major things that went wrong and went less well than I hoped for, while section 10.3.2 reviews the main strengths of the research.

10.3.1 Limitations of the Research

The limitations related to research are an important component of my personal research learning experience. The limitations also let the reader determine the validity and generality of the research findings. These thoughts and questions came to mind:

- *I was a bit in the 'dark' about the whole interview process and inexperienced in the art of interviewing.*

- *Was I leading the questions (refer to section 9.4) and did the research participants understand the questions being asked?*

- *I found out that the research participants were also nervous and inexperienced in responding to the interview dialogue and questions.*

- *I did not spend enough time in the field and as a result did I not interview older Pacific peoples (this meant that the sample size of 6 research participants was too small).*

The 'general' talk section of the interviews provided me with extra insights and experiences that did not come out in the set questions I asked. When I told the research participants that the questions were over and if they wanted to talk about anything else, they could do so freely, that is when the flood gates opened. For example, their goals, what they believed in, life in general, family issues, how they see and feel about themselves, what they think about the course and how important culture is to them. However, the flood gates did not open in the set questions and in the general talk section when I interviewed the younger research participants. It was like trying to get 'talk out of a rock'. The reasons for this could be linked to a number of things, such as; I did not have time to build up a rapport with the two young people, they were inexperienced about life in general, and were shy. A major defect of my research was that I ran out of time and did not interview older people who were attending the 'Communication for Employment' initiative run by TOPEC. Of the six research participants, the youngest was 18 years old and the oldest was 27 years of age. Thus, I missed those over 30 years of age (a more experienced element of the Pacific community). In sum, I do not think that I am the first, or the last researcher who will be confronted with these thoughts, questions, issues and defects while in the field.

10.3.2 Strengths of the Research

The success of this research is not just based on the qualitative and quantitative data collected from secondary sources and fieldwork observations. This research should entail an attitude on my part that the research be foremost governed by a commitment to the people, for this research to work all the parties involved must adhere to a reciprocal or partnership framework. The use of the term partnership does not imply that the partners must be equal in all respects, but that the relationship be grounded on negotiation and compromise. Overall, the main principle of this research is to work 'with' the TOPEC research participants and staff members instead of 'for' them. Success is not so much measured in terms of the completed thesis, although it is important for academic and personal reasons, the emphasis is on the non-material criteria of success, including the quality of the relationship between the researcher, the research participants and TOPEC staff, and the knowledge and skills received and

learnt by all the parties involved:

- *I leant a lot about myself and I made new friends.*
- *My interaction with the research participants and staff gave me new experiences and insights.*
- *In turn I hope this interaction empowered some of the research participants, students and staff members.*
- *I think many of the research participants learnt a lot about their own life experiences when they discussed them in the interviews.*

10.4 Recommendations

The analysis of the impacts and responses to the New Right policies in this research has illustrated that in order to raise labour market participation for Pacific peoples (in Porirua and New Zealand) the government and grass-roots initiatives must move beyond an individualist and flexible labour market to a more balanced mode of development. Many New Right adherents would argue that the recommendations are a commitment to the policies of the past. I would argue that these recommendations are a commitment to the future. This balanced mode of labour market participation would include a commitment to:

- *Full employment as the governments primarily priority.*
- *Repealing the EC Act*[1].
- *The reinstatement of the 'apprenticeship' programme.*

As already noted, the New Right labour market policy stance for the government is to do little to influence employment and unemployment. This is primarily based on model in which the fluctuations in employment and unemployment are viewed as the outcome of the optimising decisions

[1] The reader must note that this thesis was started and mostly written in a political environment which supported the policies of the New Right. The 1999 election balanced the political septum by installing a centre-left coalition made-up of the Labour, Alliance and the Green party. The primarily focus of this coalition is based on repealing the EC Act (with the Employment Relations Bill which is currently before a Select Committee and is expected to become law in early October 2000) creating more jobs and closing the socio-economic gaps within New Zealand society. The changing of the political guard did some what influence the recommendations stated above, but did not change the overall thesis hypothesise, which was based on how the New Right has affected the labour market participation of Pacific peoples (at a macro and micro-level).

by job-seekers and job-providers in efficient markets (Snower and Dehesa, 1997). Here, active employment policies is generally undesirable since it interferes with the workings of the 'Invisible Hand' and 'Catallaxy', and thus disturbs the individuals free choice to remain unemployed (Snower and Dehesa, 1997). The government needs to move away form this model by funding and encouraging employment policies which are conclusive to full employment. These policies would include the establishment of regional and grass-roots schemes which the government would fund in order to promote economy and employment activity.

