

TOP REGIONAL INSIGHTS



Image: ManawatuNZ.co.nz

Ohakune is in dire need for customers to return to the snow fields this year. After a long two-years operating under the effects of COVID-19 businesses have managed to hang on. However, there are concerns that if they don't see a rise in customers this year many will not be able to survive. Along with the need for customers, the need for staff is just as important, as businesses are forced to reduce operating hours. One café has had to reduce its hours to 28 per week due to staffing shortages; while another restaurant has been unable to open for the last two years due to a lack of local staff and not being able to get international staff in (which is how they have filled vacancies historically).

Staff have begun to leave the region since the borders have opened, as the increasing cost of living for households in Manawatū is putting increased pressure on income earners. One large chicken product supplier advised that they are seeing their staff leave for opportunities in Australia. Although these staff are taking up vacancies in their Australian branch, this is making food production in New Zealand more difficult week-on-week as producers struggle to fill shifts.

Business owners are optimistic that the opening of the borders will help ease the labour shortage. One of the big challenges that cities like Palmerston North face is how to attract migrant labour, as migrants tend to favour the larger cities. Adding to the struggles of attracting migrant labour is the shortage in rental housing and temporary accommodation, with companies such as Ruapehu Alpine Lifts launching initiatives to connect homeowners with winter kaimahi.

TRENDS AT A GLANCE



The number of jobs advertised in Manawatū has increased 17% from May 2021 to May 2022. Notably, this includes a 5% increase since April 2022.



However, the number of applications per job advert in Manawatū has seen the lowest rate of growth out of all regions at 2% month on month. Other region's such as Tai Tokerau and Waikato saw an increase of 10%.



Before COVID-19 full-time roles made up around 74% of all roles advertised on SEEK nationally. Now in 2022, full-time roles account for 81% of all roles advertised, which may suggest that businesses are more open to balancing full time roles with flexibility and hybrid working.

Source: SEEK Employment Report – May

TOP LABOUR MARKET OPPORTUNITIES

- Employment opportunities are set to grow in Whanganui with the roll out of up to 100 e-scooters throughout the city.** Whanganui District Council and Whanganui and Partners are working together on this initiative that will create multiple jobs around the city to manage the trial of these scooters. The use of scooters also reduces barriers to employment as no drivers' licences are required for use.
- The 2022 Tararua TALENT Work Ready Course (TTWRC) was launched in May 2022,** and has already seen a great level of interest with 80 participants registering in the first month. The TTWRC is a collaborative project involving Dannevirke High School; Totara College; Te Aho o Te Kura Pounamu-Dannevirke; Tararua Community Youth Services; Mayors Task Force for Jobs; Tararua REAP; AllTrain; Academy of Driving-Dannevirke; and Talent Central. Students and members of the community have an opportunity to complete an online Employability Programme with NCEA credits; earn their Class 1 Learners, Restricted and Full Driving Licences; and gain access to work experience, work exploration and attend industry visits.

TOP LABOUR MARKET CHALLENGES

- Employers are recognising the necessity of increasing starting wage rates to fill vacancies,** but this is often leading to severe compression in rates for existing staff. Pay scales that used to vary by \$3-\$5 an hour (depending on service length, experience and qualifications) are being compressed to \$1-\$2 an hour as entry rates are increased but not matched by increases in higher rates. This has been reported in a variety of industries including Retail, Postal, Warehousing, and Accommodation & Food Services.
- Staffing shortages continue to pinch the tourism industry** as businesses are struggling to find and retain staff. Exacerbating these challenges in Ruapehu is the rising fuel prices and lack of public transport in the district, which is limiting the labour pool even more.
- Health and wellbeing concerns are shifting from COVID-19 to the flu as winter approaches.** It has been reported that more people are now off work with the flu rather than COVID-19, causing added stress for business owners. Some schools are also having to shut temporarily, due to lack of teaching staff who are sick, increasing pressure on households with children where often a wage earner is required to be away from work to care for them.

REGIONAL WORKFORCE PLAN

- The Manawatū-Whanganui Regional Skills Leadership Group will launch their Regional Workforce Plan** on 8 July 2022, at the Te Matapihi – Bulls Community Centre. Further district-level events will take place in the month of August.
- Engagement with stakeholders who have committed to actions in the current Regional Workforce Plan continues.** With the initial focus on the Kaiāwhina Health Workforce and School Transitions area, the Regional Skills Leadership Group are expecting tangible success in these areas.
- Consideration is now shifting to the next iteration of the Regional Workforce Plan and identified of focus areas.** Building on the Accelerate25 and Te Pae Tawhiti strategies the RSLG will once again consult with the region on workforce and skills challenges within our rohe.

