



# The Future of Work Inclusive Growth, Well-being And the EDA Opportunity

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# The World of Well-Being: a Huge Opportunity

- Government has made well-being the principal focus of public policy.
- It's easy to say but hard to implement.
- Critical is the ability to work effectively in partnership with communities, co-designing solutions to local well-being challenges.
- EDAs are uniquely placed to play the lead. In an inclusive growth environment they have the huge advantage of being focused on both economic and social outcomes.



# Inclusive Growth: What Are We Talking About?

Economic growth that creates opportunity for all segments of the population and distributes the dividends of increased prosperity, both in monetary and non-monetary terms, fairly across society. OECD



# Inclusive Growth through the eyes of the Inclusive Growth Commission



**Inclusive growth**  
Enabling as many people as possible to contribute and benefit from growth

## **Socially**

Benefitting people across the labour market spectrum, including groups that face particularly high barriers to high quality employment

## **Place-based**

Addressing inequalities in opportunities between different parts of the country and within economic geographies



# Why Does it Matter?

- Poverty is bad for growth.
- The fiscal costs of poverty are huge.
- Work no longer assures a route out of poverty.
- Many communities feel disconnected and do not feel the benefits of economic growth.
- Uneven growth and growing spatial inequalities.



# Scene Setting

In this presentation I'll be reflecting on three separate themes:

- Inclusive growth means that economic and social outcomes need to be joined at the hip - It's at the heart of the well-being agenda.
- Inclusive growth is not just a 'nice to have' objective. It is critical to developing our future workforce and rebuilding inclusive communities.
- The well-being focus highlights the need for a complete rethink about our top-down, technocratic, silo-based approach to development of policy. The EDA opportunity to take a lead role in building an holistic approach to inclusive growth.



# Let's Start with the Future of Work

- Much debate about the impact of technology.
- Little evidence of a coordinated approach.
- What's actually happening?



# The World Economic Forum Future of Jobs Report

*Our analysis finds that increased demand for new roles will offset the decreasing demand for others. However, these net gains are not a foregone conclusion. They entail difficult transitions for millions of workers and the need for proactive investment in developing a new surge of agile learners and skilled talent.*

If it's going to be that tough for major employers, how tough is it going to be for communities with a high proportion of low skilled workers, and no coherent strategy for ensuring lifelong engagement?



# Is This A Snapshot of our Future of Work Strategy in Development?

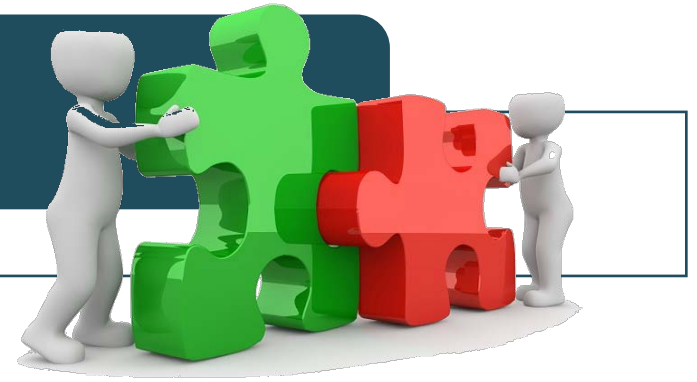


## Some Background

- New Zealand has a 'longtail' of educational underachievers.
- Our policy approaches still seem to have a strong 'blame the victim' approach coupled with ongoing debates about which part of the education system should take what responsibility.
- It's time to take ownership of the desperate urgency of ensuring that everyone whatever their background or age has the maximum opportunity to develop their potential to the full.



## Demographic change



The 65+ dependency ratio (the number of people aged 65+ per 100 people aged 15–64 years) increased gradually from 14 per 100 in the mid-1960s to 23 per 100 in 2016. It is projected to increase significantly, with the ratio expected to be in the range of 33–39 per 100 in 2035, 37–49 per 100 in 2055, and 42–61 per 100 in 2068. This means that for every person aged 65+, there will be about 2.8 people aged 15–64 in 2035, 2.4 in 2055, and 2.0 in 2068. This compares with 4.4 people in 2016 and 7.1 in the mid-1960s.



