

National Conversation
about work

Waikato Regional Report



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Introduction

The Waikato region is the fourth largest region in New Zealand.

To the east lie the Coromandel and Kaimai Ranges; to the north is the Waikato River mouth and the Manukau harbour; to the west is the surf of the Tasman beneath Mount Pirongia and to the south the Puniu River, with the hills of the King Country beyond.

The region includes two of the country's largest water masses, the 425-kilometre Waikato River and Lake Taupo. The area has considerable variety in natural resources.

Waikato is large in terms of land area and population, so provides a diverse range of opportunities for employment and living.

The region's economy is based around the dairy industry, and the associated services including research and manufacturing. The region also includes the Coromandel and Taupo districts, which are renowned for tourism, forestry and mining.

Waikato has a university and a number of research institutes, so there is a focus on research and innovation, particularly in the biotechnology area.

The region is also close to two main sea ports, Auckland and Tauranga.

Immersed in historical and cultural significance the Waikato was the setting for the largest and most formal war between Māori and Europeans in the nineteenth century, and is the location of Turangawaewae marae the historical home of the Māori king movement.

At the centre of the region is New Zealand's largest inland city. Hamilton has a distinct and affluent urban identity; and is a city of education and scientific research, parks and gardens and has a vibrant cafe and sporting events culture.

State Highway 1 between Auckland and Hamilton began as a military road and is now one of New Zealand's busiest transport routes.

The Waikato includes a number of smaller centres including Taupo, Tokoroa, Te Kuiti, Otorohanga, Te Awamutu, Cambridge, Morrinsville and Thames. These rural centres provide crucial retail and agricultural services to the region's wider communities.

The region has a population of 382,716 people which is 9.5 percent of New Zealand's population. Seventy percent of people in Waikato Region belong to the European ethnic group, compared with 67.6 percent for New Zealand as a whole.

Twenty one percent of people in Waikato Region belong to the Māori ethnic group, compared with 14.6 percent for all of New Zealand. Other ethnic groups make up the remaining 8.6 percent of the region's population.

The labour force participation rate in Waikato stood at 69.4% during the year to September 2009 down from 70.0% the year before. In comparison, the national average participation rate was 68.5% for the year to September 2009.

The unemployment rate in Waikato increased to 5.9% for the year to September 2009 from 4.1% in the year to September 2008 an increase of 1.8%. In comparison the national average unemployment rate was 5.5% for the year to September 2009.

There were 4,717 working aged people receiving unemployment benefits from Work and Income in the Waikato region at the end of June 2009.

For people aged 15 years and over, the median income (half earn more, and half less, than this amount) is \$24,100. This compares with a national median of \$24,400. Like other regions 43.4 percent of people aged 15 years and over have an annual income of \$20,000 or less. Seventeen percent of people aged 15 years and over have an annual income of more than \$50,000, compared with 18.0 percent of people throughout New Zealand.

Process of engagement

The Commission is targeting the following groups nationally: disabled people their employers and organisations supporting the employment of people with disabilities; private businesses; women's groups with a focus on employment; young families; local government and migrant workers.

We also seek meetings with employers and/or employees in at least one key industry and include meetings with local groups who have expressed an interest in the project and where possible “new voices” – individuals and community groups who may not have participated in dialogue with the Human Rights Commission before.

Engagement is reliant on access to individual employers, employees and groups who want to participate. This summary regional report follows discussion with the 119 people we met in the Waikato in November 2009. Participants in Taupo engaged with the Commission in September, and their views are represented as part of the Gisborne regional report.

Engagement with employers and employees for the National Conversation was structured around face-to-face meetings. The final, national report recommendations will include information gathered from regional reports and on-line engagement.

