

Work Programme Status Update

FORUM PRIORITY INITIATIVES

KEY INITIATIVE	DESCRIPTION OF INITIATIVE	RECENT UPDATES	LEAD
Industry Transformation Plans (ITPs)	ITPs are intended to drive transformation in selected sectors of the economy, contributing to the shifts identified in the Government's Economic Plan. This is achieved through long-term planning, and through initiatives identified and developed in partnership between government, industry and Māori. The ITPs had four areas of focus: moving from volume to value in the largest areas of our export economy; leveraging opportunities in adjacent sectors; seizing opportunities in emerging sectors; and sectors facing significant disruption to workers and/or firms. Five ITPs were underway prior to COVID-19 in the construction, agritech, digital technologies, food and beverage, and forestry and wood processing industries.	<p>The Industry Strategy has been refreshed in light of the impacts of COVID-19 on the economy. The refreshed, broadened Industry Strategy is focused on two core outcomes:</p> <ul style="list-style-type: none"> • Supporting industries in transition (in response to both near-term disruption caused by COVID-19 and long-term challenges such as the shift to a low emissions economy); and • Transforming industries to lift aggregate productivity and enable the scaling up of highly productive and internationally competitive clusters in areas where we have a comparative advantage. <p>Key sectors of focus for supporting industries in transition are International Education, Tourism, Energy and Resources, and Transport and Logistics. We already have work programmes underway in these sectors and these will continue and be aligned with the Industry Strategy.</p> <p>There are four areas of initial focus to drive a transformation in our productivity performance. These are Construction, Digital Technologies, Advanced Manufacturing and a Food and Fibre cluster made up of the Primary sector, Food and Beverage, Forestry and Wood Processing, and Agritech.</p>	MBIE

		<p>The development of Industry Transformation Plans remains a key tool of the Industry Strategy. Currently there are ITPs under development for Construction, Agritech, Digital Technologies, Food and Beverage, and Forestry and Wood Processing. As part of our refreshed Industry Strategy we will also begin development of an Advanced Manufacturing ITP. Our work on the Industry Planning Handbook also remains a priority.</p>	
Support for displaced workers	<p>Improving support for displaced workers was a key Future of Work initiative prior to COVID-19. In December 2019, a scoping paper was produced by MBIE that identified options for improving support for displaced workers, including income smoothing options. At the February Future of Work Ministers Meeting, MBIE was commissioned to undertake further work to scope out three options for progressing this work stream, including minor changes to current settings, statutory redundancy payments, and a social unemployment insurance scheme. Improving financial and non-financial support for displaced workers was a key component of the March Future of Work Forum (cancelled).</p>	<p>The number of displaced workers is rising rapidly as a result of COVID-19, with numbers on primary job seeker benefits in the order of 40-50% higher than this time a year ago. Most sources, including Treasury, are forecasting unemployment approaching 10% over the coming year. Responding to this widespread and rapid increase in displacement is an urgent government priority. A number of initiatives have been implemented (such as wage subsidies), or funded through Budget 2020. A new dedicated ministerial group – the Employment, Education, and Training Ministers – are overseeing the labour market response, including support for displaced workers.</p> <p>The prior Future of Work programme on longer-term options for a more effective support system for displaced workers is continuing in parallel. The July Forum will consider both responses to immediate challenges, and progress on developing a future more effective support system.</p>	MBIE/MSD
Protection for Non-Standard Workers	<p>MBIE was undertaking work to better protect vulnerable contractors and non-standard workers. This work was commissioned to compliment projects that are already underway to reduce the exploitation of temporary migrant workers and to support Fair Pay Agreements. MBIE undertook public consultation on options for</p>	<p>COVID-19 and the subsequent economic shock has magnified the challenges contractors face, even those not previously considered “vulnerable”. Many will face - or have already faced - a sharp reduction in hours and pay or termination of their contracts without the protections offered to employees (eg good faith provisions). As we</p>	MBIE

