

**TOP REGIONAL INSIGHTS**



Image: Whanganui & Partners

**About 50 apprenticeships have been created for Māori job seekers in Whanganui.** Minister Carmel Sepuloni has announced that \$2.25 million in Government funding will support the three-year Tūpoho Workforce Development scheme. This initiative will be run by Tūpoho Investments Ltd, which is the commercial arm of Whanganui iwi Tūpoho, and will enable local Māori to become qualified in trades such as building, plumbing, electrical, and more.

**Strong labour market opportunities exist in the Horowhenua,** as evidenced by a report commissioned by Get – Go and led by UMR. A survey completed by 169 business people found that 81% of respondents were confident in the growth prospects for their own business in the short term (one to two years) and 74% in the long term (five to ten years).

**There is a marked increase in the number of apprentices in Taranaki as employers are informed** about how the Apprenticeship Boost can remove some of the financial barriers around upskilling current staff or taking on someone new. This increase has been seen across different trade industries.

**TRENDS AT A GLANCE**



**69.7% - labour force participation rate** which is up from 68.4% at the same quarter the year prior. This is a 1.3 percentage point increase.



**4.8% - unemployment rate.** This is a difference of 0.1% compared to the same quarter the year prior. The Māori unemployment rate for the region is 3.1% (up from 1.7%).



**12.3% - NEET rate** which is a decrease from the same time the year prior (NEET rate of 13.7%). This represents a total of 4,300 young people not in employment, education or training.

(Source: Stats NZ, Household Labour Force Survey, June 2021 Quarterly update).

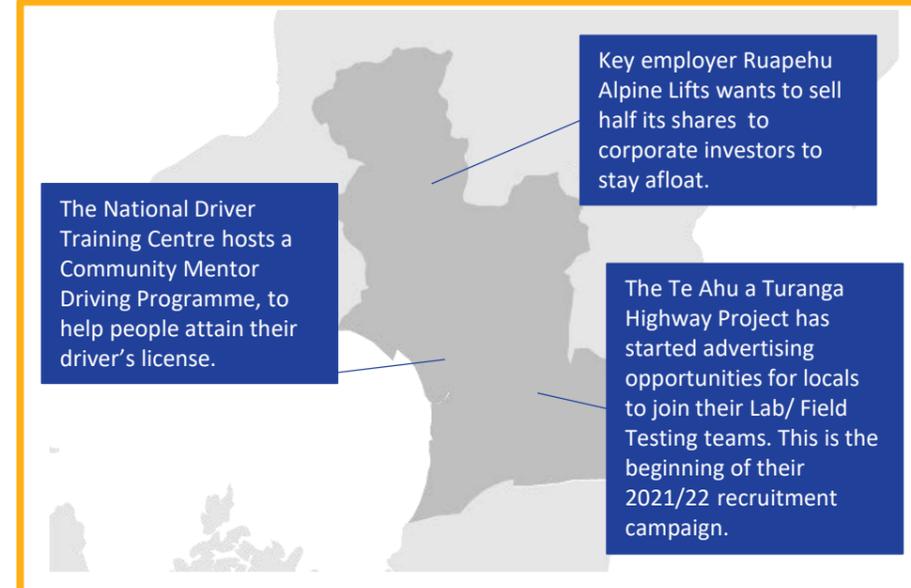
**TOP LABOUR MARKET OPPORTUNITIES**

- KiwiRail’s proposal to build new distribution facilities and freight yards in the Manawatu region is projected to add \$100 million each year to the North Island economy.** Project planning started back in 2019 when a \$40 million grant was secured from the Provincial Growth Fund.
- Te Pūwaha Governance Group is releasing a concept plan at a community hui for the North Mole and adjacent coastal reserve/river embankment.** This is part of the Whanganui Port Rejuvenation, which will see job creation for the construction sector in the Region.
- A number of Taranaki organisations are working together to streamline and simplify the Driver Licence process in the district.** Through community engagement, information has been collated that identifies the Taranaki organisations, programmes, and individual supports in place that currently enable people to gain their driver’s licences locally from Class 1 – Class 5, as well as licence endorsements such as forklift, wheels, tracks and rollers.

**TOP LABOUR MARKET CHALLENGES**

- Lack of staff at all levels is the biggest business challenge in the Horowhenua,** according to the Get – Go commissioned report. Several participants interviewed in the qualitative part of this study noted they were turning away work or purposely trying to slow down their business as they were at or exceeding capacity. This included but was not limited to manufacturing, aged care and horticulture sectors.
- There is a wait time of three months for people to sit their driver’s licence, due to a staff shortage at VTNZ.** This is exacerbated by a high turnover of assessors. Some people are having to pay for refresher lessons because of the long waiting period.
- Employers will not be able to sponsor residency applications for workers earning below \$27 per hour, under new changes for skilled migrant sponsorship.** For a worker to be deemed ‘skilled’ they must earn \$27 per hour or above. The Palmerston North Community Services Council are concerned that this is unaffordable for Not For Profits, who have people with degrees and specific community work knowledge earning below this.

