



MINISTRY OF  
SOCIAL DEVELOPMENT  
*Te Manatū Whakahiato Ora*

# **Meeting Skill Needs**

## **A Work and Income Response**

**Quarter ended June 2005**

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National Operations

# Contents

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Introduction .....	2
Northland.....	3
Auckland .....	6
Waikato .....	8
Bay of Plenty .....	11
East Coast.....	15
Taranaki, King Country and Wanganui .....	17
Central.....	21
Wellington .....	23
Nelson, Marlborough and West Coast .....	25
Canterbury .....	27
Southern.....	29
Appendix 1 – Related national initiatives .....	33
Appendix 2 – Initiatives led by other agencies .....	36

## **Introduction**

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The Ministry of Social Development (MSD) has identified responding to skill shortages as one of its priorities.

This report provides an overview of skill shortages identified by Work and Income regions and describes initiatives regions are undertaking to address these shortages. This report covers the period from April to June 2005, and also provides an update on initiatives discussed in the March 2005 quarterly report.

Information in this report was gathered from local Work and Income regional staff who provided feedback on:

- skill shortages and recruitment difficulties faced by employers and industries in each region
- initiatives in place to alleviate skill shortages or recruitment difficulties for those occupations and industries.

This report is based on Work and Income's experience of skill shortages and recruitment difficulties in each region, and does not necessarily reflect the entire range of initiatives underway by Work and Income.

In addition to the regional initiatives described in the body of this report, Work and Income is delivering a number of national initiatives as detailed in Appendix 1. Work and Income also plays a role in a number of initiatives led by other agencies as detailed in Appendix 2.

### ***Work and Income's role***

Work and Income contributes significantly to reducing skill shortages by working with other government agencies and by undertaking a co-ordinating role between employers, training providers and job seekers at a regional level. This helps to identify the demand for particular skills including current and anticipated skill shortages. By working with employers and training providers, Work and Income can facilitate the provision of training to address skill shortages. Suitable job seekers can then be matched to training that will provide them with the skills for the jobs we know are available.

Work and Income faces particular challenges in addressing recruitment difficulties including low wages, variable working conditions or negative perceptions of particular industries. These difficulties can contribute to job seekers not wanting to take up a particular job. Lack of transport or childcare can also be a barrier to an individual's employability.

Work and Income is addressing recruitment difficulties by working closely with employers to improve working conditions or address poor perceptions of particular industries. In other instances, Work and Income has helped to remove barriers such as a lack of transport.

For enquiries about this publication, please email [info@msd.govt.nz](mailto:info@msd.govt.nz) or contact the regional liaison listed at the end of each regional section.

## Northland

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Work and Income Northland region is addressing skill shortages in the following industries and sectors:

- building and construction
- health and personal care
- horticulture
- transport and drivers licenses
- engineering
- retro-fitting
- heavy-vehicle drivers
- mechanical.

### ***New initiatives***

#### *Building and Construction*

The *Straight2Work* scaffolding and rigging programme is part of the industry partnership framework and is designed to provide clients with the basic skills required to move them into a career in scaffolding. The programme is eight weeks in duration and aims to move clients into employment. This is a partnership between Work and Income, Cunningham Construction and Tai Poutini Polytech. Ten clients started the programme on 30 May 2005 and completed the course on 22 July 2005. Clients undertake on-the-job training which provides the opportunity of employment for participants.

Building and construction options are being identified in the Northland region to look at ways of addressing current shortages in this industry. A meeting is scheduled for 3 August 2005 with Enterprise Northland and a number of major construction companies within the Northland region. The aim of the meeting is to discuss industry-endorsed pre-trade training packages designed with on-the-job training and employment opportunities in mind.

### ***Progress on initiatives from the March report***

#### *Building and Construction*

The *First Homes Northland Development* initiative has not yet proceeded largely due to the employer's current commitment to the construction of the prison and a lack of capacity.

In addition, the building programme with Te Rarawa is a two-year project and it is expected that other building-related trade training will be developed and started in the 2005 calendar year. The new Business Development Manager for Te Rarawa has been successful in securing a position in another region however no work has started yet.