The following groups were participants in the Waikato:

Hamilton

- Pacific Aerospace
- Opportunity Hamilton
- New Life New Zealand
- Longveld Engineering
- Waikato Institute of Technology (WINTER)
- Land Information New Zealand
- Kau'te Pasifika
- Keith Weir Motors
- Waikato Business Publications
- Chamber of Commerce Hamilton
- Strata Plastics

- Community Living Trust
- Unions Waikato
- AgResearch – Crown Research Institute

Cambridge

- Sir James Lodge
- Cambridge Stud
- Chamber of Commerce Cambridge
- People In Mind

Otorohanga

- Giltrap Farm Machinery
- Ingham Honda
- Rural Women South Waikato
- Otorohanga Trade Training Centre

Thames

- Pak' n Save
- Thames Coromandel District Council

Conversations with groups of employees were structured around the following key questions;

1. What would make a difference for you to achieve equality at work?
2. How would this affect your family?

These questions were followed by a general discussion about equality and fairness at work and what was needed to effect the desired change. Typically these discussions elicited a wealth of personal work experiences, stories both positive and negative, and highlighted a number of issues related to fairness at work.

Conversations with employers focused on key questions which included:

1. What are the pressing labour market issues you face?
2. What services/support would assist you?

We also asked about possible impacts of the global recession and recruitment issues given projected labour and skill shortages in the

region. Responses from employers and managers portrayed a variety of views and experiences.

Weathering the recession in the Waikato

Prior to the recession the Waikato had experienced large employment growth in highly skilled and skilled occupations. This was partly because of growth in industries such as Property and Business services and Health and Community Services. It was also partly because of an up-skilling in these industries and others such as Manufacturing, Construction and Cultural and Recreational services.

Shortly before visiting Waikato the latest Household Labour Force Survey from Statistics New Zealand reported Waikato as the only region to show a significant (unadjusted) annual decrease in the number of people employed, down by 17,300 to 192,600.

Nationwide, the agricultural industry has shed jobs. The economic conditions that caused this have had a relatively large impact on Waikato because farming and farm servicing is a large employer in the region.

Participants we spoke with in the agricultural sector and in rural towns confirmed that spending was down and jobs difficult to find. Despite Fonterra's increased payout for milk solids, most believed that any future cash benefits would go to repaying debt.

Cambridge has experienced job losses on a scale not experienced in recent years. Trades based employers, building and engineering businesses and retailers had been hit by the recession. One vacancy for an Office Manager in the town attracted 176 applicants.

Business commentators spoke about the challenges faced by small and medium enterprises in Hamilton. "SME's have been through fairly prosperous times prior to this downturn. The recession has forced businesses to look at their efficiencies", we were told.

Economic uncertainty and difficulty forecasting is a major concern for small and medium businesses in the region. “Some companies that haven’t done so well during good times are using the recession as an excuse to downsize”, a business commentator said.

“SME’s have gone through cutbacks and lay-offs and employers are now scared to take on new people”.

Hamilton has seen a downturn in retail. The number of empty retail premises in the central business district is evidence of this. Economic development commentators refer to a “red dot map where businesses had disappeared in the city”.

Tainui’s development of a large retail hub at the northern end of Hamilton had also pulled business and shopping away from the town’s centre.

We also learned that I.T. companies were in trouble in the city and that a number of language schools that had previously done well, had all gone out of business.

What do people like about their work?

When employees, managers and business owners are asked what they like about their work, there is almost universal enthusiasm for its socialisation, genuine expressions of pride in products and services, appreciation of the variety of tasks undertaken in a working day and strong explicit and implicit acknowledgement of the value of work expressed in professional and personal satisfaction.

Employees in the aviation industry enjoyed flexible work practices including an early Friday finish time of 11.00 am. Production staff took great pride in the aircraft they manufactured with one employee describing the enjoyment of seeing an assembled airplane "from start, when it’s in parts, to when it’s completed”.

The natural surroundings at AgResearch provided workers with daily motivation and inspiration. “We have beautiful surroundings

here”, staff said. “It’s great to get to work in a setting like this. There’s a swimming pool and cricket pitch on site”.

Employers and employees cited the people they work with as being most rewarding. “You can relax with your workmates here”, one group of workers said. Another group described their colleagues as, "a good crew to work with".

Tertiary institute staff enjoyed flexible work practices including sick leave provisions, and support from managers around family and individual needs. Similarly other participants said flexible work practices raised their level of job satisfaction.

