

TOP REGIONAL IMPACTS



The August COVID-19 lockdown had a negative effect on 88 percent of businesses surveyed by Marlborough District Council, with five businesses stating that the lockdown may put them out of business. This was reflected with 70 percent of companies applying for the wage subsidy, resurgence support payment, or both.

On a positive note, 56 percent of businesses expect to do as well or better in the next six months compared to the last six months. Marlborough had a greater decline in card sales than NZ overall, with a 19.6 percent drop in spend vs the NZ average 12.9 percent. While the lockdown in August effected businesses severely, the overall spend in the year to the end of August 2021 was stronger than any of the proceeding five years.

Marlborough Girls' College noted a significant increase in school leavers following the August lockdown. Overall, 45 percent of Year 12 and 13 students did not return to school. Many went on to employment or training opportunities, but 37percent left with no plans for work or training. Most cited COVID-19 as the reason for leaving.

The effects of the July floods continue to be felt. The Kenepuru and associated roads will not be fully open until 2023 and this has flow on effects for 100+ mostly small businesses who no longer have road access. Council is working with the local community and central government to see what can be done to support these businesses and residents in the interim.

REGIONAL WORKFORCE PLAN

The RSLG is developing Marlborough's first Regional Workforce Plan. This will set out an action plan for addressing the workforce and skills issues and opportunities that we have in the region. Our draft 15 year aspirations include:

- **Diverse opportunities** - a diversified economy and diverse labour market;
- **Sustainable economy** - the economy and labour market protects and enhances our environment;
- **Vibrant community** - people want to move to and return to Marlborough and bring their skills with them;
- **Great work places** – attract talent with good career and job opportunities for people in the region; and
- **Māori economy** - the Māori economy and Māori aspirations thrive.

Your direction and input into what we should be focusing on for the regional labour market over the next 15 years is really important. What do we need to do over the short, medium and long term to ensure we meet the future skills and workforce needs of Marlborough so we can continue to grow and prosper?

Send us your feedback at: MarlboroughRSLG@mbie.govt.nz

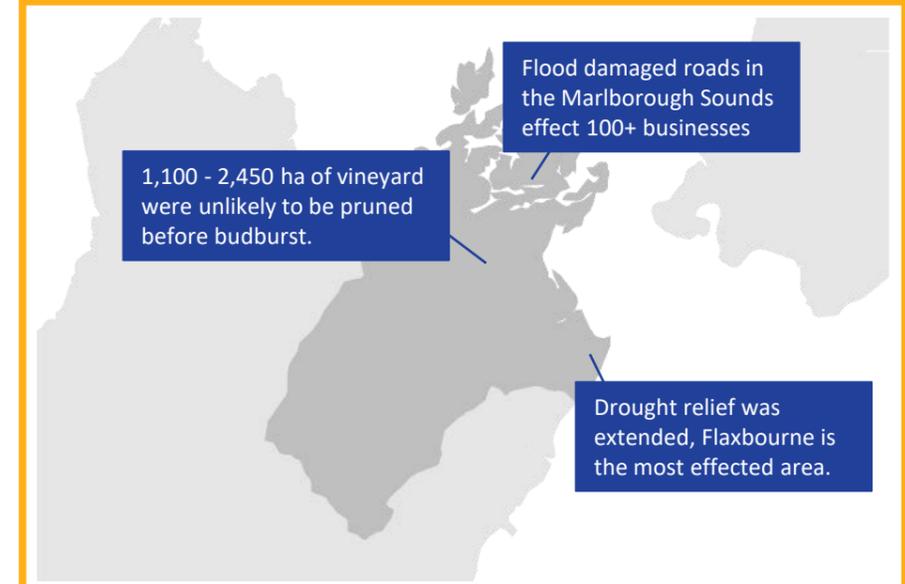
TOP LABOUR MARKET OPPORTUNITIES

1. **Construction businesses that have been struggling to recruit young people are switching focus to older workers.** Companies are offering job shifting and retraining opportunities to older workers, who are motivated and already have good work habits.
2. **Wine companies have recently changed their work practices to address wellbeing and sustain a workforce.** At Marlborough Vintners staff work four nine-hour days a week, from July-January, but are paid for a 40-hour week. A roster system keeps the winery open to its clients five days a week.
3. **Product and process innovation is occurring as businesses respond to challenges,** especially in the viticulture industry. The RSLG is engaging with the Industry Transformation Plans, particularly Agri-tech, as an opportunity to foster and maximise innovations for our key industries.
4. **Marlborough has a high NEET rate relative to a low unemployment rate.** The Graeme Dingle Foundation Career Navigator Community Pilot in Marlborough has experienced success in trying to reduce this. It worked with 'the hidden unemployed' – connecting disengaged youth with employers and employment opportunities, 87% of participants are now in work or training. They are now seeking additional funding to repeat the programme.

TOP LABOUR MARKET CHALLENGES

1. **There is a growing need for a conservation workforce.** There are a number of projects that have funding but they are struggling to find workers to meet this need.
2. **Marlborough is seeing a lot of capital available for investment** however finding skilled staff and creating the environment for start-ups seem to be significant barriers. There needs to be local coordination to pair up investment with opportunity.
3. **Marlborough has the highest underutilisation rate in New Zealand (14 percent) in the June 2021 quarter,** despite low unemployment (4 percent). Marlborough was one of only two regions to experience an increase in underutilisation over the year to June 2021.
4. **Jobseeker numbers are stable with 1,377 Jobseeker recipients in September** compared to 1,494 in 2020. However, there were only 988 pre-COVID-19.
5. **Marlborough is experiencing growing pains with high demands for infrastructure, commercial and residential building and construction.** The industry is facing price increases, supply chain issues, a shortage of skilled staff, and a lack of accommodation to house out of town staff.
6. **Demand for beds is exceeding supply in the Aged Care Sector.** Combined with a shortage of staff, this means some elderly people may need to be placed in care in Nelson, away from their families.

THE MARLBOROUGH REGION



OUR FOCUS FOR THE NEXT 3 MONTHS:

Engaging with the community and stakeholders on draft aspirations for Marlborough.
Writing a draft Regional Workforce Plan for consultation in early 2022.