#### *Mayors' Taskforce - Railway Station*

The Princes Trust has a contract to run on-the-job training for the upgrade of an historical railway building in Whangarei. Four trade courses have been delivered including painting, building and roofing. The course is designed to increase youth participation in the building industry by providing one-on-one training within a small training environment. The initial programme ran for six weeks and has now been extended to eight weeks. Twenty-two students attended with eight securing employment and two moving into further training. The target group has been a challenge, as most of the clients are aged between 15 and 17 and have multiple social and behavioural issues.

In Whangarei, 12 participants started a pre-trade scaffolding training course in May 2005. This initiative provides clients with the skills, certification and work experience required to participate in the industry.

#### *Health and Personal Care*

The Northland region has negotiated a contract with the Manaia Health Public Health Organisation for a mentoring employment programme for 50 Sickness Benefit and Invalid's Benefit clients. These clients were provided with an extensive mentoring programme designed to connect them with employment opportunities. Thirty-six clients participated in the initiative to the end of March 2005. Upon completion, one of these clients has moved into full-time employment with a printing company, five are in training and further interventions are being sought for the remaining clients. Encouragingly, there has been a reported increase in levels of fitness and motivation amongst the participants. An evaluation of the initiative is being completed to ascertain the viability of a further programme.

#### *Employment and skills forum*

Following last year's Northland employment and skills forum, a Regional Skills and Training Strategy was developed by Work and Income in partnership with TEC, local industry, and the Economic Development Agency. The aim of the strategy was to develop an action plan which would address skill needs and employment-related issues. A Colmar Brunton survey was completed and an evaluation with recommendations was provided to the project Steering Group. The Steering Group consists of business, government, and community sectors and its structure has now changed to include the Whangarei Youth Transition Service. The Steering Group has been working on 51 recommendations addressed in the report and has appointed a project co-ordinator to develop strategies around implementation of some of the recommendations. The project co-ordinator is focusing initially on strategies that will make the greatest impact.

#### *Horticulture*

The last kiwifruit season produced a very good harvest and pack houses were successful. This season, a composite approach was taken with a higher percentage of locals being employed than usual and the remainder being made up of backpackers and overseas workers. There was less engagement with Work and Income clients sourcing their own work within the industry. A seasonal co-ordinator continues to work with industry training providers and Work and Income service centre staff.

It is expected that there will be an increase in the job-seeker register across the mid-northern region especially in Kerikeri. A debriefing meeting has been held with growers to discuss these concerns and identify possible solutions. A meeting has been arranged with two community contractors to look at proposals to best co-ordinate the next season.

#### *Transport and drivers licenses – Project Wheels*

TEC has contracted training provider 'Sobieski' to continue with a programme that helps young people gain their drivers license and learn responsible driving habits. The programme links at-risk youth to NZQA accreditation for pre-entry automotive training. This is a joint venture between the Far North Safer Community Council, the Land Transport Safety Authority, Work and Income, Te Hau Ora o Te Hiku o Te Ika, the Accident Compensation Corporation, the Far North District Council, the NZ Police and TEC.

### *Engineering*

Parts of the region are experiencing shortages of fitter welders and sheet-metal workers. Whangarei has the Tenix boat building opportunity and Work and Income is discussing training and employment possibilities.

### *Retro-fitting*

The regional retro-fitting project is being completed under contract and the employees are no longer subsidised by Work and Income. Housing New Zealand and the Northland Work and Income Social Development Manager have ongoing involvement with this project in assisting with further funding applications. An expected completion date for the project is June 2006.

### *Heavy Vehicle Drivers*

Negotiations with the National Road Carriers through a national industry partnership agreement has revealed that finding drivers with experience and a relevant license has been a barrier for some clients seeking employment.

Work and Income is working with the Road Carriers Association to take on the challenge of real-time driving for heavy vehicle transport. With the shortage of experienced drivers to share some of the work load, the effect of drug and alcohol testing has become significant in parts of the region.