In several workplaces participants enjoyed the meaningful contribution they made at work. “I really like doing something I’m passionate about and the impact and difference I can have on individuals”, one social services worker said.

Staff working with Pasifika communities told us, "I love coming to work. I love being in my culture and to see my people get help". Colleagues agreed with this view, "I'm serving my community and that makes me happy".

Issues

The following issues were raised by both employees and employers alike. They have been grouped by themes:

- Remote working
- Lean manufacturing
- Leadership
- Flexible work practices
- Hiring and firing staff
- Health and safety
- Funding
- Union Rights
- Discrimination & mistreatment
- Husband & wife teams
- Migrant employment
- Intellectual disability
- Skill shortages
- Youth employment

Remote Working

Remote working has become interesting to employers and employees seeking different ways of working. Described as flexible work arrangements in non-traditional workplaces, one Waikato business was exploring the boundaries of remote working.

The Thames Coromandel District Council has implemented a remote working policy that sets out criteria allowing staff to work remotely for up to two days a week from such places as their home, a satellite location or a Telework Centre. Ten employees of the Thames Coromandel District Council were currently working in this way.

A project to scan all property information and files is underway at the Council and would potentially allow building inspectors to work remotely, including from their cars with assistive technologies.

A human resources professional we spoke to thought “remote working is far too scary for most New Zealand businesses”. Work in the future she thought would be more part-time and include the greater use of technology. “Asia will do much better than New Zealand. I don’t think we will embrace remote or home working well”.

In addition she thought remote working is tied up with other generational issues such as the use of emerging technologies and differing work attitudes of younger workers.

Lean manufacturing

New Zealand Trade and Enterprise has promoted Lean Manufacturing nationally as a way for businesses to improve productivity, become more competitive, grow sales and increase profits.

Lean Manufacturing has been taken up by a number of Waikato businesses and several workplaces we visited reported increased productivity, greater staff engagement and better decision making as a result.

Workplace teams who were initially reticent about Lean Manufacturing had turned out to be its champions in their workplace. In one workplace staff had moved from not wanting to

be involved in Lean Manufacturing to “now wanting it and totally buying into it”, a manager told us.

A manufacturing manager said, “This team were a bunch of gypsies with no real organisation. They looked at their processes; systems and general assembly area using Lean and then decided how to best make improvements. They were amazed at the difference that Lean Manufacturing had made. Lean Manufacturing is about a mindset. We have seen people change their work practices as a result of it”.

Staff in one business said, “Lean Manufacturing has given us a structure that we never had before. It has also made things more professional. There were really negative initial thoughts about Lean, but now people love it”.

Managers responsible for implementing the system believe trust and a strong culture are important. “I believe you need a strong culture before going into Lean. Lean is about leading people through change. It is driven from the bottom and is about persistence”, one company reported.

Lean Manufacturing had an impact beyond the workplace as well. “Guys have taken ‘Lean’ home and have ‘Leaned’ their garages. Clients have also noticed the change, its changed that much”, a manager said.

In the businesses we visited, 15 employees had signed up to undertake formal NZQA qualifications in Lean Manufacturing.

Leadership

Trust, integrity and passion by business leaders helped to increase employee commitment and satisfaction in a number of Waikato businesses.

At one manufacturing plant a change in leadership has led to a cultural shift. “Things have definitely improved under new management. You see our leaders walking around. They are approachable; and there has definitely been a big shift”, staff said.

The Chief Executive of an engineering firm recognised the opportunities he had been given and wished to give something back to his staff. “I realise I wouldn’t have got here without the

help of others. So, if people gave me the chance, then I can do that here too”, he said.

Good leaders are vital to the success of businesses.

In Thames the owner of a major retail outlet set the example for his staff.

“I look after my staff as my own family. I pay for birthdays off. I pay for medical insurance. I recognise long service and will help my staff when they are cash strapped. Over the last year I’ve invested more on sending people to courses and other learning and development opportunities. We pay for everything”.

The sincere generosity of this employer has resulted in a dramatic drop in staff turnover and increased employee loyalty.

