

## TOP REGIONAL INSIGHTS



**COVID-19 impacts continue to be felt unevenly in Tāmaki Makaurau.** Some industries are thriving, such as manufacturing, the creative sector, construction and tech. This is increasing demand for skilled workers, and pushing wages upward as businesses compete for local talent. Service businesses are more likely to still be struggling as concerns remain about the city centre with lockdowns, reduction in tourism, and few international students. Low income households are more likely to be employed in COVID-19 impacted sectors and locations, with Māori, Pacific, and women in similar situations.

**Mental wellbeing is impacting on both sides of the counter, and mental health issues are having a major impact on communities.** This is having a flow-on effect on workers, particularly in customer-facing roles. Employers are needing to find ways to keep their workers safe as increasing instances of customer-on-customer conflict occurs.

**More funding is needed to support Trades Training education** as more learners are enrolled in training courses than ever before. With an oversubscription in some courses, education organisations are facing financial pressures to accept all students and meet their learning aspirations.

**Trans-Tasman bubble concerns are ongoing.** The already tight labour market is being further affected as skilled workers in agriculture and construction are being enticed to move. Decision making is becoming easier as increasing living costs tip the scales in favour of migration.

## TRENDS AT A GLANCE



**44%** of the restaurant industry say revenue is better than March 2021 with an average revenue increase of 17%.

Source: Hospitality Dashboard March 2021, Restaurant Association NZ



**1.6%** increase in the number of young people aged 16-24 years not in employment, education or training (NEET) (39,200 compared to 38,570 end of March quarter 2020)

Source: Stats NZ, Household Labour Force Survey



**11.8%** increase in the number of persons unemployed in the labour force (52,200) compared to end of March quarter 2020.

Source: Stats NZ, Household Labour Force Survey

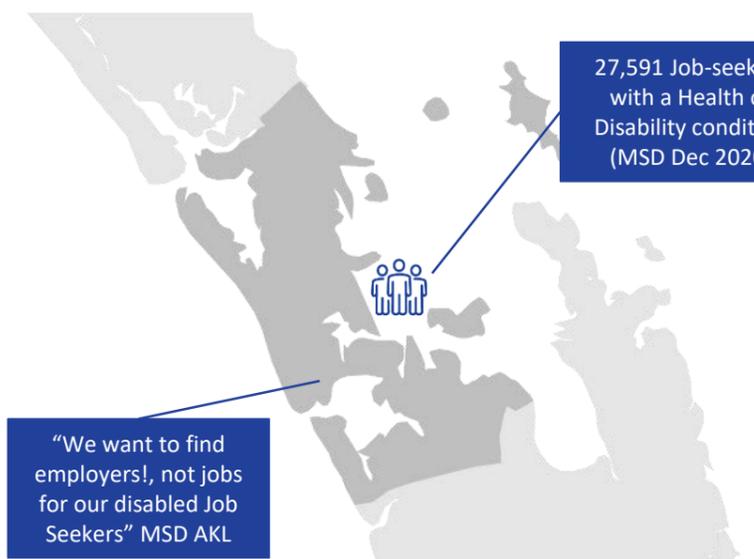
## TOP LABOUR MARKET OPPORTUNITIES

- Game on! Women in sport will drive a welcome boost for the hospitality, visitor experience and accommodation sectors in the region.** Football, Rugby and Cricket codes will be holding major events over the next couple of years.
- The Pacific Business Trust is helping to build better Pacific businesses.** It is providing training and upskilling for Pacific businesses wanting to be better at procurement and pricing in the thriving construction sector.
- Lights, Camera and Action! The creative sector, particularly the film industry, is setting the scene in west Auckland.** This sector is growing and thriving, providing much needed work for creative related businesses and film workers.
- 'Connected through Whakapapa'.** The Māori Business Network 'Whāriki' has seen its membership growing steadily, where up to 400 businesses now access Māori business excellence knowledge and networks.
- Bits and Bytes - the demand for 'Tech' related workers is high** with employers offering lucrative employment conditions for skilled staff. Overseas attraction to our positive pandemic responsive environment has seen tech firms showing interest in setting up in New Zealand.

## TOP LABOUR MARKET CHALLENGES

- Help is there, but where?** There are a large number of programmes offering business assistance and worker assistance, but it is not always clear to people what those options are.
- An unintended consequence of the higher minimum wage is driving businesses to reduce hours/workers.** Many workers are finding it impossible to live on this wage in Auckland.
- Fries vs. Fruit – the competition to attract staff.** Quick Service Restaurants, in regional areas with high orchard numbers, are facing labour supply pressures as orchardists raise wages to attract workers.
- High street lows are affecting the central city.** Auckland central retail businesses are seeing a downturn in trade as a result of less foot traffic due to reduced visitor numbers and central business office staff working from home.
- 'Red tape' on skills, immigration policy and procedures is extending the time non-resident skilled workers are unemployed.** This is particularly within the building and construction sector, as they transition between employers.
- Finding finance is proving to be difficult for SME's trying to access capital.** This is particularly affecting those who sub-contract, or where first invoice payments are delayed by up to three months.

## THE TĀMAKI MAKĀURAU REGION



## OUR FOCUS FOR THE NEXT 2 MONTHS:

We will continue our deep dives into key sectors in our region:

- Construction and Infrastructure - we have planned to hold our third stakeholder workshop on Thursday 6th May at Unitec, Mt Albert
- Health, hospitality and disability sectors
- The Tech sector is of interest to us and we will also have an initial foray into what is happening in that sector within our region

Our support of 'Tāmaki 10,000' as a "Regional Māori Labour Market Strategy" has led us also to think about the Pacific People's labour market, and what it looks like within our region? We will look at gathering together insights and data to be discussed at our next meeting in May.

All these sector insights and stakeholder feedback, complemented with data, will contribute to the overall development of the regions workforce plan to be delivered by this group in June 2022.