The need to ensure a balanced approach in the labour market is essential to the vision of full employment. In order to achieve this the government needs to repeal the EC Act and introduce employment relations law which is balanced and fair to employers and employees and encourages a workplace environment conclusive to co-operation. The employment development package should entail the re-establishment of the 'apprenticeship' programme, which would include the traditional trades and an apprenticeship programme primarily focusing on 'information technology' and 'e-commerce'. Furthermore, this programme would also expand access to industry training and build on existing training managed by ITOs. The employment package should also include more Pacific initiatives which focus on higher labour market participation rates for Pacific peoples. The current and new Pacific employment initiatives would have to be based within policies which:

- *Advocates for closing the labour participation gaps that exist for Pacific and Maori peoples when compared to other ethnic groups in New Zealand society.*
- *Advocates for full-time employment which is long term.*
- *Provides the opportunities for greater participation in technology-based fields.*
- *Acknowledges the structural inequalities entrenched in New Right labour market policies.*

Overall, TOPEC is endeavouring to offer training programmes that embrace Pacific peoples cultural beliefs and values. TOPEC focuses on 'doing by learning' or 'hands on' training, rather than emphasising 'traditional'-based training. The TOPEC curriculum is established on a holistic and student-centred approach. This approach specifically meets

the needs and aspirations of the student. It enables the tutors to play a supportive role encouraging participation, recognising learning to suit both group and individual learning habits, and recognising students cultural differences in learning styles. Education and training intiatives delivered by TOPEC are a combination of courses which are developed towards the new economy, (at a generic level), and courses which are firmly established towards the old economy. For example, the 'Computers and Business Skills' course and the 'New Zealand Conservation Corps' course.

While many of the labour market findings resulting from this thesis paint a bleak picture, there are also positive aspects and opportunities. The recommendations stated above give Pacific communities more opportunities to find positive solutions to many of the issues they face, lie within those communities themselves. This does not mean that the government takes a night-watchman approach - it means that the government must get involved in order to promote capacity building and employment activity. Globalisation and the ever changing process of technology opens up further opportunities for Pacific peoples as the demand for employment in this field increases. The current and new community-based employment initiatives must find a balance between the 'traditional' trade careers and the ever expanding information technology and e-commerce-based fields. It is very clear that the New Right approaches to the role Pacific peoples have in the labour market has been inadequate. To catch the departing 'technology-skilled bus', Pacific peoples need to participate more in the skilled sectors of the New Zealand labour market.

Appendices

Contents of Appendices

Appendix 1

COOKING & HOSPITALITY

Cooking and hospitality skills so that you can follow on to further training or work in the industry.

- Practise the basic skills required for professional cooking
- Hospitality – basic knowledge and skills for food and beverage service
- First aid certificate – a prerequisite for entry into many jobs
- Cultural awareness
- Work experience
- Health & safety – Personal wellness in the work environment
- Customer service
- Tourism

COOKING & CATERING

Training and experience in cooking and catering. Students who reach the required standard will have the opportunity to complete the NZQA 75/1 National Catering Certificate.

- Practical cooking
- First aid certificate
- Work experience – Try out the catering and hospitality industry first hand
- Health & safety
- Cultural awareness

CONSERVATION CORPS

Learn new skills through involvement in conservation projects, education, cultural awareness, and challenging recreation activities.

