



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

17 March 2022

Dear

On 2 October 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- *All reports, advice, assessments and recommendations you have produced or hold about the "cross-agency review of active labour market policies" within the past six months regardless of whether they've been provided to Government Ministers (and are not currently in the public domain)*

Following discussion with MBIE on the scope of your request on 16 November 2021, you agreed that agencies would exclude the following material from the scope of your request:

- Draft papers, including prior versions of the same papers that progressed through the Employment, Education and Training groups
- Correspondence between agencies
- Project documentation
- Duplicates of documents within scope that are held by multiple agencies named in your request.

The Ministry has consulted with MBIE on the documentation in scope of your request. The documents in the attached document table have been identified as in scope of your request and are enclosed unless specified otherwise. This response includes any documents in scope from MBIE.

Please note:

- Appendix Two of the report 'Review of Active Labour Market Programmes' was never completed and therefore is not included.
- The figures provided in paragraph 56 of the report - *Review of Active Labour Market Programmes*, dated 23 September 2021, are provisional and subject to change.

Names and contact details of Ministry staff below tier 4 are withheld as out of scope as you indicated that you do not require these. In addition, information that does not relate to your request has been removed as it is out of scope.

The principles and purposes of the Act under which you made your request are:


- to create greater openness and transparency about the plans, work and activities of the Government
- to increase the ability of the public to participate in the making and administration of our laws and policies
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely

pp. 

Anne Riley
Policy Manager
Employment Policy Development



No.	File number	Date	Document type	Title	Decision and OIA Section(s)
1.	N/a	3 June 2021	Briefing	2122-0831 The Future of Work Tripartite Forum Governance Group meeting 3 June 2021	18(d). Refused in full as this document was released to you by MBIE earlier.
2.	N/a	15 June 2021	Cover Note	Cover note for EET DCEs	Release in full.
3.	N/a	15 June 2021	Talking points	Talking points EET CE 15 June	Release in part. Information that is not relevant is withheld as it is out of scope.
4.	N/a	23 June 2021	Project Plan	Review of Active Labour Market Policies (ALMPs)	Release in full.
5.	N/a	1 July 2021	Cover Note	Cover note for EET Ministers Group	Release in full.
6.	N/a	1 July 2021	EET briefing talking points	2021-4411 Attendance at the Employment Education and Training Ministerial Group Meeting 1 July	18(d). Refused in full as this document was released to you by MBIE earlier.
7.	N/a	23 July 2021	Talking points	EET DCE Social Partners talking points 23 July	Release in part. Information that is not relevant is withheld as it is out of scope.
8.	N/a	17 August 2021	Report	Review of Active Labour Market Programmes	Release in part. Some information is withheld as it is out of scope.

No.	File number	Date	Document type	Title	Decision and OIA Section(s)
9.	N/a	20 August 2021	Cover Note	Cover note for EET DCE's	Release in full.
10.	N/a	20 August 2021	Talking points	EET DCEs talking points – 20 August	Release in part. Information that is not relevant is withheld as it is out of scope.
11.	N/a	27 August 2021	Report	Review of Active Labour Market Programmes	Release in part. Some information is withheld as it is out of scope.
12.	N/a	27 August 2021	Agenda	Employment, Education and Training DCE, Business NZ & NZCTU agenda	Release in part. Some information is withheld as it is out of scope.
13.	N/a	27 August 2021	Cover Note	Cover note for Social Partners	Release in full.
14.	N/a	9 September 2021	Briefing to Ministers	2122-0416 Future of Work Tripartite Forum Governance Group Meeting, 9 September 2021	Release in part. Information that is not relevant is withheld as it is out of scope.
15.	N/a	10 September 2021	Talking points	EET DCEs talking points – 10 September	Release in part. Information that is not relevant is withheld as it is out of scope.
16.	N/a	16 September 2021	Fortnightly update	0933-2122 Skills and Employment Fortnightly Update – Thursday 16 September	18(d). Refused in full as this document was released to you by MBIE earlier.
17.	N/a	23 September 2021	Report (& three appendices)	Review of Active Labour Market Programmes	Release in part. 9(2)(f)(iv)
18.	N/a	23 September 2021	EET briefing talking points	2122-1091 Attendance at the Employment Education and Training	Release in part.

No.	File number	Date	Document type	Title	Decision and OIA Section(s)
				Ministerial Group Meeting on 23 September 2021	Information that is not relevant is withheld as it is out of scope.
19.	N/a	23 September 2021	EET briefing talking points	2122-1092 Attendance at the Employment Education and Training Ministerial Group Meeting on 23 September 2021	Release in part. Information that is not relevant is withheld as it is out of scope.
20.	N/a	23 September 2021	Briefing	2122-0831 The Future of Work Tripartite Forum, 23 September 2021	18(d). Refused in full as this document was released to you by MBIE earlier.
21.	N/a	(undated)	Fact Sheet	Review of Active Labour Market Programmes	Release in full.

Cover note for EET CEs
Cross-agency Review of Active Labour Market Policies (ALMPs)
Project Plan

For CEs meeting 15 June 2021

1. There has been ongoing appetite for a review of active labour market policies, from both EET Ministers and social partners. Officials from TSY, MOE, MSD and MBIE have discussed how to progress this work in a way that meets the needs of Ministers, social partners, and works with agencies work programmes. This project plan is set out in the attached paper.
2. EET DCEs reviewed and discussed a draft scoping note on Friday 21 May. They supported the proposed approach to the review, and emphasised:
 - a. ensuring the timeline enables this work to feed into other live projects, wherever practicable, such as the Employment Strategy Action Plans
 - b. focusing on identifying and addressing the needs of individuals and gaps in service options (including recommending specific options, where the research supports them), with a preference for a lighter touch approach that builds on existing work
 - c. that effectiveness will be a key metric (including considering how delivery and implementation affect this).
3. Additionally, participating agencies discussed committing up to 1 FTE to contribute to this work programme.
4. The Employment, Education and Training Ministerial Group (EETMG) is scheduled to meet on 1 July 2021. We have proposed that EETMG discuss and agree to the scope of the review of active labour market policies (ALMPs). Subject to Ministerial agreement, agencies will commence work on this project.
5. This work programme will also be discussed with BusinessNZ and the CTU during the EET DCE meeting with social partners on 25 June.
6. We seek your feedback on:
 - a. The objectives and scope of the project, and
 - b. How your agency can support and resource the project.

Out of Scope

Item 3: Cross-agency Review of Active Labour Market Policies (ALMPs) Project Plan

2. This item asks for CEs to agree to the scope of cross-agency work to review New Zealand's ALMP system. MBIE has convened a group of officials from TSY, MOE, MSD and MBIE to progress this work in a way that meets the needs of Ministers, social partners, and works with agencies work programmes. Additionally, participating agencies discussed committing up to 1 FTE to contribute to this work programme. So far the Skills and Employment team within MBIE has been leading this work, but has had to scale back involvement until current recruitment is completed.
3. This project plan is set out in the attached paper. EET DCEs reviewed and discussed a draft scoping note on Friday 21 May. Their feedback has been incorporated and is set out in the covering note.
4. The Employment, Education and Training Ministerial Group (EETMG) is scheduled to meet on 1 July 2021. We have proposed that EETMG discuss and agree to the scope of the review of active labour market policies (ALMPs). Subject to Ministerial agreement, agencies will commence work on this project.
5. This work programme will also be discussed with BusinessNZ and the CTU during the EET DCE meeting with social partners on 25 June. We have spoken to them previously about this work, but this will be their first opportunity to comment on the project plan. We are proposing to engage with social partners on this issue (but are not committing to full co-design).

Out of Scope

Review of Active Labour Market Policies (ALMPs)

Project Plan

Purpose

Agencies (MSD, MBIE, MOE and TSY¹) have agreed to progress work jointly to ensure New Zealand's ALMP system is as streamlined as possible, by ensuring existing provisions are effective and new provisions are well targeted, to maximise impact. This is especially important given current fiscal constraints.

We want to ensure that we:

- understand how we can improve the functioning of the labour market through the use of ALMPs, so we can respond rapidly and effectively when problems arise
- have the right tools (now and in the future) at our disposal to address individuals' needs.

Context

Background

1. For many New Zealanders the labour market functions well, but some groups need additional support to enter, re-enter, move within or remain in the labour market. The costs of labour market failure extend beyond individuals and creates social and economic costs for society more broadly. ALMPs can be important in helping to improve labour market outcomes for these groups, which benefits New Zealand as a whole.
2. The OECD defines ALMPs as "all social expenditure (other than education) which is aimed at the improvement of the recipients' prospect of finding gainful employment or to otherwise increase their earnings capacity."² The ILO defines ALMPs as generally falling into one of four categories: brokerage and advisory services; education and training; financial support, and; job growth³. We note that different definitions emphasize the importance of different ALMPs; for example, expenditure on education is included to differing extents in these definitions.

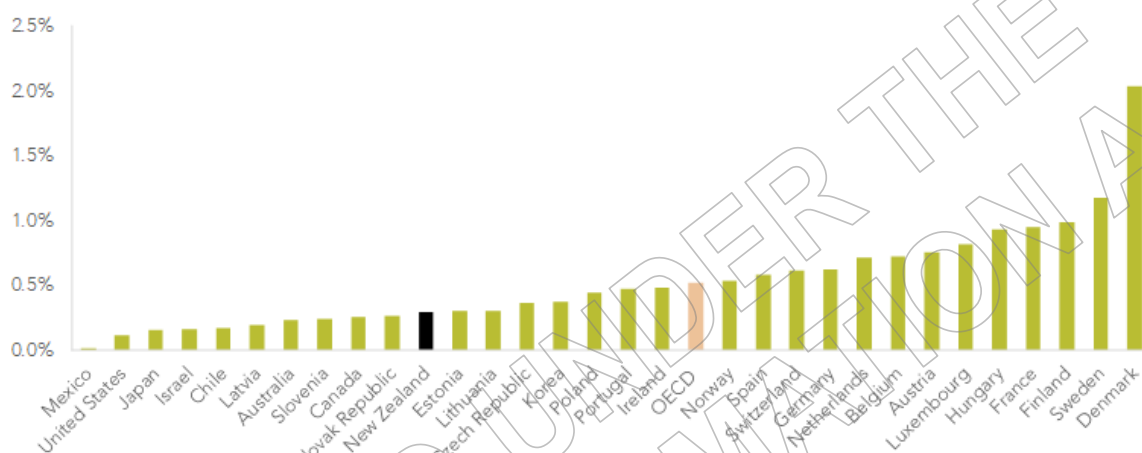
¹ Ministry of Social Development, Ministry of Business, Innovation and Employment, Ministry of Education, and Treasury

² <https://stats.oecd.org/glossary/detail.asp?ID=28>

³ https://www.ilo.org/wcmsp5/groups/public/@dgreports/@inst/documents/publication/wcms_459117.pdf

3. The functions of a support service could be provided by a number of different labour market actors. The government intervenes in the labour market for a range of reasons including to promote efficiency and to enable more equitable labour market outcomes.
4. Compared to other OECD countries, New Zealand spends relatively little on ALMPs⁴. However, it should be noted that different countries use different definitions, and that this significantly impacts how total spend is counted.

Spending on ALMPs as a share of GDP for OECD countries, OECD estimates (2016)



Source: OECD data

Objectives

5. This review will:
 - a. build an evidence base that enhances understanding of what works well and for whom (including the barriers and challenges New Zealanders face entering and re-entering the labour market), to inform policy development and resource allocation
 - b. determine if there are gaps in the ALMP system, in relation to both who is served and what services are offered, and which gaps need to be addressed
 - c. develop cross-agency principles to guide the introduction of any new ALMPs and effective allocation of expenditure on new and existing ALMPs
 - d. ensure consistency across agencies in terms of future direction for how we monitor and evaluate ALMPs.

Scope

6. The key outputs from the review will be (a) agreement on any existing gaps in our ALMP system, and how these gaps should be treated, and (b) agreement on overarching principles to guide the effective allocation of spending on new and existing ALMPs. In

⁴ <https://www.productivity.govt.nz/futureworknzblog/low-spending-on-almps-is-not-a-good-reason-to-increase-it/>

order to reach those outputs, we need to better understand the current ALMP environment.

7. We recognise there are many related work programmes currently underway across government focussed on employment, education and training responses. Where appropriate and practicable, we will leverage off and feed into existing work to enhance cohesion across these different work programmes.
8. Agencies will also use this project to guide their work programmes, including the generation and consideration policy change options from both a whole of government system perspective and a more targeted intervention perspective.
9. The work will be structured as follows, building on existing collateral wherever possible:

Outlook	We need to find out...	...by asking	Output
Short term	<p>What ALMPs do we have, and for whom do they work?</p> <p>Are there significant gaps, duplications or inefficiencies in our system (e.g. groups of people not served, specific needs not met, tools missing, multiple tools that serve similar purposes)?</p>	<ul style="list-style-type: none"> New Zealand context: what ALMPs does NZ currently have, and who are they used by? Who are they used by/what is their level of uptake? What is missing from the NZ ALMP context? What are advantages and disadvantages of addressing these gaps? What ALMPs are effective, for whom, and under what circumstances (e.g. different labour market contexts; other support available in their systems)? How does this change under different labour market conditions and in light of expected Future of Work trends? What level of flexibility is needed? How could that flexibility be catered for? What is the role of government in addressing those gaps? Or is there a market failure in the support services space? Looking across systems, how might we address gaps in the ALMP system? 	<p>Briefing 1:</p> <ul style="list-style-type: none"> Cross-agency definition of ALMPs Stocktake of existing ALMPs (updating existing work with the new ALMPs that have been introduced through the CRRF etc., and where possible, including the spending profile of each programme) Identification of any gaps in the NZ ALMP system. Analysis of which gaps need to be filled (particularly focusing on needs, effectiveness, design and implementation, where existing data enables analysis) Targeted literature review to guide analysis how these gaps should be filled (i.e. what is effective to address the issue, or to support the cohort that will be supported by the ALMP).
Medium term	How can we effectively allocate	<ul style="list-style-type: none"> What incentives will drive labour market actors (e.g. employers, 	Briefing 2 and Cabinet paper:

Outlook	We need to find out...	...by asking	Output
	spending on ALMPs?	<p>workers, unions, employment service providers), and how does this affect service provision and uptake?</p> <ul style="list-style-type: none"> Who should bear the cost of support service provision? What are the trade-offs? What are the implications for existing and new ALMPs? 	<ul style="list-style-type: none"> Principles to guide the effective allocation of spending on new and existing ALMPs. These should cover: <ul style="list-style-type: none"> Participation outcomes Consideration of stage in economic cycle Focus on quality of outcome (rather than quantity of participation) Role of government vs role of employers etc. Detailed advice on addressing specific gaps Budget implications The exact details will need to be finalised later in process.
Long term	How can we understand and improve consistency across the system?	<ul style="list-style-type: none"> How should efficacy of programmes be evaluated? How can we effectively monitor ALMPs? How should effectiveness of ALMPs be measured? What data is needed to support this? 	<p>Briefing 3:</p> <ul style="list-style-type: none"> Setting direction on addressing issues in monitoring and evaluation system (for example, consistency of data collection and data security)

Timeline

Approx. date	Mahi	Milestone	Other government milestones
21 May	Agree scoping document	Agreement - EET DCEs	First draft Social unemployment insurance discussion paper to Ministers.
15 June		Agreement - EET CEs	
18/21 June		Agreement – Minister Sepuloni	
25 June		Engagement – social partners	
1 July		Agreement - EET Ministers	<p>Pacific Peoples Employment Action Plan to go to Cabinet.</p> <p>LTIB – ongoing consultation and development.</p>
Mid-August	Briefing 1 (stocktake and gaps analysis)	Provide feedback - EET DCEs	<p>Social unemployment insurance to release discussion paper.</p> <p>Older Workers Action Plan – consultation on draft action plan.</p>

Approx. date	Mahi	Milestone	Other government milestones
Late August		Provide feedback - EET CEs	Te Ara Mahi Māori (Māori Employment Action Plan reference group) to provide final report to Cabinet. Initial advice from the Review of Childcare Assistance on issues, priorities, and phasing of options
9 September		Agreement - EET Ministers	Youth Employment Action Plan – progress dashboard to go to Cabinet. Working Matters Disability Employment Action Plan – progress dashboard to go to Cabinet.
Q4 2021	Briefing 2 and Cabinet paper (principles and advice on options and priorities)	Provide feedback, agreement - EET DCEs	
Q4 2021		Provide feedback, agreement - EET CEs	
Q4 2021		Provide feedback, agreement - EET Ministers	
Q4 2021		Agreement - SWC	
Q4 2021		Agreement - Cabinet	Refugees, Recent Migrants, Ethnic Communities – expected to be finalised and published. Advice from Review of Childcare Assistance for Budget 22
Q2 2022	Briefing 3 (monitoring and evaluation framework)	Consideration - EET DCEs	Further advice on options from the Review of Childcare Assistance

Resourcing

10. MBIE, MSD and MOE will each contribute up to one FTE to this project and will jointly undertake the work. Agencies have highlighted that their teams and work programmes are currently under pressure, which could mean there is a risk that these timeframes are not met. If this is likely, agencies will raise this as soon as possible with EET Ministers.
11. Other agencies (e.g. Treasury, Te Puni Kōkiri, Ministry for Women, Tertiary Education Commission, Justice, Ministry for Pacific Peoples, Ministry for Primary Industries) will be consulted throughout the process.