# Opportunity Number One

- The economic development movement has a unique opportunity to raise public understanding of the urgency of preparing our present and future labour force for a world in which most new jobs will be high skilled jobs.
- This means acting as a united voice able to speak to all levels of community, business and government.
- It means openness to innovation and a willingness to tell hard truths.



# It's a Network Opportunity

- The 'business as usual' approach to economic development can be done agency by agency.
- Inclusive growth needs a very different approach.
- It's whole of community and it needs to be network driven rather than agency by agency - essentially it's the economic development network taking ownership of the inclusive growth agenda - no one else is likely to pick it up with the same vision and focus.



# Well-Being

- An inclusive growth agenda means a focus on both economic and social well-being.
- It means understanding what works and avoiding what doesn't.
- New Zealand's government is unique in the belief that well-being outcomes, and working with communities to achieve them, can be done through a top-down approach led from the centre.
- Elsewhere well-being initiatives are being led locally - by local government, by civil society, by businesses pursuing enlightened corporate social responsibility initiatives...there's plenty of help available to underpin EDNZ leadership.



## Opportunity Number Two

- Significant uncertainty about the role of local government in promoting community well-being.
- It has the formal statutory purpose of promoting community well-being, but is not organised around well-being outcomes.
- An inclusive growth agenda and the community facing role of EDAs makes them uniquely placed to take the lead in defining, assessing and promoting economic (and related social) well-being at a community level.
- The skills and experience for doing so are already well developed elsewhere by NGOs and others keen to share the knowledge.



# Where to Begin

- Inclusive dialogue - the experts on a place are the people of the place.
- Understand community governance as a means of restoring confidence, reaching out to and including even the most excluded.





# Building Coalitions of the Willing

- Bringing communities into decision-making helps develop solutions to local problems. It also builds credibility and reinforces your 'licence to operate'
- There are some great tools around that can really drive inclusive growth placing EDAs at the heart of development.



# Social Procurement – Manchester

- “The process of procurement is crucial to the concept of community wealth building as it is a means through which greater local economic, social and environmental benefits can be achieved for local places and people.” CLES review of Manchester experience.
- Manchester City Council spent nearly £135million with suppliers based in Manchester neighbourhoods which are in the 10% most deprived nationally...



## More Social Procurement Examples

- Cleveland - The Greater University Circle Initiative - anchor institutions working together to leverage their purchasing power - new cooperatively-owned businesses that serve institutional needs, employ neighbourhood residents and build community wealth.
- Victoria BC Social Enterprise and Social Procurement - "the City's procurement practices and social enterprise and social purpose business development should be focused to a large degree, though not exclusively, on efforts to ladder the unemployed, underemployed and marginalized into employment."
- Uk councils and youth services.



# Bristol City Funds



**Our vision is to enable a City that is more equitable, sustainable and where everyone can thrive.**

The City Funds aims to create **positive and transformative change** in Bristol through business, community organisations, funders and the public sector **coming together**, to share resources and raise finance, to help **address key priorities** in Bristol.

Our mission is to find and deploy new funding that makes Bristol a more equal and sustainable place to live.





# Participatory Budgeting

Participatory Budgeting is a democratic process in which community members directly decide how to spend part of a public budget.



# Choosing Your KPIs

- The Bristol-based NGO Happy City has developed the Thriving Places Index which measures a wide range of well-being indicators for councils and their communities.
- It includes four indicators for work and local economy:
  - Employment
  - Good jobs
  - Basic needs
  - Local business



# Conclusion

- The present government's decision to place well-being at the heart of public policy, and ongoing major change in our social and economic environment together create a unique set of circumstances.
- Success for NZ communities requires a 'whole of government' approach focused on both economic and social outcomes - an inclusive growth agenda.
- The economic development network is uniquely placed to work with communities, government at all levels and other stakeholders to manage the extraordinary challenges we now face.

