

## TOP REGIONAL INSIGHTS



Credit: Only Marlborough

A recent survey of 400 businesses found 15 percent have reduced staff numbers, due to long-term impacts of COVID-19, totalling over 140 jobs losses. The survey was commissioned by The Economic Action Marlborough (TEAM) Group and Council, and reported 39 percent of businesses are experiencing difficulty in recruiting staff since the lockdown. The top roles in demand were “Sales, customer service, retail, hospitality, and cellar”; “Trade, painter, builder, electrician, and mechanic”; and “Horticulture, viticulture, seasonal, and labourers”.

Resilience gained following the 2016 Kaikōura earthquake is helping some tourism and hospitality businesses to survive the off-season. Some businesses have successfully adapted to focus on domestic tourists, with some visitor experiences reporting their best ever winter. Businesses focused on international visitors have had more difficulty adapting. Many businesses will hibernate to hold on through the quieter winter months.

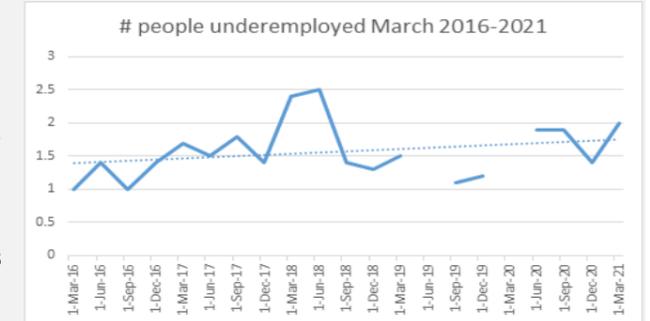
NMIT forecasts Marlborough’s economy to shrink and then recover, with some jobs disappearing then returning. Strong jobs growth is forecast in construction, manufacturing and primary industries. Accommodation and food services are forecast to suffer the greatest job losses but also to have one of the biggest rebounds. Highly skilled roles are less affected with Managers, Professionals, Technicians and Trades Workers forecast to have positive job growth 2022-2025. NMIT predicts future training demand will be driven by a fourth ‘industrial revolution’ as shifts occur in automation and productivity. This has the potential to double demand for training over the medium term.

## TRENDS AT A GLANCE

**3.8% - unemployment rate as at March 2021 quarter**, an increase of 1.0 percentage point since the same quarter in 2020. The Marlborough rate is lower than New Zealand’s overall unemployment rate of 4.7%.

**13.8% - underutilisation rate as at March 2021 quarter**, this represents an increase of 81% in the number of people underutilised (an extra 1,700 people since the same quarter in 2020).

**2,000 workers were underemployed** (work part-time but are available and would like to increase their hours). We are unable to calculate the change from last year. The chart shows the long term underemployment trend.



Stats NZ: Household Labour Force Survey, March 2021

## TOP 3 LABOUR MARKET OPPORTUNITIES



Job opportunities range across sectors and demand for skilled workers is high while unemployment remains lower than the NZ average.

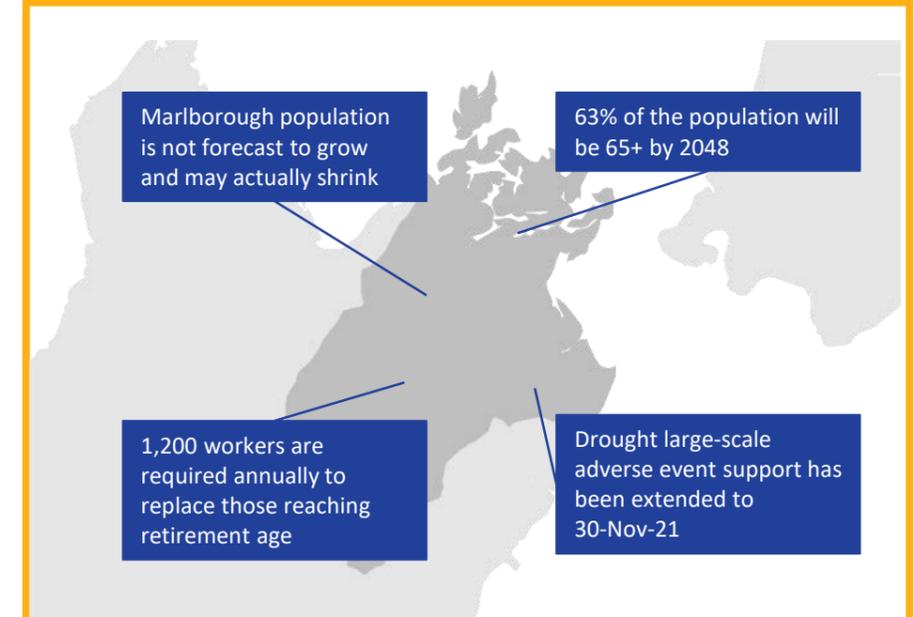
**2. A series of workshops to identify Marlborough building and infrastructure projects for the next 10 years and identify workforce gaps are being held.** The first was held on 21<sup>st</sup> April, and a second workshop focusing on opportunities and solutions was held on 20<sup>th</sup> May. The Building and Construction Industry Training Organisation (BCITO) and the interim Regional Skills Leadership Group (iRSLG) will use the information gathered to forecast and plan for the training and workforce needed.

**3. A hui to plan and coordinate local opportunities with Aged Residential Care (ARC) stakeholders is being organised by the iRSLG.** The hui will identify opportunities to promote ARC career opportunities; coordinate opportunities for locals to enter the ARC workforce; address underemployment; and identify opportunities to expand the training options available in Marlborough.

## TOP 3 LABOUR MARKET CHALLENGES

- 1. The wine industry is experiencing significant shortages of skilled labour for winter pruning.** Resumption of RSE worker movement is very welcomed as the wellbeing of RSE workers, some of whom have been here for 2 years, is front of mind. It is unclear if the arrival timelines will relieve pressure during winter pruning. The wine industry held a well attended field day on labour saving considerations for pruning. Industry and government collaborative initiatives to address the winter pruning challenge include MSD’s hiring expo, Primary ITO taster course and the MPI Opportunity Grows Here attraction campaign.
- 2. Negative perceptions are a barrier to people considering seasonal work in primary industries.** Historically, it’s been difficult to attract locals to these jobs. Jobseeker focus groups identified a range of negative perceptions about pay, conditions, and health & safety. Existing labour shortages have been exacerbated by COVID-19 border closures requiring new approaches by employers.
- 3. Underemployment and underutilisation remain high despite low unemployment and high demand for skilled workers.** Underemployment disproportionately affects Māori, women and rangatahi/youth workers. These groups are over represented in the industries hardest hit by COVID-19.

## THE MARLBOROUGH REGION



## OUR FOCUS FOR THE NEXT 3 MONTHS:

Underemployment will be the overarching focus for the group over the next 3 months including related issues such as:

- ‘sunshine wages’
- casualisation of jobs, and
- seasonality.