

The Chair
Cabinet Strategy Committee

**PRIME MINISTER'S SUMMIT ON EMPLOYMENT: MAINTAINING THE MOMENTUM:
IDEAS FOR LONGER TERM DEVELOPMENT AND CONSIDERATION**

Proposal

- 1 This paper describes in more detail ideas generated at the Prime Minister's Employment Summit listed for "longer term development and consideration". The paper seeks agreement to designating a lead Minister/Ministers for each idea.

Background

- 2 At its meeting on 9 March 2009, Cabinet considered a paper on maintaining the momentum from the Employment Summit [CAB Min (09) 8/6 refers]. The paper set up a number of subsequent reports to the Cabinet Strategy Committee (STR) to advance the various ideas generated at the Summit:
 - a paper for STR on 23 March covering ideas listed in the longer term for development and consideration i.e. ideas that look promising but need further exploration;
 - a paper for STR on 6 April pulling together a package of proposals worth pursuing, setting out what needs to happen next for those initiatives that are to be progressed, by whom, and over what timeframe;
 - a paper for STR on 11 May covering those ideas from the much longer list of "further investigation required" which should be taken further.
- 3 This paper provides the first of these reports, i.e. on ideas listed in the longer term for development and consideration.

Comment

- 4 The Summit identified some 40 ideas as being longer term for development and consideration, spread across the six themes of the Summit: core workplace and employment issues; workers – skills and transition; local and regional government/Maori economy; helping firms survive; business investment; and firm funding.

- 5 The ideas are set out below. This is a list rather than a prioritised package as Ministers have still to consider which ideas from the Summit the government will announce and implement now, which ideas will be worked up further to the point where Ministers can make policy and/or funding decisions, and which ideas will not be developed further at this stage but kept in mind should conditions change. Ministers will be considering placement of ideas over the next few weeks so that implementation decisions can be advanced by STR on 6 April.
- 6 To ensure that clear lines of responsibility are established for all of the ideas, however, it would be desirable to clarify a lead Minister or Ministers for each idea. This will also help to ensure that the appropriate connection is made between Ministers and the ongoing work of the summit chairs, other stakeholders and officials.
- 7 The Government is fortunate that there has been, and remains, a very strong commitment from the private sector to assist the Government. While not all of the ideas from the Summit will be implemented, it will be important to ensure that this input is maintained and utilised so that the most prospective ideas can be taken forward.
- 8 Accordingly, the list below proposes a lead Minister/Ministers for each of the ideas initially grouped by the Summit as for longer term development and consideration. It is envisaged that lead Ministers will ensure that appropriate connections are made with private sector leads on specific issues.

Consultation

- 9 Departments with lead responsibility for the themes of the Summit have been consulted in the preparation of this paper, i.e. Economic Development, Education, Inland Revenue, Internal Affairs, Labour, Prime Minister and Cabinet, Social Development, Te Puni Kokiri and Treasury. Where possible, other departments have also been involved.

Fiscal Implications

- 10 The decision to designate a lead Minister/Ministers for ideas from the summit has no fiscal implications.

Human Rights

- 11 There are no human rights implications.

Legislative Implications

- 12 There are no legislative implications.

Regulatory Impact Analysis

- 13 Not required.

Publicity

- 14 It is proposed that a copy of this paper be placed on the government website for the Summit.

Recommendations

- 15 It is recommended that the Committee:
- 1 **Note** that, at its meeting on 9 March 2009, Cabinet noted that a paper would be prepared for STR on 23 March covering ideas from the Prime Minister's Summit on Employment listed for longer term for development and consideration i.e. ideas that look promising but need further exploration [CAB Min (09) 8/6 refers];
 - 2 **Agree** that the lead Minister/Ministers for each idea listed for longer term development and consideration be those set out in Table 1 of this paper;
 - 3 **Note** that priorities for this work will be determined as part of the paper to be submitted to STR on 6 April;
 - 4 **Note** that a copy of this paper will be placed on the government website for the Summit.

Hon John Key
Prime Minister

Table 1: Lead Minister and other relevant Ministers for ideas identified at the Prime Minister's Employment Summit for longer term development and consideration

Idea	Lead Minister (shown first) and other relevant Ministers
Core workplace and employment issues	
1.1: Information, advice and guidance to support increased flexibility and firm survival	Minister of Labour
1.2: Contestable pool of funding for tourism and other key sectors	Minister of Tourism
1.3: Create jobs in NZ by ensuring carbon economy costs are re-invested in NZ	Minister for Climate Change Issues
1.4: Extend bonding arrangements to other occupations	Minister for Tertiary Education
1.5: Arrangements to support the continuation of training, particularly for apprentices	Minister for Social Development and Employment, Minister for Tertiary Education
1.6: Rapidly place skilled workers, particularly trades people, into teaching positions, e.g. polytechnics	Minister for Tertiary Education, Minister of Labour
Workers – skills and transition	
2.1: Look at incentives for young people to be in education and training rather than on benefit	Minister for Tertiary Education
2.2: Grow employment in the education sector, e.g. through international students	Minister of Education, Minister of Immigration
2.3: Lower tertiary education fees for people made redundant	Minister for Tertiary Education
2.4: Explore additional models for maintaining and strengthening training for young people	Minister of Education
2.5: Nine day fortnight for employers with less than 100 employees	Minister for Social Development and Employment
2.6: Using Mayors Taskforce for Jobs to target areas of need	Minister for Social Development and Employment
2.7: Job matching: making the MSD job-matching database available publicly to all employers nationally	Minister for Social Development and Employment, Minister of Labour

