

# Wellington Regional Workforce Plan DRAFT FOR CONSULTATION

**March 2022** 



# Information for consultation

The Wellington Regional Skills Leadership Group (RSLG) is pleased to present its draft Wellington Regional Workforce Plan for your feedback and comment.

This document reflects the views of the Wellington RSLG. It does not reflect the views of the Ministry of Business, Innovation and Employment (MBIE) or any other agency and is not government policy.

### **About us**

The Wellington RSLG was set up by Government as an independent advisory group to support better ways of meeting future skills and workforce needs. We were appointed in September 2021, following on from an interim group. We're made up of 14 permanent members including representatives of regional industry, iwi, workers, community members, and local and central government.

#### Our task

We are responsible for developing a regional workforce plan for the Wellington region. This plan will highlight labour supply and demand trends for the region and identify where change is needed to achieve a highly skilled and coordinated regional labour market.

### What we have done to date

Over the last year we have been building a clear picture of the Wellington region's labour market and its workforce needs. We have visited local communities, talked with stakeholders, gathered insights and discussed data. We've heard about the region's challenges and opportunities, its sectors and communities, its iwi and their work and aspirations, its local communities and their needs, aspirations, and plans. We've agreed our long-term vision for the region's workforce with stakeholders, and where to focus our effort over the next three years.

We have now developed a proposed action plan to help us reach our vision. We are proposing actions and activities with regional impact that can be achieved through leadership, influence, coordination and collaboration.

Our draft plan is below, and we look forward to hearing your feedback.

## **Next steps**

We are seeking feedback on this draft plan until midnight on Tuesday 19 April 2022.

This is an opportunity for you to provide feedback on our thinking to date. We want to make sure we have identified the right challenges and opportunities, and the right actions and activities to make this plan successful.

To help us develop the plan, we have some key questions for you below.

We will use your ideas and feedback to help us complete the final Wellington Regional Workforce Plan. This will be publicly available in July 2022 and posted on our the Wellington Regional Skills Leadership Group webpage.

## Some key questions

We welcome your feedback on any aspect of our plan. We'd also like to hear your views on these questions:

## 1. Are these our region's challenges?

- Does our plan identify the right and biggest challenges that the Wellington region's labour market faces?
- If not, what have we missed?

#### 2. What do you think of our proposed actions?

- Will they help address the challenges?
- What are the most important actions?
- What other actions and activities could we consider?
- Could your organisation help us implement any actions or activities?
- 3. Have we done enough to support efforts to improve employment outcomes for Māori and other priority communities?
- 4. Do you have any other comments that would help the RSLG plan for this region's workforce?

#### How to have your say

Please email your written feedback to us at **WellingtonRSLG@mbie.govt.nz**. You can complete a feedback form and attach it to your email, or simply share your thoughts in the body of your email.

Feedback forms are on our Wellington Regional Skills Leadership Group webpage.

We are receiving feedback until midnight on Tuesday 19 April 2022.

## **Official Information Act and Privacy**

We do not intend to proactively release any submission, but by making a submission we may include the information provided in the final plan. Submissions remain subject to request under the Official Information Act 1982. Please set out clearly in the cover letter or e-mail accompanying your submission if you have any objection to the release of any information in the submission. In particular, please specify which parts you consider should be withheld, together with the reasons for

withholding the information. MBIE will take such objections into account and consult with submitters when responding to requests under the Official Information Act 1982

#### **Private information**

The Privacy Act 2020 establishes certain principles with respect to the collection, use and disclosure of information about individuals by various agencies, including MBIE. Any personal information you supply to MBIE in the course of making a submission will only be used for the purpose of assisting in the development of the Regional Workforce Plan. Please clearly indicate in the cover letter or e-mail accompanying your submission if you do not wish your name, or any other personal information, to be included in any summary of submissions that MBIE may publish.

If you have any questions or want to provide feedback on the plan, please contact us at: WelllingtonRSLG@mbie.govt.nz



# **Draft Wellington Regional Workforce Plan**

**March 2022** 



#### Mihi

He ao te rangi He hieke te mauri Ka uhia Mā te huruhuru te manu e rere ai Mā te mātauranga te ohu e tupu ake ai Haumi e, hui e, taiki e.

Kia rere arorangi ngā mihi ki te Matua-Nui-i-te-Rangi kia māturuturu iho te tōmairangi o tōna atawhai ki runga i a tātou i tēnei rā, ā, haere nei te wā.

Tēnei te tangi a te ngākau ki a rātou kua ngaro atu rā. Ko te toki nei a mate e tua nei i te tangata ki te pō, e kore koa e taea te pēhea. Ngā mate huhua o te tau ka taha, o tēnā marae, o tēnā marae, huri noa, tēnei ka tangi oriori, tēnei ka tangi apakura. Heoi anō ngā taonga e mau nei ko te puna roimata, ko te ngākau mamae, ko te aroha. Haere koutou te hunga kua riro i te mūnga o te makiu, hoki atu ki te kāinga tūturu o tua whakarere, oti atu rā koutou te pito ki Hawaiki. Waiho ake mātou te pito ora ki muri nei.

Kei ngā kāpunipuni o Te Upoko o te Ika ka mihi, ka oha ka tangi. Tēnā anō koutou e taipurua nei e te taru tawhiti me ōna raru e hōrapa haere ana i te motu. Nō reira he mihi ka tika. He mihi ka tika hoki ki aku kāhu tātara, ngā minitā e hāpaitia ana te kaupapa. Ko koe rā e te mareikura, e te Minita Sepuloni. Ko koe hoki te whatukura, e te Minita Jackson. Nei rā, e mihi kau

Kei te ikapahitanga kua whakatōpū mai nei i raro i a Tāne-te-wānanga, e rere ana aku whakamānawa.

Mā pango, mā whero, ka oti ai te mahi.

The clouds cloak the sky and the hieke cloaks the mauri By its feathers a bird flies and by knowledge the workforce develops.

This is the cry of the heart to those that have passed. This adze that carries those to the other side of the night whereby all is futile. To the many who have passed this year and of the many marae of the land, this is the lament. We continue to feel the treasures of the pain, the tears and the love of your loss. Therefore, go and leave us here to reflect. Return to the true home on the other side, your time is finished here at this part of Hawaiki. Leave us the living behind.

To this glorious gathering of Te Upoko o Te Ika, we greet and we salute you. Greetings to those who have been affected by Covid and its issues that have affected our nation. We acknowledge you. We recognise the distinguished rangatira who have elevated this cause. The Minister Sepuloni and the Minister Jackson, greetings. To the many knowledgeable people who came to inform and to shape this plan under the auspices of Tāne-te-Wānanga, blessings to you all.

By black and by red, the work is done.

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# 1. Co-chairs' introduction

[To be included post consultation]

Our co-Chairs are Daphne Luke and Glenn Barclay





# PART ONE: A workforce plan for the Wellington region

# 2. Our vision for the future of Wellington:

To work in partnership for a skilled and inclusive workforce doing quality work to cultivate innovation, prosperity and resilience for all in our region.

Mā pango, mā whero, ka oti ai te mahi

#### Success will look like:

- A regional culture of decent work so everyone can participate fully and equitably in their places of work, community and society. We want to see work that is secure, fairly paid, flexible, allows for work/life balance and personal development, and is meaningful and motivating.
- 2) A skilled workforce, with clear pathways for development, upskilling and progression. This means people having skills for current and future work, understanding opportunities and development, knowing how to access skills training, having career mobility (the ability to move between employers, jobs, careers), and the reduction or removal of barriers along the pathway. It includes concepts of mobility, development and navigation that will build an agile and resilient workforce.
- 3) Collaboration to develop our region's workforce for our region's current and future needs. This means employers being able to meet their current and future skills needs so they can innovate, grow and prosper, and able to do this primarily from the region or from Aotearoa. It also refers to the role of all partners, including employers, in effectively anticipating, influencing and supporting training and skills development.
- 4) Workforce aspirations of the region's iwi are realised. This recognises their importance and the RSLG's role in upholding the principles of partnership in Te Tiriti. It makes provision for the RSLG to be deliberate in its support of the workforce aspirations of mana whenua in our region.
- 5) Across our region the workforce aspirations of local communities are realised. Porirua, Kāpiti and the Wairarapa have developed workforce plans for their communities. This outcome makes provision for the RSLG to be deliberate in its support of plans for these and other communities and to fulfil its regional coordination role. Common elements from these plans have been identified.

# 3. About us and the Regional Workforce Plan

The Wellington Regional Skills Leadership Group (RSLG) was set up by Government as an independent advisory group to support better ways of meeting future skills and workforce needs. Our role is to lead and influence, and make change happen regionally through coordination and collaboration. We also help the government stay in touch with what's happening in our region.

We were appointed in September 2021, following on from an interim group. We're made up of 14 permanent members including representatives of regional industry, iwi/Māori, workers, community members, and local and central government. There are 14 other RSLGs throughout the country.

This is our first Regional Work Plan (RWP). It highlights labour supply and demand trends for the Wellington region and identifies where we can act to achieve a highly skilled and coordinated regional labour market. We don't want to reinvent the wheel, and this plan should strengthen the work already underway in our communities.

We've structured the plan into two sections:

**Part one**: A workforce plan for Wellington region - our aspirations, our process, key challenges and what we are going to do about it

**Part two**: The foundations of our plan - a more detailed analysis of our region, people and sectors as well as labour market projections and our challenges

Our group will oversee the implementation of the plan, working with others in the region including in partnership with iwi/Māori.

The plan will be refreshed annually, and we'll update the whole plan every three years.

# 3.1 How we've approached the task

## We established some principles

As a starting point, we identified guiding principles for our work:

- Actively reflecting Te Tiriti o Waitangi in our work
- Developing a highly skilled and diverse workforce
- Supporting sustainable and resilient employment
- Connecting and engaging communities
- Utilising and promoting cutting edge technology
- Demonstrating strong leadership and advocacy

#### We've looked at the other plans within our region and nationally

There are a number of local workforce, economic development and skills plans already developed across our region, at various stages of implementation. We looked at the Wairarapa Workforce Plan (2020), the Kāpiti Coast District Workforce Plan (2022), the Porirua City Employment and Skills Plan (2021) and the Wellington Region Workforce Development Plan developed for WellingtonNZ (2019)<sup>2</sup>. From these we see these common priorities:

- Optimisation of the available working population (including young people and older workers)
- Building a workforce pipeline, and alignment of education with skills needs

<sup>&</sup>lt;sup>1</sup> Provided in Meeting 3 pack

<sup>&</sup>lt;sup>2</sup> See Appendix for links to these

- Partnerships with iwi and other key stakeholders
- Close collaboration between agencies, providers, industry and employers
- Career upskilling and reskilling, as well as entry level skill development and work readiness
- A focus on the needs of young people, especially supporting and enhancing the transition from school to employment

We've also looked at the government's Employment Strategy, which seeks to address long-standing employment and training challenges and inequities for groups that consistently experience poor employment outcomes. The groups identified are older workers, Māori, Pacific peoples, disabled people, youth, women, and former refugees, recent migrants and ethnic communities. **We have adopted these groups as priority communities for our plan.** 

We've also considered Industry Transformation Plans, which have, or will have, a skills and workforce section. These are in various stages of development at present.

### We've heard from stakeholders from across the region

In the development of this plan we've looked at the story behind the data.

