

**FUTURE OF WORK
COMMISSION:**

TEN BIG IDEAS FROM OUR CONSULTATION

SNAPSHOT OF WORK TO DATE
MARCH 2016

**THE FUTURE
OF WORK** 

Since the Labour Party launched the Future of Work Commission at the beginning of 2015 we have heard from thousands of New Zealanders about their hopes and fears for their working life, and that of their children and grandchildren.

We have held dozens of public meetings and led dialogues with businesses, unions and community organisations. We have released six issues papers covering our workstreams (Education and Training, Economic Development and Sustainability, the Security of Work and Income, Technology, and the Maori and Pasifika Workforces) and several detailed discussion papers on issues that have arisen during our consultation.

Throughout that consultation process it has been clear that decent, meaningful work remains at the heart of the Kiwi Dream. Not only is it still the path to secure income, it provides a sense of purpose and fulfilment in our lives.

There is no doubt that we are experiencing rapid change and disruption in our working lives as a result of technological change, automation and globalisation. An NZIER report released last year tells us 46% of New Zealand jobs are at risk of automation in the next two decades. Those entering the workforce today are likely to have several different careers and many different jobs. Businesses increasingly need new models of organisation, processes and different skills from their workers in an increasingly globalised environment.

We heard from many workers feeling increasingly insecure in their precarious work experiences due to casualisation, zero-hour contracts and other exploitative practices. We heard from businesses who are desperate for more skilled staff, and for workers who know how to collaborate, be creative and solve problems. We heard from young people motivated to be social entrepreneurs, keen to be their own boss and wanting the flexibility to pursue their passions through work and study at the same time. And many people talked to us about their hopes for a New Zealand where we recognise that the environment and economic development must go hand in hand.

The Future of Work Commission now moves into the phase of taking what we have heard and plotting a path that ensures New Zealanders can confidently face the changing nature of work and have sustainable, fulfilling and well-paid employment in the coming decades. We have already released stage one of our Working Futures Package, which will see three years free post-secondary school education for all New Zealanders. As the year progresses we will develop and release more policy ideas.

It is impossible to capture all of the feedback we have received in a brief document, so today we outline ten big ideas that have emerged from our work. Just because an idea or issue is not mentioned here does not mean it will not figure in our final report. Rather this is a snapshot to show the breadth and depth of the thinking that has emerged from our consultation, and the exciting possibilities that lie ahead in the future of work. We continue to welcome your feedback as we work towards our final report. I would like to take this opportunity to thank everyone who has supported the Commission's work over the last year or so, and look forward to your continuing involvement in this challenging and rewarding endeavour.

Grant Robertson
Future of Work Commission Chair

**THE FUTURE
OF WORK**
CONFERENCE



AUTOMATION **ROBOTICS**

DIGITAL EQUALITY

SUSTAINABLE WEALTH GENERATION

GLOBALISATION

CLIMATE CHANGE

BIG DATA

INNOVATION

PRECARIOUS
WORK

INCOME SECURITY
UNPAID WORK

HIGH PERFORMANCE ENGAGEMENT

THE FUTURE
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CONFERENCE

PAY EQUITY

MOBILE WORKING

ON- DEMAND
ECONOMY

**JOBS
AT RISK**

REGIONAL DEVELOPMENT
RE-TRAINING

SOCIAL
ENTREPRENEURSHIP

LIFELONG LEARNING



Andrew Little
Leader of the
Opposition

BUILDING DIGITAL EQUALITY

The Problem

Technology is increasingly becoming a crucial part of our lives and our economy. However, many people and businesses still lack basic access to broadband or important technology, particularly rural, Maori and Pasifika communities. All young people need technology access and skills to enable them to succeed in today's workforce. Those whose jobs are disappearing need skills to adapt and retrain. If we don't close the digital divide, too many people will miss out on the right to enjoy new emerging technologies and create their own digital content, our businesses will not have the opportunity to succeed, and our kids will miss out on a quality education.

Potential Solution

A commitment to New Zealand as a nation of digital equality where access to technology is assured, regardless of where you live or how wealthy you are. This could be achieved through:

- Ensuring a minimum level of access to affordable high speed internet is available throughout New Zealand for each of urban, rural and remote zones
- Utilising the best technology to extend broadband and high speed internet access to all New Zealanders as quickly as possible
- Providing free WiFi in community centres and libraries
- Testing new ways to deliver rural connectivity
- Putting in place affordability standards for high speed internet
- Making technology and coding skills a core focus of the curriculum alongside reading, writing, and mathematics.