Flexible work practices

Staff, particularly men in the tertiary sector wanted greater access to families at work. "It would be good to be able to take time for family things", one male employee said. Others suggested being able to bring children to work or having the flexibility to re-prioritise their time.

Some employees in the polytechnic felt they had greater access to flexible working arrangements which was largely dependent “on who your manager is”, we were told. Most agreed that academic staff faced constraints around teaching times which limited their being able to work flexibly.

At AgResearch staff enjoy a high degree of flexibility. Being able to start early or work later was universally liked. One father finished earlier in the afternoon to care for his son and returned later at night to do his work.

Another employee at the same site took advantage of flexible work hours while being pregnant, while another colleague worked four days a week in order to care for her elderly mother.

A manager at the site told us, “About a third of my staff are on flexible work hours. As an organisation I think we are very good at this”. The Human Resources Manager confirmed, “Flexible work

hours have contributed significantly to staff satisfaction. It is part of the ethos of this organisation”.

In the publication business, employees said they enjoyed flexible work practices. One employee took advantage of working flexibly to be with her children. "I work regularly from home", she said.

A human resources practitioner we spoke to believed it was too easy for some employers to deny staff flexible working arrangements under the current law. "It's far too easy for employers to get out of having to give people flexible hours", she said. "We should make it harder for them to do this".

Hiring and Firing

Hiring and firing staff that “did not work out” was a real concern for smaller employers in the region. “If you make the mistake of hiring someone and then you try to get rid of them, it’s really difficult”, a major retailer told us.

Employers in the manufacturing sector shared the same sentiment. “In a big company you can probably carry deadwood easier, but it’s scary as a small employer where things are much closer to the wire. There’s a huge expense in trying to get rid of people that don’t work out”, one business owner said.

Employers wanted easier ways to trial people and to remove them if they were unsuitable.

One business suggested a change to the Employment Relations Act to “accommodate trial periods, with the right of parties to withdraw at any time”. The General Manager of a plastics firm thought that the current 90 day probation period “was too long” and that “a two to three week period” was better.

In Thames a large employer had begun to trial people themselves. “Sometimes you take on people who don’t fit in. We’re trialling people for three hours to see if they like it. It’s not under the 90 day probation period although we are using that too”, they said.

Several employers mentioned that the 90 day probation provisions were not accessible to most SME’s.

A small automotive business we visited also wanted more flexibility to "hire and fire" staff that were unsuitable.

Health and Safety

One Hamilton manufacturer lamented the increasing compliance costs associated with health and safety.

"There is too heavy a burden placed on employers. We've lurched too far one way and taken away an individual's responsibility to be safe at work. That's over the top", they said.

The same employer had to issue workers with sun block when they worked off-site to install drainage. Exposure to the sun was deemed a health and safety risk and the employer was responsible for mitigating that risk.

"You can give them the sun block but you can't make them put it on. And that's not our fault", the business owner said.

Other participants we spoke with were proud of their health and safety records citing Lean Manufacturing as a significant contributor that increased health and safety awareness.

Funding

Research and development funding at one of New Zealand's largest research institutes is a constant challenge for staff. "Funding pressures impact on the time it takes to get things done and this is very frustrating", one senior scientist said.

In addition to funding levels, key researchers were taken away from their work to keep up with funding applications. "Funding pressures affect your motivation and drive. It is a major stressor for people", we were told.

Timing and reporting was another concern. Affected staff argued, "Research does not fit into funding or financial cycles. Doing this can lead to mediocrity in research and projects".

"Blue Skies" funding was the preferred model for staff. "I've worked with bulk funding before", one employee told us, and "it was nice and easy".

While staff are content with the type of work they do, the pressures experienced as a result of the current funding model and the accountabilities it required were least desired by staff.

Union Rights

Union organisers and delegates felt access to workers in small to medium businesses was difficult to gain and anti-union attitudes by employers meant that large numbers of workers were left vulnerable.

Participants spoke about the fear felt by ethnic workers when complaining about work conditions. “Ethnic workers don’t complain because they’re afraid that employers will find a way to get rid of them”, one female Muslim worker said.

