



COVERSHEET

Minister	Hon Carmel Sepuloni	Portfolio	Social Development and Employment
Title of Cabinet paper	Employment Strategy Report Back: Six-Monthly Update	Date to be published	5 May 2021

List of documents that have been proactively released

Date	Title	Author
17 March 2021	Employment Strategy Report Back: Six-Monthly Update	Office of the Minister for Social Development and Employment
17 March 2021	Cabinet Social Wellbeing Committee Minute of Decision: Employment Strategy: Six-Monthly Report Back SWC-21-MIN-0022	Cabinet Office

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of Confidential advice to Government.

In Confidence

Office of the Minister for Social Development and Employment
Cabinet Social Wellbeing Committee

Employment Strategy Report Back: Six-Monthly Update

Purpose

1. This paper provides a status update on the Government's Employment Strategy and the six employment action plans that support our efforts to build more inclusive employment outcomes.

Executive Summary

2. The Government released the All-of-Government Employment Strategy ("the Strategy") in August 2019. The Strategy provides an overarching framework for labour market priorities in five key areas. One of those areas is building a more inclusive labour market, which is underpinned by six population-focussed Employment Action Plans.
3. The Strategy continues to provide a relevant framework for the Government's labour market priorities. COVID-19 has not changed the Strategy's long-term aims for the labour market, however, how the Strategy is used to guide Government policy takes on a new importance in the wake of our recovery, and the associated action plans also require some adjustments.
4. The action plans could do more to support women in the labour market. I have asked the Ministers responsible for the six action plans to ensure the plans include actions for women. The Minister for Women and I have agreed that the Ministry for Women should also develop a Women's Employment Action Plan. I will provide a detailed update on this in the next six-monthly update.
5. I have also asked responsible Ministers to consider establishing a monitoring and evaluation process for each action plan. This monitoring and evaluation will provide insights into the progress and effectiveness of the actions, and inform the six-monthly Cabinet reporting.
6. The action plans are at varying stages of development, with two plans already released. The table below shows the status of each plan and developments over the last six months.

Table one: Progress update for the employment action plans

Action plan	Responsible Minister	Status	Tracking	Key developments over the last six months
Youth Employment Action Plan	Minister for Social Development and Employment	Released in August 2019.	On track	Actions underway, monitoring and evaluation framework to be developed. Update to be provided in the next report back in six months.
'Working Matters' Disability Employment Action Plan	Minister for Social Development and Employment	Released in August 2020.	On track	Development of monitoring and reporting framework due in February 2021.
Māori Employment Action Plan	Minister for Social Development and Employment	In development. Recommendations will be made to the Minister for Social Development and Employment on 31 July 2021. Date to be confirmed	On track	Independent reference group was established in March 2020. Its first meeting was held on 7 August.
Pacific Employment Action Plan	Minister for Pacific Peoples	In development. The action plan is expected to be completed by June 2021.	On track however prior delay due to COVID-19 lockdown impacting timing of original consultation period.	Officials have begun work next steps over next few months, and will develop the plan with the COVID-19 recovery lens.
Refugees, Recent Migrants and Ethnic Communities Employment Action Plan	Minister of Immigration Associate Minister for Social Development and Employment	In development. The action plan is expected to be completed by November 2021.	On track however prior delay due to COVID-19 lockdown impacting timing of original consultation draft action plan.	A draft action plan was developed in late 2019. However, consultation was put on hold due to COVID-19. The plan will be refreshed.

Older Workers	Minister for Seniors	In development. The action plan is expected to be completed early 2022.	On track however prior delay due to COVID-19 lockdown impacting timing of original consultation period.	The action plan is being led by the Office for Seniors, with support from Ministry of Social Development and the Ministry of Business, Innovation and Employment (MBIE). The Better Later Life Strategy is to be published by mid-2021 with employment as a key priority.
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7. There is an opportunity to improve the coordination of our labour market policies across government by using the Employment Strategy to identify any gaps, and to guide and prioritise work on new interventions. I intend to discuss this with Employment, Education and Training Ministers before the next six-monthly report back.

Background

8. Through the Strategy the Government committed to five objectives:
- building a skilled workforce that meets business needs and engages in lifelong learning
 - supporting provincial New Zealand and industries to be successful
 - working with industry to ensure workplaces are modern and provide decent work for a decent wage
 - responding to the changing nature of work in an equitable way and
 - supporting a more inclusive labour market.
9. A list of work that is underway across government that aligns with the Strategy's objectives is included in the **Annex One**.

10. The six action plans generally focus on the inclusion objective.

The labour market context has changed substantially since the Employment Strategy was published

11. Over the long-term, New Zealand's labour market has been strong in generating jobs and skilled workers (on average), but weak or variable in other areas that matter for economic and social wellbeing. COVID-19 has amplified these challenges.
12. COVID-19 has disrupted the labour market on all fronts: demand for and supply of skills and labour; the matching of these to fill jobs in firms and provide employment; and the risk of increased worker vulnerability and wider disparities between sub-populations.