### *Mechanics*

A mechanics course is being offered in Whangarei and includes a transport provision to the course. This is an open-entry, open-exit course which allows clients to join at the level they require to meet their needs. Employers are also providing training for youth with stair-casing to full apprenticeships.

For further information, please contact Lynne McRae on 09 983 9118.

## **Auckland**

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Work and Income Auckland region is addressing skill shortages in the following industries and sectors:

- hospitality
- transport
- computing/IT, accountancy
- plumbing
- building and construction
- clerical
- engineering
- automotive.

### ***New initiatives***

#### *Hospitality Straight2Work.*

In May 2005, Work and Income signed a partnership with the Lion Nathan School of Business to train job seekers as bartenders and baristas and to place them into work. This initiative began in early 2005 and by the end of June 2005, 30 people had been placed into work. In the year to June 2006, a further 75 Work and Income clients will be trained and placed into work through this partnership.

### ***Progress on initiatives from the March report***

#### *Transport*

In December 2004, a national job partnership was established between Work and Income, Bus and Coach and Ezi Drive Limited, to act as an industry intermediary. Clients are trained in bus driving and are then placed into employment. There have been 17 participants since it was established in December 2004.

#### *Building and Construction - Allied Work Force*

An initiative developed by Allied Work Force and Work and Income aims to address skill shortages in the building industry. It involves up to 25 Work and Income job seekers being trained at Allied Work Force's new training school and employed by the company. Participants work four days a week and spend the fifth day studying towards a National Certificate in Elementary Construction Skills. Over the June 2005 quarter, five job seekers have been employed by Allied Work Force. The training programme runs for 49 weeks.

Work and Income and the Auckland Trade Training Academy are running a 10-12 week building and construction training and work experience programme covering gib-stopping, joinery, painting and decorating. This programme commenced in July 2004 and ended in June 2005. An analysis of employment outcomes will be provided in the next quarterly report.

#### *Computing/IT*

Work and Income runs a work experience programme through the Auckland Chamber of Commerce. The programme assists highly qualified Work and Income migrant job seekers who have computing/IT skills. The one-year programme, which was to conclude in September 2004, was extended to June 2005. The programme has provided migrant job seekers with work experience and employment opportunities in a variety of professions, including accountancy and computing/IT. Since July 2004, 40 migrant job

seekers have been placed into work. Eight job seekers secured employment in the computing/IT industry, 12 in the accounting sector, one in electronics, six in sales, two in civil engineering, nine in administration, one in architecture and one became self-employed.

#### *Job Partnership with the Roothing industry*

This initiative has been established under the *Jobs Jolt* package to meet the roading/civil construction industry's need for skilled labour. Job seekers selected to take part in the initiative are referred to Infratrain, the roading industry's training organisation, for four weeks training before being placed into employment with roading/civil construction companies. Since July 2004, 28 job seekers had been placed into work through this initiative.

#### *Industry internships*

The industry internship programme run by Work and Income Auckland has been operating since July 2004 to June 2005. The focus was on-the-job training in local industries with skill shortages and operated as a pre-apprenticeship programme that could be linked to the TEC Modern Apprenticeships scheme. During the March 2005 quarter, 20 clients participated in industry internships in Waitakere City, in office administration and in a range of industries such as transport, electrical, construction and engineering. Since July 2004, 46 clients had been placed into employment through industry internships.

#### *Engineering, Construction, Transport, Automotive, Technology*

*Pathways to Employment* is an Auckland region initiative that introduces industry-focused expos. These expos enable students to take a look at career options and provide them with an opportunity to make informed decisions about their future careers. The first two-day expo was held in March 2005, with employers and industry training organisations such as automotive, transport, logistics and related industries. The expo gave each industry the chance to highlight their respective career options and training opportunities to approximately 780 students. Further expos were scheduled for June and another for August 2005 with a focus on building, construction, engineering, electrical and other related industries. A final expo later this year will be aimed at science, technology and trades teachers.

