

TOP REGIONAL INSIGHTS



The Aged Care sector in Murihiku is reporting care worker and nursing shortages. For example, in the last six months Aged Residential Care facilities have lost twenty nurses to our public hospital. In addition, it is reported that there are insufficient care workers across this sector and there is increasing concern about the impact this shortage is having on the elderly. The sector is looking at options including how to introduce penal rates and career progression within Aged Care facilities; how to support the industry to change perceptions of aged care as a career path; and at reintroducing "Return to Nursing" programmes within the region.

Australian recruitment campaigns are causing concern for employers, with attractive packages being advertised to New Zealanders. Employers across a range of sectors are losing staff due to better financial offers, additional recruitment incentives, and faster immigration processing offers. Regional employers continue to work hard on retention of staff, and Industries are keeping a watching brief on this.

The Invercargill Licensing Trust (ILT) are reporting a staffing crisis, as challenges to recruit for vacancies leave existing staff resources over stretched. The ILT employs 650 staff, and are considering closing some of its restaurants for one day a week so they can review their resourcing model. The most pressing challenges are finding skilled chefs, and restaurant and bar managers for existing roles; and also filling 80 new jobs at Langland's Hotel which is due to open in February 2022. The industry is considering ways of changing perceptions of hospitality from being interim employment, to being a career pathway towards management opportunities.

TRENDS AT A GLANCE



For the year **May 2020 – May 2021** the region has experienced the following job market outcomes:

- Number of **filled jobs** has increased by **1.4% / 660 jobs** (Stats NZ)
- Number of **Jobseeker benefit recipients** has decreased by **-7.5% / -230 person** (Ministry of Social Development)



In addition, the latest **Employer Assisted Temporary Work visa data highlights that for the year June 2020 – June 2021:**

- In the region the number of visa holders has **decreased by -12.6% / -220 people**
- Nationally the number of visa holders has only **decreased by -1.6%** (Immigration New Zealand)

TOP LABOUR MARKET OPPORTUNITIES

1. **The Just Transitions team from MBIE are working with local Southland communities.** They are focussed on developing industries and a future economy that isn't as vulnerable to volatility in international commodity markets, or the profit margins, of a multinational corporation. Just Transitions are commencing work on supporting new industries that are future focused; that will integrate into the local community; and that will provide a source of well paid jobs for current Southlanders and future generations.
2. **Southlanders are returning home to assist on family farms due to the labour shortage.** Southland farmers are welcoming family back from Australia to help to overcome labour shortages across the region. Farmers who are unable to secure staff within the region are asking family to return home for short-term contracts to assist with on farm roles. This is not a long-term solution, however the sector is looking at all possible alternatives.
3. **Aged Residential Care has the opportunity to develop career pathways.** Removing barriers to ongoing education and training is key to retention of employees, as is ensuring a career pathway with regulated industry standards is developed. Community Providers and Employers within the region are working together to get Competency Assessment Programmes (CAP) for Registered Nurses in Southland.

TOP LABOUR MARKET CHALLENGES

1. **Murihiku based Manufacturer and Exporter Stabicraft are reporting new challenges with revised shipping services and container availability.** June has brought additional pressure on the export front, with shipping services so stretched that they are extremely reluctant to 'slip a container' because they are on notice that some shipping services are booked four weeks in advance. Hence, the consequence of a mere few days late departure from Stabicraft may be a four or more week delay in delivery in either Australia or the USA. The company's growth is currently tied to the incoming supply chain. This reporting is aligned across other industries in the Region.
2. **Paying higher wages is raising new challenges for employers.** Employers across the region are working on attraction and retention strategies, with some employers offering higher hourly rates. Feedback from employers suggests that paying higher rates has seen a reduction in the number of hours their employees want to work. They have surmised that this may reflect employees choosing to prioritise their work life balance.
3. **The effects of quarantine free travel are yet to be seen on the labour market in Southland.** We anticipate that it will take more time to see the effects of visitors travelling to the region. Moving into the Winter period it is more likely to see travellers leave the region to visit warmer climates in Australia and the Cook Islands. It is expected that this will have a higher impact on our already vulnerable businesses.

THE SOUTHLAND MURIHIKU REGION

The Winter Season compounds existing challenges in Te Anau. The lack of visitors and trans-Tasman bubble interruptions will continue to have an impact on Te Anau businesses and their community.

The Primary Sector continues to experience staff shortages. Employers are considering availability of seasonal workers earlier than usual.

The Aged Care sector is experiencing critical Nursing and Care Worker understaffing, and limited career pathways in this sector. This in turn is impacting employment conditions and quality of care.

OUR FOCUS FOR THE NEXT 2 MONTHS:

- Investigation into the Immigration and Welfare profile of the region, to determine any areas of challenges and opportunities
- Development of a report around labour market needs, now and in the future
- Deep dive into Southland's Education profile of the region