Governance arrangements

12. The Employment, Education and Training Ministers Group structure will be used for governance and reporting purposes.
13. We will consult with social partners and expect to engage with them regularly as the work progresses.

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Appendix One: Background information

Mandate

1. There are outstanding mandates to review ALMPs.
2. In 2019, the Welfare Expert Advisory Group (WEAG) recommended a revamp of ALMPs, noting a need for increased coherency across government⁵ in its report, Whakamana Tāngata. In response, Labour Market Ministers Group (LMMG) agreed and Cabinet noted that the Ministry of Social Development (MSD), the Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Education (MOE) would develop and report back with a proposed plan to implement better active labour market programmes [CAB-19-SUB-0170 refers].
3. The Welfare Overhaul Programme (agreed to by Cabinet in December 2019) responded to the WEAG recommendations by including a short-term work stream to “support the Future of Work Tripartite Forum – including the review of ALMPs”. This has now been picked up in the Future of Work Tripartite Forum agenda in the context of the Forum’s work to design a social unemployment insurance scheme. Social partners have expressed ongoing interest in this work stream.
4. In March 2021, the EET secretariat provided (1) a narrative on how ALMPs address COVID-19 response and recovery, and (2) a map of how ALMPs target different demographic cohorts. Ministers have subsequently asked for further advice on a forward-looking ALMP strategy.
5. In March 2021, Ministers also agreed that, as a starting point for the discussion on social unemployment insurance, the scheme should rely on linking claimants with existing (and developing) services to support a return to good work, but that there should also be exploration of what gaps remain. They further agreed to develop a plan on how best to address any gaps (in support services for claimants) to improve outcomes [CAB-21-MIN-0069].
6. In April 2021, Cabinet invited the Minister for Women to investigate new ALMPs that are primarily targeted towards women [CAB-21-MIN-0113].

Related work

7. MSD has been working on responding to the WEAG recommendations through the welfare overhaul work programme agreed by Cabinet in November 2019 [SWC-19-MIN-0168 refers]. Cabinet is likely to consider a “Welfare Overhaul – Work Programme Update” paper in the next quarter. As part of the COVID-19 recovery effort, MSD has been expanding its employment services to support more people experiencing difficulty finding and staying in suitable employment (for example, Flexi-wage is available to disadvantaged workers as well as those out of the labour market). This has only been funded through to December 2022.

⁵ Recommendation 36 called for a revamp of active labour market, employment and training policies across government to make them coherent and effective. Recommendation 37 recommended a strengthening of the Ministry of Social Development’s redundancy support policies to better support displaced workers.

8. In May 2020, Ministers were provided with a stocktake of ALMPs that including the roles of government agencies in designing and delivering ALMPs. The report offered an initial high-level view of potential gaps and overlaps at the time. The findings focused on skills assessments for the newly displaced, workforce development needs for industries historically reliant on migrant labour, and the suite of apprenticeship products.
9. In July 2020, the EET secretariat undertook analysis of the ALMP system to identify cohorts that were potentially underserved. It identified that there were potentially gaps in relation to women; displaced workers including mid-career and mid-skilled people and older workers who may need to retrain; Māori and Pacific people to progress to higher waged jobs; people with health conditions and disabled people to obtain and retain work.
10. As part of the Long-Term Insights Briefings (LTIB) required under the Public Service Act 2020, MBIE, MSD and MoE have formed a project team to develop a LTIB on youth at risk of limited employment. This will involve consideration of the medium to long-term trends, risks and opportunities relating to this group, bringing together labour market, social welfare and education perspectives. The project team will also engage with other portfolio areas including Māori Development, Pacific Peoples and Women. This work is still being scoped and may consider government service delivery, including the design and delivery of ALMPs for this group.
11. The Employment Strategy presents the Government's vision for the labour market and the changes it is implementing to improve employment outcomes for all New Zealanders. The Employment Action Plans in support of this Strategy – a number of which are currently in development – focus on promoting improved employment outcomes for each of these population groups. ALMPs can be an important tool in achieving the aims of the Employment Strategy.
12. The annual Budget process includes work to determine the need for different ALMPs, efficacy of existing programmes, and overarching aims for spending in the ALMP space. Similarly, monitoring and evaluation undertaken both locally (e.g. by the EET secretariat) and internationally (e.g. by the OECD) are important tools for understanding the ALMP landscape.

Cover note for EET Ministers Group
Cross-agency Review of Active Labour Market Policies (ALMPs)
Project Plan

For Ministers meeting on 1 July 2021

1. The attached project plan sets out the proposed approach to a cross-agency review of active labour market policies (ALMP).
2. There has been ongoing appetite for a review of active labour market policies, from both EET Ministers and social partners. Officials from Treasury, Ministry of Education, Ministry of Social Development and Ministry of Business, Innovation and Employment have discussed how to progress this work in a way that meets the needs of Ministers, social partners, and works with agencies work programmes.
3. This review will enhance understanding of what ALMPs work well and for whom to inform policy development and resource allocation.
4. The key outputs from the review will be agreement on any gaps in our ALMP system and how these gaps should be treated, and agreement on overarching principles to guide the effective allocation of spending on new and existing ALMPs.
5. Agencies acknowledge there are many related work programmes currently underway across government focussed on employment, education and training responses. Where appropriate and practicable, the ALMP Review will leverage off and feed into existing work to enhance cohesion across these different work programmes. The proposed timeline, building on existing collateral wherever possible, takes that into account.
6. Participating agencies will each contribute up to 1 FTE to this work programme.
7. It is proposed that the EET Ministers Group and supporting officials' group will provide governance for this work.
8. This work programme will also be discussed with BusinessNZ and the CTU during the EET DCE meeting with social partners on 25 June.

Recommendation

9. **agree** to the objectives, scope and timeline for the ALMP Review

Out of Scope

Item 1: Active Labour Market Policies update

2. The ALMP Review working group have developed a definition of 'active labour market policies' for discussion. The paper asks EET DCEs and social partners to provide feedback on the proposed definition, principles and criteria, and the proposed classification of existing programmes as ALMPs.

Context

3. The former Labour Market Minister's Group initially commissioned officials to undertake a first principles review of ALMPs. This work was underway, but put on hold in April 2020 due to COVID-19, and the need to prioritise the response and recovery.
4. Officials from Treasury, MoE, MSD and MBIE have proposed to engage regularly with social partners on the ALMP review. The proposed project plan was discussed by EET DCEs with social partners on 25 June 2021, who were generally supportive of the work. The meeting with social partners highlighted the need to first establish a commonly understood and agreed definition of what we mean by 'ALMP' in the New Zealand context.

Definition

5. The definition proposed by the ALMP Review working group combines both the description used in the Social Unemployment Insurance (SUI) Discussion Document and the OECD definition.
6. From an MBIE perspective, we are supportive of this definition. We think it strikes a balance between the international and domestic contexts in which ALMPs operate and are reviewed. Furthermore, The ALMP review will leverage off and feed into existing work to enhance cohesion across these different work programmes, the most significant being SUI. As such, we think there is value in aligning the definition of ALMPs with the definition of SUI.

Out of Scope



Report

Date: 17 August 2021

Security Level: IN CONFIDENCE

To: Employment, Education and Training DCEs

Review of Active Labour Market Programmes

Purpose of the report

- 1 This report provides an update of progress on the Review of Active Labour Market Programmes and seeks your feedback on the proposed approach to the gap analysis.

Background

- 2 On 1 July, EET Ministers agreed to the objectives, scope and timeline for the Review of Active Labour Market Policies. The key outputs from the Review will be agreement on any gaps in our ALMP system and how these gaps should be treated, and agreement on overarching principles to guide the effective allocation of spending on new and existing ALMPs.
- 3 Officials from the Ministry of Social Development (MSD), the Ministry of Business Innovation and Employment (MBIE), and the Ministry of Education (MoE) have formed a cross-agency working group to jointly progress this work, supported by the Treasury (TSY), Te Puni Kōkiri (TPK) and the Employment, Education and Training (EET) Secretariat.
- 4 This report summarises work completed to date, seeks your feedback on the proposed approach to the gap analysis, and identifies risks and challenges going forward.

The cross-agency working group has agreed a definition of Active Labour Market Programmes (ALMPs)

- 5 The definition being used for the purpose of this Review is 'Government funded or provided interventions that actively assist people into employment (including removing barriers to their ability to get or retain a job), increase their earning capacity, and improve the functioning of the labour market.'
 - 6 This definition builds on that used by the OECD¹, but restricts the definition to programmes rather than broader reaching policies, and allows some initiatives that remove barriers to employment but that are excluded by the OECD, such as targeted childcare assistance or driver licensing programmes. This definition is also broadly consistent with that used in the draft discussion document about Social Unemployment Insurance.
 - 7 The following principles form the foundation of this definition:
-

¹ The OECD defines ALMPs as "all social expenditure (other than education) which is aimed at the improvement of the recipients' prospect of finding gainful employment or to otherwise increase their earnings capacity."

- Paid employment is a fundamental source of wellbeing for individuals, families, and communities.
- For many New Zealanders the labour market functions well but some groups need additional support to enter, re-enter, move within or remain in the labour market.
- The costs of labour market failure extend beyond individuals and creates social and economic costs.
- Government intervenes in the labour market to promote efficiency, increase productivity, and enable more equitable labour market outcomes.

Selection criteria have been developed to assist in consistency across agencies

- 8 Some government agencies have a long history of supporting labour market functioning whereas other agencies are relatively new to this type of intervention. There are also varying definitions internationally so provision of criteria that clarifies intent for this Review has enabled agencies to assess whether the programmes offered could be considered an ALMP, and to determine any gaps in service offerings.
- 9 Programmes are included in the Review when they meet the following criteria:
 - 9.1 Have a labour market objective as a primary purpose
 - 9.2 Are designed for and targeted to support people who are at risk of poor labour market outcomes such as unemployment, under-employment, or poor-quality employment
 - 9.3 Exert an influence on or effect a change in known distributional issues in the labour market such as gender-bias at industry level, ethnicity-bias at skill level etc
 - 9.4 Exert an influence on or effect a change in the recipient's ability to find and keep a job (removes barriers to employment, addresses life-course disadvantage)
 - 9.5 Are not generally available in the private sector for people who are at risk of poor outcomes / disadvantaged in the labour market because of affordability or market failure.
- 10 Although there are five selection criteria, in practice criteria 9.1 and 9.2 have been the primary focus with the three remaining criteria used to add weight to rationale for inclusion or exclusion of programmes.

A stocktake of ALMPs across government is being compiled

- 11 The stocktake is collecting information from 13 government agencies – Corrections, Department of Internal Affairs, Inland Revenue, Department of Conservation², Ministry for the Environment, Ministry for Primary Industries, Land Information New Zealand, Ministry for Business, Innovation and Employment, Ministry of Education, Tertiary Education Commission, Ministry of Pacific Peoples, Ministry of Social Development and Te Puni Kōkiri.
- 12 Agencies have been asked to confirm or update information and use the selection criteria described in paragraph 9 to verify inclusion or exclusion of their programmes. The range of information being compiled is listed in appendix one.

² Department of Conservation, Ministry for the Environment, Ministry for Primary Industries and Land Information New Zealand all provided some or all relevant information through the Jobs for Nature Secretariat.

- 13 At the time of preparing this report, the stocktake of programmes is nearly complete. Participant information collected by the EET Secretariat and for programmes included in MSD's effectiveness evaluation will be added this week.
- 14 There is variability in some of the data eg, MSD financial data includes indirect cost expenditure whereas other agencies data is funding allocated in the year, not expenditure; evaluation methodology is quite different across agencies, and not all programmes have evaluation information. While this variability should not affect the analysis of gaps at a high level, it may limit conclusions that can be drawn about the effectiveness of current spending beyond the work already undertaken on the MSD programmes.

A draft literature scan provides some evidence about what types of ALMPs are effective, for whom and under what circumstances

- 15 A brief scan of effectiveness evidence has been drafted drawing primarily on a literature review completed by the Treasury in late May 2020 and a forthcoming MSD review of the effectiveness of its employment assistance products. Feedback is currently being sought on this scan. The draft document is provided as appendix two.
- 16 The effectiveness review provides evidence to guide analysis of the stocktake and consideration of whether there are gaps in New Zealand's ALMP system.
- 17 Different types of ALMPs have different objectives and different timeframes in which evidence of outcomes can be assessed, and some types of ALMPs work better in economic recessions. Considering what types of ALMPs are effective, under what circumstances, for what characteristics of need are necessary variables to include in analysis of the current ALMP supply and identification of any gaps in that supply now, or in future.
- 18 Ministers also requested that the literature review benchmark New Zealand against other countries. This work is yet to be completed. The intention is to draw on OECD analysis as reported by the Productivity Commission.

Officials are exploring options to undertake a gap analysis

- 19 The ALMP Review working group has begun discussion of possible approaches for assessing whether there are gaps in the current suite of ALMPs, and if so, for whom. This discussion has included the following considerations:
 - 19.1 The needs of people affected by future changes in the labour market such as climate change, technological changes
 - 19.2 The impact of proposed policy changes such as social unemployment insurance
 - 19.3 Understanding what population groups currently experience the highest levels of unemployment, underemployment, poor attachment and poor outcomes (proportionately)
 - 19.4 Understanding what interventions work most effectively to meet what needs or address what barriers
 - 19.5 Understanding what mechanisms are currently in place to enable programme providers to respond to changing labour market circumstances, and if there is variability in the speed at which change can occur for different types of interventions
 - 19.6 Understanding how the types of interventions available needs to change with different labour market circumstances, and what changes would be required to make current interventions provide an effective response in different labour market conditions.
- 20 The stocktake primarily includes programmes that agencies have a view on at national level. There are challenges with understanding regional or community initiatives – services that are local and specific to community contexts, including iwi-led or marae-led services and which don't get evaluated at a national scale. It has

therefore become apparent that the gap analysis will need to take a national-level approach in the first instance.

- 21 The quantum of regional/local expenditure, types of programmes and who participates in them is also generally not included in the stocktake. However, it is recognised that these programmes could provide individualised, targeted supports specific to local needs that may well provide effective interventions.
- 22 There may be ways that insights about locally specific programmes and the contribution they make to filling any gaps identified could be included in the analysis. For example, local intelligence may be available from the Regional Skills Leadership Groups, Regional Public Service Leads, or other local level mechanisms, which could provide a useful second step in the gap analysis process. The related work programme underway by TPK/EET secretariat is also likely to provide insights about effectiveness for Māori.
- 23 Assessment of adequacy of scale may not be immediately possible without access to data that would provide an understanding of the scale of assistance needed in the future. It is possible some interventions currently available are effective but are not at a scale to meet the need.
- 24 There are several other work programmes underway that may also provide useful insights that can inform the gaps analysis. The Independent Reference Group for the Māori Employment Action Plan are reporting to Minister Sepuloni on 31 August. The resulting Action Plan, and the other Action Plans under-development may identify gaps in ALMPs, or groups of people currently not receiving support.
- 25 EET Ministers are expecting a briefing for their meeting of 23 September that will provide the definition, stocktake, identification of gaps, analysis of which gaps need to be filled and a targeted literature review benchmarked against other countries. Resource constraints have affected work towards this briefing. While most of the content will be available, it is likely the gaps analysis will be an initial indication and that further work will be required to finalise this advice, including analysis of which gaps needs to be filled.

Next steps

- 26 We are completing the stocktake and beginning work on the gap analysis and are aiming to share the first findings with EET DCEs at your meeting on 27 August. We also intend providing an update to social partners, similar to this report, at their meeting on 27 August. We will use this meeting to canvas availability to discuss the gap analysis with the social partners so their perspective can be included in the briefing to Ministers.
- 27 A draft briefing will be provided to DCEs on 3 September and to EET CE on 7 September.

