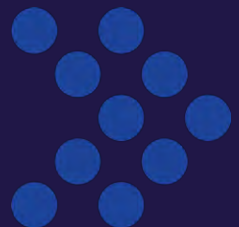
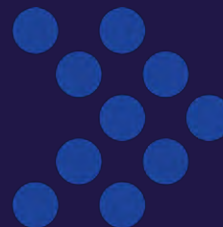




**Waikato**  
**REGIONAL**  
**SKILLS**  
**LEADERSHIP**  
**GROUP.**

# Local Insights Report

Waikato interim Regional Skills Leadership Group  
November 2020



# Introduction

This report provides an overview of the current labour market in the Waikato region as identified by the members of the interim Waikato Interim Regional Skills Leadership Group (iRSLG). It focuses on the impacts of COVID-19 and recent alert level changes on the local labour market and is based on discussions and engagement with iRSLG members from October-November 2020.

The purpose of this report is to identify the immediate labour market challenges and opportunities in the Waikato, and support government agencies and local stakeholders in their decision making and workforce planning for the region.

We welcome comments on this report. Please email feedback to [WaikatoRSLG@mbie.govt.nz](mailto:WaikatoRSLG@mbie.govt.nz).

For more information about the Waikato iRSLG, visit [www.mbie.govt.nz/Waikato-RSLG](http://www.mbie.govt.nz/Waikato-RSLG)

## Purpose of the RSLGs

Regional Skills Leadership Groups were formed in June 2020 on an interim basis to gather intelligence about the impacts of COVID-19 on the regional labour market, and to identify and support better ways of meeting future skills and workforce needs in our regions. They are part of a joined-up approach to labour market planning which will see our workforce, education and immigration systems working together to better meet the differing skills needs across the country.

Functioning independently, the groups are regionally based and regionally led, and supported by a team of data analysts, advisors and workforce specialists at the Ministry of Business, Innovation & Employment.

## Key points

### Challenges

- Lack of skilled workers was a theme that resonated across Manufacturing, Construction, Primary and the IT/Creative sectors.
- Attraction is an issue within the primary sector given its rural nature.
- Provision of workforce data needs to be consistent, up-to-date and supported by a clear narrative.
- Retaining skilled migrant workers is made difficult through complex immigration processes.

### Opportunities

- Construction continues to be very strong across the Waikato, which is creating demand for workers.
- The iRSLG has identified opportunities to support skills development to fulfil labour demand in key sectors through:
  - Resourcing businesses to increase their training capacity and capability
  - Targeted micro-credentials
  - Increasing recognition of transferable skills

## Current challenges

Construction and Manufacturing report several instances within their sectors where highly trained and valued staff, have been “poached” by businesses offering higher salaries and who don’t invest in training. The Manufacturing representative spoke about the challenges faced by businesses trying to address this gap by creating opportunities for skilled staff to train other staff. They highlighted that skilled staff don’t necessarily make good trainers.

Pastoral care for young workers entering the sector was identified by some members as a key element of skill development. Many young workers with leadership potential are often let go reluctantly by the employer because of non-attendance resulting from issues at home that the employer is ill-equipped to support.

Attracting people to opportunities in the Primary Sector is a challenge because the location of the jobs requires long travelling distances or living in remote areas outside of major towns and cities.

The iRSLG identified the need for timely, accurate data. The members are clear that there is a skills shortage in Waikato, not a qualifications shortage, and that reliable data profiles of their sectors are required to help them better identify what that picture looks like. Data provided by central government needs to be current and have a clear narrative of what the data is saying; members want to be confident in communicating the narrative to their respective industry groups. The member for IT/Creative sector echoed a shared concern of the need for more support for employers to provide on the job training, and to create industries that draw people to the region for work.

One of the iRSLG members who is community representative on the group, spoke about ethnic migrant communities in Hamilton who have been at risk of exploitation by employers during the lockdown. The member advised that there had been many instances where workers weren’t taking annual leave because they felt that they were expected to be at work. This was validated by one of the Union representatives on the group who spoke about the several ongoing and new cases of known exploitation of migrant workers in the region. Very often Unions are advised of incidents of migrant worker exploitation after the fact. Ethnic migrant youth advised of feeling a sense of exclusion from job opportunities and higher learning being advertised. They don’t see themselves represented in any of the promotional material.

The IT/Creative sector advise of the gaps in their industry that exist now (e.g. cybersecurity analysts and engineers) that can’t wait for people to complete a four year computer science degree. There is no ITO for this sector and thought needs to be given about shortening this training pipeline and including more on the job training.

## Current opportunities

iRSLG members report that some of the current skills pressures could be partly addressed by resourcing businesses to develop their skilled staff and increase their capability to train existing staff. Members feel that government investment in on the job training would consolidate apprenticeship training with minimal disruption caused by staff having to travel off-site for training. Manufacturing advise that this would be particularly useful for specialised roles for which apprenticeships do not exist

Short form re-training through targeted micro-credentials is an area that the group are keen to explore, with a view to enabling individuals to change roles, industries. Te Pukenga CE Stephen Town strongly supported this in his recent discussion with the Group, while Wintec CE David Christiansen made it very clear to the Group that he is very keen to work with the Group to create something now. More recognition of a worker's existing transferrable skills by different sectors would also help identify what added value skills are needed.

Some members would like to see more careers expos targeted at school leavers. This was validated by feedback provided from several community youth stakeholders who argued that career development should begin at Year 9.

## Outlook and next steps

Waikato continues to be a buoyant economy despite the downturn in Tourism, Retail and Hospitality. This has been helped by the Construction sector, which continues to be very strong across the region, however the challenge is finding workers to fill key roles.

Skills pressures are prevalent across Waikato's key sectors, as employers are finding it challenging to attract and retain existing skilled staff. iRSLG members report that the current situation is a skills shortage, not a qualifications shortage, and that reliable data profiles of their sectors are required to help them better identify what that picture looks like.

The Group would like to begin a deep-dive into the different industry sectors and are seeking more granularity in the data provided thus far by MBIE and MSD and Te Waka (Waikato Economic Development Agency). The hope is to clearly identify where the skill shortage is for each sector so that funding of vocational training can be targeted.