- Leadership skills
- Work experience
- Goal setting
- Community service
- Rock climbing, abseiling, confidence course
- Identify skills and strengths
- Develop a career plan
- O le Pasifika

WORK-BASED TRAINING

Gain job-seeking skills and work experience — includes on-the-job training at a workplace.

- Identify skills and strengths
- Decide work preferences/career plan
- Explore work options
- Telephone techniques
- Interview skills
- Understand employment contracts
- Letter writing skills
- Construct a Curriculum Vitae
- Establish networks
- Health & safety
- Capability skills

SPORTS & RECREATION

Provides students with the necessary skills to work towards a professional career in sport. You'll obtain a qualification in Sport & Recreation as you study.

- Professional sport
- Event management
- Coaching, umpiring, officiating
- Sports administration
- Team management
- Sports law
- Contracts
- Business management skills
- Research methodology

RETAILING & CUSTOMER SERVICE

Learn to be a competent salesperson and provide quality customer service.

- How retailing works
- Customer service
- Communication skills
- Cash handling and cash registers
- Telephone skills
- Retail calculations
- Displays, advertising and ticket writing
- Work experience
- Capability skills
- Cultural awareness
- Health & safety

COMPUTER & BUSINESS SKILLS

Learn about computers, software, and desktop publishing; develop positive work attitudes; prepare for further training or office employment.

- Introduction to computers
- Microsoft Disk Operating System
- Directory structures
- Learning the Windows environment
- Keyboard techniques for wordprocessing
- Microsoft Excel spreadsheet skills
- PageMaker: desktop publishing to produce posters, brochures, letterheads and business cards.

COMMUNICATION FOR EMPLOYMENT

Communicate effectively in a work environment; improve your numeracy and literacy and progress to further training or employment.

- Communication Skills – speaking and listening
- Service sector work experience
- Occupational health & safety
- Self management skills
- Pacific Island cooking and language
- Physical fitness
- First aid certificate
- Car licence theory

TAMA TANE O LE PASIFIKA

Takes long-term unemployed Pacific Island men aged 35+ on a journey of self-discovery to identify skills and attitudes needed for employment.

- Understanding job opportunities
- Realistic job choices
- Pathways to employment
- Awareness of training and work experience that can help you find work
- Write a Curriculum Vitae