Author: Out of scope, Senior Policy Analyst, MSD Employment and Labour Market policy

Responsible managers: Anne Riley, Manager, MSD Employment and Housing Policy

Information collected for the Stocktake

- Name and brief description of programme
- Type of programme (with forced selection choices being Information and Advice, Job Brokerage and Placement, Work-related education and training, Financial support, Job Creation)
- Key features eg, pastoral care, mentoring or coaching
- Primary objective of the programme
- Participation period (if limited)
- Target or focus group eg Māori, youth, newly redundant workers
- Specific eligibility criteria (if any)
- Where is this programme or service available? (identifies programmes available in specific regions or nationally)
- Actual number of participants during 2020/2021
- Funding allocated in 2020/2021
- Duration of funding/appropriation
- Formally evaluated (yes/no)
- Any other evidence of effectiveness
- Any other comments or information relevant to the ALMP review criteria including participant demographics

Cover note for EET DCE's

Update on the cross-agency Review of Active Labour Market Programmes (ALMPs)

For DCEs meeting 20 August 2021

1. EET Ministers have agreed the objectives, scope and timeline for the Review of Active Labour Market Policies being undertaken jointly by Ministry of Social Development (MSD), the Ministry of Business Innovation and Employment (MBIE), and the Ministry of Education (MoE). Governance for this work is being provided by the EET structure. The attached report provides you with an update on progress against the agreed work programme to date.
2. Progress against the work programme is largely on track; a working definition has been agreed, an initial scan of the literature is underway, and the stocktake nearly completed. However, resource constraints have affected the timeline for completing this stocktake which may impact ability to complete a gaps analysis to the depth proposed for the first briefing to EET Ministers on 23 September.
3. While most of the content described in the project plan will be available for Ministers, it is likely the gaps analysis will be an initial indication and that further work will be required to finalise this advice, including analysis of which gaps needs to be filled.
4. Engagement with social partners has yet to be realised. Feedback was sought on the proposed definition, principles and inclusion criteria by email following cancellation of their meeting on 23 July. However, no feedback has been received. The Review working group intends to provide a similar update as attached for social partners at their meeting next week.
5. We recommend that you note progress on the work programme to date. We seek your feedback on:
 - a. the proposed approach to the gap analysis, and
 - b. the limitations noted on this work, and any other consequences of this that we should take into account when progressing this work

Out of Scope

Item 5: Update on the cross-agency Review of Active Labour Market Programmes

Context

- This paper provides an update on the work to review Active Labour Market Programmes (ALMPs), which is being undertaken jointly by MSD, MBIE, and MoE. EET Ministers have previously agreed the objectives, scope and timeline for the review.
- The paper asks DCEs to note the work to date and seeks feedback on the proposed approach to a gaps analysis, and likely risks or limitations with this work.
- Outputs from the gap analysis will inform a paper to EET Ministers on 23 September, setting out advice on what is needed to fill those gaps. Resource constraints, and the shift to Alert Level 4, may affect the depth of the analysis provided to Ministers for this meeting.

From an MBIE perspective you should note:

- Skills and Employment Policy have contributed to the ALMP review work to date, and to the current paper. We are broadly comfortable with the proposed approach.
- We consider that it is important that the gap analysis includes the following considerations, which are broadly reflected in the paper:
 - The current provision and effectiveness of ALMPs, noting limitations in the extent to which existing ALMPs have been evaluated for impact effectiveness. There appears to be a mixture of formal evaluations, statistical estimation and comparison against theory owing to limitations in being able to construct randomised control trials for some ALMPs. There are also some ALMPs where evaluations have not been planned or yet completed.
 - Explicit mention of whether some ALMPs should be discontinued if they are shown to be ineffective or harmful.
 - Consideration of future trends that are likely to affect the labour market, such as demographic change, trends in the future of work and climate change/decarbonisation, and ensure the suite of ALMPs is flexible enough to respond to any shock caused by these trends.



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

Report

Date: 27 August 2021

Security Level: IN CONFIDENCE

To: Employment, Education and Training DCEs

Review of Active Labour Market Programmes

Purpose of the report

- 1 This report provides an update of progress on the Review of Active Labour Market Programmes and seeks your feedback on the proposed approach to the gap analysis.

Background

- 2 On 1 July, EET Ministers agreed to the objectives, scope and timeline for the Review of Active Labour Market Policies. The key outputs from the Review will be agreement on any gaps in our ALMP system and how these gaps should be treated, and agreement on overarching principles to guide the effective allocation of spending on new and existing ALMPs.
- 3 Officials from the Ministry of Social Development (MSD), the Ministry of Business Innovation and Employment (MBIE), and the Ministry of Education (MoE) have formed a cross-agency working group to jointly progress this work, supported by the Treasury (TSY), Te Puni Kōkiri (TPK) and the Employment, Education and Training (EET) Secretariat.
- 4 This report summarises work completed to date, seeks your feedback on the proposed approach to the gap analysis, and identifies risks and challenges going forward.

The cross-agency working group has agreed a definition of Active Labour Market Programmes (ALMPs)

- 5 The definition being used for the purpose of this Review is 'Government funded or provided interventions that actively assist people into employment (including removing barriers to their ability to get or retain a job), increase their earning capacity, and improve the functioning of the labour market.'
- 6 The working group categorise ALMPs as follows:
 - a. **Information and advice**, including careers advice, job search techniques, and assistance with writing a CV
 - b. **Job brokerage and placement/matching**, including employment-related case management
 - c. **Work-related education and training**, including work readiness and mid-career upskilling or retraining
 - d. **Financial support**, including employment incentives like wage or training subsidies and self-employment start-up incentives
 - e. **Job Creation**

- 7 This definition builds on that used by the OECD¹, but restricts the definition to programmes rather than broader reaching policies, and allows some initiatives that remove barriers to employment but that are excluded by the OECD, such as targeted childcare assistance or driver licensing programmes. This definition is also broadly consistent with that used in the draft discussion document about Social Unemployment Insurance.
- 8 The following principles form the foundation of this definition:
 - Paid employment is a fundamental source of wellbeing for individuals, families, and communities.
 - For many New Zealanders the labour market functions well but some groups need additional support to enter, re-enter, move within or remain in the labour market.
 - The costs of labour market failure extend beyond individuals and creates social and economic costs.
 - Government intervenes in the labour market to promote efficiency, increase productivity, and enable more equitable labour market outcomes.

Selection criteria have been developed to assist in consistency across agencies

- 9 Some government agencies have a long history of supporting labour market functioning whereas other agencies are relatively new to this type of intervention. There are also varying definitions internationally so provision of criteria that clarifies intent for this Review has enabled agencies to assess whether the programmes offered could be considered an ALMP, and to determine any gaps in service offerings.
- 10 Programmes are included in the Review when they meet the following criteria:
 - 10.1 Have a labour market objective as a primary purpose
 - 10.2 Are designed for and targeted to support people who are at risk of poor labour market outcomes such as unemployment, under-employment, or poor-quality employment
 - 10.3 Exert an influence on or effect a change in known distributional issues in the labour market such as gender-bias at industry level, ethnicity-bias at skill level etc
 - 10.4 Exert an influence on or effect a change in the recipient's ability to find and keep a job (removes barriers to employment, addresses life-course disadvantage)
 - 10.5 Are not generally available in the private sector for people who are at risk of poor outcomes / disadvantaged in the labour market because of affordability or market failure.
- 11 Although there are five selection criteria, in practice criteria 9.1 and 9.2 have been the primary focus with the three remaining criteria used to add weight to rationale for inclusion or exclusion of programmes.

¹ The OECD defines ALMPs as "all social expenditure (other than education) which is aimed at the improvement of the recipients' prospect of finding gainful employment or to otherwise increase their earnings capacity."

A stocktake of ALMPs across government is being compiled

- 12 The stocktake is collecting information from 13 government agencies – Corrections, Department of Internal Affairs, Inland Revenue, Department of Conservation², Ministry for the Environment, Ministry for Primary Industries, Land Information New Zealand, Ministry for Business, Innovation and Employment, Ministry of Education, Tertiary Education Commission, Ministry of Pacific Peoples, Ministry of Social Development and Te Puni Kōkiri.
- 13 Agencies have been asked to confirm or update information and use the selection criteria described in paragraph 9 to verify inclusion or exclusion of their programmes. The range of information being compiled is listed in the appendix.
- 14 At the time of preparing this report, the stocktake of programmes is nearly complete. Participant information collected by the EET Secretariat and for programmes included in MSD's effectiveness evaluation will be added this week.
- 15 There is variability in some of the data eg, MSD financial data includes indirect cost expenditure whereas other agencies data is funding allocated in the year, not expenditure; evaluation methodology is quite different across agencies, and not all programmes have evaluation information. While this variability should not affect the analysis of gaps at a high level, it may limit conclusions that can be drawn about the effectiveness of current spending beyond the work already undertaken on the MSD programmes.

A draft literature scan provides some evidence about what types of ALMPs are effective, for whom and under what circumstances

- 16 A brief scan of effectiveness evidence has been drafted drawing primarily on a literature review completed by the Treasury in late May 2020 and a forthcoming MSD review of the effectiveness of its employment assistance products. Feedback is currently being sought on this scan.
- 17 The effectiveness review provides evidence to guide analysis of the stocktake and consideration of whether there are gaps in New Zealand's ALMP system.
- 18 Different types of ALMPs have different objectives and different timeframes in which evidence of outcomes can be assessed, and some types of ALMPs work better in economic recessions. Considering what types of ALMPs are effective, under what circumstances, for what characteristics of need are necessary variables to include in analysis of the current ALMP supply and identification of any gaps in that supply now, or in future.
- 19 Ministers also requested that the literature review benchmark New Zealand against other countries. This work is yet to be completed. The intention is to draw on OECD analysis as reported by the Productivity Commission.

Officials are exploring options to undertake a gap analysis

- 20 The ALMP Review working group has begun discussion of possible approaches for assessing whether there are gaps in the current suite of ALMPs, and if so, for whom. This discussion has included the following considerations:
 - 20.1 The needs of people affected by future changes in the labour market such as climate change, technological changes
 - 20.2 The impact of proposed policy changes such as social unemployment insurance

² Department of Conservation, Ministry for the Environment, Ministry for Primary Industries and Land Information New Zealand all provided some or all relevant information through the Jobs for Nature Secretariat.

- 20.3 Understanding what population groups currently experience the highest levels of unemployment, underemployment, poor attachment and poor outcomes (proportionately)
 - 20.4 Understanding what interventions work most effectively to meet what needs or address what barriers
 - 20.5 Understanding what mechanisms are currently in place to enable programme providers to respond to changing labour market circumstances, and if there is variability in the speed at which change can occur for different types of interventions
 - 20.6 Understanding how the types of interventions available needs to change with different labour market circumstances, and what changes would be required to make current interventions provide an effective response in different labour market conditions.
- 21 The stocktake primarily includes programmes that agencies have a view on at national level. There are challenges with understanding regional or community initiatives – services that are local and specific to community contexts, including iwi-led or marae-led services and which don't get evaluated at a national scale. It has therefore become apparent that the gap analysis will need to take a national-level approach in the first instance.
 - 22 The quantum of regional/local expenditure, types of programmes and who participates in them is also generally not included in the stocktake. However, it is recognised that these programmes could provide individualised, targeted supports specific to local needs that may well provide effective interventions.
 - 23 There may be ways that insights about locally specific programmes and the contribution they make to filling any gaps identified could be included in the analysis. For example, local intelligence may be available from the Regional Skills Leadership Groups, Regional Public Service Leads, or other local level mechanisms, which could provide a useful second step in the gap analysis process. The related work programme underway by TPK/EET secretariat is also likely to provide insights about effectiveness for Māori.
 - 24 Assessment of adequacy of scale may not be immediately possible without access to data that would provide an understanding of the scale of assistance needed in the future. It is possible some interventions currently available are effective but are not at a scale to meet the need.
 - 25 There are several other work programmes underway that may also provide useful insights that can inform the gaps analysis. The Independent Reference Group for the Māori Employment Action Plan are reporting to Minister Sepuloni on 31 August. The resulting Action Plan, and the other Action Plans under-development may identify gaps in ALMPs, or groups of people currently not receiving support.
 - 26 EET Ministers are expecting a briefing for their meeting of 23 September that will provide the definition, stocktake, identification of gaps, analysis of which gaps need to be filled and a targeted literature review benchmarked against other countries. Resource constraints have affected work towards this briefing. While most of the content will be available, it is likely the gaps analysis will be an initial indication and that further work will be required to finalise this advice, including analysis of which gaps needs to be filled.

Next steps

- 27 We are completing the stocktake and beginning work on the gap analysis and are aiming to share the first findings with EET DCEs at your meeting.

- 28 A draft briefing will be provided to DCEs on 3 September and to EET CEs on 7 September.

Author: Out of scope, Senior Policy Analyst, MSD Employment and Labour Market policy

Responsible managers: Anne Riley, Manager, MSD Employment and Housing Policy

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Appendix

Information collected for the Stocktake

- Name and brief description of programme
- Type of programme (with forced selection choices being Information and Advice, Job Brokerage and Placement, Work-related education and training, Financial support, Job Creation)
- Key features eg, pastoral care, mentoring or coaching
- Primary objective of the programme
- Participation period (if limited)
- Target or focus group eg Māori, youth, newly redundant workers
- Specific eligibility criteria (if any)
- Where is this programme or service available? (identifies programmes available in specific regions or nationally)
- Actual number of participants during 2020/2021
- Funding allocated in 2020/2021
- Duration of funding/appropriation
- Formally evaluated (yes/no)
- Any other evidence of effectiveness
- Any other comments or information relevant to the ALMP review criteria including participant demographics

Employment, Education and Training

DCE, Business NZ & NZCTU agenda

Friday, 27 August 2021, 09:15 – 10:00am

Zoom link in invitation

Chair:

Nic Blakeley

Deputy Chief Executive, Ministry of Social Development and
Chair of EET DCE Steering Group

Invitees:

Kirk Hope

Chief Executive, Business NZ

Richard Wagstaff

President, NZCTU

Paul MacKay

Manager - Employment Relations Policy, Business NZ

Craig Renney

Policy Director & Economist, NZCTU

Rachel Simpson

Manager for Education, Skills and Immigration, Business NZ

Simon MacPherson

Deputy Chief Executive, Ministry of Social Development

Andy Jackson

Deputy Secretary, Ministry of Education

Hamiora Bowkett

Deputy Secretary, Te Puni Kōkiri

Ruth Isaac

General Manager, Ministry of Business, Innovation and
Employment

Rebecca Barnes

Director, Ministry for Women

Oliver Sangster

Programme Manager, Ministry for the Environment

Mark Greening

Tertiary Education Commission (on behalf of Gillian
Dudgeon)

Michelle Kynaston

Policy Manager, EET Secretariat

Officials

Relevant Officials for agenda items #1 and #2

Apologies:

Gillian Dudgeon

Deputy Chief Executive, Tertiary Education Commission

Geoff Short

Deputy Secretary, Te Puni Kōkiri

Nick Carroll

Manager, Treasury

Agenda Items:

Time	Item	Papers	Lead
Out of scope			

	Time	Item	Papers	Lead
3	15 mins	Review of Active Labour Market Programmes <ul style="list-style-type: none"> • Discuss and provide feedback on the definition and scope of the Active Labour Market Programmes work and progress to date • Note that officials are seeking a workshop with Social Partners to discuss the definition and scope in more detail 	Attached (p 9)	Chair

Out of scope

Actions:

#	Description	Who	Due	Status
Out of scope				

Upcoming Meetings:

Friday, 1 October, 9.15am – 10.00am

Friday, 29 October, 9.15am – 10.00am

Friday, 26 November, 9.15am – 10.00am

Cover note for Social Partners

Update on the cross-agency Review of Active Labour Market Programmes (ALMPs)

For DCEs meeting 27 August 2021 with Social Partners

1. EET Ministers have agreed the objectives, scope and timeline for the Review of Active Labour Market Programmes that is being undertaken jointly by Ministry of Social Development (MSD), the Ministry of Business Innovation and Employment (MBIE), and the Ministry of Education (MoE). Te Puni Kokiri has also joined the Working Group. Governance for this work is being provided by the EET structure. The attached report, a version of which was provided to EET DCEs last week, provides an update on progress against the agreed work programme to date.
2. Progress against the work programme is largely on track: a working definition has been agreed to progress the work and an initial scan of international and domestic literature on ALMP effectiveness is also being developed. A stocktake of ALMPs is also nearly completed.
3. Last week, EET DCEs agreed that the first briefing to EET Ministers on 23 September should provide a preliminary sense of how the gap analysis is being approached, including how gaps are being identified and engaged with. DCEs also noted that the gap analysis should be grounded in international and domestic literature on what interventions are most effective and agreed that this analysis be undertaken at a national, rather than regional, level.
4. In this meeting we are seeking your initial feedback on the definition and scope of the ALMP work and the work completed to date.
5. As we are committed to working in partnership with you, we plan to set up a workshop next week to work through the following aspects of the work in more depth:
 - the working definition and scope of ALMPs included in the Review (which is informing the current stocktake)
 - the approach to the gap analysis
 - input to the literature scan on the effectiveness of ALMPs (a working draft will be distributed ahead of the workshop)
 - any other issues you would like to include in the workshop to inform the ongoing work.