We've talked to many of you from across the region including iwi, employers, workers, unions, disabled people and Pacific peoples, new migrants, and older workers. You have told us about the challenges that are facing employers, workers, learners and job-seekers. We've summarised these below, and there's more detail in the Key Challenges section later in this plan.

# 4. The challenges summarised

Employers are experiencing widespread and significant shortages of staff. Sometimes this is an "absolute" shortage of people with the required skills and experience. Other reasons involve issues around the attractiveness of regions, sectors, industries, occupations, specific firms or individual jobs, or other recruitment issues. Employers' internal business policies and practices will also affect their ability to make the most of the existing workforce. These factors are explored further in the "Key challenges" section later in this plan.

#### In the Wellington region:

- Employers are experiencing significant shortages of qualified and skilled people. We see this
  especially in healthcare; construction and infrastructure; digital technologies;
  manufacturing; and the visitor sector.
- We've relied heavily on immigration, but this isn't sustainable and doesn't utilise the people we have right here.
- We've got groups of people, particularly disabled people, Pacific Peoples and Māori who are finding it harder to get jobs and who are often invisible to employers. That's not right, and it's also an enormous waste of potential.
- We've also got lots of people who would like to work more if they could or would join the workforce if the right opportunities came along.
- The Treaty of Waitangi is a promise that we will live in this country as equal partners. Māori
  are an increasingly important part of the workforce, and bring unique skills, but while the
  Māori economy is a force whose time has come, we're still not working as equal partners
  with Māori and iwi.

- People often don't know how to get the skills they need for a job, or where they can do their training. There is information out there, but it's not always easy to find, clear, or joined up.
   Sometimes there is no clear pathway or qualification framework for a sector or job, and people get stuck in lower skilled and poorly paid jobs.
- Training doesn't always meet the needs of learners, or employers.
- We're not well connected; job seekers often don't know about all the varied and interesting
  jobs available in our region, and employers don't know where to look for staff. It can be hard
  for people to move from work or training into work, or back into work after being out of it.
  We need better join-up between schools, training organisations, employers and government
  agencies.
- Employers want more diverse and inclusive workforces, but they need help and knowledge to create workplaces where all workers feel accepted, respected, and are able to stand in their own mana.



We just can't find the people. We spend lots on advertising but get hardly any response. We're willing to do some training here and there are really good opportunities.



I'm stuck. I'm in Year 12 and mum says I should stay and go to uni but it's not for me. What I really like is working out how to fix things, doing things with my hands. But how do you even get started in a job like that? Would you go to polytech? Or can you train on the job? What jobs are there? Are they just for the guys?



of talk out there about providina opportunities for disabled people but there doesn't seem to be a lot of action. What I'd really like is an advisor job in government. I've done the quals but the way they recruit means I usually get cut out from the beginning. I just need the opportunity to show what I can do.

There's heaps



Kia ora. I got this apprenticeship and I'm learning heaps but sometimes I really don't feel like I belong here. I got a hard time from some of the team and the boss when I had to go to two tangi in a row up north. Other stuff too ... behaviour in the lunchroom. Things that make me really uncomfortable. And there's no connection with work and my whānau. I don't know if I'll last the three years.

# 5 Our focus areas

We thought carefully about all the challenges we've heard about, and we've decided to focus on five areas for the next three years.

- Maximising the available workforce to meet regional demand. This means actions that
  will help fill current and anticipated skill shortages from our local population, including
  people in our priority groups. It may also mean encouraging employers to make the most
  of the staff they have.
- 2. **Improving awareness of, and access to, relevant skills development.** We want to make sure that job seekers and school leavers know how to prepare for jobs, where to look for

- information, and that they know about all the interesting and well paid jobs that are available in our region.
- 3. **Building connections between employers, educators and workers**. We need to get the right people together to solve these challenges.
- 4. **Building workplaces that are worker-friendly, inclusive and where workers thrive**. This means actions that make employers aware of, and understand the needs of, the diverse people in our workforce, and those wanting to be part of it.
- 5. **Supporting employment initiatives for young people**. We want to support actions that target the particular needs of youth and people up to the age of 30, recognising the importance of youth and rangatahi in existing iwi and community plans.

As well as our focus areas and priority communities we have identified six priority sectors: construction, infrastructure, health (kaiāwhina to nursing), digital technologies, visitor sector and manufacturing. You can find out more about these sectors in Appendix One.

# 6. What we're going to do: Actions

We've built our actions around the above five focus areas, weaving in the sectors and communities that we have prioritised. This is a three-year plan; some of these actions can be started immediately, and others will take more time. Please see Appendix Two for more detail about the actions.

## **Action plan**

FA 1 Maximising available workforce	FA 2 Awareness & access to relevant skills	FA 3 Building connections	FA 4 Worker- friendly, inclusive workplaces	FA5 Initiatives for young people
	sector and youth advisor of the sector and youth advisor of the sector o	sory groups (or affiliate w ng	vith existing groups)	to build a strong
		1) Establish and/or join with multistakeholder sector workforce groups for our priority sectors  - Health (Kaiāwhina – nursing)  - Infrastructure  - Construction  - Manufacturing  - Visitor  - Digital technologies  2) Connect with sub-regional workforce group and skills hubs		1) Establish a youth caucus to bring a youth voice and operate as an advisory group to the RSLG

ΕΛ	1 Maximising	ΕΛ	2 Awareness &	FA 3 Building	ΕΛ	4 Worker-	FA5 Initia	atives
	ailable		cess to relevant	connections	TA	- WOIKEI	for youn	
-	orkforce	ski		Connections			people	5
WC	TRIOICE	31	1113				people	
						endly, inclusive		
					wo	rkplaces		
2	. Make informat	ion	and support availa	ble to employers to so	ource, r	etain, progress a	nd upskill	people
	from our priori			μ.,	,	,,, ,,		
		-		facing mechanism to I	promot	<mark>e services, share</mark>	good prac	ctice,
	help emplo	yers	navigate existing	systems and supports				
2)	Provide	1)	Provide		1)	Assist	2) Help	)
	information		information			employers to	emp	oloyers
	that helps		that helps			create a	crea	ite
	employers		employers to			workplace	'you	ıth
	source, recruit,		develop, upskill			that fosters	frie	ndly'
	progress staff		and reskill			worker well-	wor	kplaces
3)	Encourage		existing staff			being		
	collaboration	2)	Explore		2)	Share		
	between large		programmes			information		
	employers and		that could			about how		
	local iwi		assist small and			workplaces		
4)	Use sector		medium			can be more		
	stakeholder		enterprises to			inclusive for		
	groups (see		develop skills			kaimahi		
	summary		in good			Māori		
	action 1.		employment					
	above) as a		practices					
	way of sharing workforce							
	information							
	and best							
	practice with							
	employers in							
	the priority							
	sectors							
3		fsoo	cial procurement <sup>3</sup>	arrangements by large	organi	sations in the re	gion to inc	rease
			nent for our priorit		2 <b>6</b> 1 Bu		B. 611 CO 111C	
5	) Encourage the				3)	Promote		
	region's				-,	inclusion of		
	councils to join					Living Wage		
	the Te Upoko o					criterion in		
	te Ika a Māui					social		
	Accord on					procurement		
	social					requirements		
	procurement							
	and take up							
	opportunities							
	to build social							
	procurement							
	capacity and							
	capability							
6	) Engage with							
	government							
	procurement							

<sup>&</sup>lt;sup>3</sup> See Appendix Three for a definition of social procurement

FA 1 Maximising	FA 2 Awareness &	FA 3 Building	FA 4 Worker-	FA5 Initiatives
available	access to relevant	connections		for young
workforce	skills			people
			friendly, inclusive workplaces	
leadership to				
maximise the				
opportunity of				
social .				
procurement				
in the region  4. Build awarenes	। ss of careers in our reg	rion		
4. Build awarenes	ss of careers in our reg	gion		
	3) Coordinate			
	engagement			
	between			
	careers			
	advisers and			
	employers in			
	our priority			
5. Promote traini	sectors	l of skills needed in our reg	ion	
3. Tromote training	ing and development of	or skins recueur in our reg	1011	
	4) Increase digital			3) Encourage
	technology			educators
	learning and			and
	enrolment in			organisations
	STEM subjects			that serve
	at school			our young
	5) Use sector groups, youth			people to help educate
	caucus and			young
	existing			workers
	research to			about their
	build a more			employment
	detailed			rights and
	regional			obligations
	picture of the			
	skills needed in			
	our region now			
	and in the future			
	6) Explore ways			
	to promote			
	opportunities			
	to upskill,			
	reskill or			
	retrain			
	7) Explore the			
	potential to			
	develop a			
	system of			
	learning representatives			
	in the			
	iii tiie		]	

FA 1 Maximising available workforce	FA 2 Awareness & access to relevant skills	FA 3 Building connections	FA 4 Worker- friendly, inclusive workplaces	FA5 Initiatives for young people
		itiatives that are achievin	g good employment	outcomes for our
7) Encourage local councils to implement the Pathways to Employment internship programme for disabled people	9) Extend and expand existing internship programmes, such as Summer of Tech.  10) Work with sector stakeholders groups to explore the development of cadetships	3) Promote models of successful collaboration between central government, councils, business, education and community to grow employment		4) Advocate resourcing of community-and/or iwiled strengths -based programmes that provide wrap around support to young people to achieve sustainable employment 5) Seek to extend eligibility for "Education to Employment" programmes and make the programme available to young people in all parts of our region

7.	Engage with pu	ıblic	service as a region	nal e	mployer for better o	utcomes for our pric	ority c	ommunities
9)	Seek updates from our public service regarding its specific role as an employer in this region in implementing Employment Action Plans and Industry Transformation Plans Encourage the public service to proactively enable career progression of Māori and Pacific staff		Seek updates on the number of internships provided in Wellington region's public service for people in our priority communities Seek updates on Wellington's public service contribution to growing the digital skills pipeline in the region	4)	Liaise with Government Property regarding the establishment of regional government hubs and the implications for regional workforce planning			
	8. Take account specific outco			ans	and local workforce	plans and provide su	ipport	t to achieve
5)	Support efforts to achieve better public transport between Kāpiti Coast and Horowhenua and within the Wairarapa	13)	Liaise regarding the development of vocational education and training hubs in Wairarapa and Kāpiti Coast and identify avenues of support for these Work with our region's iwi to understand their skills development priorities and provide support where possible				6)	Use stakeholder knowledge to confirm the most significant barriers to obtaining a driver's licence in this region and support initiatives that provide solutions
9.	Make data and	info	rmation available	to a	ssist decision-making	3:		
	<ul> <li>11) Investigate a system to collate and report data and information that helps stakeholders make better decisions</li> <li>12) Create a set of regional data indicators of workforce change. Monitor and report these regularly</li> </ul>							



At our local business network we've been sharing examples of what flexible work can really mean. I took a risk and split a position into two part-time ones. I had heaps of applicants, and I'm working with our two new folk to fit in school hours for one, and a second job for the other. It's been outside the box for us, but it's working well and I've got some extra cover for absences. I'll take this story back to the next network meeting.



We had a careers night at school, Mum came. There was a woman plumber there, she'd just finished her apprenticeship. She's earning really good money now, and the work sounded interesting. I went to the careers office the next day and the quidance councillor set up a meeting with the boss of a local plumbing company. I went there for a day a week, loved it and now they've taken me on as an apprentice. There's more quals I can get when I finish, and I'm keeping an eye on those on the website. I'll be earning the big bucks. one day!



