

TOP REGIONAL INSIGHTS



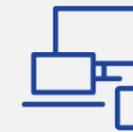
Mobility in the workforce is increasing as a consequence of the pandemic: More people are looking to change employment, particularly those looking for career advancement and to work for employers who will offer training and/or flexible working conditions. Some employers stopped training during the pandemic, and this is influencing workers' decisions to move on. There is good data coming out from a project looking at the COVID-19 relief payment for workers made redundant – most recipients of the payment moved into similar or better employment, as there was less rush to take up the first offer of employment.

COVID-19 impacts continue to be felt unevenly in the region: More people are coming off benefits than going on, and this is particularly true for higher-skilled workers. Women and youth are still greatly impacted by unemployment, and work still needs to be done with people who have been dependent on welfare long-term.

Empty shelves are becoming common as products become difficult to procure: Sectors such as Construction/Infrastructure are increasingly challenged by shrinking supply chains, particularly as base products such as steel and paint are becoming more difficult to procure. This points to a wider issue of trade exposure where lower imports equals lower productions, and increases the risk for workforces such as Māori and Pacific who make up a significant portion in direct import industries such as manufacturing.

Tech trade is growing in the region: Seen as the 'Nexus' of NZ's Tech sector, Auckland's Tech export revenue grew 10.3% from \$5.17B in 2019 to \$5.70B in 2020.

TRENDS AT A GLANCE



9.8% Growth in tech employees in the region from 25,869 in 2019 to 28,413 in 2020. (Source: Technology Investment Network)



A third of all Auckland jobs are reliant on trade and travel - 145,000 jobs on goods import; 81,000 jobs on goods exports; 31,000 jobs on international tourism (although a further 24,000 are reliant on domestic tourism); and around 30,000 on international education. (Source: Sense Partners)



48.2% of young disabled people (15–24 years) are not in employment, education or training, compared with 10.6% for non-disabled youth. (Source: Stats NZ, Labour Market Statistics (disability): June 2020)

TOP LABOUR MARKET OPPORTUNITIES

- Shifting up a gear in Tāmaki Makaurau.** The Pacific Skills Shift is a government initiative that will see up to three programmes implemented to support the promotion of Pacific peoples in the labour market. 'The Southern Initiative' will deliver a wrap around support service to families; the Cause Collective in South Auckland will work with employers; and a micro-credential programme will be delivered through Auckland Unlimited to support Pacifica in the workplace.
- \$27Bn worth of work is in the pipeline.** The BCITO the 'Workforce Information Platform' is an online tool that describes the supply and demand of the construction/infrastructure sector. This user friendly tool currently forecasts investment of up to \$27Bn worth of work is planned across the Tāmaki Makaurau region over the next three years.
- Tech is transformational in the region.** A recent publication by the Technology Investment Network describes how Auckland is leading the country in the tech export sector. There are 120 tech related companies based in the region with annual revenues of up to \$7Bn. They are not only in the ICT sector, but also in High-tech manufacturing and Biotech. When looking at the regions local boards, four of them stand out in terms of tech revenue share - Howick \$2.5Bn, Waitemata \$1.5Bn, Maungakiekie – Tāmaki \$1.2Bn, and Upper Harbour \$1.0Bn.

TOP LABOUR MARKET CHALLENGES

- The Restaurant and Hospitality sector is under pressure.** A May survey from the Restaurant Association of sector employers surfaced three common themes. The sector is at a crisis point as the *skills shortage* boils over; *exhaustion*, as employers report feeling run down and tired; and *staff being overworked* challenges, with working weeks of 80-100 hours being reported. There are also on-going concerns about remaining viable with rising labour and compliance costs.
- Skills shortages continue to be an issue in construction, the creative sector and health** around finding the people with the skills and experience to meet the growing demand. The tech sector also has major issues around sourcing talent, which may be exacerbated by the opening of the travel bubble with Australia. There is currently lots of capital around for good tech companies, but investors may become nervous if employers cannot find the talent.
- Immigration settings continue to impact on the regional labour market,** in particular sectors such as construction/infrastructure and related are acutely impacted at the required high skill level for roles such as Construction Project Managers. Delays in processing immigration applications and employer uncertainty of retaining skilled migrant staff are common concerns.

THE TĀMAKI MAKURAU REGION

GROWTH IN JOBS & WORKING AGE POPULATION 2010-2020



This chart highlights the importance of transport accessibility within the Auckland region. High job growth in the Isthmus and South Auckland relies on transport connectivity to bring workers from elsewhere. (Source: Stats NZ)

OUR FOCUS FOR THE NEXT 2 MONTHS:

- The group will look towards a final summary of the 'Deep Dive' into the Construction/Infrastructure sector to be presented to the group from BCITO in our upcoming June meeting
- More research and stakeholder consultation needs to be undertaken to better understand the challenges and opportunities of people with disabilities in our regional labour market
- The preparation of a handover summary report to be provided to the new incoming RSLG members in September 2021. This report will highlight initiatives, insights, challenges and opportunities that the group has surfaced since its formation in July 2020.