

TOP REGIONAL INSIGHTS



Te Pūkenga has announced that the SIT Zero Fees Scheme will continue in 2024 for students/ākonga living in the Southern region, and those studying at the Invercargill, Gore, Queenstown and Telford (Balclutha) campuses. However, the scheme will not apply to ākonga with residential addresses outside the Southern region, or those at SIT's Christchurch campus. Ākonga enrolling for multi-year programmes in 2024 will continue to be eligible for SIT's Zero Fees Scheme while they are studying at the SIT Southern region campuses. A decision on whether the scheme will continue in 2025 has yet to be made, however, this is a positive step for continuing to attract ākonga to SIT and provide them with financial relief at a time when the cost of living is high. The decision will also support the region's focus on attraction and retention, given the recent BERL study findings that 40 percent of graduates are employed by local businesses on completion of their studies, representing a significant pool of labour for the region.

Rural and local business confidence remain low across the region. Rural confidence is at the lowest recorded level in the 20-year history of Rabobank's Rural Confidence Survey, said to be due to government policy and farm input cost concerns, alongside falling commodity prices and rising interest rates. In addition, a recent survey of local businesses by the Southland Chamber of Commerce (Chamber) found that 60 percent of its respondents thought that the general business situation in New Zealand would deteriorate in the next six months, while 20 percent thought it would stay the same. Ongoing staffing shortages remain a concern amongst businesses, with labour noted as being the most limiting factor for business growth. However, there does appear to be a slight upward change in the ability to attract staff. A recent report by the Chamber noted 11 percent of respondents to the August 2023 survey had experienced an improvement in their ability to secure skilled and specialist staff, while 13 percent had found it easier to hire unskilled staff. While these numbers are small, it does represent a positive shift.

MURIHIKU MĀORI LABOUR MARKET SNAPSHOT

- **Murihiku's total Māori population was 17,100 in 2022, up 2.7% from 2021.** The total Māori population in New Zealand grew by 2.0% to 892,200 over the same period.
- **In 2022, 62.9% of Invercargill City's Māori population was of working age (15-64).** This proportion was the same as across New Zealand (62.9%) but higher than the Gore (59.9%) and Southland (60.2%) Districts.
- **Māori who are in employment in Murihiku averaged 7,518 in the year to March 2022,** up 5.7% from a year earlier.
- **In 2022, the annual average Māori unemployment rate in Murihiku was 6.1%.** Since 2009 the Māori unemployment rate has reached a high of 9.8% (2014) and a low of 3.3% (2021).
- **Murihiku-based Māori are more likely to be employed in low-skilled roles (48.0% of total employment),** which is higher than the national rate (45.9%). Employment in labouring roles accounted for 24.3% of total Māori employment in Murihiku, compared to 17.9% across New Zealand.

Source: Infometrics Regional Economic Profile – Māori – Southland Region, 2022 (2023).

TOP LABOUR MARKET OPPORTUNITIES

The Southland Engineering and Manufacturing Cluster is in set-up phase, ready to be launched to the business community in October. The cluster – which aims to create stability for Southland by diversifying the economy, focusing on high wage and low emissions jobs, building community resilience and supporting stronger regional leadership – is funded through the Just Transition process. It will focus on the development of an organised industry collaboration that builds on regional capability and strengths, capture opportunities and help contribute to a more resilient economy. The RSLG has identified several actions in their Regional Workforce Plan (RWP) that align with the cluster in purposefully building on Southland's specialised engineering and manufacturing capability, and will work closely with the cluster team once the programme is operational.

New aquaculture programme to be delivered at Southern Institute of Technology (SIT) Te Pūkenga. The New Zealand Certificate in Aquaculture – Level 3 with a strand in Hatchery, was recently confirmed at SIT. The course was originally developed by Te Pūkenga Nelson Marlborough Institute of Technology and is aimed at career changers, school leavers, or existing employees in the aquaculture sector wanting to upskill. It will be flexible in its delivery to help fit around learner's existing work commitments. The qualification will provide the region's growing aquaculture sector with skilled staff who will be able to work as aquaculture technicians or farm assistants, carrying out routine operations involving daily care, husbandry, and monitoring of fish or shellfish. SIT is partnering with Bluff's Ocean Beach facility for work-based learning components of the qualification, including Manāki Whitebait, the CH4 Global seaweed farm, and Kelp Blue's seaweed hatchery.

TOP LABOUR MARKET CHALLENGES

Labour shortages across the health sector continue to put pressure on service delivery. While all regions across the country continue to feel the impact of limited labour supply, the effects are particularly noticeable in Murihiku. Te Whatu Ora report that midwives, urology and radiation specialists are in short supply in the region, although general shortages can be found across the sector. While these shortages impact service delivery levels in Invercargill, being the region's main urban centre, rural communities are also experiencing a continued inability to attract and retain health-related staff. Shortages are driving alternative thinking around shift patterns, use of telehealth, and shared resourcing, but this generates variations to the required skillsets e.g., support mechanisms for telehealth. Labour market shortages across the sector highlights the need to promote the region as a great place to live, while shortages continue to put pressure on housing limitations and the ability to accommodate and therefore attract new staff.

Unintended consequences of the Accredited Employer Work Visa (AEWV) can result in migrants being unable to access training. Migrants who entered New Zealand prior to the introduction of the new AEWV are finding that they are unable to access training at domestic rates for qualifications below Level 3. Domestic fee eligibility under previous visas is now being disregarded, potentially resulting in inequitable access to training. In Murihiku, this may mean that migrants who entered the country prior to the introduction of the AEWV, who want or need to gain Level 2 qualifications to enter industries with significant workforce gaps (e.g. aged and residential care), are now unable to do so unless they are prepared to pay international fees for the qualification.

REGIONAL WORKFORCE PLAN UPDATE

The RSLG Secretariat has completed first-stage workforce maps for the aquaculture and hydrogen sectors. The maps align the potential roles required for these emerging industries alongside the qualifications needed. The workforce maps highlight areas where qualifications may be required to transition workers into these industries, but do not yet exist. The workforce maps are ready to be socialised with industry stakeholders and will support the RSLG as they develop their investment advice to the Tertiary Education Commission, due in November 2023. For further information please contact: SouthlandMurihikuRSLG@mbie.govt.nz

The RSLG Secretariat has developed a Māori Labour Market Snapshot for Murihiku, to get a clearer understanding about some of the challenges and opportunities facing this demographic across the region. The initial snapshot includes metrics around population, employment, skills levels and occupation types, as well as education attainment for Māori in Murihiku. The next iteration will further break down the data, categorising it by industry and our Regional Workforce Plan (RWP) pou areas. Results from this analysis will be used to support the delivery of several RWP actions - particularly those focused on Māori Workforce Development (actions 9, 10 and 13). Some key findings from this initial research are included in the 'Murihiku Māori Labour Market Snapshot' section above. A full list of the RWP actions and an outline of their intended impact can be found at [Ā Mātau Mahi – Kua Arotahihia | Our Actions – Refocused | Ministry of Business, Innovation & Employment \(mbie.govt.nz\)](#)

OUR FOCUS FOR THE NEXT THREE MONTHS:

- Industry review of Māori labour market data with reference to our Regional Workforce Plan Pou.
- Supporting Beyond 2025 implementation planning from a workforce perspective.
- Drafting and submitting Murihiku investment advice to the Tertiary Education Commission.