MINISTRY OF BUSINESS,
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HĪKINA WHAKATUTUKI



BRIEFING

Future of Work Tripartite Forum Governance Group Meeting,
9 September 2021

Out of Scope

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BRIEFING



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

Future of Work Tripartite Forum Governance Group Meeting, 9
September 2021

Out of Scope

The social partners are very interested in the ongoing review of active labour market policies. Officials briefed social partners on the work on 27 August, and held a follow up workshop on 3 September. Ministers will discuss this work further at the Employment, Education and Training Ministerial Group meeting on 23 September.

Out of Scope

Out of Scope

Review of active labour market policies (ALMPs)	<p>In October 2019, Ministers agreed to the scope and timing of a First Principles Review of Active Labour Market Policies. This work was prompted by a recommendation from the Welfare Expert Advisory Group to establish effective employment services and to revamp ALMPs across government (recommendations 35 and 36).</p> <p>In Budget 2020, the Government invested in a number of initiatives intended to respond to COVID-19, which are overseen by the Employment, Education and Training (EET) Ministerial Group.</p>	<p>EET Ministers have agreed to the objectives, scope and timeframes for a review of ALMPs. This review moves away from a first principles review to a short-to-medium term work programme that will enhance understanding of what ALMPs work well and for whom, to inform policy development and resource allocation going forward. Agencies are engaging with social partners at key milestones, including through a workshop on 3 September, to incorporate their feedback into the review. The first report will be provided to EET Ministers on 23 September 2021.</p> <p>Progress against the work programme to date includes:</p> <ul style="list-style-type: none">• information to EET Ministers and social partners on existing ALMPs and the initiatives implemented in response to COVID-19.	MBIE/MSD/ MoE
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- | | | | |
|--|--|---|--|
| | | <ul style="list-style-type: none">• the development of an agreed working definition of ALMPs to frame the Review• an initial draft scan of international and domestic literature on ALMP effectiveness• a stocktake of ALMPs across agencies (almost complete). | |
|--|--|---|--|

Out of Scope

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Item 4: Active Labour Market Programmes Review

8. This paper provides an update on the review of Active Labour Market Policies project and gaps analysis that was agreed by EET earlier in the year. It is the first of two planned papers to present the gaps analysis and develop a set of overarching principles to guide future ALMP investment.
9. It outlines a proposed definition of ALMPs for the purposes of this work, summarises a literature scan on ALMP evidence and effectiveness that was completed as part of the project, summaries views

from social partners from a workshop held with EET DCEs on 3 September and outlines work to date on the gaps analysis.

10. Due to resource constraints and shifting priorities due to COVID alert level changes, the gap analysis is not as far progressed as intended. The paper outlines some of the current data limitations that are still being addressed to provide a comprehensive view of the type and scale of ALMP provision across government. It also supplements the gap analysis with findings from related work programmes, including the Employment Strategy Action Plans that are currently completed or under development.
11. The paper seeks DCEs views on next steps in the project in light of these delays:
 - a. A standalone paper on the gaps analysis could be produced for the end of the calendar year; or
 - b. The gaps analysis could be included in the planned second paper that is also intended to set out principles for ALMP investment.
12. Officials also intend to raise at the meeting whether the current paper should be provided to EET Ministers on 23 September, potentially as an update item rather than for discussion given the progress of the gaps analysis.
13. You may wish to raise the following points:
 - a. We agree that the gaps analysis should be progress through the planned second paper that would also set out principles for ALMP investment.
 - b. We consider that the current paper could be provided as an update item to Ministers for noting at their next meeting, rather than for discussion given the gaps analysis has not yet progressed as far as originally planned.

Out of Scope



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**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HIKINA WHAKATUTUKI



MINISTRY OF EDUCATION
TE TĀHUHU O TE MĀTAURANGA

Report

Date: 23 September 2021 **Security Level:** IN CONFIDENCE

To: Hon Chris Hipkins, Minister of Education (Co-Chair)
Hon Carmel Sepuloni, Minister for Social Development and Employment (Co-Chair)
Hon Damien O'Connor, Minister of Agriculture
Hon Stuart Nash, Minister for Economic and Regional Development, Tourism
Hon Kris Faafoi, Minister of Immigration
Hon Willie Jackson, Minister for Māori Development
Hon Jan Tinetti, Minister for Women
Hon Michael Wood, Minister of Workplace Relations and Safety

Review of Active Labour Market Programmes

Purpose of the report

- 1 This paper provides an update on a cross-agency Review of Active Labour Market Programmes (ALMPs). It discusses the definition of ALMPs being used for the Review and provides findings from a targeted literature scan and initial insights from a stocktake of current ALMPs.

Executive summary

- 2 Employment, Education and Training (EET) Ministers have agreed to the objectives, scope and timeline for a cross-agency Review of Active Labour Market Programmes.
- 3 The key outputs from this Review will be agreement on any gaps in our ALMP system and how these gaps should be treated, and agreement on overarching principles to guide the effective allocation of spending on new and existing ALMPs including setting direction on addressing issues in monitoring and evaluation across government.

Definition of ALMP used for this Review

- 4 Definitions of ALMPs vary internationally, as do the range of programmes included. The definition agencies have agreed on for this Review is a modified version of the OECD's:
"Government funded or provided interventions that actively assist people into employment (including removing barriers to their ability to get or retain a job, or to move between jobs), increases earning capacity and improves the functioning of the labour market."
- 5 Use of this definition is underpinned by four principles and five criteria that are consistent with Government's Employment Strategy and are being used to guide the work programme.

- 6 Social partners (BusinessNZ and the New Zealand Council of Trade Unions) are broadly in agreement with this definition framework.

Overview of current ALMPs

- 7 A stocktake of ALMPs currently available from 13 government agencies has been completed to enable assessment of whether and where there might be gaps in the ALMPs available to support people now and in future.
- 8 This stocktake collected information including target or focus group, reach of programme by location, funding allocated or expended, and numbers of participants, and evidence of effectiveness where available.
- 9 An initial assessment of current ALMPs has been supported by a brief scan of literature providing evidence of what works internationally and in New Zealand. This targeted literature review has been supplemented by information from other work programmes including the Employment Action Plans, the Long-term Insights Briefing about Youth at Risk of Limited Employment, and MSD's ongoing work on its employment investment.

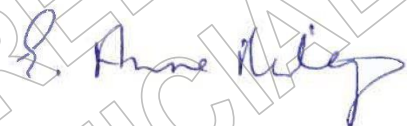
Next steps

- 10 Officials will undertake more detailed analysis of the stocktake, supported by supplementary information including information on the barriers to entering and remaining in the labour force that individuals' face, where possible. This analysis will enable assessment of the current suite of ALMPs in order to provide advice about gaps that need to be addressed by government.

Recommended actions

It is recommended that you:

- 1 **note** progress on the agreed ALMP Review work programme
- 2 **note** that further advice will be provided on 16 December 2021 that will include advice about gaps in ALMPs and which of these gaps should be addressed, and advice on principles to guide effective spending on new and existing ALMPs across government



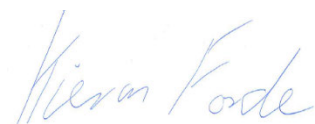
Anne Riley
Manager, Employment and Housing Policy
Ministry of Social Development

16/9/2021



Libby Gerard
Manager Employment Policy,
**Ministry of Business, Innovation
and Employment**

16/9/2021



Kieran Forde
Senior Policy Manager (Acting),
**Tertiary Education Policy, Ministry of
Education**

16/9/2021

Background

- 11 On 1 July, EET Ministers agreed to the objectives, scope, and timeline for the Review of Active Labour Market Programmes (the Review). The key outputs from the Review will be agreement on any gaps in our ALMP system and how these gaps should be treated, and agreement on overarching principles to guide the effective allocation of spending on new and existing ALMPs.
- 12 Officials from the Ministry of Social Development (MSD), the Ministry of Business Innovation and Employment (MBIE), and the Ministry of Education (MoE) have formed a cross-agency working group to jointly progress this work, supported by the Treasury (TSY), Te Puni Kōkiri (TPK) and the Employment, Education and Training (EET) Secretariat.
- 13 The Review builds on earlier work by MSD¹ and the EET Secretariat² which analysed ALMP investment in the context of COVID-related economic recovery and rebuilding.
- 14 Where appropriate and practicable, the Review makes use of, and feeds into related work such as the Employment Strategy action, the Employment Action plans, the Long-term Insights briefing about youth at risk of limited employment, the EET/TPK Review of effectiveness for Māori, and MSD's ongoing work on its employment investment. It is expected that this Review will also be of value for the Social Unemployment Insurance discussion and design, and the immigration rebalance work.
- 15 Maintaining connections with other work underway across government will enhance cohesion across these different work programmes and, alongside engagement with Government's social partners (BusinessNZ and the New Zealand Council of Trade Unions) and promote a coordinated approach.
- 16 This briefing provides information on the stocktake that we have undertaken and some insights from our initial analysis of that stocktake. Further advice will be provided to Ministers covering:
 - 16.1 Identification of any gaps in the current suite of ALMPs available across government (including what services are offered, where and to whom) and providing advice about which gaps need to be addressed (16 December 2021),
 - 16.2 Providing advice on principles to guide effective spending on new and existing ALMPs across government with a focus on participation outcomes, and detailed advice on addressing specific gaps (16 December 2021), and
 - 16.3 Setting direction on addressing issues in the monitoring and evaluation system such as consistency of data collection and data security (early-mid 2022).

Definitions of ALMPs vary around the world

- 17 Active Labour Market Programmes (ALMPs) are often broadly defined and can refer to a range of interventions.
- 18 The OECD, for example, defines ALMPs as "all social expenditure (other than education) which is aimed at the improvement of the recipients' prospect of finding gainful employment or to otherwise increase their earnings capacity". In practice, countries can only report back to the OECD on interventions that target particular cohorts and fit in prescribed reporting categories.

¹ Active Labour Market Programmes and Policies: Responding to COVID-19, Report to Ministers on 4 May 2020

² Mapping of EET services and supports to target cohorts updated on 30 November 2020

- 19 The International Labour Organisation (ILO) adopts a broader scope for training programmes by including such programmes as general life skills training and non-cognitive skill development in addition to employment-specific courses.
- 20 Finally, the New Zealand Productivity Commission offers an employment-focused definition by categorising ALMPs as those that “help people into employment or stay employed”.
- 21 The definition being used for this ALMP Review is primarily derived from the OECD definition, to enable easier comparison with other countries given New Zealand’s reporting responsibilities to the OECD. However, we have restricted the definition for this Review to programmes rather than broad policies (such as pay equity) and allowed some initiatives that remove barriers to employment but that are excluded by the OECD (such as targeted childcare assistance or driver licensing programmes). This definition is also broadly consistent with that used in the draft discussion document about Social Unemployment Insurance³.

Definition for the ALMP Review

- 22 The definition being used for this Review is ‘Government funded or provided interventions that actively assist people into employment (including removing barriers to their ability to get or retain a job, or to move between jobs), increases earning capacity and improves the functioning of the labour market.’
- 23 We have classified ALMPs into the following broad categories:
 - a. **Information and advice**, including careers advice, job search techniques, and assistance with writing a CV.
 - b. **Job brokerage and placement/matching**, including employment-related case management and wrap-around services.
 - c. **Work-related education and training**, including work readiness and mid-career upskilling or retraining.
 - d. **Financial support**, including grants to individuals that remove barriers to work or training, and wage or training subsidies to employers.
 - e. **Job Creation** initiatives including self-employment start-up support.
- 24 Four principles form the foundation of the definition being used:
 - i. Paid employment is a fundamental source of wellbeing for individuals, families, and communities.
 - ii. For many New Zealanders the labour market functions well but some groups need additional support to enter, re-enter, move within or remain in the labour market.
 - iii. The costs of labour market failure extend beyond individuals and creates social and economic costs.
 - iv. Government intervenes in the labour market to promote efficiency, increase productivity, and enable more equitable labour market outcomes.
- 25 Criteria have also been developed to clarify the intent of the definition. These criteria are consistent with Government’s Employment Strategy and will be used to guide all aspects of the Review work programme. Programmes have been included in the Review that:
 - 25.1 Have a labour market objective as a primary purpose.

³ Social Unemployment Insurance Draft Discussion Document 21 June 2021

- 25.2 Are designed for and targeted to support people who are at risk of poor labour market outcomes such as unemployment, under-employment, or poor-quality employment.
 - 25.3 Exert an influence on or effect a change in known distributional issues in the labour market such as gender-bias at industry level, ethnicity-bias at skill level.
 - 25.4 Exert an influence on or effect a change in the recipient's ability to find and keep a job (removes barriers to employment, addresses life-course disadvantage).
 - 25.5 Are not generally available in the private sector for people who are at risk of poor outcomes / disadvantaged in the labour market because of affordability or market failure.
- 26 Although there are five selection criteria, in practice criteria 25.1 and 25.2 have been the primary focus for the stocktake of current ALMPs, and the three remaining criteria will support tasks through the rest of the work programme.

Discussion with social partners

- 27 In our discussions with social partners, they recommended that ALMPs should focus on supporting people into 'good' jobs that increase earning capacity, rather than having employment as the sole objective. This includes supporting people to acquire the skills and credentials that enable them to work in sustainable, well-paid jobs that match their aspirations, and that offer good conditions and prospects for advancement.
- 28 The working group agrees that this should be an aspiration for our suite of ALMPs, but it does not reflect current practice for all ALMPs. We intend to consider the objective of supporting people into 'good jobs that increase earning capacity' as part of the gaps analysis and when developing principles to guide the effective allocation of spending on new and existing ALMPs in future.
- 29 Social partners also noted that previous papers about ALMPs included initiatives that do not involve active intervention or interaction eg, grants, self-directed services like careers advice websites. However, some of these types of initiatives have been included in this Review where it was assessed that they remove barriers to getting work or staying in a job, consistent with the criteria in 25.4 above (eg, vehicle modification grant, childcare assistance) or support better functioning of the labour market through providing information to the public that supports employment-related decision making (eg, careers advice and labour market information websites).

Limitations on what can be achieved by ALMPs

- 30 It is recognised that ALMPs are a useful tool for governments to address some issues in the labour market through targeting support on both the supply and demand side. This includes working with employers to encourage workplace practices that support employment outcomes. However, ALMPs are not the right interventions for all issues, and solutions sit across different parts of the system.
- 31 Labour market failure through inequitable employment outcomes extends to systemic and structural issues that result in intergenerational disadvantage and persistent inequities for certain groups across the broader education, employment, and training system eg, Māori, Pacific peoples. It is likely these systemic and structural issues will persist alongside new challenges caused by the uneven effects of COVID-19 disruptions and global challenges like climate change, technological development, and automation.
- 32 ALMPs can contribute to resolving uneven employment outcomes across New Zealand's working population but will not be able to address disparate outcomes that have compounded from prior life stage challenges, or across generations. The ideal mix of ALMPs will need to be considered in the context of the wider determinants and drivers of successful labour market outcomes.

There is international and national evidence to guide our Review

- 33 ALMPs are inherently difficult to evaluate and compare, and this limits the strength of any policy conclusions from the literature. However, the international and New Zealand evidence scanned does suggest that clear targeting and tailored support measures are key to successful programmes.⁴ This enables recognition of the range of possible barriers that individuals face in relation to labour market attachment. These can range from skills gaps, non-work commitments, reduced ability to engage in job searches, and motivational issues to discrimination and health or disability considerations.
- 34 Programmes that integrate several interventions and supports are most effective for those facing multiple barriers in the labour market such as young people and disabled people.⁵ Such interventions could range from training to counselling, pastoral care, coaching, and income support.⁶ In addition, even where ALMPs make a statistically low contribution to employment outcomes overall, they play an important role in assisting those furthest from the labour market into paid work.
- 35 Short-term, skills-focused and culturally appropriate training programmes – particularly those that include an “on the job” component – tend to perform well.⁷ These are generally specific to industry and employer needs and more likely to make a positive impact on labour market participation.⁸ On the other hand, longer-term and generalised classroom-based training ALMPs can have poor results, particularly if not strongly linked to broader labour market demand.
- 36 Poor outcomes can also be attributed to a combination of lock-in effects such as decreased job-search intensity and a diminished willingness to accept a job offer.⁹ However, often ALMP studies have short follow up periods that mean human capital development programmes are penalised by their lock in effect with no account given to their longer-term benefits. New Zealand is unusual in that effectiveness analysis (of MSD employment assistance programmes) is updated to include longer run impacts thereby providing better balance between short and long run impacts.