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

- Launching of the Regional Workforce Plan on July 8
- Looking into the challenges and opportunities that other sectors are facing locally, to make an informed decision on where the RSLG should focus their efforts for the coming year
- Working with stakeholders to progress actions that make up part of the Regional Workforce Plan

People Supply

- **The Youth Employability Aotearoa (YEA) National Conference was held on May 24th with a theme of 'Uniting for Change'.** YEA utilised an experimental hub and spoke structure endeavouring to capture and utilise the benefits of both online and face-to-face delivery. Fifteen Regional Hubs were set up around the country with the Manawatū-Whanganui Hub and the Palmerston North City Council Youth Services Team. Many organisations were represented at the Hub on the day including members from Ministry of Education, Ministry of Social Development, Muaūpoko Tribal Authority, Tararua REAP, training providers, and the Palmerston North Youth Council. Many challenging questions were posed to attendees about what we need to do locally and nationally to ensure our rangatahi have the skills and confidence to thrive in the changing world of work, learning and life.

People in Workforce

- **TupuOra Education & Development has been delivering a free, online te reo Māori programme this Term.** It is aimed at teachers, staff, and whānau of schools, kura, ECEs, and kōhanga reo in the Manawatū-Whanganui region. The Te Rekamauroa Programme is designed by teachers for other teachers and parents of school age children. It includes five levels of competency covering local dialect, pronunciation, history, stories, songs, haka and narratives. The Term-2 regional intake had 160 registrations across all levels, with 60 people registered as absolute beginners.
- **The labour market remains tight in the region for manufacturing workers.** The previous border openings have not resulted in people on the ground as expected. Employers continue to raise the concern that applications submitted to immigration services are processing slowly.
- **Finding and retaining staff is having significant impacts on smaller businesses as they continue to look to fill their staffing shortages.** With the low unemployment rate, there is a shortage of workers available in the labour pool. The unemployment rate for the March 2022 quarter was 2.8 percent, down from 3.8 percent in March 2021.

Jobs

- **Farah Palmer has been appointed as Pou Akonga - Executive Director, Māori Student Success at Massey University.** This is a newly created position and sits within the purview of the Deputy Vice-Chancellor Māori, Professor Meihana Durie. Also elevated to Professor, Farah's formal title is Professor Farah Rangikoepa Palmer, ONZM, Ngāti Maniapoto, Waikato. This is a crucial appointment and is part of Massey University's commitment to Māori student achievement.
- **Business closures continue to occur as the COVID-19 impacts on tourism continue to be felt.** There are uneven business impacts across the region with mixed stories of good and bad outcomes for employers. Some new businesses are being born, and some are dying - some are adapting to new challenges, while some are just giving up.

Skills Development

- **The Conservation Work Skills programme have commenced their third intake of participants.** The programme is delivered over 12-weeks by the Ministry of Social Development in partnership with Conservation Volunteers New Zealand and the Te Ahu a Turanga project. The programme supports people to re-integrate into the workforce by developing their skills, increasing qualifications, and providing hands-on work experience following periods of unemployment. The participants will work alongside landscaping and environmental teams, and support Kaitiaki to carry out some of the iwi aspirations and cultural outcomes by enhancing local knowledge around Mātauranga Māori.
- **Digital Spaces Woodville have been delivering 'Digital Training for Tararua Businesses' in 2022** despite all the obstacles created by COVID-19. The digital training has included 'Excel & Word for Business Owners', Digital Marketing Workshops, Social Media, and 'Ask Anything' sessions. They are now on the search for 15 local business owners that want to build their digital presence and network with like-minded businesspeople who are on a similar journey. This 6-month Digital Boost Facilitation programme will help these businesses with website/e-commerce development, Social Media and Cybersecurity.

Employers

- **Regional Business Partner Network Clinics are helping local Tararua businesses planning for growth to access training, resources and tools.** The training is being provided in conjunction with Tararua District Council, and the Central Economic Development Agency (CEDA) Business Team. Despite busier than usual BAU, a number of local business owners and employers took up the opportunity to connect, and now have access to business mentors and the range of professional development resources CEDA has on offer.

Demand Drivers

- **Farm product sale prices are up, however expenses are also up by at least 30 percent across the board** (fuel/fertiliser and interest rates). This is resulting in many farmers posting a net loss or break even on the previous year, despite favourable weather earlier in the season. The result of this is less spending in the local community.
- **There is high demand locally for tree planters as more hill country areas/properties are being converted to forestry.** The Horizons Regional Council applications for 2022 plantings subsidy of \$750/ha ended in June 2022. The world bank is predicting NZ carbon prices may need to double in price by 2030 to achieve the emission reductions agreed to under the Paris Climate Accords. If this is the case more trees are likely to be planted to meet demand and supply targets.

KEY:

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

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

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

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

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

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