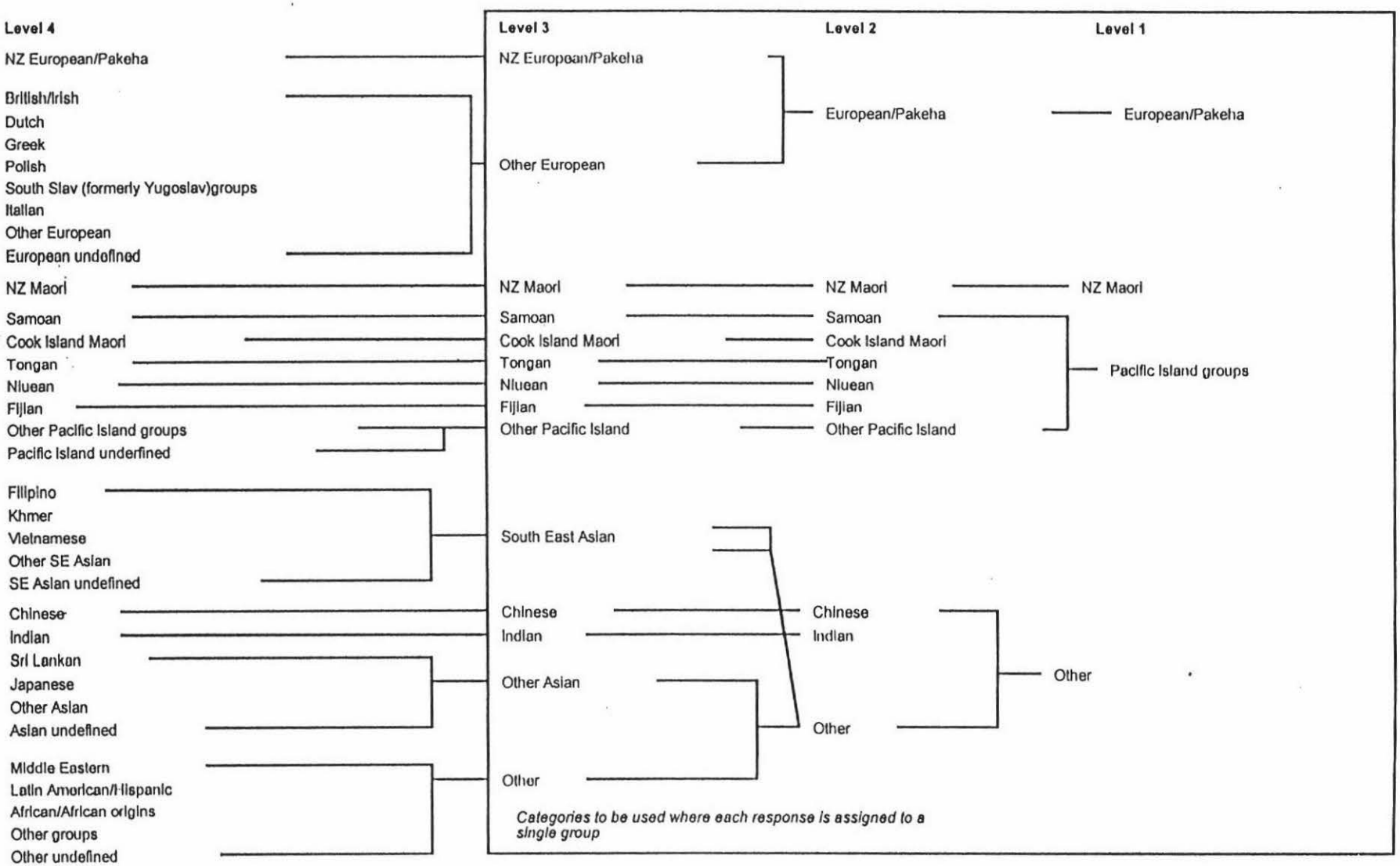
After your course you'll receive a **CERTIFICATE OF ACHIEVEMENT** and a performance report. You will be able to hook on to the **NATIONAL QUALIFICATIONS FRAMEWORK** and apply for a **RECORD OF LEARNING**.

Appendix 2

- ☐ Other Pacific Island Group

3801 Admiralty Islander
3802 Australian Aboriginal
3803 Austral Islander
3804 Belau/Palau Islander
3805 Bismarck Archipelagoan
3806 Bouganinvillean
3807 Caroline Islander
3808 Easter Islander
3809 Gambier Islander
3810 Guadalcanalian
3811 Guam Islander/Chamorro
3812 Hawaiian
3813 Kanaka/Kanak
3814 Kiribati Islander/Gilbertese
3815 Malaitian
3816 Manus Islander
3817 Marianas Islander
3818 Marquesas Islander
    Nuka Hiva Islander
    Hiva Oa Islander
3819 Marshall Islander
3820 Nauru Islander
3821 New Briton
3822 New Georgian
3823 New Irelander
3824 Ocean Islander/Banaban
3825 Papuan/New Guinean/Irian Jayan
3826 Phoenix Islander
3827 Pitcairn Islander
3828 Rotuman/Rotuma Islander
3829 Santa Cruz Islander
3830 Society Islander
    Leeward Islander
    Moorea Islander
    Raiatea Islander
    Tahitian
    Windward Islander
3831 Solomon Islander
3832 Torres Strait Islander/Thursday Islander
3833 Tuamotu Islander
3834 Tuvalu Islander/Ellice Islander
3835 Vanuatu Islander
3836 Wake Islander
3837 Wallis and Futuna Islander
3838 Yap Islander
3839 Other Pacific Island

Source: SNZ Standard of Classification of Ethnicity, 1993b



Source: SNZ Standard of Classification of Ethnicity, 1993b

Appendix 4

Modules for Pacific Island learners to develop 'work-based training' skills include:

