Establishing Regional Skills Leadership Groups

The Government is establishing 15 Regional Skills Leadership Groups to better meet the differing skills and workforce needs across the country.

Our labour markets could be better coordinated at a regional level, with more aligned decision-making by employers, workers, educators, schools and agencies.

To achieve this, the Government has announced its intention to establish Regional Skills Leadership Groups. These groups will identify workforce and skills needs in their region, both now and in the future, and advise on actions to cultivate these.

We’re currently seeking feedback on the best way to design the Regional Skills Leadership Groups, so they work for each region. We expect to establish the first groups by mid-2020.

The groups will feature regional industry leaders, economic development agencies, worker representatives, iwi, and government representatives, who will contribute their knowledge and local expertise.

Members will provide a local leadership voice and common view into the region’s investments in skills and training. They will develop Regional Workforce Plans, which project labour supply needs and outline how to create better and more attractive jobs across the region.

Our employer, education, welfare and immigration systems can act on this advice to make sure these skills are developed and available.

- Education agencies, providers and Workforce Development Councils will know what skills are in demand, and can tailor their programmes to deliver on these.
- Schools and careers advisors will get clearer information about current and future skills that will be in demand, to support school leavers to make good career decisions.
- Our welfare system can support skill-matched employment opportunities and referrals that move people into long-term, fulfilling careers.
- Our immigration system can provide any extra skilled workers needed, while continuing to prioritise jobs for New Zealanders.
- Employers can act on this advice to tackle barriers to employment and productivity growth, by pooling resources and offering attractive job opportunities.

This coordinated approach will support growing businesses, good jobs for workers and thriving regions.
What responsibilities will the groups have?
The Regional Skills Leadership Groups will have an advisory function. They will develop Regional Workforce Plans that will be used by employer, education, welfare and immigration systems to make sure these skills are developed and available. They will link to and coordinate with existing work underway in some regions so they don’t duplicate that work.

How will agencies use the Regional Workforce Plans?
The Government is establishing Regional Skills Leadership Groups as part of its reforms to vocational education and temporary work visas, to support better ways of meeting employers’ future skills and workforce needs in the regions. The Tertiary Education Commission will take the groups’ Regional Workforce Plans into account when making investment decisions. The Ministry of Social Development will use the Plans when making Labour Market Test assessments and referrals. Immigration New Zealand will use the Plans when determining where extra skilled workers are needed, while continuing to prioritise jobs for New Zealanders.

How can employers use the Regional Workforce Plans?
Employers will have a common view of skill development needs, and can pool resources to offer employer-led training opportunities. They will have a better insight into the terms and conditions they need to offer to make their roles attractive. The Plans can offer insights into barriers to employment, like limited rural transport links or childcare programmes, and employers can pool resources to develop services that overcome these.

What will the make-up of the groups be?
We expect to see local employers, unions, iwi, and community groups represented on the groups. Appointments will be based on principles relating to representativeness, effectiveness, avoidance of duplication, and the need to ensure the groups are of workable size. The size of the groups will be flexible to ensure it meets the needs of the region, while remaining a workable size. We anticipate approximately 14 members per group.

What support will the groups have?
We expect to support the groups with a central secretariat and data access and analysis service, along with a regional secretariat for each group, and a research and consultancy fund.

What regions will they cover?
There will be 15 groups, broadly in line with current regional authorities. Some regions may have sub-regions with differing labour market considerations. Groups may recognise this in their workplace plans or convene sub-committees or advisory groups to provide further localised guidance.

Who will decide the appointments?
The Chair of each group will be decided by Cabinet, while the remaining members will be appointed by MBIE. We haven’t yet decided on the process for memberships, and will be consulting with regions on their views.

How are existing labour market groups affected?
We want a cohesive model across regions, but we also want to build on the best practice that currently exists. There may be some existing groups who serve similar functions. In these instances, it may be appropriate for that existing group (with possible small membership adjustments) to be designated as the Regional Skills Leadership Group for that area.

How will the groups fit within existing regional economic development planning?
The Regional Skills Leadership Groups will be focused on labour market planning, whereas Regional Economic Development units have a much broader remit, often including tourism and investment promotion. Both bodies want similar outcomes, so we’ll ensure a strong connection between the two. Regional Economic Development Units will be part of the network of local participants that feed into these groups and their workforce plans.

When will the groups begin operating?
We expect to establish the groups by mid-2020, subject to funding being confirmed in Budget 2020. The Groups will deliver their first Regional Workforce Plans by the end of 2020, ahead of vocational education and temporary work visa changes coming fully into effect.

For more information and to contact us please visit www.mbie.govt.nz/rslg or email rslg@mbie.govt.nz.