In other examples, participants spoke about the harassment and powerlessness felt by migrant workers. “Bosses wield huge fear over migrants”, one participant told the group. “They’re on a power and control trip”, another added.

There was debate as to why voluntary and community workers were not represented by unions. One participant said, “Generally unions haven’t been interested in getting into the voluntary and community sector because there are relatively low numbers and people are low paid”.

Diane Yates former Labour MP for Waikato suggested that a return to compulsory unionism would be a good thing. Others present were not so enthusiastic about the idea. “We’ve been there and done that. I fear big bloated self complacent unions”, one union organiser said.

Discrimination and Mistreatment

Members of the rural community who met with the Commission during its National Conversation visit referred to examples of discrimination in the rural sector. This had prompted several letters to Waikato newspapers before our visit.

Employee mistreatment by unscrupulous farm owners was highlighted by headlines such as “Farm hand waits for pay” and “Contract milker abused by boss”.

Inappropriate behaviour aimed at the wife of a share-milker had left her in no doubt that the (male) farm owner was being blatantly sexist. In other cases, abuse, yelling and name calling had a profoundly detrimental affect on workers. A gay couple that were treated poorly had since left the farm and the area.

Some rural employees were being denied legal entitlements including pay. In one case, an employer refused to pay nine weeks of accumulated annual leave, days-off and statutory days to a worker.

Advocating for the right of rural sector employees one concerned person wrote, “I was reminded that our community has a ‘duty of care’ towards its workers. I am talking of the honest hardworking ones who have the misfortune to encounter unreasonable and pedantic employers. Communities must ensure that such soul destroying experiences do not continue. It is not acceptable that we sit back. These concerns must be addressed”.

Less obvious but no less harmful is the increasing amounts of discrimination noticed by a Human Resources professional in the business sector. Comments like, “We don’t want to employ any young mums here” were becoming more common place and are a real concern.

Husband and Wife teams

Husband and wife teams were a feature of several businesses we visited in the Waikato.

In the rural sector one commentator suggested that “owners who employ husband and wife teams get two for one”. In the horse training industry one husband and wife team played to their natural strengths. “We’ve got it down to a fine art. He’s the horse man and I’m the office girl”, they said.

Similarly a husband and wife team in the manufacturing industry had defined specialist roles; one running the finance and the other running the design aspect of their business.

Another business couple told us, “We have very clear roles that utilise our strengths and we cover each other’s weaknesses, or support each other in developing our weaker areas, just as we do for the rest of our team”.

“The absolute key to our husband and wife team working well has been to always try not to act like a married couple. When we are acting within our business roles we are always conscious of acting as professional work colleagues. This can be a challenge! It is tempting for married couples to criticise each other in front of others at times. We don’t accept that behaviour from other staff and certainly steer clear of it ourselves”.

Husband and wife teams with young families find balancing work and family difficult. One said, “You need to be disciplined and say that’s it I can’t do anymore today. The telephone is the worst thing. It can be tough on the family sometimes”.

Another husband and wife team told us, “Our work together does impact on our home life because we discuss the business at home in front of our kids and they share in the triumphs and the heartaches. They are gaining an understanding of business themselves and sometimes offer a thought which is enlightening and helps us to gain perspective”.

Self employed husband and wife teams put in long hours and had little time for holidays. One couple we spoke to could only afford to take one week off a year. “We make sure we book our holiday every June. That way we make sure we can take the kids away”, they said.

Being clear about roles and staying professional at all times is something people spoke to us about. “If we disagree we present our point of view in the same way we expect from the rest of our team – with reasoned debate. If we really want to have a good old barney we do it away from the ears of our team”, we were told.

Disability

The Community Living Trust in Hamilton assists people with intellectual disabilities into work.

Asked about value of employment for people with intellectual disabilities a regional organiser said; “when people get a job they get a real life. They have improved self esteem, financial stability, and can get a house. It’s life changing”.

Staff we spoke to perceived significant barriers for people with intellectual disabilities finding work. These included past bad

experiences with people with disabilities, lack of knowledge and understanding, prejudice, and an unwillingness to make accommodations. In the rural sector they believed seasonal work, lack of services and a lack of awareness and education were additional barriers.