Questions

- What would a nation built on digital equality mean to you?
- Is high speed internet access a priority in building digital equality?
- What are the missed opportunities for delivering high speed internet to a wider group of New Zealanders?
- What needs to form part of a basic curriculum for coding and technology?

More information

More information on the digital divide can be found in our Technology issues paper at: <http://www.futureofwork.nz/technology>

ACCELERATING TECHNOLOGY IN BUSINESS

The Problem

As technological change and automation changes the working landscape, our best chance of ensuring New Zealanders still have secure income is to create new jobs. That requires us to be at the forefront of new innovation. Through innovation we can create whole new industries and products. We should be a leader in the development of new technology rather than a passive recipient. Our businesses still face large challenges in commercialising developments in New Zealand. We aspire to being a sustainable, high income, knowledge based economy, yet we spend very little on research and development as a country compared to the rest of the world.

Potential Solution

A programme to accelerate the use of technology to broaden and lift business and economic development through:

- ❑ New models of providing venture capital, seed investment and crowd funding to allow greater commercialisation to build a strong innovation ecosystem
- ❑ Increased funding for research and development, including through R+D tax credits to incentivise higher levels of business investment in innovation and research
- ❑ Reform of our science system to simplify it, reduce waste and support stronger innovation
- ❑ Patent and intellectual property laws developed to ensure they support innovation by Kiwi inventors, entrepreneurs and businesses.

Questions

- ❑ Should the Government be actively involved in supporting the running of platforms to support venture capital and crowd funding for New Zealand businesses?
- ❑ What is the optimal level of research and development subsidy for New Zealand, and how can these best stimulate private sector R+D?
- ❑ How can the science systems in New Zealand be reformed to lead innovation and reduce wasted effort?

More information

More information on supporting research and development can be found in our Technology issues paper at: <http://www.futureofwork.nz/technology>

BUSINESS CLUSTERS

The Problem

As the pace of technology continues to increase many of New Zealand's existing businesses and industries will be replaced. This is particularly an issue in regional New Zealand where a lack of economic development opportunities is seeing populations decline. At the moment we have a scattergun approach to supporting economic development which ranges from measures so broad they have no real impact, to specific support of individual businesses in an inconsistent manner. We need to build a deep specialisation in our businesses so they can maximise their competitive advantages.

Potential Solution

The creation and development of business clusters or hubs:

- ❑ Businesses, councils, iwi, and research organisations are encouraged to submit joint applications to create business clusters
- ❑ Successful clusters will be eligible for multi-year grants to pay for research and development, commercialisation, advisory services, and networking opportunities
- ❑ Cluster businesses will be eligible for special treatment under other areas of economic, competition, employment, immigration, education, intellectual property policy and law where necessary to support the cluster
- ❑ Cluster support as a two tier model to provide support for emerging industries as well as those already developed and looking to grow and specialise.

Questions

- ❑ What level of grant should be available to clusters?
- ❑ What areas of law and policy might need to be adjusted to enable collaborative clusters?
- ❑ What existing New Zealand businesses and industries are suitable for clusters?

More information

More information on clusters can be found in our Economic Development and Sustainability Issues paper at: <http://www.futureofwork.nz/economic-development>

BUILDING WEALTH FROM THE GROUND UP

The Problem

If New Zealand wants to build a sustainable economy and lead the way in new technology we need to support new ways of doing business. There is a risk as the new world of work develops that it will exacerbate existing inequalities if the value of change is captured by a wealthy few. We have a lot of great ideas in New Zealand that aren't given the opportunity they deserve to succeed. By encouraging social entrepreneurship, creating shared value, and supporting cooperative models we can create more opportunities for these ideas to become reality. If businesses and workers develop High Performance Engagement models for their workplaces they can improve both the productivity of the business and conditions for their workers.

Potential Solution

That Government support the development of new business models that seize the opportunities of flexible work, and give workers the chance to maintain control over their working lives, such as:

- Supporting the growth of entrepreneurship, particularly social entrepreneurship and the focus on creating shared value
- Supporting the creation of cooperatives that would help build a more sustainable economy
- Investing in low carbon and environmentally sustaining projects
- Providing support for businesses and unions to encourage the adoption of High Performance Engagement models throughout New Zealand
- Supporting adoption of flexible working models that help work/life balance.

