
Unemployment Statistics
The recently announced unemployment rate of 3.9% looks great and is welcomed by the government as an indication of its successful management of the economy. But the goal posts have widened dramatically in the last twenty plus years. At one time being employed meant a person having a full-time job that paid enough to support his or her family. Today being employed includes someone who has a zero hours contract, who may or may not receive any wages in a particular week. Being employed means someone who works for 10 hours a week in one job and 5 hours a week in another job and still does not earn enough to support the family without his or her partner also working. It is as if Beauden Barrett only has to get the ball between the goal line touch flags to convert a try.

At one time if you were unemployed you could apply for the unemployed benefit, now those without jobs are put onto the “Job Seekers Benefit” and they have to go through regularly interrogation by Work and Income NZ (WINZ) about what they are doing to get a job, any job, for any number of hours.

It seems as if our welfare safety net has changed from a safe haven for someone without a job to a kick up the pants for someone until they get a job, any old job, paying any old wage for any old number of hours. And the front-line staff at WINZ are assessed by how well they get someone into any old job, paying any old wage for any old number of hours. After all, the Accommodation Allowance, Working for Families etc will pick up the slack to prevent starvation and no shelter for those “employed”.

The Living Wage is predicated on the basis of a couple working for 60 hours a week between them, that is $1,233 per week or $64,166 per year at the present rate. A Living Wage is defined as the income necessary to provide workers and their families with the basic necessities of life. A Living Wage will enable workers to live with dignity and to participate as active citizens in society. This is a long way from any old job, paying any old wage for any old number of hours.

Rather than announce the unemployment rate for the previous quarter, Statistics NZ needs to measure the number of people who are being paid at least the Living Wage then announce the % of people without a job paying the Living Wage or more. When that is reduced to 3.9%, we can rejoice.

Brexit and the European Union.
The challenge of writing anything about Brexit is that what you write today will be overtaken by the events of tomorrow. This is particularly true at the moment when at time of writing British Prime Minister Therese May is clinging to power by her fingernails.

However, it is worth looking again at what is the European Union(EU) that Britain wants to get out of. The EU had its genesis is the desire of the leaders of a small number of European countries in the late 1940s not to repeat the mistakes of the end of the First World War. France, Italy, West Germany, Luxembourg, Belgium and the Netherlands came together in he Treaty of Rome in 1957. The Treaty resulted in a progressive removal of customs duties between the member states, free movement of citizens between the member states, free movement of capital between member states, a common agricultural policy, a common transport policy and the formation of a European Social fund and the European Commission based in Brussels. The grouping was then known as the European Economic Community (ECC).

In response seven other European countries -Sweden, Denmark, Austria, Norway, Switzerland, Portugal and the UK formed the European Free Trade Association in 1960.

The ECC prospered and before long the UK together with Denmark and Ireland applied to join the ECC but were blocked twice by President de Gaulle of France until they finally entered the ECC on 1st January 1973. The UK’s membership of the EEC as it morphed into the European Union has always been a contentious political issue. Harold Wilson, when he succeeded Edward Heath as British Prime Minister in 1973, organised a referendum on continuing the UK membership. The UK stayed with 67.2% voting to stay and 32.8% for leaving.
By 2007 the Union had expanded to 28 European countries with only Switzerland, Norway and six of the countries that formerly made up Yugoslavia not members. The total population of the EU is 511 million, in an area of 4.5 million sq.km.

Governance of the EU is complex as can be seen in the chart below.

The European Parliament is directly elected by the people in each of the member countries. Member countries have delegated various powers and responsibilities to the Union.

The main areas of contention, at least as far as some people in the UK are concerned, are:

- Free movement of people between all member countries
- EU rules and regulations that must be adopted by all member states.

The growing strength of the opposition to the EU in the UK over recent years led to Prime Minister David Cameron calling another referendum in 2016 which resulted in a 52% majority voting to leave the EU. The referendum campaign was full of exaggerations and fear tactics and was in some ways a prelude to the US Presidential campaign in the same year which used similar tactics.

Following the leave victory in the referendum, now know as Brexit, David Cameron resigned and Theresa May was elected as leader of the majority Conservative Party and became Prime Minister.

Under the rules of the EU a member wishing to leave the Union has to give 2 years notice. The UK did this at the end of March in 2017 and has subsequently been negotiating the exit terms. This has not been an easy task, but a draft agreement was reached between the UK government and the EU subject to ratification by the EU member states and the UK Parliament. There is considerable opposition to the draft agreement in the UK including pro Brexit supporters. The possibility of a British General Election in January or February next year cannot be discounted.

It is worth going back to the initial concerns of those European leaders that started down the road to the European Union. In the first decades of the 20\(^{th}\) century Europe had experienced two catastrophic wars with hundreds of millions of casualties including many thousands from New Zealand. Bringing together the countries of Europe was a way to stop further catastrophic wars and bloodshed.

Let us hope and pray that Brexit will not lead to the complete breakup of the EU and possible consequences.

**Pike River and Dargaville.**

You may wonder what these places have in common. In late November they were both in the news for apparently different reasons but with a common theme running through the news. Pike River is the resting places of 29 miners who went to work one day and never returned. Dargaville is where a Warrant of Fitness was issued for a car that a few short weeks later was involved in an accident that killed a 65-year-old man who had his seat belt on but the belt broke.

In both cases our Parliament had passed laws covering how coal mines and cars should be regularly inspected to ensure that all safety requirements were being met. But the inspections were either insufficiently carried out or not carried out at all. In the case of Pike River, the then Department of Labour had only two mines inspectors and their work was limited by their travel budget. In the case of Dargaville NZTA were concerned about the performance of the Warrant of Fitness inspector but the policy was to educate not to discipline and that had been going on for at least seven years.

Mining coal and driving on the road are both potentially dangerous activities and when things go wrong then death can result. Governments around the world recognise this and over the last 100 years laws and regulations have been introduced to reduce the risks and the rules used to be enforced strictly. And governments were expected to make sure the rules were enforced. But something happened in the 1980s as “free market” concepts took hold. Part of this “free market” or neoliberal philosophy was that laws and regulations should be minimised as the market would ensure that products and services were safe and it was the role of organisations and corporations engaged in the “market” to ensure their products were safe and were safely made.

When laws and regulations remained in place neoliberal governments, which covers most of the time since the 1980s until 2017 in New Zealand, reduced the inspection and enforcement resources and boldly pronounced that education was the answer not disciplinary action.

Competition in the market place is important and much of what we enjoy today has come about because of competition. But unfettered competition with no requirement to meet basic standards and safety requirements is not acceptable. And it is the job of government to ensure that standards are set and enforced. The market cannot and will not do it.