13. However, the labour market impact of COVID-19 has been less than expected. Labour Force Statistics from the December 2020 quarter were positive across the board. The unemployment rate has fallen to 4.9 per cent (down from 5.3 per cent last quarter), while participation has increased slightly to 70.2 per cent (up from 70.1 per cent last quarter).
14. While overall indicators are positive, in some cases, the existing target populations under the Strategy have been disproportionately impacted:
- a. **Youth:** In the December 2020 quarter, the seasonally adjusted proportion of people aged 15–24 years who were not in employment, education, or training (NEET) was 12.4 percent, not significantly different from the previous quarter.
 - b. **Disabled Persons:** In the June 2020 quarter, 22.5 per cent of disabled people were employed, a proportion that has not changed significantly since the series began in 2017. The employment gap between disabled and non-disabled people remains significant at 46.8 percentage points. In the same quarter, the unemployment rate for disabled people is at 7.4 per cent, compared to 3.9 per cent for non-disabled and the labour force participation rate for disabled people was 24.3 per cent, compared with 72.1 per cent for non-disabled people.
 - c. **Māori:** As at December 2020, the unemployment rate for Māori was 9.0 per cent and the underutilisation rate was 11.9 per cent. While this is much higher than the overall rates, there has been no significant change (positive or negative) over the year.
 - d. **Pacific peoples:** Over the year to December 2020, the unemployment rate for Pacific peoples rose from 7.2 per cent to 9.6 per cent. This was a statistically significant change. The underutilisation rate for Pacific peoples was 18.0 per cent; this has not seen significant change over the year. For Pacific peoples, both men and women saw their unemployment rates increase in the year to December 2020: men from 6.6 to 9.4 per cent, women from 7.8 to 9.8 per cent.
 - e. **Older Workers:** In the year to June 2020, people aged 50+ made up 19.7 per cent of the official unemployed but 41.5 per cent of those who had been unemployed for more than a year (long-term unemployed). In the year to June 2020, 4900 people aged 50+ had been unemployed for over a year, out of a total of 11,800 long-term unemployed across all age groups. There is also evidence of COVID-19 having an ongoing impact on older workers' incomes
15. Surveys do not provide sufficient detail into the impact of COVID-19 on the employment outcomes for refugees, recent migrants and ethnic communities. Generating better qualitative data and insights is a focus for that action plan.
16. The September HFLS highlighted that while both men and women had been negatively impacted by the pandemic, women were more affected with falling employment, rising underutilisation and falling participation. This is broadly

attributable to the varied impacts the Covid-19 recession has had on different industries with different compositions of men and women.

17. The latest December 2020 quarter data indicates some improvement on the previous quarter in employment, utilisation and participation for both men and women, particularly for women. However, negative impacts are still apparent on an annual basis with underutilisation for women (14.3 per cent) sitting higher than the overall underutilisation rate (11.9 per cent). As the labour market recovery is driven by growth in male-dominated sectors, such as construction, there remain on-going risks.

Some adjustments are needed to the action plans

18. The action plans provide flexibility in how we address the Strategy's objectives. For the existing action plans, we can adjust how we implement or prioritise actions, and for the action plans still in development, we can prioritise actions that address emerging challenges. The employment action plans largely focus on addressing the inclusion objective of the Strategy. This may be a potential gap that we will look at as we examine the need for new focuses across government's labour market policies.

19. I propose two adjustments to the action plans:

- a. The action plans should give more prominence to supporting women in the labour market.
- b. The action plans could benefit from a formal monitoring and evaluation process to provide insight into the progress and effectiveness of the actions, and support the six-monthly Cabinet reporting.

Giving more prominence to women in the employment action plans

20. Many women are more exposed to the adverse effects of recessions, potentially locking them into long-term unemployment, poorer life outcomes and contributing to increased rates of child poverty. These women are more likely to be Māori and Pacific, have lower-level qualifications, work in part-time positions in vulnerable sectors, and be younger and older, sole parents or disabled. Women are more often responsible for unpaid work such as caring for children or other family members. Caregiving responsibilities constrain working hours, ability to retrain, and geographic mobility and require attention in employment policy.
21. While all the action plans are broadly inclusive of women as labour market participants, they do not expressly focus on women's outcomes in the labour market. The Minister for Women therefore intends to bring a paper to Cabinet in March that proposes actions across Government to improve women's economic outcomes.
22. The Minister for Women and I agree that the best way to ensure women are better supported in the labour market is for:
- a. the current suite of employment action plans to explicitly include support for women, and for

- b. the Ministry for Women to lead development of a stand-alone Women's Employment Action Plan.
- 23. This two-pronged approach ensures we pursue quick wins for women in priority populations, while still addressing longer-term and systemic issues for women through the Employment Action Plan for Women.
- 24. Officials responsible for employment action plans already published will assess current actions, and how they are addressing the needs of women in that population group.

Monitoring and reporting of the employment action plans

- 25. I have invited the Ministerial leads to establish a monitoring and evaluation process for each action plan to ensure they are achieving the outcomes that were intended. This will provide insight into the progress and effectiveness of the actions, and support the six-monthly Cabinet reporting.
- 26. For the two action plans that have already been published:
 - a. The 'Working Matters' Disability Employment Action Plan has designed its own monitoring and reporting dashboard.
 - b. Ministry of Business, Innovation and Employment (MBIE) officials will develop a similar monitoring framework for the Youth Employment Action Plan.
- 27. The next six-monthly Cabinet report back will provide further detail on the monitoring for each action plan.

Update on the status of the current action plans

Youth Employment Action Plan (released in August 2019)

- 28. The Youth Employment Action Plan was released in August 2019. Initial actions are being progressed across the Youth Employment Action Plan's three themes:
 - a. Improving young people's building blocks for success.
 - b. Support young people to make good transitions.
 - c. Help people overcome barriers to employment.
- 29. A progress update on the initiatives/actions under the action plan is attached in **Annex One**.

Working Matters Disability Employment Action Plans (released in August 2020)

- 30. The *Working Matters* Disability Employment Action Plan was released in August 2020. The plan is closely informed by consultation with the disability sector, employers and support providers early in 2020, and was subsequently adjusted in response to the new the labour market circumstances of COVID-19.
- 31. The six priorities and areas of action correspond to the following core objectives in the plan:
 - a. Support people to steer their own employment futures.

- b. Back people who want to work and employers with the right support.
 - c. Partner with industry to increase good work opportunities for disabled people and people with health conditions.
32. Initial actions intended for completion between 2020 and 2022 are underway. There are 22 initial actions which span multiple responsible agencies, many of which also involve disabled persons organisations, and industry partners. Progress on the initial actions are outlined in **Annex One**.
33. Design of a monitoring and reporting dashboard is underway to aid regular review of *Working Matters* related activities and objectives. This will go to Employment, Education and Training Ministers Group (EETMG) in March 2021.