Questions

- What is the best way the Government can encourage new business models?
- What areas of the economy should the Government focus on for the adoption of new business models?
- Which High Performance Engagement examples in New Zealand are good models for rolling out further?

More information

More information on regulation issues can be found in our Economic Development and Sustainability Issues paper at: <http://www.futureofwork.nz/economic-development>

A JUST TRANSITION

The Problem

The jobs of 46% of workers in New Zealand may not exist inside the next two decades. Already we are seeing many workers lose their jobs as automation makes them redundant. We need to ensure that there is sufficient support for people to transition to new work. If it is simply left to the market to sort out, many people could find themselves left out, and inequality could grow. A core element of dealing with this internationally are active labour market policies that focus on strong social support and retraining, alongside labour laws that support movement from one job to the next, such as the Danish Flexicurity model.

Potential Solution

The Government adopts more active labour market policies to ensure a just transition for all New Zealanders in the future of work, including:

- The development of a social partnership model between government, business and unions to manage change and disruption
- Strong and flexible social and income security support when workers lose their jobs or are made redundant
- A training plan for every worker, and free and mandatory training for those who lose a job to help them develop new skills or retrain to a new profession.

Questions

- What is the right level to provide sufficient support for those transitioning between jobs?
- What areas of training should the Government look to develop for those between work and what is the best way for them to deliver those?
- Do stand down periods present the largest barrier for those transitioning between work?

More information

More information on a just transition can be found in our Security of Income and Work issues paper here: <http://www.futureofwork.nz/security> and our Flexicurity background paper here: http://www.futureofwork.nz/education_and_training_lessons_from_denmark

GREATER INCOME SECURITY

The Problem

While there is nothing new about income insecurity, a rapidly changing world of work brings increasing challenges. If many jobs are going out of existence, changing roles or careers will happen more often and more time will need to be spent training and re-training. It is time to think again about how we support income security. Decent and growing wages remain an essential element, but there is a case to take the opportunity to recognise the need for a basic level of income support that could recognise the value of unpaid work when paid work is in short supply.

Potential Solution

Investigation of new models of income security for New Zealand, including:

- Considering a limited trial of a universal basic income-type system in a town or region
- Reforming the taxation system to better reflect modern work environment, including abolition of secondary tax
- Further strengthening of rights to collective bargaining.

Questions

- Should the Government consider a trial for a Universal Basic Income in New Zealand?
- If a universal basic income type system is not considered, what other social security changes should be made to support improved income security?
- What changes to the tax system would improve income security?

More information

More information on greater income security can be found in our Security of Income and Work issues paper here: <http://www.futureofwork.nz/security>

REFORMING THE TRANSITION BETWEEN EDUCATION, TRAINING AND WORK

The Problem

The changing nature of work means we need our workforce to be more resilient and adaptable to change. While New Zealand has an education system to be proud of, there are still some major constraints holding us back. Our focus on qualification attainment often rubs against providing each individual with a viable educational pathway that leads to meaningful work or further training or study. Although there are some programmes in individual schools that provide good careers guidance and advice this is patchy. Many students leave school with little understanding of the possibilities and requirements for future careers. Moreover too many students leave school without the basic skills to flourish in a rapidly changing world of work.

Potential Solution

Reforming the transition between education, training and work through:

- Developing a clear pathway for every student to post-school study and employment from an early age
- A comprehensive reform of career guidance and advice, including greater partnership between schools, training and education providers, and business and industry
- The creation of a “school leaver’s toolkit” that ensures they have practical tools and skills such as a driver’s licence, financial literacy, an understanding of civics and their rights and responsibilities as citizens.

Questions

- Should careers advice and pathway development for students begin in late primary school?
- What tools and skills should every school leaver have?
- Should career guidance and advice be considered a separate profession and position rather than be part of a classroom teacher’s duties?

More information

More information on the transition between school and work can be found in our Education and Training issues paper here: <http://www.futureofwork.nz/education>

WORKING FUTURES PLAN

The Problem

In a rapidly changing world of work access to post-high school training and education throughout a person's life is vital to ensure that they get the skills and knowledge to fulfil their potential and contribute to society and the economy. Every New Zealander needs to have the opportunity to continue their training and education beyond high school.