- Job search techniques
- Job application letters
- Curriculum Vitaes
- Interview techniques
- Listening skills
- Telephone skills
- Goal setting
- Workplace symbols
- Occupational health and safely

Modules for Pacific Island learners to develop 'learning how to learn' skills include:

- Self-awareness – 'how do I learn best'?
- Decision making skills
- Accelerated learning techniques
- Abstract and lateral thinking skill (e.g. mind mapping)
- Exercises to excite curiosity
- Exercises to develop knowledge retention skills

Modules for Pacific Island learners to develop 'self confidence' skills include:

- Assertiveness skills
- Body language skills
- Leadership skills
- Self-confidence and perception skills

Source: TOPEC Functions and Purpose Report, 1999

Appendix 5

168 version 2
20-Jul-99
3 of 6

FOOD SAFETY
Demonstrate Knowledge of food contamination hazards, and control methods used in a food business

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1.2 Sources of contamination are identified and explained in terms of the hazard they may cause.

Range: sources – people, food, soil, equipment, building, storage areas, preparation areas, service areas, pests, rubbish.

1.3 Characteristics of bacteria, moulds and yeasts are identified and explained in relation to the conditions required for their growth.

Range: any two of the following characteristics – rate of growth, spores, toxins, and infections caused;
any three of the following conditions – time, temperature, food type, moisture, pH levels, requirements for air.

1.4 Food borne illnesses are identified and explained in relation to the food most likely to be affected, and transmission and consequences of the illness.

Range: bacterial – Salmonella, Campylobacter, Clostridium, Bacillus cereus, Listeria monocytogenes, Yersinia enterocolitica, Escherichia coli, Staphylococcus aureus;
Viral – Rotavirus, Norwalk agent, cold, 'flu, hepatitis – evidence of two types required;
metal – lead, cadmium, copper, aluminium, mercury, zinc – evidence of two types required;
parasitic – Giardia, worms – evidence of one type required;
fungal;
chemical – natural, added;
physical;
algae.

FOOD SAFETY
Demonstrate Knowledge of food contamination hazards, and control methods used in a food business

1.5 Causes and signs of food spoilage are identified and explained in terms of the food most likely to be affected.

Range: any three of the following causes – time, temperature, storage conditions, packing condition, fermentation, enzymes, chemical, physical; signs – smell, appearance, texture, taste.

Element 2

Demonstrate knowledge of methods used in a food business to control hazards that cause food borne illness and food spoilage.

Performance criteria

2.1 Methods used to prevent cross contamination of food are identified in terms of the source of contamination and means of spread.

Range: methods – personal hygiene standards, handling procedures, cleaning and sanitising procedures, procedures for pest control, procedures for waste management, storage practice.

2.2 Methods used to kill or control growth of bacteria and fungi in food are identified and explained in terms of time and temperature, and preservation procedures.

Range: time and temperature procedures for – purchase, delivery, storage, preparation, cooking, reheating, serving, selling; preservation may include – moisture, air, pH; bacteria – Salmonella, Campylobacter, Clostridium, Bacillus cerus, Listeria monocytogenes, Yersinia enterocolitica, Escherichia coli, Staphylococcus aureus.

FOOD SAFETY
Demonstrate Knowledge of food contamination hazards, and control methods used in a food business

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2.3 Methods used to control food borne illness from causes other than bacteria and Fungi are identified and explained in terms of the source and spread of the illness.

Range: viral – Rotavirus, Norwalk agent, cold, flu, hepatitis – evidence of two types required;
metal – Lead, cadmium, copper, aluminium, mercury, zinc – evidence of two types required;
parasitic – Giardia, worms, - evidence of one type required;
chemical – natural, added;
physical;
algae.

2.4 Methods used to prevent food spoilage are identified and explained in terms of any establishment requirements and legislation.

Range: methods – time, temperature, storage procedures, quality checks.