Our govt department has borrowed from a great programme run by a local council which took on disabled people on trial internships. Nearly everyone we've taken on has ended up permanent. We've also examined the way we recruit; some of the technology and the interview systems were creating major barriers for disabled people.



We've been doing a great programme through our local network about being a better bi-cultural workplace. I get now why it's really important that Hone goes when someone passes in his family. We're thinking about other things too, like when we have our shared smoko now, we do a blessing of the food, and we've started on a bit of team te reo learning too, Hone's leading sessions. We've also started thinking more about whānau, and we've done some get-togethers for apprentices and staff and their families. It's a real bonus, because families support the learning too.

# 7. Next steps

- As we've talked to stakeholders and looked at the region's data, issues and opportunities have arisen which, unlike actions we set out in this plan, are more policy and funding focused. The primary audience for these are agencies such as (but not limited to) the Workforce Development Councils (WDCs); Tertiary Education Commission (TEC); Ministry of Social Development; Ministry of Business, Innovation and Employment (MBIE); and Immigration NZ. Matters raised by all the RSLGs will go to government for consideration and MBIE will draft a government agency response for Ministers to consider.
- The Wellington RSLG will develop a detailed plan of work including identifying our key partners and more developed timelines.
- We'll keep working on building relationships and connecting groups and people who need to connect.
- We'll work more on how this plan will be monitored and evaluated honestly and meaningfully.
- We'll review this plan in a year's time.
- We'll do a full review and revision of the plan in three years.

# PART TWO: The foundations of our plan – the region, its people and its work

# 8. About our region

The Wellington region stretches from Cook Strait up to Wairarapa and across to the Kāpiti Coast, an area of 813,000 hectares. The region is administered by the Greater Wellington Regional Council and is made up of five sub-regions and nine Local Authorities. We are known for our innovation and creativity – in food, in film, in technology, manufacturing and farming. We have a vibrant artistic and cultural scene. And we are home to the world's coolest capital city, parliament and its supporting government. Our size and geography impacts the movement of people, with a large number of people travelling across the region to get to work every day.

While 79% of us live in cities, our region includes a large proportion of rural land with a strong agricultural economy in the Wairarapa and thriving sub-regional economies such as on the Kāpiti Coast. From the cafes in central Wellington, to the farms in Wairarapa and the beaches on the Kāpiti Coast, the Wellington region is made up of vibrant and varied places.

# 8.1 Our history

Despite the southerlies, our region has always been an attractive place to live and work. For centuries people have made their way here seeking opportunity and a home for their whānau. In 925 AD the great Polynesian navigators Kupe and Ngahue camped on the southern end of the harbour at Seatoun. Later, Whatonga, a chief of the Kurahaupo waka from the Mahia peninsula, arrived in and settled in the area with his people including Ngai Tara, Mua-upoko, Ngati Apa, Ngati Rangitane, and Ngati Tu-mata-kokiri. Whatonga named the place Te Upoko-o-te-lka - 'the head of the fish'.

From the early 19<sup>th</sup> century came iwi from Taranaki: Taranaki Whānui, including Te Ātiawa, Ngāti Ruanui, Ngāti Tama, and Ngāti Mutunga, who settled in what is now Wellington City, Petone beach and the Hutt Valley.

Ngāti Toa, led by the chief Te Rauparaha, settled on the Kāpiti Coast and in Porirua from the early 1820s and were followed later by Ngāti Raukawa who also settled on the coast, and now have their cultural centre in Ōtaki. Kāpiti Coast is also home to Te Ātiawa ki Whakarongotai.

In more recent times many other tribal groups have moved to the region, and while Ngāti Toa together with Taranaki Whānui are the recognised mana whenua of the Wellington metropolitan area, there are many mātāwaka who have made this region their home.

Since the arrival of mana whenua, our region has been settled by many different groups of migrants, from the British settlers who came ashore at Pito-one (Petone) hoping to find a new life in the 1840s, to the waves of people from many lands who chose the Wellington region as a new home in the late 1800's and the first half of the twentieth century, to the Pacific peoples who arrived in the 1960s and 70s to work and raise their families, to those that have arrived from all parts of the globe in the last decades. Europeans now make up 75% of our population and Pacific peoples 8%. The early colonisation by British settlers and associated land loss severally impacted Māori living here, an impact which continues to affect the economic and workforce experience of Māori across the region now.

Today our region is becoming increasingly diverse and it's estimated that about 27% of our people were born outside of the country. Our challenge is to ensure that we're not only diverse, but that we're inclusive too.

## 8.2 Our current economy

#### Overall

The Wellington region has Aotearoa New Zealand's second largest economy, with a GDP of \$43,326 million in 2021<sup>4</sup> and the second highest GDP per capita at just over \$74,000. Our largest contributors to GDP are reflective of us having a strong knowledge-based economy and being home to the capital.

There are just under 60,000 companies in the region. Following the national pattern, by far the largest share of our businesses (70%) have no employees, 16.5% have 1 to 5 employees, and just 0.7% have over 100 employees.<sup>5</sup>

Our largest contributors to GDP<sup>6</sup> are:

- 1. Public administration and safety (13.1% of GDP) which reflects the number of government agencies based in the region
- 2. Professional, scientific and technical services (12.8% of GDP). We have a strong IT and digital technology sector that adds to our knowledge-based economy
- 3. Financial and insurance services (8.3% of GDP)
- 4. Manufacturing (7.2% of GDP) is a an important sector across our region, espeicially in the Hutt Valley and Masterton
- 5. Health care and social assistance is our fifth top contributor to GDP at 6.0%

We've also got a vibrant visitor economy, built around wild natural spaces, vineyards, cafes, restaurants, and local food producers, and some world class arts and cultural offerings. Our visitor economy (food and accommodation sector) accounts for 1.6% of the region's GDP.<sup>7</sup>

WellingtonNZ is leading the development of an economic plan for the region which will sit alongside Te Matarau a Māui in providing direction for our future prosperity and well-being.

## The Māori economy

The Māori economy in our region is strengthening as Treaty of Waitangi settlements begin to redress the inequities of the past. There is a large, young and growing Māori population, with skills in mātauranga Māori as well as the language, and strong hapū and whānau ties. There is also significant capital; several of the iwi have settled or have settlement underway, and hold assets collectively worth around \$300 million<sup>8</sup>, concentrated mainly in property and fishing.

<sup>&</sup>lt;sup>4</sup> Wellington region economic profile, Infometrics 2022

<sup>&</sup>lt;sup>5</sup> Stats NZ: business demographic data

<sup>&</sup>lt;sup>6</sup> Wellington region economic profile, Infometrics 2022

<sup>&</sup>lt;sup>7</sup> Wellington region economic profile, Infometrics 22

<sup>&</sup>lt;sup>8</sup> BERL: The Māori Economy in the Greater Wellington Region

Māori businesses are not necessarily iwi businesses, and there are also significant numbers of Māoriowned businesses in our region with workforce needs. Many of these businesses provide opportunities for young Māori and other workers.

The recently developed Māori Economic Development Strategy, Te Matarau a Māui, has a strong focus on investment in education, training and employment for Māori and iwi. The strategy's goals are a skilled and successful Māori workforce who contribute to their community and pursue their aspirations, rangatahi able to follow clear education and training pathways to employment, and ensuring iwi organisations and Māori businesses are key drivers in the local, regional and national economies.

Social procurement is a nascent concept creating potential for partnership and development in this area, and a key opportunity to lift iwi and Māori businesses and workers.

There are many strong initiatives underway in skills and workforce development by iwi for iwi, and for mātāwaka in the region. In particular, this can be seen in health provision, and construction. Ngāti Toa have large projects underway for housing and are training and upskilling people in their iwi and community as part of this work. Other iwi are interested in whenua-based skills development and employment that simultaneously builds iwi cultural strength.

# Overview of our region9

The Kāpiti Coast (Population 56,000, of which 15% Māori)

The sub-region is growing quickly with more people moving to the region, although it has an older than average population, with a quarter over 65.

Kāpiti hopes to build on its attractiveness to create a strong visitor sector and has a destination management plan in place.

There is also an important value-added food production sector, which is part of this plan.

The Kāpiti Coast is home to Te Wānanga o Raukawa which delivers learning in a kaupapa and tikanga Māori framework. The region has identified a need for other local tertiary education provision.

It is also home to the Maoriland film festival and film sector.

The health and aged care sector is a big employer on the Coast, partly due to the ageing population.

The sub-region has developed the Kapiti Coast Workforce Plan 2022

Porirua (Population 59,800 of which 22% Māori)

Porirua has a diverse and younger than average population which is growing rapidly.

While the usual significant proportion of people work in public administration, the next biggest employer is construction, being driven by growth, and large projects are planned such as city centre revitalisation, proposed greenfield housing developments and the eastern Porirua regeneration.

Many people also work in education, and Whitireia/WelTec polytechnic is based in Porirua, delivering a range of courses including construction, nursing and midwifery.

Ngāti Toa iwi are leading local initiatives in construction and training. A Porirua City Employment and Skills Plan 2021 is complete. Wairarapa (population 47,900 of which 18% Māori)

Food is of great importance to the sub-region; agriculture (sheep and beef farming) is the main source of income in the region, and there is also a significant wine industry.

There is also a growing value-added food and beverage sector, which is driving skills needs in technology.

The sub-region also has an important visitor sector, especially food-related tourism, and is a popular destination especially for Wellington city visitors.

The Wairarapa is growing rapidly, and housing shortages are driving demand for construction workers.

Manufacturing is a key employer, especially in Masterton.

There are limited tertiary education options, and there is work underway to utilise the old Taratahi agricultural college as a hub for vocational education.

The sub-region is implementing its Wairarapa Workforce Plan 2020.

The Hutt Valley (population 155,000 of which 18% Māori) Comprises Hutt City and Upper Hutt, each with its own city council.

Many Hutt people work in in public admin and safety.

Construction is also a large employer, and there are major projects planned and underway, for example Riverlink in Lower Hutt

Infrastructure jobs are going to be very important to the region, and council / employer / trainer partnerships are being built.

The Hutt is home to a large STEM sector. As well as a high value manufacturing sector, this includes a growing digital gaming sector, and soon, the screen sector with the Lane St studios coming online.

Two of the country's key research institutions, GNS Science and the Callaghan Institute, are in the Hutt.

**Wellington City** (Population 213,000 of which 8.6% Māori) Lots of Wellington city people work for government, the city's biggest employer.

The city's economy is high-value and high-skills based, and digital skills are in big demand across IT companies, gaming and other digital start-ups, and the financial sector. The screen sector is also a key part of the city's economy and identity.

The city hosts three universities, and many other education and training providers, and the education sector employs many Wellington people.

Wellington has a vibrant food and visitor sector which provides many jobs.

<sup>&</sup>lt;sup>9</sup> Population data from Stats NZ: Census 2018

## 8.3 Overview of our current labour market

Compared to most other parts of the country, Wellington has a highly knowledge-intensive economy. Almost half of our 254,000 filled jobs fall into this category (compared to 33% across the country). We also have a highly skilled workforce, with 60% of our jobs rated 'skilled' or 'highly skilled'. We're comparatively highly educated - 81% of people in Wellington have a formal qualification and 33% hold a tertiary qualification or equivalent, compared with 25% of Aotearoa New Zealand as a whole. <sup>11</sup>

This is reflected in incomes, which are higher than the national average. In 2020 the median weekly household income for Wellington was \$2,072, compared to the national median of \$1,746. However, although regional data is weak, we appear to reflect income disparities by gender and ethnic groups found nationally:<sup>12</sup>

- the average hourly wage for Māori was 82% of the average hourly Pākehā wage
- the average wage for Pacific employees was 77% of the average Pākehā wage.