ALMP effectiveness is dependent on the broader economic and structural context

- 37 ALMPs that are unsuccessful in periods of high employment may be successful in an economic downturn, and vice-versa, due to the differing likelihoods of indirect impacts such as the displacement effect. In a downturn it can be more advantageous to invest in longer-term training to raise human capital while new job opportunities are low. Furthermore, lock-in effects usually associated with training programmes are less of an issue during times of weak labour demand.¹⁰ On the other hand, in periods of economic growth, the Government may wish to prioritise helping people to move more quickly into work.
- 38 Climate change, automation, globalisation and demographic changes are megatrends already affecting the labour market in both the tasks and kinds of skills needed

⁴ McGirr and Earle (2019) “Not just about NEETs: a rapid review of evidence on what works for youth at risk of limited employment”; Malo (2018) “Finding proactive features in labour market policies: a reflection based on the evidence, International Labour Office: Research Paper”, *International Labour Office: Research Paper*

⁵ Kluve, Puerto, Robalino et al. (2019). “Do youth employment programs improve labor market outcomes? A quantitative review”. *World Development* 114, 237–253.

⁶ Income support is included in the OECD definition of an ALMP but is out of scope for this Review. Levels of income support have a bearing on the effectiveness of ALMPs.

⁷ Immervoll, H, Scarpetta, S., (2012) Activation and employment support policies in OECD countries. An overview of current approaches, IZA J Labor Policy, 1, 9

⁸ Note that this analysis has found little evidence about the impacts of ALMPs on employers’ behaviour.

⁹ OECD (2021) “[Designing active labour market policies for the recovery](https://www.oecd.org/designing-active-labour-market-policies-for-the-recovery/)” ([oecd.org](https://www.oecd.org/))

¹⁰ OECD (2021) [Designing active labour market policies for the recovery](https://www.oecd.org/designing-active-labour-market-policies-for-the-recovery/) ([oecd.org](https://www.oecd.org/))

across industries. Targeted skill development strategies to cater for these changes will need to support adaptation and in-work reskilling within affected industries as well as supporting displaced workers to transition into sustainable sectors.

- 39 Additionally, expected demographic changes are likely to affect the skills requirements of the ageing labour force, including increased technological competencies and the skills required to face increased demand in caring professions.
- 40 Such shifts can result in skills mismatches and a labour force that is ill equipped to meet industry needs. ALMPs will be needed to assist with upskilling, reskilling, and to provide coordinated and tailored job matching support. It will also be important for ALMPs to continue to support people who need to acquire key foundational skills such as job-readiness, literacy, numeracy, digital skills and interpersonal skills, to enable a workforce that is flexible and adaptable to change.

There are complexities that affect comparison of spend on ALMPs by different countries

- 41 According to the New Zealand Productivity Commission's analysis of OECD reporting, New Zealand's reported spending on ALMPs as a share of GDP is at the lower end of that reported across OECD countries, but is higher than other "Anglosphere" countries like the United States, Australia and Canada.
- 42 New Zealand's reported spending on ALMPs fell from 0.37% of GDP in 2004 to 0.29% in 2016 – significantly lower than the reported spend of France, Sweden, Hungary and Denmark, each of which exceeded 0.8% of GDP in 2016. The composition of spending in these countries is also different to New Zealand in that they tend to spend more on wage subsidies and training whereas nearly half of New Zealand's ALMP spend (pre-COVID) goes towards job placements and related services. Subsidised public works schemes are popular in EU areas, although these are consistently found to be ineffective. These types of programmes are not run to the same scale in New Zealand other than for time-limited periods in response to economic shocks such as the global financial crisis.
- 43 Cross-country comparisons of ALMP spending should be interpreted with caution however, for several reasons. First, countries with higher unemployment rates (especially long-term unemployment) will tend to spend more on policies to support people into employment. New Zealand's ALMP spending per unemployed person is much closer to the OECD average. Second, higher spending does not necessarily translate into higher effectiveness. And third, ALMP spending estimates exclude policies with similar objectives to ALMPs but with broader eligibility or coverage (such as general employment supports and tertiary education).
- 44 Even where ALMPs are effective, the effect sizes are typically small. Ongoing rigorous evaluation of interventions is crucial to ensure that the ALMP spend is allocated towards those interventions most likely to have a positive impact.¹¹ Future briefings from this Review will include principles to guide effective spending on new and existing ALMPs and advice on addressing issues of consistency of monitoring and evaluation across government.

We have completed a stocktake of ALMPs

- 45 To support the Review, we have carried out an initial stocktake of ALMPs across government and have identified about 120 ALMPs administered across 13 agencies that fall within scope of our working definition.

¹¹ The Effectiveness of Active Labor Market Policies: A Meta-Analysis
<https://onlinelibrary.wiley.com/doi/full/10.1111/joes.12269>

- 46 An overview of the mix of ALMPs by administering agency, type of service or support and target group is attached as Appendix one, while Appendix two provides a detailed list with descriptions of ALMPs captured in the stocktake.
- 47 The stocktake has not yet explicitly included vocational rehabilitation programmes. These are largely provided by ACC to people who have experienced a work limiting accident. People with work-limiting health conditions and disabilities make up a high proportion of people receiving benefits. Although they may face a range of barriers to employment that affect them to varying degrees, unlike ACC, MSD and the Ministry of Health do not have a vocational rehabilitation focus on people with health conditions and disabilities. Spending on ALMPs is lower for recipients of health and disability benefits than it is for other groups of working-age benefit recipients¹². While recognising that not everyone in this situation needs an intensive, integrated response, consideration of the need for vocational rehabilitation will be included in the gap analysis.
- 48 ALMPs have been grouped into five categories, as described in paragraph 23. We have also categorised ALMPs using the following metrics to inform the gaps analysis:
- a. Target or focus group
 - b. Whether an ALMP is primarily focused as a supply-side or demand-side initiative
 - c. Expenditure
 - d. Number of participants
 - e. Operating region or regions
 - f. Whether the ALMP has been formally evaluated through a planned, systematic formative or impact assessment
 - g. Findings of any evaluation.
- 49 It is important to note that there are currently significant data limitations in the stocktake that has limited our ability to analyse and compare ALMPs.
- 50 Additionally, while the stocktake includes some programmes provided in specific regions through national office managed funding, it has not included ALMPs funded and administered by regional offices within agencies. Some gaps in certain regions may be filled or partially filled by these initiatives.
- 51 Initial insights from the stocktake are provided below. At this stage Ministers should treat these insights as indicative.

Initial insights from the Stocktake

- 52 ALMPs often focus either on labour supply (workers) or labour demand (jobs). While the majority of current ALMPs in New Zealand focus on job seekers needs, a growing number of programmes take a combined approach, supporting employers to identify the skill needs for their business, coupling this with skill-based training programmes and placement for job seekers, and providing 'pastoral care' for both employer and job-seeker to enhance the likelihood of a positive outcome for both parties.
- 53 The majority of current ALMPs in New Zealand are targeted at people receiving a benefit and people with high barriers to employment. However, response to COVID has increased the number and range of interventions supporting people who are newly displaced or at risk of displacement in an economic recession.

¹² <http://www.weag.govt.nz/assets/documents/WEAG-report/background-documents/d820b16862/HCD-and-welfare-system-010419.pdf>

- 54 Demand-side programmes generally aim to increase the number of jobs available – job creation programmes – and are often used by governments to counter the impact of economic recessions. This has been evident in the growth of job creation ALMPs since March 2020, in response to the economic impacts of COVID-9. Other programmes that have a ‘demand-side’ focus include financial incentives like wage subsidies, work brokerage, and social procurement initiatives.
- 55 ALMPs on the demand and supply side may be delivered directly by government, through contracts with third parties such as NGOs or through funding employers directly. ALMPs have historically been provided face-to-face or by phone. Advancements in access to digital communication has led to a growing number of programmes offered through digital means, such as websites with online chat features, text and email.
- 56 The largest category of programmes by number¹³ is work-related education and training (35 programmes), followed by job brokerage and placement (including case management and wrap-around services - 25 programmes), financial support (24 programmes including wage subsidies to employers), and information and advice (including some self-directed supports - 13 programmes).
- 57 Evidence from the literature scan suggests that in-work, skills-based ALMPs are generally effective. Work-related education and training programmes include:
- 57.1 Skill development and work readiness options such as MSD’s ‘training for work’ and ‘skills for industry’ that provide participants with industry specific skills linked directly to job placement and, for participants in the ‘training for work’ programme, post placement support.
 - 57.2 Apprenticeship and trades training options such as MoE’s Māori and Pasifika Trades Training that provides fees-free tertiary places for Māori and Pasifika learners aged between 16 and 40 to achieve in pre-trades training and progress to sustainable trades or trades-related employment (including NZ Apprenticeships), and MBIE’s Regional Apprenticeships programme that works across different regions in New Zealand to help local people find apprenticeships and obtain trade-based qualifications and other work-related support like driver licences, with a focus on assisting small to medium enterprises and providing pastoral care and giving support to these employers.
- 58 Information and advice programmes are largely provided by MSD and support work readiness and job search success for its clients. For example, ‘work search support seminars and workshops’ where participants are supported to develop a CV and job interview skills, learn about opportunities available in different industries in their community, and general life skills, such as budgeting and debt management.
- 59 These types of support services have been expanded as part of Government’s response to COVID, to provide support to people recently displaced or at risk of displacement. MSD’s ‘Rapid Return to Work’ service is one example of an ‘active’ service developed in this context; the ‘Connected’ website and development of the careers and skills assessment online service ‘Tiro Whetū’ are examples of self-directed¹⁴ services.
- 60 One of the challenges in categorising ALMPs is that individuals’ needs are often multi-faceted and tailoring services to meet multi-faceted needs makes the use of siloed

¹³ The level of investment across the different types of ALMPs has yet to be assessed. Analysis of supply versus demand or need is also yet to be undertaken.

¹⁴ A self-directed service is one that can be accessed without interaction with another person. These services are often publicly available and support better functioning of the labour market by providing information to the public (employers and jobseekers) that supports employment-related decision making.

classifications inadequate. However, the stocktake has identified a range of initiatives that provide multiple forms of support depending on participant needs (wrap-around services). Examples include:

- 60.1 MSD's employment case management service that generally works with people on benefits with work obligations to assess their work readiness, develop a plan of support and action to get a job including accessing ALMPs and other support as needed.
- 60.2 He Poutama Rangatahi and He Poutama Taitamariki provide an individualised, wrap-around case management service to support people into sustainable employment. The service may include work-related training and 'pastoral care' for participants and their employer post-placement.
- 60.3 Individual Placement Support is an evidence-based practice that integrates employment and mental health services to support people with severe mental health conditions to find and stay in work. The service includes an employment consultant who works within a mental health team to support participants. There are a number of other similar, location specific services provided under the Oranga Mahi banner.
- 60.4 Toloa In-work support programme is a pilot programme in Auckland that provides internship opportunities for Pacific youth to help them successfully enter sustainable employment in science, technology, engineering or mathematics related sectors. The service includes wraparound Pacific-centric pastoral care support, and professional and personal mentoring.

Supporting transitions between jobs, including when roles are affected by structural shifts such as the transition to a low emissions economy

- 61 The current suite of ALMPs include some programmes that can support people at risk of losing their jobs, or who have recently lost their jobs. Some of these programmes were established rapidly in response to the impact of COVID in early 2020. Although it is too early to formally evaluate these programmes, there is anecdotal evidence of their success from client and employer surveys.
- 62 These programmes range from self-directed, publicly available services such as TEC's careers website and Tiro Whetū (in development), and online short training courses such as those available through MSD's 'Work the Seasons' and 'MySkill' programmes, through to short-term case management type services such as MSD's Rapid Return to Work and Rapid/Early response service.

Several concurrent work streams also provide insights to inform this Review

Employment Strategy and Employment Action Plans

- 63 The All-of-Government Employment Strategy has seven population-focused Action Plans to enable the objectives of the Strategy to be achieved for groups that have historically experienced poorer labour market outcomes.¹⁵ Of these, two have been completed and the remaining five are in active development.
- 64 s9(2)(f)(iv) . Most of the actions are focused on supporting an inclusive labour markets, building skilled workforces that meet business needs and responding to the changing nature of work in an equitable way.

¹⁵ Population-focused Action Plans have been developed or are in development for young people, disabled people and people with health conditions, Māori, Pacific Peoples, women, older workers and former refugees, recent migrants and ethnic communities.

- 65 ALMPs have featured heavily in the final and draft actions across all of the action plans, which have focused on:
- 65.1 Ensuring the availability, accessibility, and suitability of employment programmes,
 - 65.2 Engaging with the private sector to ensure that programmes provided across government are equipping people with the skills or attributes employers need, and that employers are supported to respond with welcoming attitudes and appropriate expectations when receiving people into the workplace, and
 - 65.3 Having the right tools, data and information sharing to understand what services are available and provide online support and information for the public.
- 66 Although the Women's Employment Action Plan is less developed than the other plans, Cabinet noted in April 2021 that without specific interventions that target women, in particular wāhine Māori and Pacific women, gaps in the immediate COVID-19 response and recovery programme of work risk further entrenching or exacerbating existing inequalities. s9(2)(f)(iv)
- 67 Some areas of greater need for support have been identified through community engagement in the development of the action plans to date and will also arise in the work on the Women's Employment Action Plan. All this information will contribute to the gap analysis.

Effectiveness of MSD's Employment Investment

- 68 MSD provides the largest proportion of ALMPs across government and is therefore in a critical position to influence labour market outcomes for a broad range of people, and employers/industries. New tools are being developed to enable investment and programme development decisions to be better informed by labour market information at both national and regional level. The right insights will support localised responses to identifying future employment opportunities and what is needed to support people into work. Collaborating with other regional groups will facilitate coordination of effort across central and local government, iwi/hapū and Māori business leaders, industry groups and employers, and training providers.
- 69 MSD's employment investment is underpinned by ongoing evaluation of employment assistance effectiveness. The forthcoming report on services provided during 2019/2020 tracks overall progress on delivering effective employment assistance interventions. It includes evaluation of half of MSDs expenditure on ALMPs. Of this expenditure, 79% was on programmes rated as promising or effective. Appendix three provides an overview of the methodology employed.

Long-term Insights Briefing About Youth at Risk of Limited Employment

- 70 Consultation from a range of stakeholders on MSD's employment investment and the long-term insights briefing about youth at risk of limited employment has identified the importance of:
- 70.1 Recognising employment is a means of supporting whole whanau/family well-being, not just individual focus, and the impact of intergenerational dependency, or intergenerational low-level employment/earnings,
 - 70.2 Ensuring programme design and funding reflect recognition of employment supporting wider well-being such as positive mental health outcomes,
 - 70.3 Building supports for both employers and employees that help people stay in work, the value of wrap-around programmes and adequate funding of these, and ensuring contracts allow services to flex to support non-employment outcomes but that help people to stay in work,
 - 70.4 Working with industry to plan for future employment needs,

- 70.5 The value of 'earn while you learn' initiatives, school-based traineeships and youth employability programmes provided while at school, with mentors/coaches that stick with young people from school into employment,
- 70.6 Navigator services and careers support, and
- 70.7 Foundational support for general life skills and building confidence eg driver licensing, financial literacy, personal hygiene, keeping a routine, motivation and developing a growth mindset.

Social Unemployment Insurance

- 71 Government will be consulting the public on a proposed social unemployment insurance scheme before the end of 2021. The proposed scheme would provide income replacement for a fixed period, and aims to minimise the immediate financial impact of losing income and work, for workers and their families, support the wider economy through economic shocks and help people return to good jobs.
- 72 It is proposed that the scheme would operate a client management system that would connect insurance claimants with support to find work, or to prepare for work. The scheme would also offer access to specialised employment case management where this would improve a worker's chances of getting a good job and may involve referring claimants to existing health and employment services.
- 73 It is expected that the products of this ALMP Review will provide useful information for the policy and design work yet to be undertaken for the proposed scheme. Consideration of the needs of any insurance claimants will be included in the gap analysis.

Other work programmes

- 74 The ALMP Review working group includes representatives from TPK to enable two-way sharing of resources and information developed through the ALMP Review work programme and the EET/TPK Māori workstream programme.
- 75 Members of the Review working group are also feeding into the immigration rebalance work, sharing relevant information to inform that advice.