Māori Employment Action Plan (in development)

34. The Māori Employment Action Plan will set out concrete actions for how the Government can support Māori in work to achieve their aspirations.
35. In line with the government's guidelines for partnering and engaging with Māori on important pieces of policy work, an independent reference group was set up to design and develop an action plan for ministerial approval. The reference group has been given broad scope to consider the labour market and supporting systems. The group has decided on a te reo name for themselves - Te Ara Mahi Māori.
36. Since August 2020, Te Ara Mahi Māori has met regularly to identify the areas they would like to focus on. The group has met with representatives of some government agencies to start building a picture of existing government initiatives and are now moving to conducting hui with key stakeholders to test the group's focus areas ahead of broader public consultation.
37. In February 2021, the group provided me with an interim report on their progress so far. Its recommendations are likely to have a strong focus on the education, career guidance and employment services systems due to the significant impact these systems have on shaping people's career pathways and labour market experiences.
38. Te Ara Mahi Māori is due to provide its final report to me on 31 July 2021. Date to be confirmed
However, recent resignations from the group may affect the group's mahi. I am currently in the process of filling the vacancies in the group's membership and officials will keep me updated on the implications for the timeframes.
39. I will consider and bring to Cabinet my recommendations for the Māori Employment Action Plan, based on the recommendations of Te Ara Mahi Māori.

Pacific Employment Action Plan (in development)

40. The Pacific Employment Action Plan (PEAP) will set out the actions the government will take to enable Pacific to have successful labour market outcomes and address existing disparities.

41. In 2019, Cabinet agreed a set of objectives that would inform the development of the PEAP however due to COVID-19 impacts a decision was taken by Cabinet to defer the report-back containing the final action plan to June 2021.
42. Given the current labour market conditions, preventing path-dependent outcomes will need a greater emphasis on aligning short-term levers for employment with actions to address the drivers of long-term employment inequities. This will require a coordinated cross-agency approach to the plan's development.
43. Over the previous six months, the Ministry of Pacific Peoples has focused on engaging and procuring key employment intervention programmes in response to the impacts of COVID-19.

Refugees, Recent Migrants, and Ethnic Communities Employment Action Plan (in development)

44. The Refugees (including former refugees), Recent Migrants and Ethnic Communities Employment Action Plan is a means for curating a more inclusive economy, recognising that employment is critical for successful settlement and social cohesion, including supporting integration for the population groups who are the focus of this action plan.
45. A previous iteration of the action plan was developed in December 2019 and Cabinet was briefed on its progress. The action plan was divided into four focus areas; refugees, recent migrants, ethnic communities and temporary migrant exploitation. The previous version of the action plan mapped out specific actions either already taken or expected to take place for each focus area.
46. In December 2019, Cabinet agreed to undertake targeted public consultation on the ethnic communities aspect of the draft action plan [CAB-19-MIN-0672.01-refers]. However, consultation was delayed due to the COVID-19 lockdown.
47. Some progress has been made on the action plan since March 2020. However, a majority of actions previously identified have been impacted to some degree due to the response to COVID-19.
48. Minister Radhakrishnan has undertaken to refresh the draft action plan in 2021, with the expectation that it is published by November 2021.

Older Workers Employment Action Plan (in development)

49. The Employment Strategy identifies older workers (aged 50+) as facing risks of poor employment outcomes. The Older Workers Employment Action Plan provides an opportunity to review employment related initiatives across government to ensure that those programmes are supporting older people.
50. An initial priority is to enhance our understanding of older workers' experiences in the labour market through developing a robust evidence base. This will inform policy responses.
51. Development of the action plan is likely to require most of 2021. Where possible, officials will identify any actions that could be delivered sooner. Early progress

has already been made with the launch of the Mature Workers Toolkit on business.govt.nz.¹

Financial Implications

- 52.** There are no financial implications resulting directly from this paper. There may be financial implications arising from finalised action plans.

Legislative Implications

- 53.** The proposed actions are not anticipated to involve legislative implications, but this will continue to be assessed as action plans are developed.

Impact Analysis

- 54.** The proposed actions are not anticipated to involve regulatory impacts, but this will continue to be assessed as action plans are developed.

Population Implications

- 55.** The Employment Strategy and all of the action plans highlight the need to improve population groups' employment and wage outcomes. Improving outcomes for disadvantaged groups are an explicit focus of the action plans.
- 56.** The action plans continue to be developed in partnership and collaboration with the communities they are designed to support. Consultation is key to the development and implementation of the action plans if they are to be meaningful and aspirational. Partnership is specifically essential in relation to Māori, in order to uphold and strengthen the Māori-Crown relationship.

Human Rights

- 57.** The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Consultation

- 58.** The following agencies have been consulted on this paper. Ministry for Business Innovation and Employment, Ministry of Social Development, Ministry of Education, Oranga Tamariki, Office for Seniors, Office for Disability Issues, Ministry for Women, Te Puni Kōkiri, Ministry for Pacific Peoples, Department of Prime Minister and Cabinet (Policy Advisory Group), Tertiary Education Commission, Ministry of Youth Development, Office of Ethnic Communities, and the Treasury.

Proactive Release

- 59.** I intend to release this Cabinet paper on the Ministry of Business, Innovation and Employment website.

Recommendations

¹ The Mature Workers Toolkit was published on [Business.govt.nz](https://business.govt.nz) in August 2020, to act as a 'how to' guide for employers to attract, recruit, retain and retrain older workers.

