

## TOP REGIONAL INSIGHTS



The Manawatū – Whanganui iRSLG continues to hear from employers that the **key problem is a lack of labour availability, as opposed to skill shortages**. There is concern that with regionally significant projects combined with day-to-day business activity, there are not enough people willing and able to meet the demand currently faced by the region. Significant employers such as King Country Petfood, Ruapehu Alpine Lifts and meat processing facilities are facing a shortage of applicants to meet the currently available jobs.

The Ruapehu district maintains hope that the opening of the trans-Tasman travel bubble will lead to increased tourism spend on industries more reliant on international tourism. While the impacts of closed borders have not largely affected the region, increased visitor numbers will be warmly received by tourism-reliant industries and towns. It is also hoped that the travel bubble will bring a new wave of people looking for work, particularly in the primary, tourism and construction sectors.

## TRENDS AT A GLANCE



**76.5%** of school leavers in Manawatū – Whanganui left with NCEA Level 2 or higher in 2019. Nationally, the rate is 78.8% of leavers obtaining NCEA Level 2 or higher.  
(Source: Education Counts)



**12.8%** of the working age population are considered underutilised in Manawatū – Whanganui. This rate is 10% for males and 16% for females in the region.  
(Source: StatsNZ, Household Labour Force Survey, December 2020)



**2.1%** of Kāinga Ora properties in Manawatū-Whanganui are currently vacant. There are a total of 2,500 properties in the Region.  
(Source: Kāinga Ora, December 2020 Quarterly update)

## TOP LABOUR MARKET OPPORTUNITIES

- The Port Development (Te Pūwaha) project has begun in Whanganui**, bringing on line additional job opportunities in the coming months. The roles immediately available are in civil construction (rock haulage).
- Ruapehu Alpine Lifts are recruiting for their apprenticeship roles**, with the hopes that they can capitalise on skillsets already present within the region.
- BCITO are running industry upskilling programmes in the coming months**. These programmes aim to assist business owners/managers to identify efficiencies within their business, hopefully allowing for an increase in staffing as a result.
- King Country Petfood is establishing production in Taumaranui**, and looking to become a significant employer for the District. The establishment phase has already resulted in increased work for local construction companies as the processing factory will be the largest in the Southern Hemisphere.
- Q West Boat Builders are in need of 50 skilled staff in the next 12-months**. The roles in high demand are engineers and electrical fitters.

## TOP LABOUR MARKET CHALLENGES

- There is a demand for skilled workers, now – particularly in construction and infrastructure**. These sectors need support to target upskilling of parts of the current workforce to meet the need, in particular project management.
- Ruapehu Alpine Lifts have 600 positions to fill, with not enough applicants**, particularly for skilled roles such as groomers, ski patrol and instructors. It is hoped some of this demand can be met through the opening of the trans-Tasman travel bubble.
- Smaller Districts are finding themselves unable to compete with wage rates of larger Districts**. Some Whanganui civil construction companies are losing skilled staff to companies in Manawatū who are said to be offering up to double their current salaries. Losing skilled staff means less ability to tender for further work, and timelines of existing work being longer than initial projections.
- Housing keeps raising its head with respect to access, affordability and housing security**. There is pressure from landlords wanting to sell or not rent their properties out due to the new regulations. This is causing people to find accommodation in locations where they can not easily access employment.

## THE MANAWATŪ - WHANGANUI REGION



## OUR FOCUS FOR THE NEXT 2 MONTHS:

- Developing a comprehensive labour market model which showcases District variation.
- Stakeholder mapping including the establishment and strengthening of regional connections.
- Developing a Regional Coordination Action Plan.

## People Supply

- **Renting in the region is becoming less viable.** This is driven by affordability issues and landlords terminating tenancies for the vulnerable, including young people, prior to regulatory changes coming into effect.
- **Employers are struggling to get skilled/qualified workers** i.e. electricians, mechanics and chefs.
- **Whanganui has seen an increase in working age population over the past 12-months.** The iRSLG is investigating further to discover the scale of this growth. This can be attributed to the availability of jobs, a strong economy and domestic migration.
- **Less migrant workers supplying areas like hospitality are being felt** - in particular in chef roles, but also in meat processing who are struggling to fill shifts. This is causing existing workers to work longer hours, and businesses to struggle to fulfil current work orders.
- **Lots of commentary about youth becoming disengaged from school** - with reports of students being bullied, and a perception of schools not caring and not noticing when students stop going.
- **The number of unemployed people is higher than pre-COVID levels**, although Manawatū is doing well compared to the larger centres (Auckland, Wellington and Christchurch).