#### *Rail*

Work and Income and Transfield Services developed an industry partnership to meet the needs of the rail industry for skilled track maintenance staff. Participants receive four-weeks training at a rail school run by Transfield Services before being employed by the company to work on track maintenance. Transfield Services are responsible for maintaining the country's rail network. However, no rail schools have been run during the June 2005 quarter, although a school is scheduled for July 2005.

For further information, please contact Aidan Richards on (09) 916 1838.

## Waikato

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Work and Income Waikato region is addressing skill shortages in the following industries and sectors:

- building and construction
- engineering
- disability and support
- agriculture
- food and hospitality
- security
- transport and drivers licenses.

### ***New initiative***

#### *Building and construction*

Work and Income in partnership with Plasters Interiors is addressing the skill and recruitment shortage within the sector. The provider is in the process of contracting a 12-week programme aiming for 80% employment outcomes and of those, 100% sustainable employment. The tentative start date is 1 September 2005, with 15 participants and a focus on long-term unemployed Maori and Pacific clients.

### ***Progress on initiatives from the March report***

#### *Engineering*

Work and Income Waikato is working with the Waikato Engineering Careers Association (WECA) across a number of areas in the engineering industry. WECA was originally set up to support and promote the engineering industry, work with education providers, work alongside their members to assist with training and development and the recruitment of new staff. There are currently 50 members attached to the Association.

The Waikato Institute of Technology (Wintec) is running two pre-trade training programmes in 2005, in addition to the reinstatement of a Diploma in Technology (Mechanical). The pre-trade courses are:

- Maintenance and Diagnostics
- Light and Heavy Fabrication.

WECA has 22 students enrolled on the Diploma course and 32 students enrolled on the pre-trade course. They have supported both courses by providing work experience for the pre-trade course and holiday jobs for students on the Diploma Course.

Competenz (ITO) will be promoting the engineering industry as a career option for school leavers and will look at aligning their curriculum alongside the needs of the industry. These projects support Competenz and their ongoing commitment to working with New Zealand schools.

#### *Disability and Support*

Work and Income is working on a new disability and support initiative with Gracelands, the primary employer for the disability and support industry in the Waikato and King Country areas. Work and Income is negotiating a *Straight2Work* training programme to assist 10 participants with a long-term unemployment duration into the health and disability sector where skill shortages are being experienced.

### *Agriculture*

New Zealand Pre-Trade Training (NZPTT) was contracted to deliver an agriculture course which has now been completed and all eight course participants are moving into full-time employment. Work and Income has contracted a national programme, including rural Waikato, to address the ongoing skill shortage in this industry. The national contract has been signed with Infratrain who are using the same intermediary as the NZPTT. Of the 43 original participants who attended the course, 13 withdrew. Of the remaining 30 participants, however, 25 are now in full-time employment.

### *Food and Hospitality*

Treehouse, Terrafirma Services and Wintec Thames continue to deliver hospitality and customer service programmes in the region. Terrafirma and Wintec programmes are regional contracts and 204 participants have been placed into full-time employment. Terrafirma is now delivering a national *Straight2Work* programme in the Business and Administration field which was implemented in January 2005 and has achieved 48 employment outcomes. Wintec Thames continues to deliver shorter programmes to meet demand in the Coromandel/Thames area.

*Kiwihost* has been a huge success in the Waikato region. This initiative in the food and hospitality industry continues to be very successful in assisting clients into employment. It is another key tool to equip clients who are keen to enter into the industry and be more marketable in the work place. Thirty participants attended a two-day course (*3Ticks*) and another 375 clients received an Essential Customer Service *Kiwihost* Certificate. A further 220 Essential *Kiwihost* Certificates were delivered in June 2005.

### *Security*

In the Waikato region, training provider Hamilton Security Services (HSS) has delivered two courses this year, both of a ten-week duration. Eighty percent of participants successfully completed these courses and were placed into full-time employment. These successful outcomes are due mainly to employers linking into the industry and identifying a growing demand for staff.

