

TOP REGIONAL INSIGHTS



Employers are wanting greater immigration flexibility to allow them time to train up New Zealanders. They estimate it will take three years to get them through the immediate demand challenges whilst investing in training of local people. Some employers are reporting their highest number of vacancies in five years, and one employer has lost half of their staff to a competitor. Reports of staff poaching are becoming commonplace especially across the construction sector.

Housing issues continue to be front and centre, with new reports showing that there is a \$46,320 shortfall between the median household income and the required finance to buy the average house in Hawke's Bay. The income needed to afford an average house in Hawke's Bay is \$116,680, making it the fourth most expensive region to buy in New Zealand.

The new Harapaki wind project is expected to create 260 jobs in the region. It is being built by Meridian 35km northwest of Napier, and it will be New Zealand's second largest wind farm. Training providers are expecting this to have some big impacts on employment and training opportunities.

TRENDS AT A GLANCE



The migrant workforce on Employer Assisted Temporary Work visas is 1,640 in June 2021, equivalent to ~1.7% of the total workforce. This is an increase of nearly 300 workers compared to the same time the previous year.
 Source: Immigration NZ, May 2021



The proportion of 18-64 year olds receiving Jobseeker Support in Hawke's Bay in May 2021 decreased 0.4% to 6.6% (compared to May last year).
 Source: MSD Monthly Benefit, May 2021



Special Needs Grants for food have increased 12% from April to May 2021, and MSD report this is due to the increase in the number of people coming back onto benefit as seasonal work is ending.
 Source: MSD Monthly Benefit, May 2021

TOP LABOUR MARKET OPPORTUNITIES

- **NCEA changes on the horizon offer an opportunity to make it more accessible and equitable for all students.** After public consultation these system level shifts were identified including Wellbeing; Inclusion and Equity; Coherence; Pathways and Credibility. Changes will be made as a package to be implemented in the next four years.
- **Vocational pathways work will lift its profile to reflect its equal value alongside NCEA Level-3.** There will be new vocational standards for NCEA and there will be packages developed with industry to show a pathway into employment.
- **A new call centre Te Puna Whakamarama (COVID-19 Call Centre) is due to open in July in Hastings, and will be operated by Te Taiwhenua o Heretaunga.** Between 30-50 staff will be recruited, trained and employed on 6-month fixed term contracts. This trained workforce will be a great resource to then link with other employers and sectors, including central government.
- **Horticultural employers are contacting New Zealand Apples and Pears for help with developing their labour force.** Industry are growing their future leaders from previous Sustainable Employer Employee Development (SEED) programme learners. This training is not new but there's a definite shift on creating better workplace culture focusing on nurturing people and their future development.

TOP LABOUR MARKET CHALLENGES

- **The hospitality sector is finding it tough to find workers despite their efforts to engage New Zealanders.** Collectively this is putting considerable pressure on employers to be able to fill their vacancies and retain their current workers. For example restaurants not opening on a Sunday, and increasing reports of staff burnout.
- **Mental health and anxiety issues are increasing due to the immigration backlog creating delays in getting visa extensions approved.** There is a lack of certainty for Filipino workers who had been assured by their employers they would be eligible for residency, prior to the announcement of the rebalancing of immigration settings.
- **Staff poaching is increasing in the region, particularly for Filipino workers in the construction sector,** as employers are unable to follow through with their earlier promises on residency.
- **Hawke's Bay has an aging workforce, with more than a third in the 50 – 65 years age range,** and there are relatively fewer people in the 15-24 years age range (~15 percent). More work is required to maximise the advantage of the region's comparatively higher than average youthful Māori population.

THE HAWKE'S BAY REGION

- Māori continue to be significantly disadvantaged in terms of sustainability of employment
- Employees driving to work on incorrect licences continue to cause frustration for employers. One employer estimates 50% of their workforce are driving on incorrect licences or breaching their licence conditions.
- People that lost jobs through COVID-19 are starting to get absorbed back into work, but Māori are not getting absorbed as quickly
- There are shortages in skilled labour and the construction sector is seeing the highest number of vacancies in five years

OUR FOCUS FOR THE NEXT 2 MONTHS:

- Work in collaboration with MSD and the Hawke's Bay DHB to deliver the aged care sector workshop with local providers.
- Begin to focus on technology and digital skills workforce needs in August/September.
- Continue to progress horticulture work to include viticulture perspective for July RSLG meeting. The local tertiary provider (EIT), industry representatives, and the Food & Fibre Centre of Vocational Excellence (CoVE) will be involved.
- We will continue to work with and support BCITO in producing the report from the Workshop that was co-delivered to industry, local and central government stakeholders on 22 June. The report is targeted for the RSLG later this year.