However, in recent years the number of tertiary students has fallen by 20% and the number of apprenticeships is down 22%. Over the same time, total student debt has increased by over 50% and is expected to hit \$15 billion this year.

A Solution

Three years free post-secondary school training and education for every New Zealander.

- Post-school education is progressively made free with one year's education available from 2019, two years from 2022 and three years available from 2025
- The entitlement can be used for any training, apprenticeship or higher education approved by NZQA and can be used for full-time or part-time study
- Three years free is also available to those who choose to or have to re-train and have not undertaken previous post-secondary training or education.

Questions

- How has the cost of tertiary education and post school training affected the decisions made by you or your family to pursue it?
- What should we be doing to encourage more young people to undertake apprenticeships or pursue careers in trades?
- Are there courses or programmes in tertiary education and training that are not delivering value for money that we should be reviewing?

More information

More information on Working Futures can be found in our Education and Training issues paper here: <http://www.futureofwork.nz/education>

PARTNERSHIP WITH MĀORI IN A POST-TREATY SETTLEMENT ERA

The Problem

The Māori economy is now estimated to be worth \$39 billion. It has a young workforce and a long-term inter-generational challenge to significantly improve education, skills training, employment and entrepreneurial outcomes for Māori. Access to Treaty settlements capital puts Māori in an excellent position to benefit from the changes to the workforce over coming years. Improving the productivity of Māori landholdings and supporting export growth remains an important objective. The challenges to that include transitioning the Māori economy towards a high-value sustainable future, organising new education and research collaborations between government and iwi, and harnessing the latent potential of young people in Auckland.

Potential Solution

The promotion and consolidation of strategic partnerships between central and local government, iwi, business, and third parties to develop the Māori economy. Partnerships to be facilitated include:

- ❑ Education partnerships with universities and training providers to help develop the Māori workforce and entrepreneurial skillbase further
- ❑ Support youth entrepreneurship through creative industry hubs
- ❑ Partnering iwi to participate as investors in Government procurement clusters to aid regional growth and development
- ❑ Supporting greater connection between iwi and businesses in their region to help them make use of underutilised Māori land.

Questions

- ❑ How can the Government best facilitate greater partnerships with iwi?
- ❑ Are there specific procurement areas where the Government and iwi can work together?
- ❑ What existing iwi partnerships provide a good model for the Government to promote?
- ❑ How would iwi best be included in a cluster model?
- ❑ What models can be used to develop youth entrepreneurial hubs?

More information

More information on partnerships with Māori can be found in our Māori issues papers here: http://www.futureofwork.nz/maori_economy

PARTNERING WITH PASIFIKA COMMUNITIES

The Problem

Pasifika people have strong aspirations for the success of the next generations at all levels of education and to be proud of their individual Pasifika identities. There is also a strong desire in the Pasifika community to support new generations to embrace an entrepreneurial spirit and improve on the relatively small percentage of Pasifika people who own their own business. Education and access to workplace training opportunities are vital to allow them to reach their potential. At the moment Pasifika people are overrepresented in occupations most at risk of becoming redundant as work changes.

Potential Solution

The development, in partnership with Pasifika communities, of a Pasifika Working Futures Plan, including:

- Specific programmes to support the transition between school, training and work to staircase Pacific youth into higher qualifications and higher skilled roles
- Supporting specific re-training opportunities for those in occupations at risk from the changing nature of work
- Supporting Pasifika people into entrepreneurship and self-employment opportunities.

Questions

- What areas should a Pasifika Working Futures Plan cover?
- What programmes would support more young Pasifika people to start their own business?
- What are the key partnerships the Government should be looking to develop and expand on to support Pasifika people to higher qualifications and higher skilled jobs?

More information

More information on Pasifika and the future of work can be found in our Pasifika issues papers here: <http://www.futureofwork.nz/pasifika>

FEEDBACK

We welcome your feedback on all of the ideas in this publication and any other ideas you think the Commission should be working on.

You can also find more about the work we are doing on our website at futureofwork.nz. Copies of our issues papers, background papers and our earlier Future of Work Survey can be found on the website.

Please send your feedback to futureofwork@labour.org.nz, visit our website, or post your reply to:

**Future of Work
Office of the Leader of the Opposition
Parliament Buildings
Wellington**

Please send any feedback by the end of September 2016.



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