HSS participants graduate with all the relevant qualifications and a security clearance, which enables them to start work immediately. A good rapport between HSS and other security companies, and successful completion of the course by the participants, encourages employers to employ staff straight away without having to do all the ground work themselves. In some cases, a job subsidy is negotiated between Work and Income and the employer.

### *Transport and Drivers Licenses*

There continues to be a skill shortage of truck drivers across the region. Local industry is slow to support the National Road Carriers job partnership contract, although Work and Income service centres continue to actively promote this contract. Clients will not be trained until the provider has sourced available vacancies. This issue has been raised with the business sector and although employers have indicated that there are a number of opportunities, there still appears to be a lack of these opportunities in the region. Currently the focus appears to be in the Auckland region, with only four course participants from Waikato. Three of these participants are entering full-time employment.

Ninety percent of participants who have attended learner, restricted or truck driving courses have successfully obtained the relevant license. In the past, a lack of relevant licenses has been a barrier to clients moving toward sustainable employment. There

have been 40 Class 2 licenses and 121 learners, restricted or full licenses attained through these Work and Income courses.

### *Health and Beauty*

The South Pacific Island Institute ran a 14-week introductory programme to beauty services and this course was contracted by Waikato Regional Contracts. Of the 14 participants enrolled in the May 2005 course, four went into further training/courses, two went into full-time employment and one withdraw from the course for personal reasons. Seven have continued on into the National Certificate in Beauty Services Level 3 run by the South Pacific Institute. This certification course is being funded by TEC as a 48-week course, with 20 students.

The South Pacific Institute is forwarding a proposal for other beauty services that have been identified as a skill shortage in the Beauty Industry.

### *Training for long-term clients*

Terrafirma Services (metro) and Alpha Consultancy (rural) deliver an in-depth service to clients registered for more than 26 weeks as part of a *Jobs Jolt* initiative. The service delivers employment and life-skills training to enable clients to secure employment. Eighty-six clients have been provided this service. Additional funding is being sought to extend these two contracts as there is still a need to deliver this service across the region. The Work and Income referral rate is steady and providers continue to promote their services within each service centre. Individual assessment reports are used by case managers to work through any issues with their clients and to staircase them into employment.

### *Skills to Employment*

The meeting was postponed for June 2005, however there are a number of fora that address skill and labour shortages within the Waikato region. A review of the various economic and social fora is being considered to encourage members of these fora to form a *Skills to Employment* working party. There appears to be a duplication of participants attending fora which have the same purpose and function.

The region is holding a Labour Market forum in October/November 2005 which will include key industries and associations in the Waikato region, tertiary institutions, polytechnics and secondary schools. A particular focus will be trades such as building and construction, engineering and brick and block laying. Agriculture comprises 28% of the labour force in the region.

For further information, please contact Tui Kaa on (07) 957 1556.

## **Bay of Plenty**

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Work and Income Bay of Plenty region is addressing skill shortages in the following industries and sectors:

- building and construction
- carpentry and cabinet-making
- forestry/wood processing
- transport and drivers licenses
- heavy vehicle driving
- mechanical
- technology
- horticulture
- agriculture/wool handling/pest control
- engineering
- hospitality.

### ***New initiative***

#### *Employment Skills Survey*

New initiatives are being developed in the industries of building and construction, mechanics and health and personal care. The sectoral employment skills survey is presently in draft form and will be used as the foundation document to create programmes to address industry requirements for skill and labour needs in the immediate and long-term future. Crown agencies will require a period of time to devise financial and resource commitments to any initiative arranged in conjunction with industry.

Respondents from Rotorua, Tauranga, Eastern Bay of Plenty, Tokoroa and Taupo regions who undertook the sector skills surveys and labour market requirements questionnaires have had follow-up interviews. Results have been analysed and the participating agencies and organisations have agreed on strategies to address barriers and skill deficiencies in the local labour market in order to progress initiatives.

### ***Progress on initiatives from the March report***

#### *Building and Construction*

The building and construction industry continues to be busy, however with pending speculation on Reserve Bank announcements on increased interest rates and changes on home mortgage rates, there could be market-place changes. Commercial building consents and development work appears to have reached a plateau within the region with a decrease in the number of projects and a demand for trade labour. The primary issue for the labour market is that there is a lack of available job seekers rather than skilled workers.