#### Who is our available workforce?

Table 1: Overview of the workforce

Working age population – 448,100 <sup>13</sup>							
Employed	Underemployed	Unemployed looking for work	Unavailable jobseeker	Potential available jobseeker	Not in the labour force		
324,200	14,100	9,500	2,900	5,400	114,400		

Our unemployment rate is currently very low at 2.8% indicating a very tight labour market. However, we have a potential labour force in the 31,900 people (or 9.3% of the labour force) who are underutilised. This suggests an untapped pool of labour. In addition, there are also people working full-time (30+ hours) who would like to work more hours. We also have a large share of our population who are not in the labour force. This may be because they are retired, studying full-time, or there are other barriers to employment.

## **Ethnicity**

While our population is predominantly of European descent, we are becoming a more diverse region as can be seen in the table below.<sup>15</sup>

<sup>11</sup> Census 2018

<sup>&</sup>lt;sup>10</sup> Census 2018

<sup>&</sup>lt;sup>12</sup> Stats NZ: Labour Market Statistics

<sup>&</sup>lt;sup>13</sup> Household Labour Force Survey December 2021

<sup>&</sup>lt;sup>14</sup> Underutilised includes people who are unemployed and currently underemployed as well as people who are either potentially available job seekers or unavailable jobseekers

<sup>&</sup>lt;sup>15</sup> Census 2001 and Census 2018

Table 2: Wellington population by ethnicity

Ethnicity	2001	2018
Māori	12.8%	14.4%
Pacific peoples	8.2%	8.6%
Asian	7.1%	13.4%
European or Other	80.2%	75.1%
Other	1.0%	1.9%

About 60,000, or 13% of the people living in the Wellington region identity as Māori. Of these about 16% are mana whenua from our six iwi:<sup>16</sup>

- Ngāti Kahungunu ki Wairarapa
- Ngāti Toa Rangatira
- Rangitāne o Wairarapa
- Taranaki Whānui ki Te Upoko o Te Ika
- Ngāti Raukawa ki te Tonga
- Te Ātiawa ki Whakarongotai.

#### **Disability status**

A number of people throughout the Wellington region are impacted by some form of disability. A 2013 study by Disability Pride Aotearoa found that there were about 110,000 people across the region with some form of disability, ranging from those that impact mobility to psychological impairment. Half of the people in the survey reported having more than one impairment. The 2018 census found that 6% of Wellingtonians have some form of activity limitation.

Disabled people have vastly lower rates of labour market participation than the general population.

#### Age profile

The median age in the region is 37.<sup>17</sup> Overall, our population is ageing, and while 14% is now over 65, by 2033 this is projected to rise to 20%.<sup>18</sup> This will mean we're going to have more older workers in the workforce and there are implications for the types of jobs they do and how they work.

The Māori population, however, has a different age profile. It is very young (58% are under 30 years of age compared to 38% of non-Māori) and the proportion of under 30s is projected to rise over the next 20 years. This is important for workforce planning because Māori will make up an increasingly significant part of the working age population. For Pacific peoples the median age is also considerably younger than the regional average at 23.4 years and they will also play an important role in our future workforce. [NOTE: Use of median and average statistics above is to be checked.]

Looking to our young people who are more at risk of lack of engagement, we have a persistent group who are not in employment, education or training (NEET). Of the roughly 80,000 people aged 15-24 about 11% or 8,700 are classified as NEET. Māori, Pacific peoples and people with disabilities are overrepresented in this number. This is of particular concern as people who are NEET are more likely to have persistently negative life and labour outcomes.<sup>19</sup>

<sup>&</sup>lt;sup>16</sup> Stats NZ Census 2018

<sup>&</sup>lt;sup>17</sup> Stats NZ Census 2018

<sup>&</sup>lt;sup>18</sup> Stats NZ Census 2018

<sup>&</sup>lt;sup>19</sup> Stats NZ: Labour Market Statistics

In December 2021 Stats NZ noted that whilst the unemployment rate of young New Zealanders has decreased to close to pre-COVID levels, it is still three times the national average.

We have given young people up to the age of 30 a particular focus in our plan.

#### Gender

About 51% of our population identifies as female and women account for about 50% of filled jobs in the region.<sup>20</sup> We know that women are more likely to be engaged in part-time or casual employment. In 2018, only 44% of women were in full-time work, compared to 61% of men.<sup>21</sup> This means that women are more likely to be underutilised than men. This is especially true for younger and Māori women. Women also earn less than men and increases are slower; in the year to the June 2021 quarter the (national) hourly earnings for women increased by \$0.80 (3.1 percent) to \$26.37 but for men the increase was by \$0.74 (2.6 percent) to \$29.00. This is a 9.1% gender pay gap.<sup>22</sup>

## Where people are working<sup>23</sup>

At a regional level about quarter of our jobs come under the two groupings of **Professional**, **Scientific and Technical Services** (13.0%), and **Public Administration and Safety** (12.1%). Both of these industries have shown high growth in filled jobs in the last five years and are predicted to continue this trend.

Our high number of people working in **Public Administration and Safety** reflects the presence of the public services and government agencies in our region. Government is a significant employer here and decisions about location, procurement, recruitment and skills development in the public service have an impact on our region's workforce.

**Professional Scientific and Technical Services** include much of our **digital technologies sector**. We have the highest concentration of web and digital-based companies per capita in Aotearoa New Zealand. In addition, many people are using their advanced digital skills in the public service, with its head office IT functions located in our region. We've included digital technologies as one of our priority sectors.

Healthcare and Social Assistance is the next biggest employer with 9.0% of filled jobs. The region has four DHBs and eight hospitals. Growth in the sector, especially in aged care, is driven by an ageing population. Whilst in the short term COVID-19 has put enormous pressure on health services and severely limited access to overseas talent for the sector, longer term pressure will come from an ageing population. Nursing, midwifery, and aged care roles (especially kaiāwhina) are particularly affected by shortages.

**Education and Training** accounts for 8.2% of roles and reflects the presence of education providers, including two universities, in the region.

**Retail Trade** accounts for 8.1% of filled jobs across the region, many of these roles are part-time.

The **Construction** industry is an important employer. It accounts for 8% of filled jobs in our region and has grown rapidly over the last few years. It is experiencing considerable skills shortages across a range of roles. This sector includes vertical construction, both residential and commercial, as well as infrastructure. Major infrastructure development is planned and underway across the region, and existing infrastructure, particularly water, needs significant ongoing maintenance.

<sup>&</sup>lt;sup>20</sup> Census 2018

<sup>&</sup>lt;sup>21</sup> Census 2018

<sup>&</sup>lt;sup>22</sup> Stats NZ Labour Market Statistics June 2021

<sup>&</sup>lt;sup>23</sup> MBIE Detailed Regional Employment Estimates 2022

Accommodation and food services account for 7.4% of our filled jobs and are central to our region's 'visitor sector'. The visitor sector is characterised by a high proportion of domestic visitors. It is a sector that is important to the region and the economic growth of the Kāpiti Coast and Wairarapa. Prior to the pandemic, the sector was growing rapidly, however between 2020 and 2021 it suffered from a decrease in the number of filled jobs (falling by 0.4%). Despite this, the sector continues to experience significant skills shortages.

Filled jobs are not the only measure of what's key to our economy. We've included manufacturing as one of our priority sectors. This is not because it is one of the very large employing sectors in our region but because it's a high hitting one when it comes to value, and the fourth largest contributor to GDP per person in the region. It's also a sector which is changing quickly; technology and automation mean that the workforce needs to be adaptable and agile to maintain competition. The sector has had difficulty in attracting talent and has relied on an ageing workforce and immigration to a large extent.

## Working arrangements

People in Wellington are slightly more engaged with the labour market than the national rates. At the 2018 census:

- 52.5% were in full-time work (compared to 50.1% nationally).
- 14.2% were in part-time work (compared to 14.7% nationally)

We also know that there are a number of people in more casual employment. Nationally about 10% of the workforce is in temporary work, and one in ten people hold more than one job.

As well as those in employment, in 2021 there were about 47,000 people who were self-employed.<sup>24</sup> The largest share of self-employed people is in professional, scientific and technical services (20% of the self-employed) and construction (15% of the self-employed).

Unionisation rates data is not robust at a regional level, however, nationally about 17% of workers are unionised. This is greater for people employed in the public sector with about 60% compared to about 10% in private sector.<sup>25</sup> Given the prevalence of public sector employment in the region, Wellington is likely to have a higher rate of people who are union members.

We are also a region of commuters. Around 30% of those working in Wellington city live outside it, and across the region 35 million public transport journeys are made each year. However, availability of public transport varies widely across the sub-regions; on parts of the Kāpiti Coast and in the Wairarapa it is very limited, creating a barrier to access work and training, made worse by challenges that many people face around obtaining a driver's license. We expect commuting to continue to be a part of our story in the future, though the extent of it may change. Due to the pandemic people are increasingly choosing to work remotely where the job allows. More recently, rapidly increasing fuel costs will also impact commuting patterns and ability of workers to reach their workplaces.

<sup>&</sup>lt;sup>24</sup> Infometrics 2021 Wellington Regional Profile

<sup>&</sup>lt;sup>25</sup> Unions and Union Membership in New Zealand – report on 2017 Survey - Sue Ryall and Dr Stephen Blumenfeld

# 9 What workforce will we need in the future?

# 9.1 Growing sectors

Between 2020 and 2035, according to Infometrics Employment Projections, the number of jobs in the region is expected to grow by about 70,000.<sup>26</sup>

Growth will be concentrated around the higher skilled sectors. This means we need to ensure that we are continuing to train people for these roles.

## Growth in the region will be concentrated around highly skilled roles

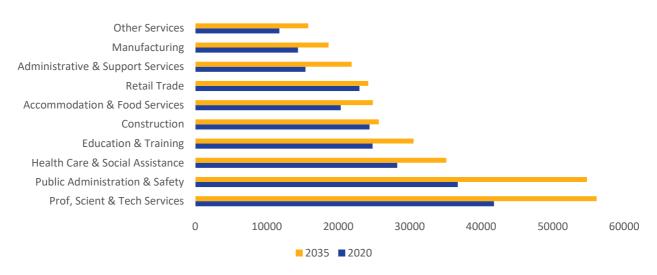


Figure 1: Wellington Region Employment Projections<sup>27</sup>

# 9.2 Other influences on the workforce we'll need

As well as newly created jobs, a large proportion of advertised roles are to fill existing vacancies. As people shift industries, leave the region or exit the labour market, we need to make sure we have the people with the right skills to replace them. This is especially true in sectors that have ageing workforces.

Top 10 industries by job openings (% total)

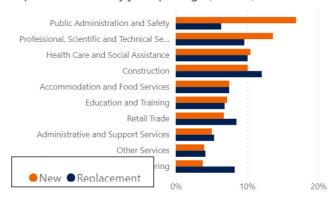


Figure 2: Growth by Industry 2015 – 2025 <sup>28</sup>

<sup>&</sup>lt;sup>26</sup> Infometrics Employment projections 2021

<sup>&</sup>lt;sup>27</sup> Infometrics Wellington Regional Economic Profile

<sup>&</sup>lt;sup>28</sup> Infometrics Wellington Regional Economic Profile

Addressing existing skills shortages (long-standing in some industries and occupations, including construction and some health roles) will also form part of the challenge of finding our future workforce.