	<p>protecting vulnerable contractors, which closed on 14 February 2020. MBIE have provided Minister Lees-Galloway with a draft summary of submissions and initial advice on options to progress in the short and long-term.</p>	<p>move into the recovery phase, we are likely to see an increase in the use of contract labour as businesses cut costs and seek to maintain flexibility in the current environment. Employees who have lost their jobs as a result of COVID-19 may also turn to contracting as the only option for survival or maintaining income. This would lead to larger numbers of workers in the labour market without employment protections, which could lead to the downgrading of workers' rights and conditions across the economy. MBIE has prepared an initial briefing setting out the options to improve outcomes for contractors that we can progress in the short-term.</p>	
<p>Facilitate In-Work Training</p>	<p>In-work training has been a key forum initiative, and a key agenda item discussed by Government and social partners at the Forum held in November 2019. The November Forum set the following work plan to progress this work stream:</p> <ul style="list-style-type: none"> • March 2020: A progress update on the problem definition work underway, and officials to have engaged with social partners in order to seek feedback, ideas and input on in-work training. • July 2020: A potentially substantive discussion on the established problem definition and next steps. 	<p>A substantive discussion of in-work training is no longer scheduled for the July Forum given the other priorities. However, officials have been working on a report about in-work training for the Future of Work Tripartite Forum Governance group to consider at a future meeting. Officials intend to engage with social partners on the draft report soon.</p>	<p>MBIE/MoE</p>

COORDINATION & OTHER ACTIVITIES

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<p>Workforce Development Councils (WDCs)</p>	<p>Workforce Development Councils provide industry voice in developing skills standards, and ensuring that vocational training provides the right mix of training to support current and future industry skill needs. Minister Hipkins expressed interest at the February Governance Group Meeting to discuss Workforce Development Councils at the July Future of Work Forum, to explain what government, unions and employers can do to increase the tripartite engagement with WDCs and improve the uptake of in-work training. There was agreement that the July Forum could:</p> <ul style="list-style-type: none"> • update the forum and provide an overview of a working model of a WDC • focus on how to ensure workers are engaged in the system. <p>It was identified that the July Forum would benefit from greater representation from the tertiary education sector if this discussion were to go ahead.</p>	<p>Workforce Development Councils are an important mechanism for improving the responsiveness of vocational education to the demands of industries. Standing up WDCs became more important as vocational education is required to respond to the needs of a labour market that has changed significantly as a result of COVID-19. On Thursday 14 May 2020, the Minister of Education announced the establishment of all six WDCs would be accelerated with a target date of the end of the year (ahead of the original date of June 2021) to help support New Zealand's COVID-19 recovery. Six Interim Establishment Boards (IEBs) made up of industry members responsible for the formation of the WDCs were announced on Thursday 25 June 2020. WDCs will be one component of the skills and training discussion at the July Forum.</p> <p>The Chairs of the IEBs have had an initial meeting and have agreed to collaborate, and recognised the importance of substantive industry engagement around the creation of WDCs over the coming months.</p> <p>In the coming weeks, the RoVE programme will brief each IEB and provide support to them.</p>	<p>TEC</p>

<p>Regional Skills Leadership Groups (RSLGs)</p>	<p>In January 2019, Cabinet agreed to consult on Regional Skills Leadership Groups (RSLGs) to identify the needs of local economies and provide a link between local government, employers, iwi and communities, as part of the Reform of Vocational Education (RoVE). In a joint MoE and MBIE briefing, the establishment of 15 Regional Skills Leadership Groups (RSLGs) was proposed to undertake a labour market planning function in each region. The overarching purpose of the RSLGs is to facilitate regular dialogue about regional labour market needs that builds more cohesive, coordinated decision-making at a regional level. Each RSLG will be charged with developing Regional Workforce Plans which set out the aspiration for each region and how the desired future state will be achieved.</p>	<p>To support the COVID-19 response, the Government is continuing with its plans to set up 15 Regional Skills Leadership Groups and gain insights into how COVID-19 is impacting local economies and job markets. On 14 May 2020, funding for the Regional Skills Leadership Groups was confirmed in Budget 2020. The first ten interim RSLGs were announced on 25 June 2020. The remaining five interim RSLGs are expected to be announced in the coming weeks.</p>	<p>MBIE / MoE</p>
<p>Māori and Pasifika perspectives on the Future of Work</p>	<p>Ministers and social partners had indicated that the Forum should consider how Māori and Pacific communities could have more voice on Future of Work issues. It was agreed that the July Forum would be an opportunity for meaningful engagement with Māori and Pacific Future of Work perspectives.</p>	<p>Engaging with Māori and Pasifika perspectives on the Future of work issues remains an outstanding action for the Forum to consider. Māori and Pasifika are disproportionately at the margins of the labour market, and are likely to experience more pronounced negative impacts of COVID-19 during the longer term recovery phase than other demographic groups. Ministers and social partners could consider a forward work plan for the Forum that includes a discussion of employment, education and training initiatives that target Māori and Pasifika communities (such as the Auckland Pacific Skills Shift Initiative), and identify successes to date and remaining gaps for Māori and Pacific communities.</p> <p>In addition, the BERL, Ngai Tahu and Waikato Tainui report on the Māori future of work has been released, and could frame a wider discussion of the Future of Work issues for Māori.</p>	<p>MSD/MBIE</p>