Next steps

- 76 A gap analysis will be completed using information from the stocktake supplemented with the findings from the literature review and insights from related work such as the employment strategy action plans and long-term insights briefing.
- 77 The analysis will consider whether gaps in ALMPs result from lack of service, provision of service that is ineffective and therefore not meeting the need, insufficient service to respond to demand, service design that is effective for one cohort of people but not another, and constraints in funding and contracting mechanisms. This is expected to inform recommendations that could include modifying existing programmes to better meet specific needs, strengthening implementation to better reflect service design, and developing new programmes.
- 78 Advice from the gap analysis will be provided in a briefing on 16 December 2021 that will also identify principles to guide effective spending on new and existing ALMPs across government. Further advice is planned for early to mid-2022 about setting direction on addressing issues in monitoring and evaluation of ALMPs across government (for example, consistency of data collection and data security).
- 79 Governance by EET DCEs and engagement with social partners will continue as we progress the work programme.

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Appendix one

Current ALMPS by type and target/focus group

Key: Available in selected regions only

	Programmes with broad access	Māori	Pacific People	Youth	Disabled people and people with health conditions	Recently displaced or at risk of displacement	Women and sole parents	Older workers Migrants and former refugees Former offenders
Work-related education and training	<u>Skill development and work readiness</u> MSD Training for Work, Skills for Industry, Skills for Industry virtual reality, Enhanced taskforce Green, Work Confidence Courses, Driver licencing MBIE Te Ara Mahi MPI Transforming the Primary Sector Workforce <u>COVID-specific</u> MSD Skills for Industry - Construction Accord, Creative Careers Service <u>Self-employment</u> MSD Be your own Boss	<u>Skills development and Work readiness</u> MBIE Te Ara Mahi TPK Pae Aronui for Māori NEET MPI ManaiaSafe Forestry School, One Billion Trees Fund partnerships projects x 5 <u>Apprenticeships and Trades Training</u> MoE Māori and Pasifika Trades Training (up to age 40, incl. women) MBIE Regional Apprenticeships MSD Ngai Tahu managed apprenticeship & work readiness pgm (Yth), Māori Trades and Training Fund (Māori YP) <u>Career advancement support</u> TPK Supporting employment opportunities and development through cadetships	<u>Skills development and Work readiness</u> MPP Toloa - empowering Pacific participation in STEM, Tupu Aotearoa, Digital/Physical Hub MBIE Auckland Pacific Skills Shift TEC Pacific Work Connect <u>Apprenticeships and Trades Training</u> MoE Māori and Pasifika Trades Training (up to age 40, incl. women) MSD Ngai Tahu managed apprenticeship & work readiness pgm (Yth) MBIE Regional Apprenticeships	<u>Skills development and Work readiness</u> MSD Limited Service Volunteer, Driver licencing, CadetMax TPK Pae Aronui for Māori NEET <u>Apprenticeships and Trades Training</u> MBIE Regional Apprenticeships MSD Māori Trades and Training Fund (Māori YP), Ngai Tahu managed apprenticeship & work readiness pgm (Māori & Pasific) <u>COVID-specific</u> MoE Targeted training and apprenticeship fund (new apprentices), Support for group training schemes [existing apprentices]	<u>Skills development and Work readiness</u> MSD Activity in the Community <u>Apprenticeships and Trades Training</u> MBIE Regional Apprenticeships	<u>Self-employment</u> MSD Be your own Boss <u>COVID-specific</u> MSD / MoE Apprenticeship Boost Initiative, Creative Careers Service MBIE Regional Apprenticeships	<u>Apprenticeships and Trades Training</u> MoE Māori and Pasifika Trades Training (up to age 40, incl. women) <u>Skills development and Work readiness</u> MSD Activity in the Community	<u>Migrants and former refugees:</u> MSD Drivers licensing TEC Intensive Literacy and Numeracy ESOL, Work Connect programme MBIE Open road refugee driver training

	Programmes with broad access	Māori	Pacific People	Youth	Disabled people and people with health conditions	Recently displaced or at risk of displacement	Women and sole parents	Older workers Migrants and former refugees Former offenders
Job brokerage & placement, case management incl. wrap around	<u>Case management / wrap around support</u> MSD Employment case management, <u>Matching, placement, brokerage</u> MSD Employment placement or assistance initiatives, Jobs & Skills Hubs, Vacancy Placement (Part-time and Full-time) with work broker interaction, Virtual Job Expo, Job Connect (beneficiaries) <u>Support to stay in work</u> MSD In-Work support <u>COVID-specific</u> MPI Transforming the Primary Sector Workforce	<u>Case management / wrap around services</u> MSD/ Corrections/ TPK Paiheretia Te Muka Tangata	<u>Case management / wrap around services</u> MPP Tolua in work support programme (Yth)	<u>Case management / wrap around services</u> MSD He Poutama Rangatahi (& Taitamariki), Youth Service & Youth service for NEET Oranga Mahi – Take Charge (MH, Addictions) MPP Tolua in work support programme	<u>Case management / wrap around services</u> MSD Oranga Mahi (Here Toitū, REACH, Take Charge (Yth), Rākau Rangātira), Work to Wellness, Employment Service, Individual Placement Support (MH),	<u>Matching, placement, brokerage</u> MSD Virtual Job Expo Jobs & Skills Hubs, <u>COVID-specific</u> MPI Transforming the Primary Sector Workforce	<u>Case management / wrap around services</u> MSD Youth service for young parents	<u>Former offenders case management</u> MSD/ Corrections Supporting Offenders into Employment, Corrections This Way for Work MSD/ Corrections/ TPK Paiheretia Te Muka Tangata <u>Migrants and former refugees:</u> MSD Pathways to Employment MBIE Regional Newcomer Skills matching & job assistance services face-to-face & digital)
Information & Advice – active service	<u>Navigation, search, career and information services</u> MSD Work search and support seminars, Employment Centres (35 locations), Virtual Job Expo, Careers guidance & Counselling, Rapid Return to Work, Rapid / Early Response teams, AoG Connected 0800 line, Connected face-to-face (38 locations)			<u>Navigation, search, careers and information services</u> MSD Youth Seminars, Employment service in schools, Transition from School (disabled), Education-to-Employment brokers <u>Coaching</u> MSD Whitiki Tauā (virtual)	<u>Navigation, search, careers and information services</u> MSD Employment service in schools, Transition from School (Yth) <u>Coaching support to stay in work</u> MSD Puāwaitanga (phone & Digital)	<u>Navigation, search, careers and information services</u> MSD Rapid / Early Response teams, Rapid return to Work, Redundancy Support <u>Coaching</u> MSD Te Heke Mai (digital)		

	Programmes with broad access	Māori	Pacific People	Youth	Disabled people and people with health conditions	Recently displaced or at risk of displacement	Women and sole parents	Older workers Migrants and former refugees Former offenders
	Coaching MSD Te Heke Mai (digital) Whītiki Tauā (virtual)							
Information & Advice, & self-help training – self-directed services	MSD Work and Income online recruitment tool; Work the Seasons Click to enrol (digital) TEC Careers.govt.nz / Tiro Whetū AoG Connected website					TEC Careers.govt.nz / Tiro Whetū AoG Connected website	MSD Click to enrol (digital)	
Financial Support, incl. wage subsidies (some support is passive, as noted)	<u>Financial assistance to study/ train</u> MSD Course Participation Assistance <u>Remove barriers to getting a job</u> MSD Transition to Work Grant \$5k to work, New Zealand Seasonal Work Scheme <u>Wage Subsidies / employer incentives</u> MSD Flexi-wage, Flexi-wage project in the community, Mana in Mahi, MoE/MSD Apprenticeship Boost Initiative <u>Self-employment</u> Business training & advice grant, Flexi-wage self-employment	<u>Wage Subsidies / employer incentives</u> MBIE Regional Apprenticeships	<u>Wage Subsidies / employer incentives</u> MBIE Regional Apprenticeships	<u>Wage Subsidies / employer incentives</u> MBIE Regional Apprenticeships <u>Financial assistance to study/ train</u> MSD Guaranteed Childcare Assistance payment (parents)	<u>Financial support to get or keep a job</u> MSD Job Support Fund, Work Bonus, Employment transition grant, Modification grant, Vehicle Modification grant <u>Financial assistance to study/ train</u> MSD Training Incentive Allowance (SLP recipients only), Training Support Fund <u>Wage Subsidies</u> MSD Mainstream employment programme, Productivity allowance		<u>Financial assistance for work</u> MSD Work Bonus, New Employment Transition Grant <u>Financial assistance to study/ train</u> MSD Training Incentive Allowance, Guaranteed Childcare Assistance payment (Yth parents) <u>Remove barriers to stay in work</u> Childcare subsidy, Flexible childcare assistance, OSCAR	

	Programmes with broad access	Māori	Pacific People	Youth	Disabled people and people with health conditions	Recently displaced or at risk of displacement	Women and sole parents	Older workers Migrants and former refugees Former offenders
	<u>Remove barriers/Incentive to stay in work</u> In-Work Payment, Childcare subsidy, Flexible childcare assistance, OSCAR, New Employment transition grant, Seasonal Work Assistance							
Job Creation	MSD Self-Employment Start-Up Grant <u>COVID-specific</u> DOC Enhancing Biodiversity Outcomes on Public & Private lands (J4N) Pest Management, including predator free & education (J4N) Kaimahi for Nature (J4N) MPI National Wilding Conifer Control (J4N) Containing Wallabies to protect Agriculture, Forestry and Native plants, and Boost Regional Economies (J4N) MFE Improving the Health of NZ's waterways (J4N) LINZ Improving the Health of NZ's waterways (J4N)	MBIE Enabling Māori Framework Fund		<u>Wage Subsidies / employer incentives</u> MSD Mainstream Internship Programme (Disabled Yth)	<u>Wage Subsidies / employer incentives</u> MSD Mainstream Internship Programme (Yth)	MSD Self-Employment Start-Up Grant <u>COVID-specific</u> MBIE COVID-19 Worker Redeployment DOC Kaimahi for Nature (J4N) DIA New Zealand Libraries Partnership Programme		

Detailed Descriptions of ALMPs

Appendix two

Work-related Education and Training

Key: *** COVID-specific

ALMP Description	Locations available	Formally evaluated?
Activity in the Community (MSD) offers participants on non-work-obligated benefits the opportunity to gain unpaid work experience in a community organisation.	Nationally	Yes
Apprenticeship Boost Initiative (MoE/MSD) helps employers retain and bring on new apprentices as New Zealand recovers from the impacts of COVID-19. Specifically, it aims to help employers keep first and second year apprentices so they can continue to earn and progress towards their qualifications. This recognises that apprentices need more support from employers in their first two years while they are training and developing their skills. ***	Nationally	No
Auckland Pacific Skills Shift (MBIE) funds family, community, and in-work innovations to support economic resilience and labour market progression for precarious and low-skilled Pacific workers in Auckland.	Auckland	Yes
Be Your Own Boss (MSD) delivers self-employment training and support to people who are either unemployed, facing redundancy, are unwaged or receiving a main benefit. Be Your Own Boss is provided by community-based organisations, usually enterprise agencies.	Nationally	Yes
CadetMax (MSD) is job-specific training to place young people in South Auckland into an identified job. CadetMax provides work readiness training, career advice, practical training, job placement and ongoing mentoring (for up to 6 months after job placement).	South Auckland, Tauranga, Rotorua, and Whakatane	No
Creative Careers Service (MSD) is an initiative that provides needs-based support ranging from light-touch support to intensive, one-on-one support, to assist creative jobseekers into sustainable employment in the creative sector. The pilot service supports MSD clients or people who have lost income due to COVID-19 across three regions: Auckland, Waikato, and Nelson. Support may include developing skills in networking (including linking employment opportunities), business management, contract negotiation, marketing and applying for funding to help clients in the creative sector move in to sustained employment. Participants do not have to be benefit recipients. ***	Pilot is available through selected providers to people living in the Auckland, Waikato, and Nelson regions.	No
Digital/Physical Incubator Hub (MPP) will be able to provide training and development, employment opportunities and information on the Toloa initiative or STEM. It will be a digital space that can bring together Pacific young people, businesses, and the community to discuss and incubate projects or opportunities in STEM. For Pacific peoples who do not have online access, the establishment of physical hubs will	Pilot in Central Auckland. Future ones will be nationwide	

ALMP Description	Locations available	Formally evaluated?
be an opportunity to have a space to access the platform online and meet with like-minded businesses and community groups to work on STEM projects.		
Driver licencing programmes (MSD) can assist clients to receive training to get their learners, restricted or full licence. The cost for this programme will vary for each client as it is based on how many lessons they will need.	Nationally	No
Enhanced Taskforce Green (MSD) is a subsidised work experience programme to assist with clean-up after natural disasters.	Regionally determined by location of natural disaster	No
Intensive Literacy and Numeracy – ESOL (TEC) supports the intensive provision of high quality, fees-free ESOL literacy and numeracy learning opportunities, to help adult learners gain the literacy and numeracy skills needed to progress to further study or the workplace.	National.	No
Limited Service Volunteer (MSD) is a voluntary six-week residential training course in partnership with the New Zealand Defence Force that provides life skills to, and builds work confidence for, unemployed young people aged between 18 and 25 years.	Nationally	Yes
ManaiaSafe Forestry School (MPI-TUR) partnership programme with Primary Industries Advisory Services providing forestry training. The school takes trainees through 20 weeks of training, equipping them with health and safety knowledge, job skills, and ultimately getting them ready for permanent employment.	Tairāwhiti	No
Māori and Pasifika Trades Training (MOE) supports Māori and Pasifika to succeed in trades.	Nationally	Yes
Māori Trades and Training Fund (MSD) Supports Māori-led employment and training programmes through partnerships between Māori and the Crown. The programme includes an emphasis on paid training with support services, such as pastoral care, to overcome barriers to participating in training or apprenticeships. Operated by MBIE prior to 1 July 2021.	Nationally (for local initiatives)	No
Ngāi Tahu managed apprenticeship programme & work ready programme (MSD) provide wraparound support with a navigator working alongside participants and will connect both the participant and their whānau to social and health services in Dunedin. Alongside this programme, a work ready programme will assist Māori and Pacifica jobseekers who want to enter the construction industry at entry level to gain experience with pastoral care on a Ngāi Tahu housing build in Queenstown. Participants can then choose to continue onto an apprenticeship or further study if they would like.	Queenstown, Dunedin	No
One Billion Trees Fund Partnership projects (MPI-TUR):		

ALMP Description	Locations available	Formally evaluated?
Abushman Training Pruning Crew	Gisborne	No
Manuka Plantation Training Programme, Te Taitokerau	Northland	No
Tane Mahuta Learn while you Earn Planting training	Bay of Plenty - Whakatane	No
Te Wao o Titiraukawa – Rongoa Forest – Ngāti Kuia	Nelson	No
Tree Machine, Ngāti Maru, NIT training programme	Taranaki	No
Open Road Refugee Driver Training Programme (MBIE) provides driving lessons and driver training to enable former refugees to obtain their Restricted Licence. The programme supports the New Zealand Refugee Resettlement Strategy.	West Auckland, South Auckland, Hamilton, Palmerston North, Wellington, Nelson, Christchurch, Dunedin, Invercargill	Yes
Pacific Work Connect Programme (TEC) Assistance over 10 hours delivered through workshops and individual coaching sessions adapted and tailored to the needs of Pacific migrants living in Auckland. This pilot programme will be evaluated at the end of each year.	Auckland wide	Yes
Pae Aronui (TPK) is a time-limited trial programme to test innovative methods to improve employment and education outcomes for rangatahi Māori (15-24) not in education, employment, or training (NEET), or at risk of becoming NEET.	South Auckland, West Auckland, Porirua / Hutt Valley, Hamilton.	Yes
Regional apprenticeships (MBIE) provides a funding boost for regional businesses wanting to take on new apprentices. It is designed to help apprentices to stay connected to work, training and to their communities. This will help to ensure the pipeline of skilled workers the regional economies will need in the future. The initial focus of the scheme has been on helping workers displaced by the effects of COVID-19 as well as Māori and Pacific peoples, but once that initial need has been met the fund will be open to all regional apprentices and employers. The initiative includes a wage subsidy for two years and additional funding to help with other business support and pastoral care so the employer and apprentice can successfully maintain the apprenticeship. tbc	All regions outside of major urban	tbc
Skills for Industry - Construction Accord (MSD) provides 3,500 training and employment places provided nationally for entry-level opportunities in the construction sector. This programme is part of the Construction Skills Action Plan (CSAP): Expanding Skills for Industry initiative in support of the Construction Sector Accord ***	Nationally	No