#### The skills we will need

We need to have the right systems in place to help people upskill and retrain to meet both current shortages and the future demand for skills. While we do not know exactly how our region will change over the coming years and what the skills implications are, we know that it will change.

As technology evolves, the skills needed in existing roles will shift; for example, there'll be an increase in electric vehicles, or new farming practices. As we transition to a low carbon economy this will have impacts on the shape of industries, the kinds of jobs available and the skills required to do them. STEM<sup>29</sup> and digital skills will be an increasingly vital feature across all sectors. While we do not currently know what the changing technical skills needs are in sectors, we have identified this as an area for us to develop with the proposed industry sector groups (as detailed in the action plan).

Equally, due to our growing digital sector we need to make sure we have people with the digital skills for these roles. A 2020 study of the sector identified that the biggest job growth is projected in data analytics followed by cyber security skills.

Our work with sectors has also identified a range of non-technical soft skills which are required across all roles. This includes problem solving, thinking critically, being innovative, effective communication and being able to deal with ambiguity. How to more effectively equip our workforce with these soft skills is an open question.

There is also a growing importance of te reo Māori and mātauranga Māori as the partnership between the crown and iwi/Māori strengthens.

# 10 Where will we find our future workforce?

## 10.1 Sources of skills and labour

We need to make sure that we have people with the right skills for the 70,000 new jobs to be created across our region and also to replace people who exit the Wellington labour market.

There are several potential pools of labour:

- 1) New entrants to the workforce (school leavers and new graduates from tertiary education; people from outside the workforce, for example people who have been undertaking other responsibilities such as unpaid caring for others)
- 2) Re-entrants to the workforce
- 3) The existing workforce (whether already in an industry or occupation or outside, including the underemployed)
- 4) Migrants (to augment the domestic workforce where there is real need or advantage)

#### New entrants into the workforce

A number of people enter the Wellington region workforce for the first time each year. This includes about 40% of our 6,000 school leavers. Of those that leave school between 77% and 89% of them have at least NCEA Level 2.<sup>30</sup> As shown in the table below, there are clear and concerning regional and ethnicity variances in achievement rates. This is important because early education, training and

<sup>&</sup>lt;sup>29</sup> STEM: Science, technology, engineering, and mathematics

<sup>&</sup>lt;sup>30</sup> Ministry of Education: Education Counts

employment experiences have long lasting effects on wages later in life, adult employment and life satisfaction.

Table 3: School leavers with NCEA Level 2 or above 2019

	A11	Gend	er			Eth	nic Group		
	All Leavers	Female	Male	Māori	Pacific	Asian	MELAA	Other	European/ Päkehä
Kapiti Coast District	87.6	90.0	85.2	80.9	90.9	94.9	90.0	×	87.6
Porirua City	77.2	78.0	76.5	71.3	79.1	86.7	76.9	×	79.3
Upper Hutt City	84.9	82.6	86.1	77.8	83.0	84.1	77.8	×	86.0
Lower Hutt City	80.5	84.6	75.1	68.5	72.9	84.6	86.5	85.7	83.4
Wellington City	89.7	91.5	88.0	81.1	85.3	91.5	74.0	68.4	92.0
Masterton District	81.1	87.4	74.2	67.0	92.9	91.7	100.0	×	82.7
Carterton District	84.6	x	80.0	х	n	x	n	n	83.3
South Wairarapa District	79.8	70.6	85.0	65.0	x	x	X	n	82.5
New Zealand Total	78.8	81.3	76.3	64.7	73.7	89.7	83.6	79.8	82.0

Source: Ministry of Education, Education Counts, Indicators

Recent data shows that, of Wellington school leavers who go on to tertiary study, around 75% stay in the region to study. Of these, the largest proportion (almost half) enrolled at university, about a quarter at a polytechnic, about 20% at a private training institution, and only about 10% train as apprentices.

Most enrolments were for Level 7 (degree) courses, with less than a third studying at level 3 or 4 (usually certificate level), and very few at levels 5 and 6 (usually diploma level).<sup>31</sup>

There appears to be a mismatch between what people are studying and the skill requirements for roles in the region.<sup>32</sup> This indicates a potential lack of awareness of people going into study about the types of roles and skills requirements that are actually on offer in the region.



Figure 3: Qualification completions and job openings by qualification completions

#### Re-entrants to the workforce

Each year a number of people re-enter the workforce. This is usually from an extended time out of the labour market, for reasons such as unemployment, health issues and caring responsibilities. We have about 114,000 people who are not in the labour force. Many of these will be retired and may have no plans for employment; others may be interested in employment. The figure represents a potential group of people who could be utilised to meet current and future labour and skill needs.

<sup>&</sup>lt;sup>31</sup> Ministry of Education: Education Counts

<sup>&</sup>lt;sup>32</sup> Infometrics 2021: Regional Skills Outlook: Tertiary Education

This includes about 17,000 people across the region who receive Jobseeker Support benefits.<sup>33</sup> Around 9,000 of our benefit recipients have been on a main benefit for more than one year, which suggests that they are a group that would need more support to be reintroduced to the labour market.

We need to ensure that these people are supported to retrain or upskill, if required, to help them to find work. We also need to make sure that they are aware of what opportunities are on offer in the region and how to best access them. This means that education and employment initiatives should focus on learners from all stages, rather than just school leavers.

# The existing workforce

In our region we have about 14,000 who are underemployed and in addition, people who are already working 30 hours and would like to work more hours. We know that certain groups of the population are overrepresented in these figures, and have generally poorer labour market outcomes, including income, mobility and educational or training access and achievement.

We need to look at how we better utilise our workforce, especially those who are skilled. This could include job shaping to offer jobs that fit around school hours or offering flexible working arrangements for people with disabilities. Work design and employers' polices and practices around retention are key here.

Better utilisation of our workforce would also see people have the opportunity to progress within their careers such as moving off the tools into management or more senior roles. There need to be clear pathways and training to support this.

Within the existing workforce, a large number of people change careers each year, which often requires them to upskill. These people often need to earn and learn. As mentioned above we need to make our education and employment system work for people at every stage of their life.

#### **Migrants**

In July 2021 there were about 25,000 migrant workers, across all visa types including new residents, in the region. This represents about 9% of workforce (down from 10% pre-pandemic). Some of our sectors have strong reliance on migrant labour. Some of our sectors with the highest reliance on migrant labour include:<sup>34</sup>

- Accommodation 23% of the workforce were migrant workers
- Food and beverage services 20% of the workforce were migrant workers
- Residential care services 19.1% of the workforce were migrant workers
- Computer system design 14.9% of the workforce were migrant workers
- Heavy and civil engineering 14.3% of the workforce were migrant workers

Looking to the future, as the border reopens and government immigration policy shifts, some roles and sectors will continue to need immigration for highly skilled roles. However, we are likely to see fewer immigrants available for less skilled roles, particularly in the visitor sector (where there is the highest reliance on migrant labour).

# 10.2 Other factors affecting our future workforce

In addition to growth (and contraction) in sectors, a range of other factors will also influence the shape of the future Wellington workforce. These factors include:

<sup>&</sup>lt;sup>33</sup> Characteristics of working-age recipients of main benefits, December 2022, MSD

<sup>&</sup>lt;sup>34</sup> MBIE, Migrant Employment Data. Figures as at July 2021

A growing population: Wellington's population is set to grow significantly, with estimates ranging from around 50,000 by 2038 to 200,000.<sup>35</sup> This high growth will impact the cost and availability of housing, already particularly acute in some sub-regions, and this will affect where people live and work. The Wellington Regional Growth Framework is actively planning for this.

Population growth is also driving demand for residential construction, as well as commercial construction and infrastructure, in particular for transport and water. This in turn is driving even higher demand for workers in construction and infrastructure sector.

An ageing population: Wellington region's population is ageing, and some occupations are due to see a lot of experienced people retire over the next few years. On the flipside, for a range of reasons, we'll see more older workers staying in the workforce. There are opportunities for utilising their experience to boost mentoring and provide training and supervision. Making the most of these experienced people may require more mid-career reskilling, and suitable ways to do this. Employers will need to make work attractive, manageable and flexible to retain these workers and their skills and experience in their firms.

A changing demographic We're going to see more Māori and Pacific peoples make up the working age population. We need to ensure they have the access to the skills and training they need to fully participate in the workforce. Employers and industry also need to be ready to play their part as partners in a truly bi-cultural world, with workplaces that walk the walk in being inclusive, healthy, and productive, and where workers know who they are, and that they belong.

Workplaces need to change to reflect the workforce, and the population. A multi-cultural workplace is one that inclusively brings together and values people with different approaches, attitudes and experiences. This includes not only gender, ethnicity and religion but also things such as age, education, sexuality and disability.

# 11 Key challenges

As we've worked to understand our region's workforce and skills environment, we've heard from iwi, employers, local government, central government, industry groups, training providers, workers, unions, communities, learners and job seekers. The themes of our workforce opportunities and challenges have been generally clear and consistent. This section looks at what's underneath the stories told in the first half of this plan.

#### Challenges impacting employers

Firms from all sectors are experiencing significant skills shortages across all levels of skills. This is true for both Wellington and across Aotearoa New Zealand. Understanding why can help us identify what isn't working well in our labour market and figure out the most useful actions we could take to get it working better for everyone.

One reason for businesses finding it hard to get staff for some occupations is that there is an "absolute" shortage of people with the required skills and experience. A few reasons for this include:

- Training (volume or type) is not meeting the needs of employers, e.g. because of lack of
  clarity on what's really needed; poor communication between employers and the education
  system/ education providers about what's required; lack of flexibility in the education
  system; not enough effective "bridging" between education and employment
- Skills mismatches, where employers are looking for workplace experience, and soft skills as well as technical ones which are not readily available in the labour market

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<sup>&</sup>lt;sup>35</sup> Wellington Regional Growth Framework

- Limits on the number of people training for specific skills due to demand or imposed limitations
- People being unaware of opportunities in an occupation or sector
- No mapped career pathways, or clear qualification frameworks and structures. This limits
  progression through unskilled to semi-skilled to highly skilled work and has led to a high
  reliance on immigration in some areas
- The capacity of, and commitment by, businesses to train and mentor new entrants
- Insufficient domestic supply of workers or over-reliance on a migrant workforce, combined with limitations on access to migrant workers

Other reasons why industries and individual firms struggle to find workers involve issues around the attractiveness of regions, sectors, industries, occupations, specific firms or individual jobs, or other recruitment issues. Issues of this kind can include:

- Poor reputation, negative perceptions and misconceptions about industries, types of jobs or particular firms
- Low wages and poor general working conditions, including around health and safety and work culture
- Job structuring, such as not offering school hours or flexible work more generally
- · Limited hours; unattractive work design e.g. around shifts
- Employers not knowing where to look for workers or looking in limited areas or within limited pools of people, exacerbated by a reliance on traditional ways of recruiting staff
- Employers being unaware of how to provide a working environment that will suit a diverse range of workers, or workers with particular needs
- Availability of housing, transport, schools, childcare, suitable work for other family members

Employers' internal business policies and practices will also affect their ability to make the most of the existing workforce, for example around:

- Work and job design
- Training and development; coaching and mentoring; upskilling and re-skilling
- Projecting future workforce needs
- Career progression and succession planning
- Retention

## Challenges impacting job seekers

- It can be harder for disabled people, Pacific peoples and Māori to get into the workforce, and once they are there, it can also be harder for them to progress to better, and betterpaid jobs. The same is true for women.
- There is a persistent number of young people not in work, education or training, and Māori, Pacific peoples, and disabled people are disproportionately represented in this group.
- Job seekers and learners often don't know about the jobs out there, how to prepare for them, or where to start. There's a lack of comprehensive joined-up and accessible careers information, advice and guidance which limits people's ability to upskill, reskill and progress in work.
- It can be hard for many people to successfully make the transition to paid work from
  education or being out of the workforce. Amongst many other factors this may be because
  they lack knowledge about rights and obligations in the workplace, e.g., minimum
  employment standards and what it is reasonable to expect (or legally required) from an
  employer, including with respect to healthy and safe working conditions. Some people may
  also need mentoring, pastoral care or support to advocate for themselves.
- Related to some of the above points is the fact that we have low levels of unionisation.