2.5 The principles of HACCP are outlined in accordance with Ministry of Health guidelines

Appendix 6

ASSESSMENT SHEETS		
Element 1: Demonstrate knowledge of the hazards that cause food borne illness and food spoilage in a food business		
Performance Criteria		**Range**
		Tick the boxes when competence in the range items have been demonstrated
pp 1.1	Hazards are identified and explained in terms of the food bone illness and food spoilage caused	Ensure the following range items are covered in the answer **Hazard** ❑ Biological ❑ Chemical ❑ Physical
Judgement Statements Two examples of biological hazards and the illnesses or spoilage they cause explained Two examples of chemical hazards are identified and the illnesses or spoilage caused explained An example of a physical hazard is identified and an illness caused explained		
Tick the boxes below when all judgement statements are explained across the range		
❑	Biological,	
1		
2		
❑	Chemical,	
1		
2		
❑	Physical,	
1		
2		

Performance Criteria	Range
	Tick the boxes when competence in the range items have been demonstrated
pp 1.1 Hazards are identified and explained in terms of the food bone illness and food spoilage caused	Ensure the following range items are covered in the answer **Sources** ❑ People ❑ Food ❑ Soil ❑ Equipment ❑ Buildings ❑ Storage areas ❑ Preparation areas ❑ Rubbish
Judgement Statements	
Process of hazard moving from source to food is explained for all potential sources	
Tick the boxes below when all judgement statements are explained across the range	
Sources –	
❑ Biological,	
1	
2	
❑ Chemical,	
1	
2	
❑ Physical,	
1	
2	

Tick the boxes below when all judgement statements are explained across the range
Sources –
❑ Buildings,
❑ Storage areas,
❑ Preparation areas,
❑ Service areas,
❑ Pests,
❑ Rubbish,

Appendix 7

Time:

9:00:	Student presentation (e.g. wash hands, get into uniform)
9:15:	Truss and cut example
9:30:	Work station set-up Oven turned on Place on trivet
10:30:	Veges. ready (e.g. 10 potatoes to feed 4 people) Sited in oven Cook chicken
10:15:	Basting agent
10:30:	Washing dishes Cleaning floor
11:00:	Rest-time
11:15:	Place veges. in with chicken and making gravy
11:30:	Present and drained
11:45:	Place other left-over pieces of chicken in containers present for making wash dishes and clean the floor
12:00:	End

Appendix 8

Employment Skills Project

Questions for Employer:

We want to ask some questions on what we need to know if I was to work here, at an Entry level position (beginner/starting for the first time)

Tasks and Duties:

- What tasks and duties must I do in your workplace?

Personal Requirements:

- What skills do I need to enter this position?

- What knowledge do I need about this position?

- What Personal Qualities should I have to enter this position?

- Are there any physical requirements it this position?

How To Enter The Job:

- What educational requirements do I need to enter this position?

- Are there any other entry requirements for this position?

- What other useful experience would be helpful to enter into this position?

- Is there training on the job?

Working Conditions:

- Please describe the work place conditions?

- What equipment will I be using?

- What are the hours of work?

- What is the starting pay rate?
  Under 18:
  Over 18:

- Is the pay paid out weekly/fortnightly/monthly?

- What contract do the workers sign? ... Collective or Individual?

Appendix 9

4/10/99

-half-day
-5 students here today
-student council meeting tomorrow at 10:30
-rec. today
-pay Dave the $5 dollars because he covered my Indoor-Soccer fee
-class fund-raising
-talking about issues
-sports day at the Show Buildings: Wellington
-uniform: light-gray and pink t/ shirt with 'TOPEC' written on it

-Dave is finding it hard:
- the students are not focused
- one of the hardest classes to teach
- units are not being completed

-one-on-one with the students going over hardware unit

5/10/99

-half-day: rec. day
-played sevens
-playing Indoor-Soccer for TOPEC on Friday

6/10/99

-7 students here today
-half-day: rec. day

7/10/99

-TOPEC Sports Day
-lost the Indoor-Soccer
-won the Indoor-Netball
-went to the after function

11/10/99

Communication for Employment

-Tutor: JP
-students wanting to move into new class

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