Staff have noticed a change in employer attitudes with increased societal awareness. The following measures are still needed according to Living Trust staff:

- Greater recognition of employers that employ disabled people
- Testimonials from employers that have found disabled people to be great workers
- Encouragement of other employers to take on disabled staff
- Greater education and awareness raising around disabilities

“The focus for employers should be on education, retention of disabled staff, employment rights and the loyalty shown by people with disabilities”, we were told.

The Commission learned of and supports a proposed initiative by the Community Living Trust, to assemble businesses that already employ people with a disability, for a breakfast meeting in early 2010, to help foster stronger ties between businesses and disability groups.

Disability and work

Prior to visiting the Waikato the Commission was contacted by a member of the public who wanted to talk about his visual impairment and its affect on his employment.

Having worked for the same employer for 20 years the participant is facing redundancy and is concerned about his future job prospects.

In his role, he had received great support from his employer to acquire assistive technology that would allow him to do his job. This included a large monitor, document magnification equipment as well as having a supportive manager.

“I just had to pluck up the courage to say I needed some help”, he said.

Finding work has been a daunting task. “I’ve been in touch with the Blind Foundation who advised me to bring up my visual impairment with prospective employers. They have given me some lines to say to employers”.

One of the biggest barriers he says he has faced is not being able to drive. Despite this his attitude is, “There’s other ways around not being able to drive”.

In the last two months he has submitted 10 job applications and has received some positive responses. One application has resulted in an interview.

The tight labour market has meant that he has had to look further afield than Hamilton for work. His job search has included Te Awamutu, Cambridge and Waipa.

Strong support from his wife and family has been critical to staying positive and despite any disadvantage he remains resilient and steadfast.

“While there is a lack of opportunities for people with disabilities I have heard some good stories of employers out there who are willing to take a leap of faith and give people with disabilities a go”.

Migrant Employment

The Waikato region and Hamilton in particular has a growing migrant population.

The Commission heard of the exceptional work ethic, tenacity and entrepreneurship of some migrants and in Hamilton met a successful automotive business owner who had started out driving taxis.

Participants working with Pasifika communities said a “shadow population” of around 2000 people were living and working illegally in the region. Exact numbers and places of work were unknown

but there was pressure for Pacific families and communities to provide social and financial support for those here illegally.

Some were transitory, others moved from one casual job to another and some apparently lived in their vehicles.

Business commentators also spoke of a traditional shadow (employment) market in Hamilton. "It's difficult to find cleaners who would speak a word of English", they said.

Labour in the agricultural sector has become more reliant on overseas workers with an increase in Brazilian and Asian migrant populations in rural towns.

The recession has meant fewer employers were offering jobs which had an impact on migrant communities in the region. Misleading articles in the media had put people from overseas off making the move to New Zealand.

Immigration experts said there was, "Confusion from employers as to whether they could offer jobs to people from overseas as New Zealanders were being made redundant".

Changes to the skilled migrant categories had affected migrant workers with some trades being removed. However, "Changes to the immigration act should see improvements".

One local employer of migrant workers was more than appreciative of the talent they brought. "You won't get a more humble bunch of people. When they believe in you they are less likely to fail or to let you down", a manager said.

Migrant workers were appreciative of their employers as well. "This company looks after us like we are their children. And I pray by the Almighty for this company", a Fijian worker said.

Skill Shortages

New Zealand has experienced unprecedented levels of reported skilled and unskilled labour shortages in recent years.

In the equine industry skilled labour is particularly difficult to find. "We would employ staff if we could find them, but that is a difficult thing", one employer said. "It's hard to find the people who want to

work the hours we work. The pay doesn't justify the lifestyle people have to live and work in this industry".

Opportunity Hamilton spoke of a shortage of skilled technical workers in the region and many of the businesses we spoke to struggled to find people with the right skills.

High technical skills were needed in the aviation industry. "I think we'll have difficulty recruiting internationally now. Most of our applicants come from the U.S. or the U.K.", one manager said.

According to a human resources professional, the Waikato was "definitely suffering from a shortage of skills in certain areas".