### Challenges across the labour market

There's a lack of connection between key actors and stakeholders. This connection is crucial
and includes connection between schools, tertiary institutions, and employers; between
community groups and employers; and central and local government; and is directly related
to many of challenges already listed above.

COVID-19 is affecting supply chains, business sustainability (especially small businesses and the self-employed), access to skills, and job security. It is also putting pressure on or shifting business models for some firms as they adapt to the challenges of the environment. These different ways of doing business (e.g. retailing online and operating remotely) can in turn impact on the workforce required.

# 12 Assumptions and unknowns

We have had to make a number of assumptions in the development of this plan, and there remain a number of unknowns.

- This plan was developed during the peak of the Omicron outbreak and as Aotearoa New Zealand was starting to reopen its border. The impact that COVID-19 and the associated health response will continue to have on our labour market is unknown. This is both in terms of the roles available and also the available labour force (both migrants and also the local workforce). More recently, events in Eastern Europe, as well as being catastrophic for the people in that region, have had a significant impact on the price and potentially the availability of fuel in Aotearoa New Zealand and the ongoing and wider impact of this situation is yet to be seen.
- In some instances, we have not been able to get data at a regional or a sector level. This is because of what and how information is collected. We therefore haven't been able to develop a complete regional picture. In some instances, we have had to draw on the national or larger sector information and assume that these trends apply to our region and sectors.
- When we talk about job creation or job replacement over the next 15 years due to
  technological advance and policy shifts, it is hard for us to know what sort of skills people
  will need for these roles. While we are able to make general comments about needing an
  agile workforce that can adapt to change, we just don't know how the world will change.
  This means that our education system needs to be adaptable to the changing needs of
  industries and learners.

# 13 Conclusions and recommendations

[To be written after consultation]

# 14 Afterword (from co-chairs)

[To be written after consultation]

# **Appendix One: Summary of our priority communities and sectors**

# **Priority communities**

We have the opportunity to enable priority groups to better participate in our labour market, to both help meet our skills shortages and to improve the outcomes for people. If we can help make these communities more visible to employers and facilitate access to skills and employment for those who have traditionally struggled to access these, we can improve equity in our region. We can also create a workforce that better represents our population, we can reap the benefits of more inclusive and diverse workplaces, and we can tap into rich pools of labour and mitigate shortages.

The government has identified seven groups as a priority in its Employment Strategy based on persistently poor labour market outcomes.<sup>36</sup>

Underutilisation rates across priority groups are illustrative of

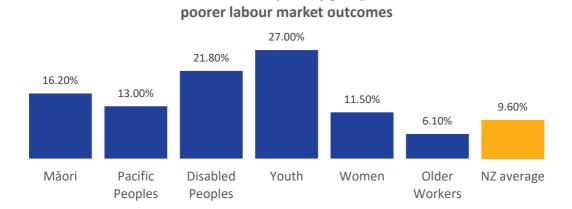


Figure 4: Underutilisation rates for priority communities

Note: Comparable data for former refugees and new migrants is not available.

Each priority community has its own unique challenges when engaging with the labour market, while some are common such as employers' preconceptions. Challenges can also be intersectional<sup>37</sup>, meaning that factors like gender, sexuality, and ethnicity can overlap to mean people are disadvantaged by multiple sources of prejudice and lack of opportunity.

Priority community	Challenges
Māori: Mana whenua and mātāwaka	<ul> <li>Systemic racism – which manifests in unsafe work environments, wage disparity, recruitment practices and educational outcomes</li> <li>Challenges within the education system lead to lower qualifications</li> <li>Intersectional issues are more pronounced, especially for women and people with disabilities</li> <li>Employer understanding of family and community responsibilities</li> <li>Inadequate career advice, information and employment services</li> </ul>

<sup>&</sup>lt;sup>36</sup> See https://www.mbie.govt.nz/business-and-employment/employment-and-skills/employment-strategy/

<sup>&</sup>lt;sup>37</sup> Intersectionality takes into account people's overlapping identities and experiences in order to understand the complexity of prejudices they face.

	Workplaces not bi-culturally competent - institutional, unconscious bias limiting career
	opportunities
	Need to earn and learn
Pacific	Workplaces not culturally appropriate
peoples	Employer understanding of family and community responsibilities
peoples	Poorer educational access
	<ul> <li>More likely to be employed in sectors that are likely to be impacted by technological change or</li> </ul>
	future shocks (e.g. manufacturing)
	Career choices more likely to be influenced by parents - need for better career guidance
	Employment services do not always understand Pacific peoples' culture and values
	Structural racism and bias of hiring managers
	Need to earn and learn
Disabled	Young people with disabilities, like many young people, lack work experience
people	Lack of employer confidence
	Recruitment hurdles
	Lack of visibility
	Lack of flexible working arrangements
	Lack of suitable workplace accommodations
	Fewer networks
	Physical barriers
Youth	Lack of labour market experience
	Low or no qualifications
	Lack of knowledge of systems and opportunities
	Lack of connections into the job market
	Limited work experience and soft skills
	Poor physical or mental health
	Caring responsibilities and lack of affordable and accessible childcare
	Employer capability, tolerance and cultural competency
	Limited access to transport and/or lack of drivers' licences
Women	Sexism and bias within the workplace
	Caring responsibilities and lack of access to affordable and accessible childcare
	Lack of flexibility in the workplace such as school hours
	Wage scarring due to time out of the workforce
	Systemically low wages and poorer employment settings in female dominated industries
	Limited access to retraining and upskilling
	Intersectional issues are pronounced
Refugees,	Bias and racism
new	Lack of understanding of workplace culture in Aotearoa New Zealand
migrants	Lack of recognition of prior work experience
and ethnic	Some qualifications not being recognised in Aotearoa New Zealand
communities	Difficulty accessing training
	Lack of connections
	Language barriers
	Higher risk of exploitation
	Ongoing trauma for refugees
	Differing cultural knowledge
	Ongoing family obligations

#### Older workers

- Employer perceptions about older workers and age discrimination
- Limited connections and networks
- Lack of knowledge around recruitment practices
- Lack of knowledge around transferability of skills
- Shame around accessing government employment support
- Lack of flexible work opportunities
- Need to upskill or retrain whilst in employment
- Intersectional challenges

#### **Priority sectors**

We have identified six priority sectors for our first Regional Workforce Plan (RWP) based on:

- Contribution to filled jobs and GDP
- Current and future skills shortages.

The tables below provide a snapshot of the current and future workforce and challenges specific to that sector. We acknowledge that there is more we need to understand about our priority sectors and have identified this as a key action in this plan.

	Construction <sup>38</sup>
Why it's a priority	Large employing sector with projected strong growth  A key contributor to regional priorities such as housing  Construction jobs are particularly important in Kāpiti (15.9% of total filled jobs in 2019, and 9.1% of GDP)
Current filled jobs	24,400 filled jobs in our region, across a wide range of occupations <sup>39</sup>
Proportion of workforce that are migrants	9.4% of the construction workforce <sup>40</sup>
Qualification levels of workforce	<ul> <li>No qualification: 14%</li> <li>Levels 1-3: 35%</li> <li>Levels 4-6: 33%</li> <li>Level 7+: 9%<sup>41</sup></li> </ul>
Projected growth 2020-2035 filled jobs	Projected peak workforce of 32,000 over 2022 (see: https://wip.org.nz/labour-forecast/) Estimated annual growth between 2020 and 2035 of 0.2% per annum
Challenges and opportunities	<ul> <li>Demand primarily driven by population growth. Housing supply and affordability are priorities in the Wellington Regional Growth Framework with a wide programme of initiatives planned and/or underway. Examples include the Eastern Porirua Regeneration project with plans for 4,000 new homes in the short term, with 11,000 likely needed in the next 25 years, and the Lower Hutt \$455 million Riverlink project which is projected to provide 1,300 houses and apartments.</li> <li>A special focus on iwi and Māori housing is also marked as priority.</li> <li>A growing diversity within the workforce with more women, Māori and Pacific peoples, and older people training for the trades. Needs to be a continued focus on attracting people to the sector.</li> </ul>

<sup>&</sup>lt;sup>38</sup> See Definitions in Appendix Three

<sup>&</sup>lt;sup>39</sup> Stats N7

<sup>&</sup>lt;sup>40</sup> MBIE Migrant Employment Data – at November 2021

<sup>&</sup>lt;sup>41</sup> MBIE, Detailed Regional Employment Estimates (DREE). (Core data from Stats NZ Census 2018 and Linked Employer Employee Data (LEED). Modelling completed by MBIE)

	<u>Infrastructure<sup>42</sup></u>
Why it's a priority	Accounts for around 7,000 roles in the region A key contributor to regional priorities such as water and transport Skills gaps and strong demand for skilled workforce going forward
Current filled jobs	<ul> <li>Infrastructure roles fit under a number of categories so estimates must be used</li> <li>2,200 filled jobs in other heavy and civil construction</li> <li>1,500 filled jobs in road and bridge construction</li> <li>3,600 jobs in engineering design and consultancy</li> </ul>
Proportion of workforce that are migrants	13% of the heavy and civil engineering construction industry <sup>43</sup>
Qualification levels of workforce	<ul> <li>Note: this data is as for construction</li> <li>No qualification: 14%</li> <li>Levels 1-3: 35%</li> <li>Levels 4-6: 33%</li> <li>Level 7+: 9%<sup>44</sup></li> </ul>
Projections 2020-2035 filled jobs	Heavy and civil construction projected increase of 1.4% per annum
Factors driving this sector in the region	<ul> <li>Planning and initiatives underway are driving very large infrastructure projects which will require workers from over 19 different trade areas, and roles from concrete pouring to quantity surveying.</li> <li>This includes strategic roading networks, the Riverlink project in the Hutt Valley, and the \$6.4 billion Let's Get Wellington Moving project. Much larger initiatives are likely to come out of the Regional Spatial plan longer term, such as an East-West connection transport corridor.</li> <li>The Hutt City Council is partnering with Wellington Water, Waka Kotahi, Weltec-Whitirea, Hutt Valley Chamber of Commerce, Fulton Hogan and Mana Whenua on infrastructure jobs and skills training; work included a jobs forum with all partners in November 2021.</li> </ul>
Challenges and opportunities	<ul> <li>The 2021 Draft New Zealand Infrastructure Strategy, Rautaki Hanganga o Aotearoa, emphasises the need for a strong construction sector, noting that a major factor in low productivity is a labour shortage, and calls for a national infrastructure skills plan.</li> <li>Current and projected skills shortages across the sector and low productivity.</li> <li>Limited diversity – women only account for 2.5% of apprentices nationally.</li> </ul>