The Minister of Social Development and Employment recommends that the Committee:

- 1 **note** that on 5 August 2019 Cabinet approved the Employment Strategy and Youth Employment Action Plan and:
 - agreed that the Minister of Employment will provide overarching stewardship of the Employment Strategy
 - invited the Minister of Employment to report to SWC at six-monthly intervals on the progress of the Employment Strategy and action plans [CAB-19-MIN-0385 refers];
- 2 **note** that COVID-19 has had a significant effect on the New Zealand labour market and that the impacts of COVID-19 are expected to have a disproportionately negative impact on population groups that have historically experienced persistently poor labour market outcomes;
- 3 **note** that the long-term objectives of the Employment Strategy are:
 - building a skilled workforce that meets business needs
 - supporting the regions and industries to be successful
 - ensuring workplaces are modern and provide decent work
 - investing in resilience and adaptability to respond to the changing nature of work
 - creating a more inclusive labour market;
- 4 **note** that the long-term objectives of the Employment Strategy continue to provide a sound framework for its action plans. However, COVID-19 means that the action plans take on greater importance, and will require new shifts in emphasis;
- 5 **note** there is scope to further examine how the Strategy is currently, and will continue to, work towards achieving the Government's objectives for the labour market in a COVID-19 environment;
- 6 **agree** that the action plans should address all five objectives of the Employment Strategy;
- 7 **note** the Ministerial leads for the six action plans are:
 - Youth Employment Action Plan (Minister for Social Development and Employment)
 - *Working Matters* Disability Employment Action Plan (Minister for Social Development and Employment and Disability Issues)
 - Māori Employment Action Plan (Minister for Social Development and Employment)
 - Pacific Employment Action Plan (Minister for Pacific Peoples)
 - Refugees, Recent Migrants and Ethnic Communities Employment Action Plan (the Minister of Immigration and Associate Minister for Social Development and Employment)
 - Older Workers Employment Action Plan (Minister for Seniors);

- 8 **note** that I have invited Ministers responsible for action plans to consider how they will:
- include actions targeted towards supporting women in the labour market in the current suite of action plans
 - continue to monitor and evaluate the plans as they are developed, providing insight into their progress and effectiveness of their actions;
- 9 **note** that the Minister for Women and I have agreed that the Ministry for Women should lead development of a standalone employment action plan for women focusing on cross-system issues and medium-to-long term actions;
- 10 **note** that the next six-monthly Cabinet report back will include an update on:
- the inclusion of women in the Employment Strategy and action plans
 - the progress of the monitoring and evaluation of the action plans
- 11 **note** that a progress update on the two published employment action plans for youth and disabled people are attached in Annex One of this paper.

Authorised for lodgement

Hon Carmel Sepuloni

Minister for Social Development and Employment

Annex One: Progress update on the published employment action plans

Youth Employment Action Plan

Action	Examples of initiatives in development	Progress update
Stage 1: Improve young people's building blocks for success		
Improve early identification and effectiveness of interventions targeting young people at risk of limited education, employment and training outcomes.	Work to better understand and target socio-economic disadvantage in education, including replacing the current decile system with the Equity Index (Ministry of Education).	Implementation is dependent on when funding will be made available.
	Work to create a more effective system of alternative education provision to better support young people who have disengaged from the schooling system (Ministry of Education).	No further updates available
	Implementation of the Learning Support Action Plan (Ministry of Education).	Implementation is ongoing.
	Work with local partnerships i.e. Iwi, whānau, Pacific communities, youth organisations and schools to work collectively for young people at the risk of limited education and employment outcomes, (Ministry of Education; Ministry for Pacific Peoples, Te Puni Kōkiri).	Year 1 of Pae Aronui is complete and the Evaluation Report and Factsheet have been published on the Te Puni Kōkiri website. The report highlights the key learnings about what worked well and conversely the gaps that exist for the target group (Māori Rangatahi NEET 15-24) when working towards employment and education outcomes. Year 2 contracts began in July 2020 and planning for the third and final year of the programme is underway. We are building further evaluation around these programmes and will provide updates on the findings as they become available. He Poutama Rangatahi also currently support the 3760 rangatahi enrolled in the programme, who are at risk of long-term unemployment and who aren't in employment, education or training.
	Review NCEA to make it more accessible for all learners (Ministry of Education).	The review to make it more accessible for all learners has been fully progressed into implementation – the NCEA Change Programme. The Review of Level 1 Achievement Standards is now underway, which includes incorporation of frameworks and tools for Learning principles in the product design, development and quality review processes. Work is also underway to ensure that new literacy and numeracy and te reo matatini and pāngarau standards are implemented in an inclusive manner, and to support local

Action	Examples of initiatives in development	Progress update
		curriculum design to be inclusive of all learners (see update on the release of the Local Curriculum Planning Guide below under School Leavers' Toolkit for a specific example of work underway).
Expand early work experience opportunities and access to high quality vocational education and training pathways, including through improvements to NCEA and RoVE.	Strengthen foundation tertiary education to ensure a delivery model that provides tailored individual learning alongside work experience and work based learning (Tertiary Education Commission; Ministry of Education).	Work is currently underway.
	Review NCEA to provide opportunities for employers and secondary schools to develop locally designed curricula and support a smoother transition between Secondary and Tertiary qualifications (Ministry of Education).	As above (Review NCEA to make it more accessible for all learners), plus: additional work is underway to consider the linkages between the Reform of Vocational Education and secondary curriculum and qualifications. This will ensure that work through both the NCEA Change Programme and other work within the Education Work Programme is aligned, with a focus on supporting local curriculum design and delivery of national qualifications that meet the needs of secondary students planning to transition to further education below degree level and/or employment.
	Support better engagement with whānau and families so they can understand and support their tamariki into an education and career pathways through development of the Career Systems Strategy (Tertiary Education Commission).	The Online Career Planning Solution is being created to provide all New Zealanders with access to quality information and the support they need to build a fulfilling career. The first stage roll out, expected early 2021 is a job to job matching tool called Skill Net. The Job Hunters Workbook has been developed on the Careers.govt.nz website. The workbook is available online and has had over 2,000 electronic downloads. Free career guidance sessions for people displaced or looking for career advice. Both services went live on the 19th October 2020 and will run until 25th June 2021 (extended from 12 March due to under-spend). Vocational Education and Training (VET): In 2019, Cabinet approved funding of \$4.05m for a four-year campaign to shift the perception and raise the profile of VET. The first phase of the campaign began in November 2020. A related four-week public