## People in Workforce

- **Youth are feeling that employment issues are continuing to worsen.** They report casual hours being cut back and those with multiple jobs had lost the odd one.
- **Ruapehu is seen as a "casualised seasonal district"** meaning that people are not looking to work full-time all year-round, they like seasonal work. This impacts employers wanting to hire staff for permanent positions, as these positions are not desired by the local labour force.
- **Rangitikei District is housing migrants via local iwi** as there is no local housing available for pickers. For example living on marae in accommodation complexes.

## Jobs

- **There are vacancies in construction but they need developed skills.** Many have taken on apprentices but can only handle a sensible ratio. Qualified people and skilled labour is desperately needed. There is a lot of poaching happening as well as attracting people from infrastructure into vertical construction which risks potential short falls for the large infrastructure projects. They are also recruiting people from less traditional sources such as hospitality.
- **Some primary sectors are experimenting with variations of employment practice** but apparently this is not so easy with dairy sector.
- **There is ongoing demand for healthcare workers**, in particular in aged care but also nurses across the board.
- **100% SWEET Whanganui (a local approach ensuring school leavers are engaged in further education, training or employment) currently has more jobs on its books than young people available/willing to fill them.** Recruitment agencies are also giving similar messaging - they have jobs, they need willing and reliable people.

## Skills Development

- **Industry associations are increasing their focus on workforce development and skill building**, with support from economic development agencies. The health, IT and building sectors are being really proactive and coming together to create solutions together as a collective.
- **Driver's license tests are frustrating young people after COVID-19 shut downs set up long waiting lists** which have just gotten longer. Re-sits are just more of the same.
- **UCOL and Massey both have high enrolment numbers**, compared to previous years, even with the downturn in international students. The enrolments can be seen across a range of subject areas.
- **Getting into trade training has gotten harder due to longer wait times** – there is a sense that the system is full-up and the polytechnic system is now making up meaningless "holding pen" courses.
- **Lack of options in Ruapehu District for adult learners is causing some to leave the district to upskill** (e.g. you can study hairdressing as a student but not as an adult)
- **There is a new organisation called Lift Business expanding in to Whanganui** (currently based in Hawkes Bay). This organisation is funded by the JR McKenzie trust and will be focused on training young Maori to be self-employed or entrepreneurs.

## Employers

- **Health, IT and Construction sectors are coming together** to collaborate on solutions for their workforce "problems".
- **Historic perceptions of long-term unemployed people remain**, for example that they don't have the skills and aptitude to be successful in the current workforce.
- **Transport, Logistics, Health, IT, Food & Fibre and Construction sectors still at various levels of not having enough staff.** This is consistent across all skilled level roles.
- **Ruapehu Alpine Lifts are looking into how to link seasonal roles together** to provide year-round employment, eg. people with wheels and tracks qualifications can be snow groomers.
- **Unions are continuing to work with employers to provide value to employees.** This includes how employers can invest in improving conditions such as upskilling opportunities for existing staff.
- **ANZCO meat processing plants are struggling to fill seasonal roles.** Their existing workforce is stretched thin due to long-term vacancies, which is causing pressure up and down the value chain.

## Demand Drivers

- **Awareness of the support and funding that MSD can offer** particularly for displaced people and for businesses currently operating.
- **Shovel ready projects are coming online**, however it isn't known what the collective workforce needs of all these projects over the next 6-months, 12-months etc.
- **There is hope that the opening of the trans-Tasman travel bubble will have a positive impact for Ruapehu** leading into the winter months.
- **High pay out in milk price** will translate to increased economic activity within the region and supporting sectors.
- **Residential builds are driving demand for work in the trades areas** (across all trades).
- **Whanganui hospitality sector is still in need of chefs.** This is potentially driven by border closures and also supply drying up from the scaling down of the Whanganui UCOL Chef qualification.

### KEY

People Supply (School Leavers, Work Transition, People not in the Workforce, Migration)

People in Workforce (Environment, Intentions, Responses, Challenges, Trends)

Employers (Environment, Intentions, Responses, Challenges, Trends)

Skills Development (Tertiary, Apprenticeships, Work Ready, Other Education and Training)

Jobs (Conditions, Standards, Recruitment, Vacancies, Trends)

Demand Drivers (Economic Trends and Development, Project Stimulus, Sector Trends)