<p>Just Transitions Taranaki Partnership</p>	<p>Venture Taranaki and the Ministry of Business, Innovation and Employment are working together to plan Taranaki’s transition to 2050. The current focus is on developing twelve transition pathway action plans (TPAPs).</p> <p>The National New Energy Development Centre (NNEDC) is a major investment in Taranaki’s transition through. The NNEDC will be a nationwide hub based in Taranaki that supports new energy products and technologies to be demonstrated and commercialised. In December 2019, Ministers approved an initial budget of \$27 million over four years to establish the NNEDC.</p>	<p>Venture Taranaki has finalised and published TPAPs for: Energy, Food and Fibre, Innovation/R&D, Arts, Infrastructure and Transport.</p> <p>TPAPs are due to be finalised and published by the end of July for: People and Talent; Environmental Science; Health and Wellbeing, Tourism, Regulation, the Maori economy, and Metrics and Evaluation.</p> <p>Taranaki has developed a COVID-19 Recovery Plan, drawing on the work and actions identified through the Taranaki 2050 Roadmap. We are seeing Roadmap actions and framing being used to inform applications for Government recovery funding e.g. tourism, Provincial Growth Fund, infrastructure.</p> <p>On 3 July the NNEDC was incorporated as a limited liability company. On 23 July the NNEDC will be officially launched at an event in New Plymouth. The Prime Minister and Minister Woods are planning on attending the event which will announce the new name and branding of the NNEDC, its board members and CEO.</p> <p>The first Board meeting will be held on 30 July. This meeting will be used to discuss how to finalise the transfer the completed establishment activities over to the new entity from Venture Taranaki.</p>	
<p>High Performance High Engagement</p>	<p>High Performance through High Engagement (HPHE) is an approach to engage workers and their representatives to improve the quality of working life and thereby improve organisational performance.</p> <p>Three agencies are involved in the “set-up” phase of HPHE (DOC, Corrections, MSD) as a workplace partnership, based on the idea that people closest to problems are engaged on solutions.</p>	<p>The COVID-19 response has delayed work on resourcing approaches and prioritisation of agency activity.</p> <p>The PSA has proposed adapting the HPHE model to support a more rapid approach to tackle challenges in the COVID recovery environment. It is currently not clear how this might be developed/progressed; SSC will continue to discuss alternative approaches to supplement the current agencies’ activity.</p>	

	Resourcing to extend beyond this initial group remains a challenge.		
Response to Skills Shift in Manufacturing report	The Governance Group agreed that officials would prepare a response from the Forum partners to the Manufacturers' Network. A response has been prepared by officials, and social partners have provided feedback and agreed that the response will be signed off by the Minister of Finance on behalf of the Future of Work Forum.	The cover letter and full Government response has been signed off by the Minister of Finance and returned to the Manufacturers Network.	MBIE/MoE
The Productivity Commission Technology Change and the Future of Work Report	The Productivity Commission delivered their final report on technology change and the future of work. Government is yet to respond to the report and the key recommendations.	Government will delay a response to the Productivity Commission, given the high volume of activity at the moment relating to COVID-19 measures.	MBIE