Action	Examples of initiatives in development	Progress update
		information campaign launched on 21 September with a focus on TTAF and initiatives within the Apprenticeship Support Programme, particularly the Apprenticeship Boost.
	Explore expansion of Secondary-Tertiary partnerships and the Gateway programme (Ministry of Education).	To explore the expansion of Secondary-Tertiary partnerships and the Gateway programme, Budget 2020 secured funding for 1,000 additional Trades Academy places a year from 2021, to enable more senior secondary students undertake initial vocational education and training through secondary-tertiary learning arrangements. These places have been fully allocated for 2021.
	Leverage urban and regional 'Hubs' to enable better engagement for students with a wide range of work experience opportunities (Ministry of Business, Innovation and Employment).	The Manukau Jobs and Skills Hub facilitated a work experience programme between Papakura High School students and Steel and Tube. In Papakura, a local business called HouseMe has taken on apprentices from Papakura High School to help build transitional housing for those in need. The Northern hub delivers the Steps to Success Programme to secondary schools in the northern suburbs of Auckland. This programme works with young people from year 10 to build their confidence and employability skills for when they transition from education to work at the end of year 12 or 13.
Stage 2: Support young people to make informed choices and transitions through complexity		
Improve brokering of employment opportunities and careers assistance, including the development of the Career Systems Strategy.	Clearly define role and scope of job brokers, including opportunities at Sector Workforce Engagement Programme hubs and expand the number of brokers (Ministry of Business, Innovation and Employment).	The role and scope of job brokers has been defined. As at December 2020, there were 19 FTEs working at Jobs and Skills Hubs around New Zealand.
	Improve the effectiveness of the Careers system through the Careers System Strategy and Careers Action Plan (Tertiary Education Commission). Build better local linkages to employer recruitment teams through Hubs (Ministry of Business, Innovation and Employment).	The Careers System strategy is focused on lifelong learning from ages 7 – 70+. To support the strategy, the TEC has developed a range of programmes and services for all New Zealanders at their different life stages. The careers services are also designed to give effect to the TEC's purpose which is to: shape a dynamic system that delivers lifelong learning and equips learners, communities and employers for success, and vision to create: a

Action	Examples of initiatives in development	Progress update
		resilient, prosperous New Zealand, where every person has the skills, knowledge, and confidence to build a fulfilling life.
	Leverage local job broker type activities carried out by Iwi Trusts, pastoral care providers and other relevant organisations (Ministry of Business, Innovation and Employment).	Jobs and Skills Hubs are a part of Sector Workforce Engagement Programmes (SWEP) being carried out in conjunction with MSD, and work with employers involved in key construction and infrastructure projects in specific locations to facilitate fast-paced jobs brokerage and training across a range of job levels to source workers from the local workforce. SWEP was allocated \$27.5 million over four years to maintain funding for the existing Jobs and Skills Hubs, establish new Hubs and develop a nationwide Hubs backbone. A review of SWEP's role and governance arrangements has been suggested to focus on supporting good labour market outcomes in key sectors of the economy including reducing the reliance on low skilled migrants. The Māori Trades and Training Fund was implemented after the COVID-19 level 4 lockdown, being allocated \$50 million over two years to establish a flexible and contestable, grant-based initiative that partners with Māori communities to provide employment-focused learning opportunities, designed and delivered by Māori, for Māori. This is currently delivered through the Provincial Development Fund and MBIE, but assessment of applications to the Fund involves consultation from a number of agencies to avoid duplication or overlap. The education system also supports Māori trades training (apprenticeships) in the form of the Māori Pacific Trades Training scheme (MPTT), which is coordinated by the Tertiary Education Commission. This initiative provides funding to cover fees for learners, brokerage services to support successful outcomes, contestable consortium funds to remove barriers for learners (such as meeting the costs of transport or childcare), and learner support funding.

Action	Examples of initiatives in development	Progress update
Improve the quality and effectiveness of pastoral care/mentoring programmes including approaches that build on cultural and community strengths.	Develop Best Practice guidance for effective pastoral care/mentoring programmes to support such initiatives across Government; through a stocktake and evaluation of existing programmes (Ministry of Business, Innovation and Employment). Develop Best Practice guidance on the role of pastoral care of Pacific young people and their families (Ministry for Pacific Peoples).	This is to be progressed by MBIE, however the Māori Trades and Training Fund provides wraparound support services such as pastoral care to address the barriers to Māori uptake of employment-focused training opportunities. It builds on cultural and community strengths by being by Māori, for Māori. Best practice pastoral care is a core component of MPP's Tupu Aotearoa and Toloa (STEM) programmes to address the employment and training needs of Pacific peoples. Providers of these programmes operate with a strong culturally appropriate pastoral care model as one of the key requirements for rolling out these programmes. The effectiveness of the pastoral care model will be reflected in the outcome evaluation of the programme.
Increase opportunities for young people to gain the vital skills they need to transition out of compulsory schooling into further education, training or employment, including through improvements to NCEA and RoVE.	Implement the School Leavers' Toolkit to support school leavers to succeed in life beyond school so they can contribute to society and the economy (Ministry of Education). Review the youth health and safety regulations to ensure health and safety responsibilities support early, effective transitions to training and employment (Ministry of Business, Innovation and Employment).	The School Leavers' Toolkit project is in the final stages, and is transitioning to business-as-usual over the coming months. Recent developments include updates to the student facing website and the release of a Local Curriculum Planning Guide for secondary schools. As part of the transition to business-as-usual a content management strategy and communications calendar will be developed to ensure that content relevant to life beyond school is updated regularly to stay relevant, useful and appropriate for students and young people. Confidential advice to Government
Provide a support service for young people transitioning	Maintaining contact - From age 16 rangatahi will have a transition worker to walk	The Transition Support Service has partnered with 54 community and iwi providers across New Zealand, with 99