**THE MANAWATŪ - WHANGANUI REGION**



**OUR FOCUS FOR THE NEXT 2 MONTHS:**

- Transitioning from the interim to the permanent Regional Skills Leadership Group.
- Beginning aspirations planning, which will pave the way for analysis and actions.
- Supporting consultations with communities and stakeholders.

## People Supply

- **The talent and skills shortage in the Infrastructure and Construction sector is posing a risk**, as some projects could come to a halt or significantly slow down. Brick and blocklayers are particularly affected, although labour costs are increasing strongly across the sector.
- **Industry churn is preventing new talent from emerging**, as salaries are driving the employment decisions that the existing workforce makes. This is not helped by ongoing reports of skills shortages in the food and fibre sector, as well as technology, health and hospitality.
- **Temp agencies in the Manawatū are reporting that they are short of people on their books.**

## People in Workforce

- **Dairy farmers are strongly indicating staffing shortages** as they head into their busy season. They are concerned that their often remote location is working against them as much as other factors.
- **The Rural Contracting sector is similarly gearing up and faced with staffing shortages.** They have traditionally relied on foreign workers (mostly from Europe) and are also worried that their small town locations work against them.
- **Multiple sectors are reporting staff poaching as an issue**, including the Construction sector, the Aged Care sector and the Early Childhood sector.
- **MidCentral District Health Board nurses and midwives are set to strike** on the 19<sup>th</sup> of August (at the time of writing). They are striking to demand better pay and safer staffing conditions.

## Jobs

- **Housing is affecting recruitment in the Region.** People who were previously attracted from places such as Auckland now cannot find a house or cannot afford one.
- **Social Work registration now costs \$468 annually** – this is an extra cost that social services agencies need to wear. Due to this some agencies will face the prospect of no longer having social workers employed.
- **The teaching sector is facing an aging workforce**, which poses questions around what is being done to keep support older workers to be ‘real work’ savvy.
- **Some employee agreements are being set up wherein the employee is able to be sent home unpaid** if there is no work, for reasons such as the weather.

## Skills Development

- **Talent Central has been offering free driving lessons in schools**, to complement their Work Ready Passport. They are finding that students are requiring 10 – 12 lessons before they are ready to sit their licence, which is likely because they are unable to practice between lessons.
- **The Woodville Work Ready week held in May, which lead to 9 of 12 people being employed**, is in the final phase of transitioning seven people in seasonal employment onto finding permanent employment. Following the success of this programme more collaborative ‘Work Ready’ programmes are in the pipeline for Taranua.
- **UCOL has been reported as being progressive and proactive**, as they are strongly engaged in the community, especially with employers and industry sectors. Their vision is to be the Skills Engine driving the economic and social development of the Central North Island.

## Employers

- **Horowhenua business people are both strongly confident in the future of their businesses and the local economy**, according to the Get – Go commissioned report. The geographic location of the Horowhenua is strongly felt to be an advantage, as businesses enjoy a close proximity to large population centres and strong transport links to the rest of the country. The pressure point for these employers, however, is finding suitable staff to allow their businesses to grow.
- **Anecdotally there is higher business confidence in the Taranua**, which is said to be a combination of wage support programmes from the Ministry of Social Development, candidate pastoral care, and collaboration between community organisations.
- **Ruapehu Alpine Lifts reported a \$22 million loss last year**, which is concerning given that is a major employer in the Ruapehu District. This includes an operating loss of \$4 million.

## Demand Drivers

- **The Meat Industry Association has launched the ‘Meat Your Career’ campaign** to address the chronic shortage of workers in the sector. Nationally, the industry is short of about 2000 workers and many opportunities exist within the Region.
- **Community groups are concerned about chronic shortages of truck drivers in the Region**, however, it is also reported that for a class five driver to be considered competent they need to complete 1500 hours of driving.
- **Get – Go’s job portal, which features local job vacancies in the Horowhenua, is advertising nearly 60 roles.** This is in light of the fact that Horowhenua businesses sight staff shortages and recruitment difficulties as being among their biggest challenges.

### KEY

People Supply (School Leavers, Work Transition, People not in the Workforce, Migration)

People in Workforce (Environment, Intentions, Responses, Challenges, Trends)

Employers (Environment, Intentions, Responses, Challenges, Trends)

Skills Development (Tertiary, Apprenticeships, Work Ready, Other Education and Training)

Jobs (Conditions, Standards, Recruitment, Vacancies, Trends)

Demand Drivers (Economic Trends and Development, Project Stimulus, Sector Trends)