ALMP Description	Locations available	Formally evaluated?
Skills for Industry programme (MSD) provides short-term job-focused training for people on income support who require up-skilling for specific requirements identified by industry eg, MySkill – online training for people looking for work in the aged care, disability and home and community health sector.	Nationally	Yes
Skills for Industry Virtual Reality (MSD) assesses the soft skills of potential jobseekers by getting them to complete occupational scenarios on a virtual reality headset. The service is available in 5 locations, by invitation only. We have focused on the Civil Construction and Prefabrication industries where it is hard to replicate situations for real life experiences. Currently there are 3 scenarios available, with more being introduced as these are deployed. Each VR scenario is intended to address the common industry hurdles in recruiting staff members with the right employability (soft) skills by placing them in a variety of work-place situations and observing their performance.	Canterbury, Palmerston North, Northland, Auckland, Wellington	No
Supporting employment opportunities and development through cadetships (TPK) supports employers to develop, mentor, train and grow full-time permanent Māori staff in order for them to take on more senior roles within an organisation. The Cadetships programme supports employers developing cadets for at least six months, in permanent jobs. Employers can receive up to \$10,000 for each cadet, but they must commit to their structured and tailored mentoring, training, and development.	Nationally	Yes
Support for Group Training Schemes to retain apprentices (MoE) maintains the employment of approximately 1760 existing apprentices with their Group Training Scheme to enable progression to higher levels of study, training or to employment without negative impact from COVID-19. ***	National, although the courses available vary by region.	Yes
Targeted training and apprenticeship fund (MoE) funds vocational learning options fees-free over the immediate period of the economic recession (2020-2022) ***	Nationally	Yes
Te Ara Mahi (MBIE) lifts productivity potential in the regions, by connecting local people to local employment opportunities and upskilling	Regional New Zealand	No
Tolooa - empowering Pacific participation in STEM (MPP) aims to increase access to education, employment and business opportunities in Science, Technology, Engineering and Mathematics (STEM) related sectors by scaling up the Ministry's existing Tolooa STEM initiative to meet unmet demand. This will help position Pacific families and communities to respond and recover from the negative impacts of COVID-19.	Nationwide	Yes
Training for Work (MSD) assists participants at risk of long-term benefit receipt to acquire industry-focused skills that are	Nationally	Yes

ALMP Description	Locations available	Formally evaluated?
needed to enter employment. On completion they include job placement and post-placement support for participants.		
Tupu Aotearoa (MPP) is an initiative administered by the Ministry for Pacific Peoples to help Pacific young people not in Employment, Education and Training (NEET) aged 15-39 in the regions and those NEET aged 15-29 in metro cities to find employment, complete further training or undertake study. Additional funding is being sought to deal with increases in volumes from anticipated growth in Pacific unemployment, expanding into new regions (Northland and Nelson/Marlborough) and expanding the scope of Tupu Aotearoa programme provision to Pacific people over the age of 39.	Northland, Auckland, Bay of Plenty, Waikato, Wellington, Canterbury region, Nelson/Marlborough/ Tasman region, Manawatu/Whanganui region, Otago, Southland	Yes
Work Confidence Courses (MSD) are short-term courses designed to provide the skills, motivation and confidence needed to help participants move into employment or undertake further training or education.	Nationally	Yes
Work Connect Programme (MBIE) delivers 10 hours of workshops and individual coaching sessions face-to-face and online. These sessions provide migrants with career management competencies to understand and promote their unique set of skills, experience, and qualifications in a New Zealand context. The programme supports the New Zealand Migrant Settlement and Integration Strategy.	Face-to-face in Auckland, Hamilton, Wellington & Christchurch. Other regions through webinars.	Yes

Job brokerage & placement, including case management and wrap around services

ALMP Description	Locations available	Formally evaluated?
Employment Case Management (MSD) involves regular meetings with a Case Manager to assist clients to prepare for and get into employment.	Nationally	Yes
Employment placement or Assistance Initiatives (MSD) are contracted services to place participants into employment and help them remain in work. Contracts are performance-based, so some of the payments are paid when participants achieving exits to work with additional payments for remaining in employment for specified periods (usually around three months). An emphasis is put on targeting people disadvantaged in the labour market. At present, performance payments take no account of local labour market conditions.	Nationally	Yes
Employment Service (previously known as Vocational Service) (MSD) is a specialist employment service that supports disabled people who are work ready to gain paid	Nationally	No

ALMP Description	Locations available	Formally evaluated?
employment and provides ongoing support while they are working.		
He Poutama Rangatahi (MSD) connects youth who are most at risk of long-term unemployment with ongoing support, training, and employment. Operated by MBIE prior to 1 July 2021.	National	No
He Poutama Taitamariki (MSD) is a wrap-around case management service for young people receiving a main benefit. It is a part of the broader He Poutama Rangatahi programme.	Northland	No
Individual Placement Support (MSD) - An evidence-based practice that integrates employment and mental health services to support people with severe mental health conditions to find and stay in work.	Northland, Waitematā, Auckland, Taupō, Taranaki, Whanganui, Wellington, and Nelson-Marlborough	Yes
In-Work Support (MSD) service is an inbound and outbound calling service open to anyone who exits a benefit into employment. The service provides clients with information, advice, and referrals to appropriate agencies to help them stay in employment.	Nationally	No
Job Connect (MSD) provides a phone-based recruitment service to employers and job seekers. Work brokers engage with employers to understand their needs and match job seekers to the opportunities available and linking both parties to any employment supports services needed to optimise the match.	Nationally	No
Jobs and Skills Hubs (MSD) provide free employment-related support including training and recruitment so people can access long-term work in Auckland's construction and infrastructure sectors. Service is available from 3 Hubs in Auckland. Operated by MSD from 1 July 2021. The Hubs are located near major projects to meet the demand for skilled labour from local communities, supporting local economic and social outcomes. (Operated by MBIE prior to 1 July 2021.)	3 locations in Auckland	No
Oranga Mahi - Here Toitū (MSD-MoH) is a service delivered by a dedicated support team that comprises Kaimanaaki (health navigators), health practitioners and a dedicated MSD Case Manager to support people with a health condition or disability manage their health and wellbeing while taking steps towards sustainable employment.	Northland, Waitematā, Auckland, Taupō, Taranaki, Whanganui, Wellington, and Nelson-Marlborough	No
Oranga Mahi - Rākau Rangatira (MSD/DHB) A trial delivering an integrated social and health intervention to people with mild to moderate mental health and substance abuse, in partnership with the Northland DHB and Te Hau Āwhiowhio ō Otangarei Trust. The service aims to provide increased access	Otangarei, Northland	Yes (tbc)

ALMP Description	Locations available	Formally evaluated?
to a wide range of support, services, and opportunities with the aim of contributing to improved health, education and employment outcomes and provide connections into the community for the individual and their whānau.		
Oranga Mahi - REACH (MSD/DHB) Is a 12-week programme to support clients to set and achieve their goals using cognitive behaviour techniques with the help of a Key Worker and Living Well Coach. Delivered in partnership with Waikato DHB.	Waikato	No
Oranga Mahi - Take Charge (MSD/DHB) is a trial to support young people living with common mental health needs or substance addiction to improve their health and wellbeing and find sustainable employment, in partnership with Odyssey House in Canterbury.	Canterbury	Yes
Paiheretia Te Muka Tangata (Corrections, TPK and MSD) aims to improve outcomes for Tane Māori and their Whānau who are at risk of experiencing harm while in the Corrections system. Tane Māori are overrepresented in the Corrections system and have a high recidivism rate. The Corrections system can have harmful impacts on Tane Māori and their Whānau. The initiative aims to change these outcomes by utilising a te ao Māori trauma informed cross agency model.	tbc	tbc
Pathways to Employment (MSD) supports refugee clients to prepare for, and achieve, sustainable employment.	tbc	tbc
Regional Newcomer Skills matching & Job Assistance services (MBIE) offer free programmes that link job-seeking migrants and employers who need their skills.	Provided by six providers covering Northland, Auckland, Waikato, Bay of Plenty, Greater Wellington, Canterbury, Southland regions plus the New Kiwis skills matching website.	Yes
Supporting Offenders into Employment (MSD / Corrections) aims to improve employment and social outcomes for recently released prisoners, aimed at reducing the risk of reoffending by providing wrap-around supports and services through an intensive case management and multi-disciplinary service.	National Programme located in 11 Regionals - Whangarei, Auckland, Huntly, Hamilton, Rotorua, Hastings, Palmerston North, Horowhenua, Porirua, Upper Hutt, Christchurch, Dunedin, Invercargill	No
This way for work (Corrections) is a dedicated employment service for people with criminal histories. It is an end to end recruitment service from career planning through to placement and in-work.	Nationally	Yes

ALMP Description	Locations available	Formally evaluated?
Tolosa in Work support programme (MPP) aims to support the transition of Pacific tertiary STEM students from study, a new Pacific Tolosa internship and mentoring pilot programme (called the Tolosa In-work Support Programme or TISP) has been developed to transition and give recipients work experience in the STEM sector.	Pilot programme in Auckland	tbc
<p>Transforming the primary sector workforce (MPI) focuses on attracting a larger, more diverse talent pool to the primary sector by equipping New Zealanders with the basic skills and knowledge needed to enter primary sector jobs, assisting employers to attract and retain a skilled and productive workforce, supporting work redeployment opportunities and primary sector skills and training programmes for Māori, and developing a detailed skills database and supply and demand model.</p> <p>The programme aims to support New Zealand's economic recovery from COVID-19 through maintaining and increasing primary sector activities and addressing the primary sector workforce shortfall due to reduced availability of migrant and temporary workers. ****</p>	<p>The Programme has national and regional initiatives. Additionally, some training has been held online.</p>	No
Vacancy Placement (Full-time) (MSD) is a free vacancy placement service where employers can lodge vacancies. Work brokers then select and profile potential candidates for the employer. Work brokers have the option of providing further assistance in the form of training or a hiring subsidy. In cases where further assistance is provided, these interventions are evaluated separately (for example hiring wage subsidy programmes).	Nationally	Yes
Vacancy Placement (Part-time) (MSD) is a free vacancy placement service where employers can lodge vacancies. Work Brokers then select and profile potential candidates for the employer. Work Brokers have the option of providing further assistance in the form of training or a hiring subsidy. In cases where further assistance is provided, these interventions are evaluated separately (for example hiring wage subsidy programmes).	Nationally	Yes
Virtual Job Expo (MSD) allows employers to connect directly with jobseekers face-to-face through an online video platform, enabling seminars and interviews to be run remotely.	tbc	No
Work to Wellness (MSD) is a contracted case management service for people with a mental health diagnosis, to assist them to prepare for work, find a job and support them and their employer when they start work. The provider assists participants to find work by: supporting job search activities, identifying employment opportunities that are appropriate to the participant's work preference, brokering appropriate employment through their employer networks, providing	Auckland (except Manukau, Manurewa, Papakura, Clendon, Waiuku and Pukekohe), Waikato, Central, Canterbury and Southern.	Yes

ALMP Description	Locations available	Formally evaluated?
post-placement support for up to 12 months for participants in full-time employment or off-benefit.		
Youth Service for NEET (MSD) is a voluntary targeted service for young people who are not engaged in employment, education, or training (NEET) or who are at risk of becoming NEET.	Nationally	Yes
<p>Youth Service for recipients of Youth Payment (MSD) helps eligible young people find the best option for education, training, and work-based learning. It is a compulsory contracted case management programme for young people aged 16-17 years.</p> <p>Youth Service providers deliver on-going, tailored support and guidance for each young person – whether that's giving practical help with housing issues, preparing for job interviews or connecting with local support groups, how to manage their financial assistance, or ensuring young people feel supported towards achieving their aspirations. The overall objective of the Youth Service is to engage and support young people to achieve improved well-being through sustained education, training, work-based learning, or employment outcomes. Payments to providers are in part based on the outcomes achieved by participants.</p>	Nationally	Yes
<p>Youth Service for Young Parent Payment recipients (MSD) is a compulsory contracted case management programme for young parents aged 16 to 19.</p> <p>Youth Service providers deliver on-going, tailored support and guidance for each young person – whether that's giving practical help with housing issues, preparing for job interviews or connecting with local support groups, how to manage their financial assistance, childcare and well-child checks (for young parents) or ensuring young people feel supported towards achieving their aspirations for themselves and their family. The overall objective of the Youth Service is to engage and support young people to achieve improved well-being through sustained education, training, work-based learning, or employment outcomes. Payments to providers are in part based on the outcomes achieved by participants.</p>	Nationally	Yes

Information & Advice

ALMP Description	Locations available	Formally evaluated?
Careers Guidance and Counselling (MSD) assists job seekers to make informed decisions about their employment and training options by providing access to professional careers advice. Career guidance and information services are services contracted to assist clients to make informed educational, work, and career-related choices. The types of programmes and services that can be contracted are career and education guidance, curriculum preparation, improving interview skills.	Nationally	No
Connected phone-line and face-to-face service (MSD/AOG) connects people to employment, education and training opportunities and supports.	Nationally	No
Employment Service in Schools (MSD) is a service that helps secondary school students who have a health or mental health condition, are disabled, or are neurodiverse, plan for their future along with their whānau and school by exploring job and career opportunities. The pilot run in conjunction with the Ministry of Education began on 1 February 2021 and ends on 30 June 2022.	tbc	No
Rapid/Early Response Teams (MSD) work directly with and support businesses and employees impacted by COVID-19 to let them know what services and support MSD can help with.	Nationally	No
Rapid Return to Work (MSD) is a phone-based employment service for up to six weeks that supports people who have recently lost their jobs and are on, or have applied for a main benefit, to become work ready. Key activities include work readiness, assessment of transferable skills, job interview preparation and CV and cover letter support.	Nationally	No
Redundancy Support (MSD) is an information and advice service that is provided in confidence when a business is downsizing, closing, or relocating. Redeployment is about helping individuals who have lost their job to match them to suitable alternate vacancies, training, and other opportunities.	Nationally	No
Te Heke Mai (MSD) is a coaching and goal-setting programme to support New Zealanders who are looking for work, are in training or are starting new jobs. It provides an on-line goal-based coaching platform supporting successful employer and employee outcomes.	Nationally	No
Transition from School (MSD) provides young disabled school students with high or very high needs with support to explore employment, training, and community-based options that are available to them when they leave school.	Nationally	No
Whitiki Tauā (MSD) is a virtual mentoring service that provides additional support for Mana in Mahi participants. The service aims to help participants achieve long term sustainable work outcomes.	Nationally	No

ALMP Description	Locations available	Formally evaluated?
Work Search Support Seminars & Workshops (MSD) - a one-to-many service providing a series of 15 different job search seminars eg, effective search techniques, cv writing, application and interview processes, budgeting and debt management, some industry specific job seeker information. WSS case managers are also responsible for i) providing income support administration (excluding benefit grants), and ii) managing any other requirements from participants.	Nationally	No
Youth Seminars (MSD) target people on income support under the age of 24 and cover what vacancies are available and keep participants focussed on getting a job.	Ad hoc service available in some regions only	Yes
Self-directed services		
Careers.govt.nz (TEC) - is available to provide good information and advice on job hunting including jobs that are in demand right now, adjusting to new ways of working, labour market information and links to other government agencies and the official Covid-19 website. The website is being updated daily with relevant content for those most at risk. An advertising campaign will commence in May 2020 to promote content to target audiences.	Nationally	Evaluation framework being developed.
Click to enrol (MSD) is a virtual service currently available to people on Job seeker benefit or sole parent support enabling users to self-select from five providers offering a range of self-directed job search support such as a CV builder, interview skills, and identifying transferable skills.	Nationally	No
Connected website (MSD/AOG) connects people to employment, education and training opportunities and supports.	National	No
Work and Income Online Recruitment Tool (MSD) is a free-to-use platform that enables employers to list jobs that anyone looking for work can apply for directly.	Nationally	No
Work the Seasons (MSD) is a free-to-use job advertising platform, that allows seasonal employers to list vacancies and connect directly with job seekers. It was developed by MSD and industry partners. Sectors include horticulture, meat processing, viticulture, retail, commercial cleaning, security, infrastructure, road transport and healthcare sectors. There are also online non formal courses to support people to get a job and personal development courses.	Nationally	No