Action	Examples of initiatives in development	Progress update
from care and youth justice to independence (ages 15-25).	alongside them and maintain regular contact after they leave care or a youth justice residential placement, up to the age of 21. Remain or return to live with a caregiver - Rangatahi can be supported to remain living (or return to live) with a caregiver until they turn 21. Advice and assistance - From age 15 rangatahi can request advice and assistance from Oranga Tamariki if they have left care or a youth justice residential placement, until 25. Connect with other agencies – Advocate for young people leaving care to access existing employment programmes (e.g. Mana in Mahi, He Poutama Rangatahi, Te Ara Mahi) to help in transition to, and support in, employment (Oranga Tamariki).	FTE Transition Workers providing support to young people nationwide. 1023 young people are actively working with a Transition Support Worker. Transition workers support young people by connecting them with their identity, culture, whānau and wider support networks; helping them make and achieve goals; assisting in navigating services available and teaching life skills. 70 supported accommodation placements for young people leaving care have been established to date. Supported accommodation enables young people to develop skills to live independently, for example: managing a tenancy, cooking and housekeeping – while allowing them to try, test and learn in a safe environment. A dedicated Advice and Assistance phone line has been established to support young people aged up to 25, which has received over 4000 calls since it was set up. Support through this line includes sourcing emergency accommodation, securing access to income support, healthcare and counselling services, and financial support for things like food or clothing. The Transition Support Service continues to work with Ministry of social development particularly Mana in Mahi, as well as MBIE, He Poutama Rangatahi to advocate for young people leaving care. Information relating to these programmes has been provided to transition workers so they can assist young people with their employment and training goals.
Strengthen interventions delivered through local partnerships such as local connector/kaitūhono services, and expand initiatives demonstrated as being effective.	Stocktake existing interventions and partnerships at a regional and local level (including nationally contracted pilots and local connector/kaitūhono services); establish common evaluation frame; Develop best practice guidance (Ministry of Social Development; Ministry of Business, Innovation and Employment; Ministry of Health; Ministry of Education; Te Puni Kōkiri; Ministry of Pacific Peoples).	Confidential advice to Government

Action	Examples of initiatives in development	Progress update
	Identify promising interventions for rapid evaluation, refinement and scaling up (drawing on the initial work on action above) (Ministry of Business, Innovation and Employment; Ministry of Social Development).	
Improve service provider collaboration, for instance through including better referral pathways and joined up funding.	Investigate improvements to information sharing to support effective transitions between schools and tertiary providers (Ministry of Education). Use cross-system approaches to more effectively identify and transition at risk young people explore expansion of pilots of integrated health and employment support (Ministry of Social Development; Ministry of Health).	This work is to be developed over the next six months.
Stage 3: Ensure young people have employment opportunities and support in overcoming barriers.		
Building on the Reform of Vocational Education system, provide better support for employers to employ and train more young people with employment challenges.	Leverage existing programmes, such as Mana in Mahi and He Poutama Rangatahi, to help people transition to, and be adequately supported in, employment (Ministry of Social Development; Ministry of Business, Innovation and Employment).	Data from November 2019 of rangatahi who had participated in He Poutama Rangatahi (HPR) found that of those who were not in education, employment or training at the outset, 69 per cent progressed into further training or employment. Since HPR began in April 2018, 4,776 people have participated in initiatives at an average cost of \$6,500 per person. As of December 2020, 42% of rangatahi engaged in HPR were wāhine. In Budget 2020, HPR received funding averaging \$34 million per annum to transition HPR from a pilot programme to a sustained footing in the regions and to expand to urban areas, where the largest populations of rangatahi not in employment, education or training (NEET) live. As at October 2020, three urban applications have been approved with two in Auckland and one in Wellington.
	Explore opportunities to increase in work training (e.g. via group employment and training schemes to reduce employer risk, using Government procurement to incentivise training investments).	MBIE was directed by the Tripartite Future of Work Forum to carry out research on employer attitudes to in-work training and identify any barriers to provision. The work was progressed with input from BusinessNZ and the New Zealand Council of Trade Unions, but has been delayed due to shifting priorities in the response to COVID-19.

Action	Examples of initiatives in development	Progress update
		The Māori Trades and Training Fund (MTTF) was allocated \$50 million over two years as part of the COVID-19 Response and Recovery Fund (CRRF) to support innovative community-designed initiatives that provide employment-focused training opportunities that are by Māori, for Māori. The MTTF has an emphasis on cohort and group-based approaches that are relevant and applicable to Māori. To date, seven proposals have been approved for funding. We expect that programmes funded by the MTTF will provide valuable insights into new ways of delivering in-work training for groups that may face barriers to engagement. He Poutama Rangatahi (HPR) provides funding to community driven programmes to resolve barriers to employment, education and training. It aims to do this by supporting communities to develop pathways for rangatahi (aged 15-24) not currently in employment, education or training (NEETs) and most at risk of long term unemployment. HPR also has an emphasis on group-based and cohort approaches. In Budget 2020, HPR received funding averaging \$34 million per annum to transition HPR from a pilot programme to a sustained footing in the regions and to expand to urban areas, where the largest populations of rangatahi not in employment, education or training (NEET) live. As at October 2020, three urban applications have been approved with two in Auckland and one in Wellington.
	Link SWEP Hubs to large Government infrastructure projects (Ministry of Business, Innovation and Employment, Ministry of Social Development).	SWEP Jobs and Skills Hubs work with employers involved in key construction and infrastructure projects to facilitate fast-paced jobs brokerage and training across a range of job levels and connect employers to the local workforce. Hubs are located in: - Auckland (Manukau, Northern and City Centre Jobs and Skills Hubs. - Central Region Skills Hub (covers Manawātū and Taranaki and opened in July 2020) focusing, in the first instance, on