Some employers we spoke to were unconcerned about extraneous factors such as ethnicity and formal qualifications when considering who to hire. "If you can do it, what do I care?" the owner of an automotive business told us.

Youth Employment

As in other parts of New Zealand, youth employment is a major concern. "We would like to see a better tracking system for kids not at school", Opportunity Hamilton said.

The government's recent youth employment programmes including Community Max where funds are available to employ youth on community based initiatives, is being utilised "more rurally" in the Waikato.

Attitudes towards young people at work varied. One business told us, "it's good to take on young people but you take on their baggage too".

Some felt that young workers "expected too much" and "needed a lot of handholding". One employer said, "The work ethic of young people is different, it's more about them rather than the job itself".

A human resources professional thought youth and lack of access to employment opportunities is becoming a greater issue in the region. "There's no voice out there for younger people and the value they bring". In Otorohanga, the Trade Training Centre had successfully held youth employment at zero percent.

Apprentice Building

WINTEC's Otorohanga Trade Training Centre (OTTC) owes its success largely to Trade Apprentice Coordinator Ray Hayley and enlightened leadership from prominent business leaders and the Mayor.

Now in its fifth year the Centre has successfully graduated 66 students in its foundation course and maintained a 100% employment record. Nationally the apprentice completion rate is less than 20% however the Otorohanga rate is achieving 90+%.

Ray's management and pastoral care is instrumental to Otorohanga's zero youth unemployment rate and the success of the Centre. "Pastoral care is a large part of what I do. Our success here is a marriage of a lot of different things".

The Centre provides weekly night-school classes and regular contact with employers and apprentices. "I keep an eye on attendance, talk to employers and play mother to some of these guys. I don't go away, I actually care".

Staying in touch with employers is an important part of the scheme. "I liaise with businesses and employers and ask if they need help. I've saved about five jobs this year as a result".

Ray believes his mix of business skills, practical and pastoral skills help get people through their courses and apprenticeships. "My teaching style is different to most. Being an industry teacher is more about being practical".

Flexibility is a big part of helping people cope. "I let them come for study straight from work and dressed as they are. It smells very boy in here sometimes. Some of these kids don't have parents so sometimes I'm here until 10 o'clock because they want to talk about girls, cars and mortgages".

According to Ray the Modern Apprenticeship Scheme "isn't managed as well as it could be and some ITOs need to improve practices. An example is where ITO Coordinators can sign off trades that they have no experience in", he says.

An employer in Otorohanga said, "The ITO guys just give them (apprentices) this book. Dump it in front of them and walk away. The apprentices are just left to fend for themselves".

The success of the Centre has required immense community support. "If young people get employed in Otorohanga now, employers ask 'Have you got your pre-trade through OTTC' or 'have you been to see Ray?'"

Three apprentices we spoke to were universal in their appreciation for Ray. "I wouldn't be as far or as keen without Ray around", one said. "I'm no good at reading or writing stuff and Ray is good at explaining that", another added.

The Commission has heard in 13 regions the need for more decisive and effective policies and practices around youth employment. This might include current youth employment programmes with additional funding and policy initiatives.

Conclusions

Opinion about the affect of the recession in Waikato differs; though undeniably job losses have had an impact on spending and have had a knock on effect in the retail sector.

Shop closures, a marked increase in the number of registered unemployed and a shrinking labour force are evidence that businesses and employment in the region have taken a significant hit.

Some businesses have taken the opportunity to tighten fiscal policies, arrest expansion and hold off on hiring new staff. These measures may have saved some from closure and in some measure have saved the region from greater redundancies.

Despite Fonterra's increased payout to farmers and the resilience and buoyant attitude of some in the region, Waikato is likely to continue to lose jobs as the impact of the recession is fully realised.

Some business leaders in the region believe that farmers are more likely to reduce debt than buy new equipment or expand service needs, which will impact on local businesses.

Recommendations

- Greater education by employers' groups (Chambers of Commerce, EMA's, Business New Zealand) to SMEs around work trialling ensuring the work rights of employers and employees are protected.
- A long-term National Youth to Work strategy that survives the three year electoral and funding cycle.