Financial Support, incl. wage subsidies

ALMP Description	Locations available	Formally evaluated?
5k to Work (MSD) is a non-taxable \$5,000 incentive payment for a person who is on a main benefit or eligible to receive a main benefit (or is the partner of a person who is on a main benefit or eligible to receive a main benefit) and needs to move to take up a full-time job.	Nationally	No
Business Training and Advice Grant (MSD) is a grant of up to \$5,000 (including GST) per person, per project. The grant is to help a person starting their own business with developing a business plan, training in business skills, advice, and project reports.	Nationally	Yes
Course Participation Assistance (MSD) is a payment to assist with costs for an MSD client participating in a short-term (not more than 12 weeks duration) employment-related training course. Depending on the circumstances, up to a maximum of \$1,000 may be paid for course tuition and enrolment fees, transport to/from your course or programme, specific clothing required for your course and care costs.	Nationally	Yes
Employment Transition Grant (MSD) is a weekly payment which helps some people who have completed a Supported Living Payment Employment Trial.	Nationally	No
Flexi Wage (MSD) is a wage subsidy and extra assistance to support employers to take on people who do not meet the entry level requirements of the job. In 2020, government increased funding for the programme in response to COVID-19. At the same time, Flexi-wage combined the different types of Flexi-Wage (Basic, Plus, Retention, Next Step, and Project in the Community) into a single programme.	Nationally	Yes
Flexi Wage Project in the Community (MSD) is a subsidy that allows a client who is disadvantaged in the labour market to participate in project-based work where they can develop work habits and general on-the job skills. Flexi-wage Project in the Community is primarily a wage subsidy and can cover support and mentoring. If training is required, other service options might be more appropriate.	Nationally	No
Flexi-wage Self Employment (MSD) provides a subsidy to help with costs while a person starts up their own business. This can also include a self-employment start up payment to assist clients with essential business start-up costs. To receive the FWSE subsidy eligible applicants must have a viable business plan. MSD can provide support to develop a business plan through the Business Training and Advice Grant (BTAG). The FWSE subsidy is paid at a set rate of \$600 gross (GST inclusive) a week for a set 28-week period (\$16,800 in total).	Nationally	Yes
Job Support funds (MSD) are available to increase disabled people's participation in open employment, by meeting the additional costs incurred as a direct consequence of disability.	Nationally	No
Mainstream Employment Programme (MSD) is a package of subsidies, training, and support programmes to help disabled people, including people with mental health and other health conditions, gain paid work experience. The programme provides an 80% salary subsidy for the first	Nationally	No

ALMP Description	Locations available	Formally evaluated?
6 months of an agreed term of up to one year, and a 50% salary subsidy for the second 6 months, funding for agreed external training, specialised equipment or other assistance for the participant and ongoing support for participants and their supervisors.		
Mana in Mahi (MSD) is a wage subsidy to enable people to get paid while training on the job. Mana in Mahi acts as an incentive for employers who are willing to hire a person in receipt of a main benefit and offer that person an industry training qualification, including apprenticeships. The programme was originally restricted to people aged 18 to 24 but is now available at any age.	Nationally	No
Productivity allowance (MSD) is a wage subsidy available to an employer while the disabled employee gains skills and establishes the type of support that would be available to anyone starting a new job.	National	No
Training Incentive Allowance (MSD) is a non-taxable payment to support eligible parents, disabled people and carers with study costs when studying at Levels 1 to 3 on the New Zealand Qualifications Framework (NZQF) in an education or training course. From 1 July 2021, the allowance supports study up to Level 7 on the NZQF.	Nationally	Yes, for settings prior to 1 July 2021
Training Support Fund (MSD) is a fund to increase disabled people's participation in open employment-related tertiary education by meeting the additional costs incurred as a direct consequence of disability.	Nationally	No
Vehicle Modification Funding (MSD) Enables people with serious disabilities to purchase or modify a vehicle in order to obtain full-time employment, look after dependent children, or attend study/training.	Nationally	No
Work Bonus (MSD) provides a payment to a person who is on a benefit and chooses to work even though they do not have work obligations. The payment is available for people commencing paid employment, or increasing their hours of work, in order to cease receiving a main benefit.	Nationally	No
Working for Families In-work Tax Credit - provides financial incentive and additional support to low and middle-income families with children while in work and off benefit.	Nationally	Yes
Childcare Subsidy (MSD) is a non-taxable payment that aims to assist families with the cost of pre-school childcare so they can undertake and remain in employment, education or training. Most people are eligible to receive up to nine hours of subsidised payments a week, but some can qualify for up to 50 hours if they are in full-time training or employment and without access to alternative childcare assistance.	Nationally	No
Flexible Childcare Assistance (MSD) is a non-taxable payment to assist with childcare costs for sole parents who work during times when childcare programmes are closed eg weekends or nights.	Nationally	No
Guaranteed Childcare Assistance Payment (MSD) is a payment to assist with the cost of childcare for people who are under 20 years of	Nationally	No

ALMP Description	Locations available	Formally evaluated?
age and in full-time education, training or work-based learning. The GCAP payment may be up to \$6 an hour, and up to 50 hours a week per child, based on the amount of time spent in work or education.		
In-Work Payment (MSD) is an incentive payment to motivate clients who have exited a benefit into employment to stay in employment. This payment is restricted to clients who frequently cycle on and off benefit and are at a high risk of falling out of employment.	Nationally	tbc
Out of School Care and Recreation (OSCAR) Subsidy (MSD) - A payment that helps families with the costs of before- and after-school care and school holiday programmes so they can work or study.	Nationally	No
New Employment Transition Grant (MSD) is a payment to help people who are no longer on a benefit and who cannot work because of their own, their spouse or partner, or their dependent child is sick and they have no sick leave available, or there has been a breakdown in childcare arrangements.	Nationally	No
<p>New Zealand Seasonal Work Scheme (MSD) helps people in receipt of a benefit to take up fixed-term employment opportunities in regions that have horticulture or viticulture seasonal work available (eg apple harvest or grape pruning). It covers the cost of transportation to and from the landing region, and any advocacy or mentoring that is required to support the individual to remain in employment.</p> <p>Jobseekers must be prepared to relocate to one of the landing regions when their commute is greater than one hour's travel. Jobseekers can use the scheme to relocate within their own region as long as they live at least an hour's commute away from the job. Employers do not have to be accredited Recognised Seasonal Employers (RSE) to qualify for assistance. MSD works with both RSE and non-RSE employers to deliver assistance under the NZSWS.</p>	Northland, Bay of Plenty, East Coast, Nelson and Southern.	No
Seasonal work assistance (MSD) provides financial assistance to people who are unable to work due to adverse weather conditions.	Nationally	No
Transition to Work Grant (MSD) is a non-taxable, non-recoverable payment that can be made to people on, or eligible for, a main benefit to help meet the additional costs of entering employment. The Transition to Work Grant can also be used to help with job interviews and related pre-employment costs.	Nationally	No

Job Creation

ALMP Description	Locations available	Formally evaluated?
<p>Containing Wallabies to protect Agriculture, Forestry and Native plants, and Boost Regional Economies (MPI) supports regional communities by providing employment and stimulating economic activity across a wide range of goods and services providers, through delivery of a management plan for wallabies. It funds increased aerial and ground-based control operations, including fencing to push wallabies back to existing containment/buffer zones in affected regions. The programme includes: surveillance, control operations (aerial and ground based), and monitoring of wallaby populations; fencing key locations to stop wallabies spreading into new areas, and provide stronger containment lines; field trials to improve the efficiency and effectiveness of detection and control techniques; coordination of control operations and monitoring of compliance with health and safety requirements; engagement and communication to build awareness of the wallaby issue and maintain social licence to undertake control operations; and data collection and reporting. ***</p>	<p>Bay of Plenty, Waikato, Canterbury, Otago regions</p>	<p>No</p>
<p>COVID-19 Worker Redeployment (MBIE) provides short-term employment for displaced workers, especially in central/local Government jobs. ***</p>	<p>Nationally</p>	<p>No</p>
<p>Enabling Māori Framework Fund (MBIE) is to facilitate Māori economic development, within the scope of ITPs, in line with He Kai Kei Aku Ringa and the Industry Strategy.</p>	<p>tbc</p>	<p>tbc</p>
<p>Enhancing Biodiversity Outcomes on Public & Private lands (DOC) funds significant job creation across the country, particularly in the regions through nationwide community programmes delivered by third party providers, regional councils, and landowner groups to provide support for protection and restoration of indigenous biodiversity and habitat. ***</p>	<p>Nationally</p>	<p>Yes</p>
<p>Improving the Health of NZ's waterways (MfE) supports creation of 4,000 jobs over five years in regional environmental projects, will contribute to improving the health of New Zealand's waterways and support economic recovery in partnership with local government and farmers. ***</p>	<p>Nationally</p>	<p>Some</p>
<p>Improving the health of NZ's Waterways (LINZ) provides funding over 4 years to undertake pest and weed control in lakes, rivers, and land that LINZ is responsible for administering. The programme includes working with delivery agents and partners, including iwi and pastoral lessees, on other proposals where we could create a further 30-50 jobs. ***</p>	<p>Nationally</p>	<p>Yes</p>
<p>Kaimahi for Nature (DOC) focuses on the swift redeployment of a portion of the labour market who are facing job insecurity, into new temporary nature-based jobs that support regional environmental projects. ***</p>	<p>Nationally</p>	<p>Yes</p>

ALMP Description	Locations available	Formally evaluated?
Mainstream Internship Programme (MSD) provides a wage subsidy to help tertiary students with significant disabilities get work experience and gain work skills. Jobs are created by employers, for a period of four to 12 weeks, ideally in the participant's chosen field of study. The positions created are tailored to the skills and abilities of the intern and the needs of the employer.	Nationally	No
National Wilding Conifer Control Programme (MPI) supports regional communities by providing employment opportunities and stimulates economic activity across a wide range of goods and services providers, through delivery of wilding conifer control across 12 regions. This funding will enable the removal of extensive infestations, reduce the spread of wilding conifers, and minimise lifetime control costs. Controlling wilding conifers will also help to protect farmland, water, and biodiversity. ***	Manawatu, Marlborough, Canterbury, Otago, Southland, Bay of Plenty, Tasman-Nelson, Northland, Waikato (regional or district councils)	No
New Zealand Libraries Partnership Programme (DIA) supports librarians and library services to be retained in New Zealand libraries and supports community recovery. ***	Nationally	Yes by Dec. 2022
Pest Management, including predator free & education (DOC) funds job creation across the country, particularly in the regions through nationwide community, and catchment led pest and predator control programmes. ***	Nationally	Yes
Self-Employment Start-up (MSD) is a lump sum payment or several payments available for essential business start-up costs (where a client does not have access to other commercial finance). This includes, but is not limited to, leasing premise, purchasing, or leasing plant or equipment (including legal fees), setting up business insurance. Eligible clients entering self-employment can receive up to \$10,000 (GST incl.) to meet essential business start-up costs. Self-Employment Start-up cannot be used to pay for any living costs or costs covered by the Business Training and Advice Grant or Flexi-Wage Self-Employment.	Nationally	No

The Ministry of Social Development's evaluation of employment assistance effectiveness

The Ministry of Social Development (MSD) evaluates the effectiveness of its employment assistance (EA) programmes and services and case management services against five main outcomes:

- **Employment:** the overarching goal of EA interventions is to increase the time participants spend in employment over the long term
- **Income:** MSD judges interventions to have a positive impact if they increase participants' overall income
- **Justice:** interventions are effective if they reduce time in corrections services
- **Education qualifications:** effective interventions can also increase the participants' highest education achievement as measured by the National Qualifications Framework
- **Independent of welfare:** most, but not all, MSD EA interventions also aim to increase the time that participants are independent of welfare assistance (i.e. not on a main benefit or receiving employment assistance).

Based on the impact on one or more of these outcomes (relative to the counterfactual, i.e. the outcomes participants would have had if they had not participated), MSD categorises EA interventions or case management services into the following groups:

- **Effective:** the intervention has significant positive overall impacts on one or more outcome domains and no negative impacts for any other domain
- **Promising:** trend in impacts across outcome domains indicates the intervention is expected to have a significant positive overall impact over the medium to long term
- **Mixed:** the intervention has both positive and negative impacts on different outcome domains (e.g. positive impact on time independent of welfare, but a negative impact on overall income)
- **Makes no difference:** the intervention makes no significant difference on any outcome domain
- **Likely negative:** based on the trend in intervention impacts we expect it to have a long-term negative overall impact on one or more outcome domains
- **Negative:** the intervention has a significantly negative overall impact for one or more outcome domain and no positive impacts for any other.

MSD also has three additional categories for non-rated EA interventions or case management services:

- **Too soon to rate:** there has been insufficient time to judge whether the intervention is effective. Specifically, MSD generally does not rate an intervention until it has at least two years of outcome results, unless it shows positive effects within the two-year window
- **Not feasible:** it is currently not technically possible to evaluate the effectiveness of the intervention
- **Not rated:** MSD has not yet assessed the effectiveness of the intervention.

MSD does not, however, account for impacts to non-participants. For example, two main non-participant effects of EA interventions are:

- **Substitution:** occurs when a participant takes a vacancy that would have been filled by someone else and is most likely to occur for job placement programmes
- **Displacement:** occurs when subsidised labour can reduce employment among competing firms and is of most concern for subsidy-based interventions.



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AIDE MEMOIRE

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Out of Scope

RELEASED UNDER THE
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9 September 2021

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3. Key agenda items and papers for the meeting include:

Out of scope

b. Item 3: Review of Active Labour Market Policies

Out of scope

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Item 3: Review of Active Labour Market Programmes

11. Ministers are asked to note the progress on the cross-agency review of Active Labour Market Programmes (ALMPs).
12. This paper:
 - a. outlines a proposed definition of ALMPs for the purposes of this work
 - b. summarises a literature scan on ALMP evidence and effectiveness that was completed as part of the project
 - c. summarises views from social partners from a workshop held on 3 September
 - d. outlines work to date on the gaps analysis.
13. Due to resource constraints and shifting priorities due to COVID-19 alert level changes, the gap analysis is not as far progressed as intended. Further work is planned for a more comprehensive gaps analysis and development of a set of overarching principles to guide future ALMP investment. Further advice will be provided to Ministers in late 2021.
14. The paper includes the following considerations:
 - a. The current provision and effectiveness of ALMPs, noting limitations in the extent to which existing ALMPs have been evaluated for impact effectiveness. There appears

to be a mixture of formal evaluations, statistical estimation and comparison against theory owing to limitations in being able to construct randomised control trials for some ALMPs. There are also some ALMPs where evaluations have not been planned or completed yet.

- b. Consideration of future trends that are likely to affect the labour market, such as demographic change, trends in the future of work and climate change/decarbonisation, and how the suite and relative priority of ALMPs may need to change to address these trends.

15. The ability to identify sub-population or intersectional groups accessing ALMPs has been noted as a key issue due to data collection limitations. The gap analysis is likely to focus on higher-level considerations across the suite of ALMPs given these constraints.

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Review of Active Labour Market Programmes

Definition

For the purposes of this Review, Active Labour Market Programmes (ALMPs) are *government funded or provided interventions that actively assist people into employment (including removing barriers to their ability to get or retain a job), increase their earning capacity, and improve the functioning of the labour market.*¹

Principles

In applying this definition, we propose to be guided by the following principles:

- Paid employment is a fundamental source of wellbeing for individuals, families, and communities
- For many New Zealanders the labour market functions well but some groups need additional support to enter, re-enter, move within or remain in the labour market
- The costs of labour market failure extend beyond individuals and creates social and economic costs
- Government intervenes in the labour market to promote efficiency, increase productivity, and enable more equitable labour market outcomes

Criteria to inform inclusion/exclusion choices

Programmes are included that:

1. Have a labour market objective as a primary purpose
2. Are designed for and targeted to support people who are at risk of poor labour market outcomes such as unemployment, under-employment, or poor-quality employment
3. Exert an influence on or effect a change in known distributional issues in the labour market such as gender-bias at industry level, ethnicity-bias at skill level etc
4. Exert an influence on or effect a change in the recipient's ability to find and keep a job (removes barriers to employment, addresses life-course disadvantage)
5. Are not generally available in the private labour market for people who are at risk of poor outcomes / disadvantaged in the labour market because of affordability or market failure.

Types of ALMPs

ALMPs will be grouped as follows:

- **Information and advice**, including careers advice, job search techniques, and assistance with writing a CV.
- **Job brokerage and placement/matching**, including employment-related case management and wrap-around services.
- **Work-related education and training**, including work readiness and mid-career upskilling or retraining.
- **Financial support**, including grants to individuals that remove barriers to work or training, and wage or training subsidies to employers.
- **Job Creation** initiatives including self-employment start-up support²

¹ This definition, supported by the criteria listed below, is primarily based on that used by the OECD, adapted slightly to New Zealand circumstances.

² This categorisation is broadly consistent with that used by the OECD for reporting ALMP spend but excludes some passive measures like administration of income support, redundancy and bankruptcy compensation support, early retirement benefits, job rotation and job-sharing programmes.