Action	Examples of initiatives in development	Progress update
		Te Ahu a Turanga: Manawātū Dannevirke highway. - Workforce Central Dunedin (opened September 2020) and focusing on building Dunedin Hospital, New Zealand's largest ever infrastructure project. - These Hubs form part of the Government's commitment to fuelling growth in the construction industry through the Construction Skills Action Plan.
Increase driver licence uptake and progression through the Graduated Driver Licences System	Expand in-school provision of training, testing (Ministry of Education). Expand in-community mentoring (Ministry of Business, Innovation and Employment; NZTA). Expand support to MSD population, police diversions (Ministry of Social Development; NZTA; NZ Police). Leverage existing schemes, such as He Tangata and He Poutama Rangatahi, for young people who leave school early (Ministry of Business, Innovation and Employment).	MSD is leading a cross-agency project to provide advice to the Employment, Education and Training Ministers Group on the scope of work to improve access to driver licences for disadvantaged population groups. This work has identified: - the importance of access to driver licences as a contributor to positive employment, justice and broader wellbeing outcomes - that there has been a reduction in progression through the Graduated Driver Licensing System (GDLS) over the last decade that disproportionately impacts young Māori and Pacific people. - that current investment in driver education and training is fragmented, poorly coordinated and inconsistently available. - some effective cross agency partnerships that are brokering a coordinated approach to driver licence support including the Auckland Partnership as described below - which could be built on.
Advocate for public sector internships and employment opportunities for young people leaving care of the State.	Advocate for public sector internships and employment opportunities across multiple agencies for young people leaving care of the State (Oranga Tamariki).	During the reporting period Oranga Tamariki spoke with several agencies to advocate for public sector internships with other agencies. These agencies include Ministry of Pacific People, Te Puni Kōkiri, Department of Conservation, and Territory Education Commission. The transition services is conducting an evaluation of its current internship programme for young people leaving care. The findings of this evaluation can be shared with other ministries to demonstrate the effectiveness of this programme.

Action	Examples of initiatives in development	Progress update
Improve employment opportunities and address barriers to employment for young disabled people.	Bring together local employers, whānau, schools and supports to facilitate local networks that support young disabled people to access open employment, using a community development approaches. Support young disabled people (for example people with learning disability and autism), and whānau, to explore pathways to open employment first, when transitioning from education. (Ministry of Social Development).	Budget 20 provided access to employment services to young disabled people for the first time. The pilot will run in f5 regions from mid-February 2021 to 30 June, catering for up to 1000 young people. This includes building capacity in schools across a number of regions. This initiative will include access to work experience and paid part time work outside of school hours and will work with young people, their whānau, schools, employers and training providers.

Working Matters Disability Employment Action Plan

Objective	Priority	Initial actions	Responsibility
Support people to steer their own employment futures	Positive expectations for disabled school leavers	- Access to employment services while still at school - Career building support (including whānau) - Work experience/transition pathways, especially for those with significant learning disabilities	Ministry of Social Development
	Career pathways at all stages of life and for diverse needs and aspirations	- Greater access to career transitions, e.g. apprenticeships, He Poutama Rangitahi, retraining options - More paid internships from tertiary - Refreshed accessible careers information	Tertiary Education Commission
Back people who want to work and employers with the right support	More and better employment services	- Extend the period Supported Living Payment recipients can work more than 15 hours a week from 6 months to 2 years (requires legislative change) - Value diverse work outcomes and pathways to work within MSD systems (including part-time and intermittent work) - Expand specialist disability employment services - Scale up integrated health and employment, including opportunities to strengthen integration between primary mental health and addiction services and employment services - Develop a Diploma in Employment Support	Ministry of Social Development & Ministry of Health & Careerforce
	Information and support for employers	- Raise the visibility of disabled people and people with health conditions as a talent pool - Ensure Public Service leads by example with the recruitment and retention of	Ministry of Social Development + Ministry of Business

		disabled people, and improved data collection to support inclusive workplaces - Development of regional employer hubs - Develop and expand partnerships between employers and Government with a focus on improving disability employment	Innovation and Employment
Partner with industry to increase good work opportunities for disabled people and people with health conditions	Inclusive and wellbeing-enhancing workplaces	- Promote accessibility, including in workplaces as well as to and from workplaces - The Public Service leads by example with inclusive and wellbeing enhancing workplaces - Promote the health benefits of good work to health practitioners - Clarify guidance on lawful hiring and recruitment practices and promote lawful and best practice	Ministry of Social Development and SLP
	Innovative labour market support and business development	- Policy work on employment products and services / active labour market policy system will include consideration of the needs of disabled people and people with health conditions - Explore the use of digital platforms to support disabled people and people with health conditions to get employment and to support them while they are in employment - Explore social procurement options as a mechanism for government to support disadvantaged jobseekers in partnership with employers	Ministry of Social Development

Annex Two: Alignment of government initiatives with the Employment Strategy objectives²