Idea	Lead Minister (shown first) and other relevant Ministers
2.8: Formally recognise skills from previous employment that may not equate to existing qualifications	Minister for Tertiary Education
2.9: Kiwicorps: recruit young volunteers to work on environmental projects using existing, funded programmes	Minister of Youth Affairs, Minister of Conservation
2.10: Create a seasonal market-place using labour in NZ	Minister for Social Development and Employment
2.11: Develop apprentice-like programmes in primary industries, e.g. fishing	Minister for Tertiary Education, Minister of Agriculture
2.12: Forestry training initiative, including information to employees on career support, assistance to increase training and skill levels and a central vacancy matching system	Minister for Tertiary Education, Minister of Forestry
2.13: Introduce a requirement for companies to spend a set percentage on training and development	Minister of Commerce, Minister for Tertiary Education
2.14: Tree planting	Minister of Forestry
2.15: Enterprise “pods”, using redundant business facilities for other purposes	To be determined
Local and regional government/Maori economy	
3.1: Introduce a moratorium on the implementation of drinking water and air quality standards	Minister of Health (for drinking water), Minister for the Environment (for air), Minister of Local Government
3.2: Remove council liability for low-cost, low-risk consents to encourage a risk management approach to consent processing	Minister for Building and Construction, Minister of Local Government
3.3: Introduce more national standards to improve consistency in consent decision-making	Minister for the Environment (for RMA issues), Minister for Building and Construction (for building issues), Minister for Regulatory Reform, Minister of Local Government
3.4: Increase the range of permitted activities, e.g. relax rules around the establishment of small, home-based businesses	Minister for the Environment, Minister for Regulatory Reform, Minister of Local Government, Minister for Small Business

Idea	Lead Minister (shown first) and other relevant Ministers
3.5: Underwrite council debt to allow infrastructure projects to be brought forward	Minister for Infrastructure, Minister of Local Government
3.6: Review government's approach in delivering financial subsidies to local government for infrastructure, e.g. refocus subsidy schemes to focus on job creation	Minister for Infrastructure, Minister of Local Government
3.7: Investigate the feasibility of a national accord for local government with key themes such as a priority for economic stimulus, council wage payments being kept low, buy local-made procurement practice	Minister of Local Government
3.8 Provide Maori authorities with tax credits to provide education and training scholarships and investments	Minister of Revenue, Minister of Maori Affairs
Helping firms survive	
4.1: Case studies of private firms that have successfully and profitably introduced recycling	Minister for the Environment
4.2: Large private sector firms commit themselves to meet or exceed best commercial practice in the payment of invoices to SMEs	Minister for Small Business
4.3: Produce a Franchising Code of Practice	Minister of Commerce
4.4: Review and reduce the role the Electricity Commission	Minister of Energy and Resources
4.5: Increase credit availability for consumers	Minister of Consumer Affairs
4.6: Improve business advice and information	Minister for Economic Development, Minister of Labour
4.7: Inland Revenue Department to take a proactive approach to contacting and assisting firms to manage their tax payments as soon as they fall behind on a payment	Minister of Revenue
4.8: Actively seek to get NZ businesses capable of extracting maximum benefit from the Rugby World Cup	Minister for the Rugby World Cup, Minister of Tourism

Idea	Lead Minister (shown first) and other relevant Ministers
Business investment	
5.1: Improve the efficiency and effectiveness of freight logistics	Minister of Transport, Minister of Finance, Minister for Infrastructure, Minister for Economic Development
5.2: Initiate or accelerate major infrastructure projects in Auckland	Minister for Economic Development, Minister for Infrastructure, Minister of Tourism, Minister for the Rugby World Cup
5.3: Introduce a targeted temporary investment grant for certain capital expenditure	Minister of Finance, Minister for Infrastructure, Minister of Revenue, Minister for Economic Development
5.4: Introduce measures to accelerate capital expenditure in the non-taxed sector	Minister for Infrastructure, Minister of Finance, Minister for Tertiary Education, Minister of Revenue, Minister for State Owned Enterprises
Firm funding	
6.1: Manage future of government guarantee	Minister of Finance
6.2: Review Overseas Investment Act/Office	Minister of Finance and Minister for Land Information (leading day to day work)
6.3: Stimulate capital markets	Minister of Commerce (in association with the Capital Markets Development Taskforce)
6.4: Promote NZ sovereign debt internationally	Minister of Finance