 $<sup>^{\</sup>rm 42}$  See Definitions in Appendix Three

<sup>&</sup>lt;sup>43</sup> MBIE Migrant Employment Data at November 2021

<sup>&</sup>lt;sup>44</sup> MBIE, Detailed Regional Employment Estimates (DREE). (Core data from Stats NZ Census 2018 and Linked Employer Employee Data (LEED). Modelling completed by MBIE)

	<u>Digital technologies sector<sup>45</sup></u>
Why it's a priority	Jobs in this sector are high value, coming under both the 'Professional, Scientific and Technical services' sector, and the 'Information, Media and Telecommunications' sector, 1 <sup>st</sup> and 6 <sup>th</sup> respectively in industry GDP per person for the region.
	Nationally there were 98,583 people employed as IT professionals in 2019 with a median salary of \$92,250.
	Nationally, 4,462 new IT jobs were created in 2019 <sup>46</sup> , and of all jobs in these sectors 14% sit in our region, across a rapidly growing eco-system of small to medium exporting digital businesses, a large public sector, and large well-known businesses such as Xero and Datacom.
Current filled	15,000 filled jobs in 'ICT occupations', mostly concentrated in Wellington City
jobs	About 3,200 filled jobs relating to motion pictures
Proportion of	14% of the computer system design and related services industry
workforce that are migrants	18% of the motion picture industry <sup>47</sup>
Qualification	Information media and telecommunications industry
levels of workforce	No qualification: 3%
	• Levels 1-3: 23%
	<ul> <li>Levels 4-6: 16%</li> <li>Level 7+: 49%</li> </ul>
	Professional, scientific and technical services
	No qualification: 3%
	• Levels 1-3: 19%
	• Levels 4-6: 13%
Ducinated	• Level 7+:59% <sup>48</sup> The 'Computer Systems Design and Related Sequipper' (a subset of Professional Scientific and Technical
Projected growth	The 'Computer Systems Design and Related Services' (a subset of Professional Scientific and Technical services) is expected to grow by 2.6% per annum. <sup>49</sup>
2020-2035 filled jobs	The motion picture sector is expected to remain stable.
Challenges and opportunities	<ul> <li>A number of new and existing businesses in the sector, as well as many public sector roles.</li> <li>The gaming sector is increasingly important and growing quickly, based mainly in the Hutt Valley.</li> <li>High numbers of new jobs being created, with highest demand is likely to be in the areas of machine learning, software development, data analysis, and software architecture.</li> <li>Current skills shortages in the sector.</li> <li>Several good education and skills providers for the sector.</li> </ul>

<sup>&</sup>lt;sup>45</sup> See Definitions in Appendix Three

<sup>46</sup> Digital Skills for a Digital Future

<sup>&</sup>lt;sup>47</sup> MBIE Migrant Employment Data at November 2021

<sup>&</sup>lt;sup>48</sup> MBIE, Detailed Regional Employment Estimates (DREE). (Core data from Stats NZ Census 2018 and Linked Employer Employee Data (LEED). Modelling completed by MBIE)

 $<sup>^{\</sup>rm 49}$  Infometrics industry projections data

	Health: Kaiāwhina to nursing
Why it's a priority	Overall health care and social assistance is the 3 <sup>rd</sup> largest industry in our region by filled jobs and is the 4 <sup>th</sup> biggest growing sector, reflecting our growing and ageing population
	DHBs are the biggest single employers in the Wellington region, with around 10,000 employees
	Work is underway at a national and DHB level to address shortages across the regulated health workforce, for example GPs and technicians. We have chosen to focus on two key areas where local connection and co-ordination can be best leveraged: nursing and the unregulated care workforce, also known as kaiāwhina, both of which are experiencing significant shortages.
<b>Current filled</b>	There are 27,000 filled jobs in healthcare and social assistance
jobs	Around 8,800 filled jobs in midwifery and nursing professionals in our region – the biggest single group of workers in the health workforce, and 4,941 work as personal carers and assistants
Proportion of	19% of the residential care services industry
workforce that are migrants	10.2% of the health care and social assistance industry <sup>50</sup>
Qualification levels of workforce	<ul> <li>Note, can only get data for health care and social assistance</li> <li>No qualification: 8%</li> <li>Levels 1-3: 21%</li> <li>Levels 4-6: 17%</li> <li>Level 7+: 48%<sup>51</sup></li> </ul>
Projected	Overall growth in healthcare and social assistance of 1.5% per annum
growth 2020-2035 filled jobs	Strongest projected growth in residential care services at 2.6% per annum
Challenges and opportunities	<ul> <li>Current and persistent skills shortages across all levels and role types.</li> <li>Strong reliance on migrant workers to meet skills shortages.</li> <li>Ageing population will drive growth in the sector.</li> <li>High turnover of workforce in aged care sector and most people exit the sector entirely</li> <li>The kaiāwhina workforce is mostly employed for in-home care or by one of the aged care providers in the region (who have over 5,500 beds in the region). It is an older workforce, predominantly female, and often underemployed.</li> <li>Training is available across all levels locally, however there is not always the corresponding supervision for placements for nurses. This can limit numbers.</li> <li>The workforce does not represent the demographics of those it cares for, and more Māori and Pacific skilled workers are needed to address this. Whitirea Polytechnic runs nursing programmes including the country's only Bachelor of Nursing Māori and Bachelor of Nursing Pacific. It is keen to develop as a leader in this field in the country.</li> </ul>

<sup>&</sup>lt;sup>50</sup> MBIE Migrant Employment Data

<sup>&</sup>lt;sup>51</sup> MBIE, Detailed Regional Employment Estimates (DREE). (Core data from Stats NZ Census 2018 and Linked Employer Employee Data (LEED). Modelling completed by MBIE)

Relevant plans

The Kaiāwhina Workforce Action Plan 2020-2025 is a partnership developed by Careerforce and the Ministry of Health. It sets out priority areas for growing and developing this workforce.

	<u>Visitor sector<sup>52</sup></u>
Why it's a priority	Accommodation and Food Services is the 6 <sup>th</sup> biggest sector for filled jobs in the region  The sector is particularly important for some of our sub-regions, such as Kāpiti and the Wairarapa
Current filled jobs	Food and accommodation accounts for 22,500 filled jobs. 10,000 of these filled jobs are in cafes and restaurants
Projections 2020-2035 filled jobs	Projected growth in filled jobs of 1.3% per annum
Proportion of workforce that are migrants	19% of the accommodation and food services industry <sup>53</sup>
Qualification levels of workforce	<ul> <li>No qualification: 10%</li> <li>Levels 1-3: 41%</li> <li>Levels 4-6: 16%</li> <li>Level 7+: 16%<sup>54</sup></li> </ul>
Challenges and opportunities	<ul> <li>Kāpiti has identified the services economy as priority and developed a destination management plan. It is also looking to establish a learning hub to develop training for the sector. Similarly, in the Wairarapa tourism accounts for 7% of filled jobs and the sector has been prioritised for training and skills development, and a sector group set up for tourism and hospitality.</li> <li>Strong reliance on immigration to fill a variety of roles and COVID-19 has exacerbated ongoing and growing shortages. Immigration policy changes may reduce the availability of short-term migrant labour to the sector.</li> <li>The sector suffers from high turnover, which means there is an ongoing need to retrain.</li> <li>There is a lack of on-the-job training frameworks.</li> </ul>

 $<sup>^{\</sup>rm 52}$  See Definitions in Appendix Three

<sup>&</sup>lt;sup>53</sup> MBIE Migrant Employment Data

<sup>&</sup>lt;sup>54</sup> MBIE, Detailed Regional Employment Estimates (DREE). (Core data from Stats NZ Census 2018 and Linked Employer Employee Data (LEED). Modelling completed by MBIE)

	Manufacturing <sup>55</sup>
Why it's a priority	A high value sector and the 4 <sup>th</sup> largest contributor to GDP per person by industry. Both primary and non-primary manufacturing contribute to the region's manufacturing output.  A significant sector in Porirua where 27% of the workforce is employed in the industrial sector. Manufacturing is a major characterising factor of the Hutt Valley and makes up almost 12% of GDP for Lower Hutt and 10% of employment. In Kāpiti manufacturing was worth 9.1% of total GDP in 2019.  The sector is an important employer of both Māori and Pacific peoples.
Current filled jobs	About 16,000 filled jobs in manufacturing
Proportion of workforce that are migrants	8.9% of the manufacturing industry <sup>56</sup>
Qualification levels of workforce	<ul> <li>No qualification: 17%</li> <li>Levels 1-3: 34%</li> <li>Levels 4-6: 21%</li> <li>Levels 7+: 17%<sup>57</sup></li> </ul>
Projections 2020-2035 filled jobs	Projected growth in manufacturing of 1.8% per annum
Challenges and opportunities	<ul> <li>The Hutt Valley Chamber of Commerce is sector lead for the manufacturing and technology sector for the greater Wellington region.</li> <li>The Wairarapa Workforce Plan has a focus on this area and has stood up an industry sector group focussing on manufacturing (including value added food production).</li> <li>The sector has signalled that it has ongoing skills shortages, in part due to an ageing workforce, and its reliance on immigration to fill skills shortages.</li> </ul>
Relevant plans	An Advanced Manufacturing ITP is being developed which will focus on lifting the sector's productivity, sustainability and inclusivity, and the quality of work.

 $<sup>^{55}</sup>$  See Definitions in Appendix Three

<sup>56</sup> MBIE Migrant Employment Data at November 2021

<sup>&</sup>lt;sup>57</sup> MBIE, Detailed Regional Employment Estimates (DREE). (Core data from Stats NZ Census 2018 and Linked Employer Employee Data (LEED). Modelling completed by MBIE)

## **Appendix Two: Detailed Action Plan**

The tables below outline the action plan in detail, arranged by focus areas.

#### Area of Focus 1. Maximising the available workforce to meet regional demand

Actions that will help fill current and anticipated skill shortages in the region from our local population, including people in our priority communities. It could include actions that open doors for people, increase hours for people, see people step up into better paid jobs.