Objective	Initial aims	Completed	Underway/Ongoing
Build a skilled workforce that meets business needs	For workers: - Strong foundational skills - Access to affordable education - Access to quality career advice - Opportunities to train and work at same time - Support to engage in lifelong learning - Opportunities to retrain For businesses: - Future skill planning - Know how and where to access training - Understand benefits of investing in training - Engage in tertiary education sector/industry bodies to convey skills needed - Invest in local labour	Interim Regional Skills Leadership Groups Careers System Strategy and Careers Action Plan Expanding Mana in Mahi (expansion went live 5 August) ongoing Rapid Return to Work (went live 28 April and is ongoing). Light touch phone based service Māori Trades and Training Fund Jobs and Skills Hubs Sector Workforce Engagement Programme Toloa (STEM) Programme TEC marketing campaign for awareness of tools to support jobseekers Job Hunters Workbook Vocational Education and Training campaign Expanding Skills for Industry to support the Construction Accord Expanding employment opportunities and development through cadetships (TPK) Apprenticeship boost went live 5 August (ongoing) The Pacific and Māori Health Science Academy programme Enrolled nursing included in free vocational education Auckland Pacific Skills Shift Regional Apprenticeships Te Ara Mahi	Set up of full Regional Skills Leadership Groups ROVE NCEA Review Career Support for Creative Jobseekers- live in Auckland, to go live in Waikato and Nelson (end of February) Labour Market Test changes-promoting NZ jobseekers when employers want to hire migrant workers Expansion of Secondary-Tertiary partnerships and Gateway Programmes School Leavers Toolkit Increased accessibility to Careers.govt.nz website Online Career Planning Solution Increasing trades Academy places and supporting secondary transitions TEC Direct Career Service- phone based advice and pop-up services (in Connected sites and public libraries)
Support regions and	For workers:	Interim Regional Skills Leadership Groups	Set up of full Regional Skills

² Some initiatives align with multiple objectives.

industries to be successful	- Access to sustainable employment - Access to relevant & quality education and training - Equal opportunity - Fair compensation For businesses: - Create jobs for economic growth - Inclusive and supportive - Understand competition - Volume - value	Te Ara Mahi Jobs and Skills Hubs Sector Workforce Engagement Programme Regional Apprenticeships Skills for Industry to support the Construction Accord COVID Wage Subsidies: Wage Subsidy, Leave Support, Resurgence Short Term Absence Payment- (have and continue to support businesses)	Leadership Groups Refresh of the Tourism Strategy Industry Transformation Plans Workforce Development Councils Transforming the Primary Sector Workforce initiative
Work with industry to ensure workplaces are modern and provide decent work	For workers: - Opportunity to upskill and retrain - Flexible - Work-life balance - Stronger voice in workplace - Commitment to productivity - Stability - Fair pay For businesses: - Investment in upskilling - Involve workers in decisions making - Management capability - Compete in value not volume - Promote diversity via hiring	Increasing Parental leave entitlements Lifting Minimum Wage Mature Workers Toolkit Living Wage in Government Procurement	Increasing Sick leave entitlements Understanding options for social unemployment insurance Fair Pay Agreements
Be resilient and adaptable to respond to the changing nature of work	For workers: - Education pathways providing skills to enable participation in a flexible economy - High level skills - Technology literacy - Access to lifelong learning opportunities - Protection from exploitation through digital	Toloo (STEM) Programme Future of Work Tripartite Forum	Social Unemployment Insurance Review of Active Labour Market Policies

	commissioning platforms For businesses: - Invest in research and innovation - Diversify and shift to higher value, more productive and knowledge intensive activities - Take advantage of technological advancements - Lower environmental impact - Partner with industries likely to be heavily impacted by the changing nature of work to develop agreed strategies and intervention to support workforce planning, upskilling and career transitions.		
Ensure that our labour market is inclusive	For workers and jobseekers: - Equal Access to employment opportunities - Free from discrimination and prejudice - Access to amends if experiencing discrimination - Support to fulfil employment aspirations - Access to effective support, and if appropriate, reasonable accommodation, rehabilitation and/or re-training when disability or health conditions impact labour market participation - Fair pay - Reduced disparities in employment	Employment Strategy and the Youth and Working Matters Disability Employment Action Plans Learning support Action Plan Year 1 of Pae Aronui The Māori Pacific Trades Training Tupa Aotearoa Toloa (STEM) Programme The Transition Support Service (Oranga Tamariki) Advice and Assistance phone line for young people transitioning from care and the justice system to independence The New Zealand Diploma in Health and Wellbeing (Level 5) created The Disability Strategy The Better Later Life Strategy The Youth Plan 2020-2022	The Pacific Employment Action Plan The Older Workers Employment Action Plan The Māori Employment Action Plan The Refugees, Recent Migrants and Ethnic Communities Employment Action Plan Implementation of the Equity Index NCEA Review Expansion of Secondary-Tertiary partnerships and Gateway Programmes Cross-agency

	outcomes between different demographic groups For businesses: - Confidence in employing people from diverse backgrounds and understand advantages of workplace diversity - Understanding of support resources and funding - Keep employees safe from harm - Provide flexible working conditions as default - Have diverse workforce representation at all levels - Checks and balances for structural bias and discrimination - Accomodating to diverse workplace requirements.	Auckland Pacific Skills Shift Youth Service- Young parent payment and NEET Expanding He Poutama Rangatahi Regional Apprenticeships Te Ara Mahi	Project on increasing accessibility to driver licencing and education Changes to Supported Living Payment Click and Enrol- enabling people to select from a list of contracted services for job preparation, work readiness and post-placement support Expanding supporting Offenders into employment and commencing Paiheretia te Muka Tāngata (kaupapa Māori service with TPK and Corrections) ManaiaSafe Forestry School pilot (Regional) He Poutama Taitamariki for Northland NEET (regional) Ethnic Communities Graduate Programme -Flexi-Wage Expansion (went live 15 February) -All of government Connected service – website, 0800 number and face to face service through 35 MSD sites and 3 Jobs and Skills Hubs NZ Seasonal Work Scheme including Accommodation Cost Payment Use of digital tools: Virtual Job Expos
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			and VR Tools Starting design work to understand clients' barriers to employment
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