

TOP REGIONAL INSIGHTS

Reduced government and household spending is hurting businesses across Wellington region. We are seeing staff layoffs and business closures in key sectors, such as professional services and digital technologies, food and hospitality and construction. As demand for staff continues to drop, we expect to see an increase in unemployment and underutilisation rates in the months ahead as the Wellington regions labour market slows.

Reduced government spending has indirect impacts on other employment. As government departments curb expenditure and put planned projects on hold, fewer are using professional services, which in turn are reducing costs by reducing staff number. Many digital services and creative agencies are laying people off. Some companies are reported to have decreased their number of permanent staff by one third to half and are relying on contracting people in when there's a specific need.

People are spending less in the region's cafes, restaurants, and bars. Food businesses are reporting revenues down around 20% of their normal returns for this time of the year. Even the city's most popular eateries and bars are feeling the squeeze and further closures of well-known businesses are expected.

Construction trades are seeing a dramatic drop off in domestic work and merchant sales are down by up to 50%. Smaller businesses are taking a hit and are laying off staff. Steel fabrication is recovering from a lull, but the pipeline of work from commercial construction has shortened. Securing future work is expected to get more difficult as local firms are increasingly competing with companies from outside the region.

Employers are seeing a sharp increase in the number of job applicants. Where earlier this year, fewer than 10 people have applied, professional roles are now attracting more than 100 applicants. On the other hand there is still a mismatch between applicants and the skills required for some specialist roles, with employers relying on immigration for some technical skills, such as welders and chefs.

Reports are increasing of young families leaving NZ permanently due to household budgets tightening. Many are taking up lucrative jobs in Australia, especially in the health and education industries. One RSLG member personally knows 15 families who have left in the last month alone, with no intent to return. This trend not only takes away current workers, but also risks the loss of our younger skilled workforce of the future.

BY THE NUMBERS

Sectors currently being impacted by the slowdown in the economy represent significant components of our labour market.



14% (43,884) of filled jobs in our region are in professional, scientific, and technical services. Nearly 12,000 of these are in computer systems design and related services.



13.5% (42,204) are in public administration and safety. Of these 12.6% (39,434) are in central government administration, defence and public safety.) 0.9% (2771) are in local government administration.



8.9% (27,801) are in construction and infrastructure services.) Of these, 2405 are heavy and civil engineering, and 1100 are in water sewerage drainage and waste services.



6.4% (19,880) are in accommodation and food services. 17,002 of these are in food and beverage services.

Source: Infometrics: Filled jobs to March 2022

REGIONAL ACTIVITIES

Building the skills our region needs

- Te Pūkenga is booking block courses to help over-duration plumbing apprentices complete their training.** Many apprenticeships were disrupted by Covid, with the standard four-year programme stretching out to as much as six years in some cases. These overdue apprentices can now complete their training and move off the training wage.
- Construction and Infrastructure cadets graduating.** A six-week cadetship programme in the construction and infrastructure sector has just successfully ended. The programme enabled eight young people to gain skills, work certificates and credits on the NZQF through field-based learning. It was established through the Lower Hutt Jobs and Skills Hub and is supported by Rārangā and employers. It was funded by MSD to develop skills for RiverLink and other major infrastructure projects in our region. All those who graduated are now employed in the sector. A second cadetship programme will start again in February 2024.
- House of Science programme is growing in popularity.** Uptake of the programme for primary and intermediate students has grown by 21% among Wellington and Porirua schools, following efforts by WellingtonNZ and partners to secure funding. The programme is a tool to build scientific literacy and interest in Science, Technology, Engineering and Maths subjects. These skills open careers in our region's science, innovation and digital technologies industries, as well as for roles in advanced manufacturing, health, construction, and engineering. House of Science is well established in Hutt Valley as 'Hutt Science'.



Building awareness of careers and future employment possibilities

- A major career and jobs event is being planned for Porirua, in May 2024.** A community-led project group is coordinating local effort to help schools, students and families get information about different careers and training options and connect with employers. The event will be at Te Rauparaha Arena.
- Creative HQ will deliver webinars in February and March 2024,** to profile the amazing roles available in our digital technologies sector. These are being designed for school careers advisers and subject teachers and will meet a major need that emerged through tech week. You can also explore tech careers on [Tech Step](#), where local people talk about their jobs.
- A major careers event is also planned in Wairarapa.** Ūmanga Tūmatarau will be held early in 2024 for school students and families across Wairarapa. The aim is to hold this event every two years, alternating with "Take Flight", the STEM careers festival that is part of Wings Over Wairarapa. Wairarapa REAP is leading this work.
- Planning has started for 'Outside the Box 2024', a major event for young disabled people** to explore the possibilities of the journey beyond secondary school. The event will feature information about employment, living, training, transport, business and enterprise, recreations, and community and social connections. The 2024 event will take place on September 14 at Hutt Valley Events Centre.

REGIONAL WORKFORCE PLAN UPDATE

Wellington RSLG is coordinating implementation of the [Wellington Regional Workforce Plan](#). The plan has five focus areas: maximising workforce, skills development, building connections, thriving workplaces, and supporting young people.



Building Connections

A second meeting of the region-wide Construction and Infrastructure Sector Workforce Group took place in October, with over 60 participants. It focussed on identifying workforce demand and the skills needed to meet this. Further work to identify the volume and timing of major projects in the region will take place next year. The RSLG is currently confirming a steering group to drive the agreed programme of work in the future.



Skills Development

The RSLG began work with regional partners to co-ordinate engagement between careers advisers and employers in our region, to help build greater knowledge and awareness of careers in our region.



Supporting Young People

An Equity Co-ordinator has been appointed to the Ministry of Education to expand support for young people to move from education to employment. This role will help fill identified gaps in service provision in Wairarapa, Kāpiti and Horowhenua.