Action #	Activities	Potential Partners	Timeframe
2. Make information and support available to employers to source, retain, progress and upskill people from our priority communities (cross-cutting action; see also FA 2,4,5)	<ol> <li>Investigate an effective employer-facing mechanism to promote services, share good practice and help employers navigate existing systems and supports (e.g. secure resourcing for 2 regional workforce development coordinators)</li> <li>Provide information that helps employers to develop, upskill and</li> </ol>		Year 1
see also FA 2,4,5)	reskill existing staff by:  - Making our priority communities visible to employers  - Suggesting inclusive recruitment practices and encourage diverse short lists  - Co-ordinating and promoting existing not-for-profit employment services (and Skills Hubs) to employers  - Sharing good practice stories  - Identifying and promoting business models that maximise efficiency and utilisation of workforce  3) Encourage collaboration between large		Year 1-3
	employers and local iwi 4) Use sector stakeholder groups (see Action #1) as a way of sharing workforce information and best practice with employers in the priority sectors		Year 2-3
3. Encourage use of social procurement arrangements by large organisations in the region to increase	5) Encourage the region's councils to join the Te Upoko o te Ika a Māui Accord on social procurement and take up opportunities to build social procurement capacity and capability		Year 1-2
sustainable employment for our	6) Engage with government procurement leadership to maximise the		Year 1-2

Action #	Activities	Potential Partners	Timeframe
priority communities (cross cutting action see FA 4)	opportunity of social procurement in the region		
6. Seek support for programmes that have achieved good employment outcomes for our priority communities (see FA 2, FA 5)	7) Encourage local councils to implement the Pathways to Employment internship programme for disabled people		Year 1 - 3
7. Engage with public service as a regional employer for better outcomes for our priority communities (see FA 2, FA 3)	<ul> <li>8) Seek updates from our public service agencies regarding their specific role as employer in this region in implementing EAPs and ITPs</li> <li>9) Encourage Wellington's public service to proactively enable career progression of Māori and Pacific staff</li> </ul>		Year 2-3 Year 1 -3
8. Take account of iwi development plans, local workforce plans, and provide support to achieve specific outcomes (see also FA 2)	<ul> <li>Support efforts to achieve better public transport between Kāpiti Coast and Horowhenua and within Wairarapa</li> <li>Liaise with relevant councils and stakeholders to identify best forms of support</li> </ul>		Year 1
9. Make data and information available to assist decision-making (all areas)	<ul><li>11) Investigate a system to collate and report data and information that helps stakeholders make better decisions</li><li>12) Create a set of regional data indicators of workforce change. Monitor and report these regularly</li></ul>		Year 2-3 Year 1

#### **Area of Focus 2.** Improving awareness of and access to relevant skills development

Actions that improve equitable access to skills development (such as better knowledge and information about opportunities and options for training delivery) and to the development of skills that are relevant to our region's current and future needs, including consideration of mātauranga Māori.

Acti	ion #	Activities	Potential Partners	Timeframe
2.	Make information and support available to employers to source, retain, progress and upskill people from our	<ol> <li>Provide information that helps employers to develop, upskill and reskill existing staff</li> <li>Explore programmes that could</li> </ol>		Year 1-3
	priority communities	assist SMEs to develop skills in good employment practices		Year 1-3
4.	Build awareness of careers in our region	<ol> <li>Coordinate engagement between careers advisers and employers in our priority sectors</li> </ol>		Year 2-3
5.	Promote training and development of skills needed in our region	4) Increase digital technology learning and enrolment in STEM subjects at school  - Make information available about the value and opportunities of these skills in our region  - Identify successful programmes which could be extended or introduced regionally, such as Te Pūhoro and Hutt Science  5) Use sector groups, youth caucus, relationships with iwi and existing research to build a more detailed regional picture of the skills needed our region now and in the future  - Work with sector groups to identify specific skills requirements for priority sectors		Year 2-3
		<ul> <li>Partner with iwi to identify priorities for skills development</li> <li>Research skills needed for climate change and land use</li> </ul>		Year 2-3 Year 2-3
		change/		

Action #	Activities	Potential Partners	Timeframe
	<ul> <li>6) Explore ways to promote opportunities to upskill, reskill or retrain</li> <li>7) Explore the potential to develop a system of learning representatives in the workplace as a support system for learners</li> <li>8) Explore ways to make training, upskilling and reskilling opportunities more widely known among Pacific communities</li> </ul>		Year 2-3
6. Seek support for programmes that have achieved good employment outcomes for our priority communities (see FA 1, FA 5)	<ul> <li>9) Extend and expand existing internship programmes for Māori, Pacific peoples, young people, former refugees and ethnic communities, such as Summer of Tech and government internship programmes</li> <li>10) Work with sector stakeholder groups to explore the development of cadetships</li> </ul>		Year 1-2 Year 2-3
7. Engage with public service as a regional employer for better outcomes for our priority communities (see FA 1, FA 3)	<ul> <li>11) Seek updates on the number of internships provided in Wellington region's public service for people in our priority communities</li> <li>12) Seek updates on Wellington's public service contribution to growing the digital skills pipeline in the region</li> </ul>		Year 2-3 Year 3
8. Take account of iwi development plans and local workforce plans and provide support to achieve specific outcomes	<ul> <li>13) Liaise regarding the development of vocational education and training hubs in Wairarapa and Kāpiti Coast and identify avenues of support for these</li> <li>14) Work with our region's iwi to understand their skills development priorities and provide support where possible</li> </ul>		Year 1-3

9. Make data and information available to assist decision making

#### **Area of Focus 3.** Building connections between employers, educators and workers.

Actions that bring labour market participants together to increase communication, build collaboration and foster solutions to current and future workforce challenges

Action	Activities	Potential Partners	Timeframe
1. Create specific sector and youth advisory groups (or affiliate with existing groups) to build a strong regional system for workforce planning (See also FA3 and FA 5)	1) Establish and/or join with multistakeholder sector workforce groups for our priority sectors:  - Health (Kaiāwhina to nursing) - Infrastructure - Construction - Manufacturing - Visitor - Advanced digital technologies sector  Establish group functions: - Identify specific industry skills requirements - Forecast demand - Share regional data - Identify and resolve barriers and systems problems - Share bi-cultural organisation standards/charter/kawa - Develop advice on sector opportunities for training and skill development, including cadetships and internships - Explore how to provide 'decent work' - Identify specific areas to be addressed thru RSLG - Identify and promote business models that maximise efficiency and utilisation of workforce  2) Connect with sub-regional workforce group and skills hubs i. Connect with Wairarapa Skills Leadership group sub-committees if invited ii. Seek a connection with sub-regional workforce groups and skills hubs through stakeholder	Partners	Year 1-3
	engagement and/or RSLG member participation		

Action	Activities	Potential Partners	Timeframe
	3) Promote models of successful collaboration between central government, councils, business, education and community to grow employment.		Year 2-3
7. Engage with public service as a regional employer for better outcomes for our priority communities	4) Liaise with Government Property (MBIE) regarding the establishment of regional government hubs and the implications for regional workforce planning		Year 1-3
<ol> <li>Make data and information available to assist decision-making</li> </ol>			Year 1-3

#### Area of Focus 4. Building workplaces that are worker-friendly, inclusive and where workers thrive

Actions that influence awareness and understanding of the diverse workers in our workforce, worker voice, worker well-being and retention

Action	Activities	Potential Partners	Timeframe
<ol> <li>Make information and support available to employers to source, retain, progress and upskill people from our priority communities (See also FA 1 FA 2, FA 5)</li> </ol>	<ol> <li>Assist employers to create a workplace that fosters worker well-being by:         <ul> <li>helping build skills and cultural capability to manage and include a diverse workforce</li> <li>providing information about programmes and services (such as Disability Confidence)</li> <li>promoting flexible working arrangements and other measure that meet the needs of priority communities</li> <li>Sharing good practice stories and tools</li> <li>Advocating the Living Wage as a minimum</li> </ul> </li> <li>Share information about how workplaces can be more inclusive for kaimahi Māori</li> </ol>		Year 2
3. Encourage use of social procurement arrangements by large organisations in the region to increase sustainable employment for our priority communities (see also FA 1)	3) Promote inclusion of Living Wage criterion in social procurement requirements		Year 1-2
9. Make data and information available to assist decision-making			

#### **Area of Focus 5.** Supporting employment initiatives for young people.

Actions that target the particular needs of youth and people up to the age of 30. It recognises the importance of youth and rangatahi in existing iwi and community plans.

Action	Activities	Potential Partners	Timeframe
1. Create specific sector and youth advisory groups (or affiliate with existing groups) to build a strong regional system for workforce planning (See also FA3)	Establish a youth caucus to bring a youth voice and operate as an advisory group to the RSLG		Year 1
2. Make information and support available to employers to source, retain, progress and upskill people from our priority communities (See also FA 1, 2,4)	<ul> <li>2) Help employers create 'youth friendly' workplaces</li> <li>Liaise with the youth caucus</li> <li>Identify existing programmes and tools that could be shared</li> </ul>		Year 1-3
5. Promote training and development of skills needed in our region	<ol> <li>Encourage educators and organisations that serve our young people to help educate young workers about their employment rights and obligations</li> </ol>		Year 1-3
6. Seek support for programmes that have achieved good employment outcomes for our priority communities	<ul> <li>4) Advocate resourcing of community and/or iwi-led strengths-based programmes that provide wraparound support to young people to achieve sustainable employment</li> <li>5) Seek to extend eligibility for "education to employment" programmes and make the programme available to young people in all parts of our region</li> </ul>		Year 1
8. Take account of iwi development plans and local workforce plans and provide support to achieve specific outcomes (See FA2)	6) Use stakeholder knowledge to confirm the most significant barriers to obtaining a driver's licence in this region and support initiatives that provide solutions		Year 1-3

Action	Activities	<b>Potential</b>	Timeframe
		Partners	

- 9. Make data and information available to assist decision-making
- 10. 2 activities (All focus areas)

### **Appendix Three: Terms and definitions**

Digital technologies sector: This sector refers to businesses whose primary purpose is to both create and sell digital technology products, services or solutions, including data processing services, computer system design and software publishing. The sector includes businesses operating in different aspects of digital technology, such as screen (post-production and digital workshops) interactive media and gaming, financial technology, health technology, digital technology for agriculture, artificial intelligence, Software as a Service (SaaS). These businesses create and sell weightless products and services.

*Construction:* Here the Construction sector includes above-ground commercial and residential building and civil construction such as hospitals, schools, prisons, parks, libraries and community buildings. It covers a wide range of businesses and occupations across the sector.

Employment: Seasonally adjusted, number of people in employment in the working-age population.

EAP: Employment Action Plans, part of the government's Employment Strategy.

Full-time: 30 hours per week or more.

ITP: Industry Transformation Plan.

*Infrastructure*: Here this refers to our economic infrastructure – our energy, telecommunications, transport, waste and water infrastructure. See p.20 of the New Zealand Infrastructure Strategy.

Labour force participation rate: Seasonally adjusted, total labour force/working age (15+) population.

Manufacturing: Here we mean seven broad subsectors: "food and beverage", "machinery and equipment", "wood and paper products", "chemicals and refining", "metals and metal products", "plastics and rubber" and "other" manufacturing.

*NEET*: People aged 15-24 not in employment, education or training (includes those caring for children or others).

Skilled occupation rate: Number of people employed in a skilled occupation (ANZSCO level 1-3)/ total number of employed people. These estimates are prepared using 2013 Census data and are not comparable to previously published estimates.

SMEs: Small and medium enterprises.

*Social procurement:* Social procurement is when organisations use their buying power to generate social value above and beyond the value of the goods, services or construction being procured.

**Underutilisation**: Includes people who:

- do not have a job, but are available to work and are actively seeking employment unemployed
- are employed part-time (fewer than 30 hours a week) and who both want and are available to increase the number of hours they work underemployed
- want a job and are available to work, but are not currently looking for a job available potential jobseeker
- are unavailable to start work but are looking for a job as they will be able to start work within the next month unavailable jobseeker.

*Unemployment*: Some who has no paid job, is working age, is available for work, and has looked for work in the past four weeks or has a new job to start within the next four weeks.

*Visitor sector*: here the visitor sector means businesses providing hospitality, food and accommodation in our region

# **Appendix Four: RSLG members**

Wellington RSLG Membership

[Photos and details]

List of RSLG regions