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ECONOMY

Treasury has updated its regular advice to ministers on the shape of our economy - we continue to be lions at home and lambs overseas. Page 3.

JOBS & WAGES

With unemployment dropping to a new record low, wages have been rising at the fastest rate since records began. Page 4.

GOOD WOOD

Susan Wood's contract battle with TVNZ has been a wake up call on the soundness of fixed term contracts. Page 4.

MEDIA TATTLE

The best business and financial hacks get a prize, and new radio ratings put the Irish ahead of the Canadians. Page 5.

FEEDBACK

We welcome your comments, corrections and tips. [Email us.](#)

Parliament

Bye Rod – Kiwi made.

The tragic death of co-leader Rod Donald last Sunday morning has left Parliament, the media and the country stunned and saddened in a way that belies his status as a small party player. Partly that reaction is because his death was so sudden and unexpected and partly because of the environment into which the body-blow came ... with the party one of the few (along with Act and the Progressives) to be able to hold its head up as principled and with its integrity fully intact after the post-election deal-making.

The Greens have, as a consequence, been the recipients of a fair amount of public sympathy (and there has been a degree of left wing self-flagellation that their tactical voting did not deliver a more leftist administration).

But it is also the measure of the public man – a popular, unfailingly positive and almost always cheerful and - that word again – principled figure. We don't want to spoil the mood of the nation's grieving on such an occasion, but we have talked to those close to him who are just wondering: Couldn't some of this praise of the man and the politician and his principles have been expressed before the election?

Molesworth and Featherston, like many in the media, were on Rod Donald's speed dial and we talked to him last on Friday. He was in Hamilton (where there had been some grumpiness in the party about the campaign strategy, which he had gone to hose down despite feeling ill most of the week). He wanted to check the poll numbers he had heard on the grapevine. His mood can best be described as low-key angry tending towards frustration. The Greens were back at the 7 per cent level they needed to form a Government with Labour (on 44 in that poll) and NZ First was down at 3.5 per cent. Yet he would have to walk into Parliament on Monday and watch Winston Peters and Peter Dunne take their ministerial seats.

So here are the current numbers

Labour	40.96
National	39.56
Greens	6.81
NZ First	4.76

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Weekend update

Treasury has released its monthly update on the economy, repeating its view that there is continuing strength in the domestic economy.

Recent growth in consumption and activity in the housing market was underpinned by strong credit growth. "Resident private sector credit was up 15.6% in the year to September and household borrowing was up 15.2%, the strongest annual growth in nearly a decade."

Officials noted that:

- Retail sales growth eased in August (and the Warehouse result this week suggested a further softening) but annual growth remains just below the average for the past five years.
- The merchandise trade deficit widened in the September quarter, suggesting the external sector would pull down GDP and push up the current account deficit.
- Inflation increased to 3.4% mainly driven by petrol price rises and higher housing costs. "So far firms' pricing intentions remain relatively well-contained, although cost pressures are increasing."

Environmental campaigners think whaling is ready to blow.

Japan has a monster whaling fleet on the way to our waters to kill a thousand minke, which are not endangered and not likely to become endangered.

Commercial whaling is banned by the International Whaling Commission but 'scientific' whaling is permitted. Japan claims its hunting whales to research their effect on fisheries. (Gee, I dunno, guys, do you think they'll eat as much if they're dead?) The whale meat is sold in supermarkets and restaurants. Greenpeace says "the vast majority of the whales they'll be hunting don't even eat fish.

Conservation minister Chris Carter compares whale hunting to "hunting tigers, gorillas or kiwi". But there's no responsibility being accepted for the failure of New Zealand's diplomatic strategy - or our nominee on the Commission, Sir Geoffrey Palmer - to make any progress. More whales are being taken. If New Zealand thinks that's important, one would expect more accountability for our own performance in doing something about it, than finger pointing at Japan. What it would it take to prompt a change in strategy?

Wages have been growing at the fastest rate since records began in 1992.

The average pay increase in the year to September was 5.1 per cent. The Labour Cost Index rose 3.1 per cent in the same period. Economic growth has been faster - unemployment this week touched a new record low -- and labour costs low, so it's not surprising wages are up too. Unions have claimed credit for their 'five in '05' campaign, with EPMU secretary Andrew Little saying "the single factor driving wage growth this year and absent from previous years back to 1992 was a concerted campaign by unions to increase New Zealand wages." Phooey says Business New Zealand, which says wage rises "are related to the skills and labour shortage."

The average ordinary time wage is now \$21.13 an hour - best to work in the public sector, where the average is \$26.70 an hour compared to \$19.71 in the private. The female rate of \$19.44 is 86.2% of the male rate of \$22.54.

The standard broadcast media 'fixed term' contract has taken a bit of a hit with the Employment Relations Authority decision that Susan Wood's pay can't be slashed without her consent.

It's still possible for media employers (all employers, for that matter) to change a presenter if ratings are falling or the programme is genuinely axed. But they need to go through all the usual criteria of performance assessment, allowing the staff member a chance to lift their act and so on.

Fixed term contracts can be used to fill genuinely fixed term positions - where the programme is genuinely only for a limited period or the job is project-based, for example, or where an employee is filling in for a person on sabbatical or maternity leave.

Close-Up has recorded adequate ratings and TVNZ can't bring another presenter. Nor can Ms Wood's pay be cut without her consent.

Meanwhile, some in the industrial relations sector are asking whether the provisions of the ERA relied on by Ms Wood were intended for the protection of high-flyers.

The provisions were drafted as support for vulnerable workers, like cleaners who are told they're on temporary contracts and subject to arbitrary pay cuts. These are the people unlikely to have salted enough away from their \$11 an hour to afford to wheel in the very finest lawyers.

Those at the very top of the scale often command high salaries because their jobs are genuinely high-risk and often short-term. They have more bargaining power, and should be able to negotiate fair protection at the outset of a contract without relying on statute.

Media tattle

Nicky Pellegrino has quit as editor of the NZ Women's Weekly.

The supreme award at this year's Westpac awards for business and financial journalism has gone to Matt Philp for a piece in Metro. Karen Arnold of the Southland Times won the print award. The Herald's outstanding business writer Brian Fallow won the Print Columnist category. Colin Peacock of Radio New Zealand won the radio and electronic category, and the consistent Mike Jaspers collected the TV prize.

Last week's radio ratings survey - which omit New Zealand's number one radio station, National Radio, were a triumph for TRN

Newstalk ZB knocked Canwest's teenie station The Edge off the top spot, as it always does in the winter survey, with 433,000 people tuning in at some time each week and a solid 13.6 per cent audience share. TRN's Classic Hits is in third place on cume audience and second overall with a 10.1% share. The Rock has a 9.3% share and the Edge 7.7%.

Paul Holmes dominates the breakfast market with a brutally dominant 17.7% national share - miles ahead of anyone else (including, most likely, Morning Report). In Auckland he has a staggering 21.6% share - daylight is second, with Classic Hits back on a puny 8.9%.

TRN's ZN brand is in trouble, with negligible results and Radio Live is sputtering along without going anywhere. We predict shake-ups at both.

CanWest's Brent Impey made the far-fetched claim it is the number one network because more people tune into its eight stations than any other. Yeah, the size of the bloc doesn't matter much though, and the number tuning in is only part of the deal - you also have to look at how long they listen, which in Canwest's case isn't that long. This was a bad survey for CanWest.

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