#### *Carpentry and Cabinet-making*

Work and Income is no longer involved in this sector, as Industry in partnership with TEC and training providers are developing succession training for new entrants to develop the skills required for this sector. Apprenticeship training in carpentry and cabinet-making is targeting youth and school leavers.

### *Forestry/Wood Processing*

Silviculture continues to be a viable employment option for forest owners; however the downturn in the log harvesting and solid-wood processing sectors caused by a softening marketplace and fluctuations in profit margins has affected the initiative. Pre-employment training providers and forest owners have withdrawn from the initiative due to marketplace considerations. The central North Island region has indicated an intent to import workers, however pay rates have been an issue as apposed to labour and skills issues.

Due to restructuring experienced over the last 9-12 months in this industry, a number of skilled people have re-trained in other industries or moved into other sustainable employment opportunities. Drug testing is an issue for some clients attempting to access opportunities.

The solid wood and processed timber products sector has not provided the opportunities envisaged in line with the softening market place and fluctuating returns influenced by the strength of the New Zealand dollar. Uncertainty with viable mills, pulp and paper production and wood-chip manufacturing has not created an industry need at this time.

### *Transport and drivers licenses*

Employers have expressed the need for job seekers to have driver licenses as a prerequisite to employment. Some clients lack the necessary licenses required by employers or have been disqualified from driving. In addition, time and practical experience is required with heavy-trade licenses which some clients also lack. Client aspirations do not reflect industry expectation, with workers requiring multiple skills and abilities beyond vehicle driving. The region has identified additional training providers to deliver other classes of licenses and endorsements for clients.

Driver training courses have been purchased by the Regional Contracts Manager as a result of these requirements and clients now have the opportunity to obtain provisional or full licenses. These courses are well patronised by clients and the Regional Contracts Manager has identified further contractors for other associated license classes. As the labour market demands additional drivers, clients who are receiving a benefit other than an Unemployment Benefit can attend these courses.

### *Heavy Vehicle Drivers*

The National Road Carriers (NRC) national contract is to provide training where vacancies exist or where opportunities are available for Work and Income clients, or where vacancies become available from NRC members. The initiative continues to move slowly and no outcomes have been achieved to date.

### *Mechanical*

Current market demand is for skilled and journeyman labour and the industry is not providing opportunities for inexperienced job seekers to gain entry. *Instep* is a Western Bay of Plenty programme developed to allow school leavers and youth the opportunity to take pre-apprenticeship journeyman training with employers before committing to formalised journeyman contracts (to ensure commitment). One placement per week is being formalised through this arrangement. TEC-funded programmes are addressing some shortages and the NZ Motor Industry Training Organisation is liaising with work brokers to represent trainees to potential employers.

### *Technology*

The South Waikato Technology Trust was set up as a joint venture between the South Waikato District Council and the former Community Employment Group (now known as Enterprising Communities). The programme continues to focus on end users capitalising

on their information technology skills and knowledge to advance into employment. South Waikato is part of a pilot involving participants from Otara and Southland. Work and Income Bay of Plenty expects that 140 job seekers will secure employment in South Waikato by mid 2006.

#### *Horticulture*

The Mokai horticulture project has provided employment opportunities for 43 clients from the rurally depressed communities of Mangakino, Atiamuri and Tihoi as well as Pacific Island clients from Tokoroa. The Mokai Greenhouse business, plans to expand by an additional five hectares, however its current operation is fulfilling supply requirements. As a result, this expansion has been delayed while additional marketplaces are developed and the Tuaroupaki Geothermal Power Plant is expanded by generating additional units.

Greatlakes Tomatoes has been established in Broadlands to take advantage of available land and access to water and the central North Island natural gas supply. The business has employed 25 clients from the rural district of Reporoa, Murupara and Kaingaroa. The first crop is to produce 22,000 trays of tomatoes a week for export to Australia starting 1 September 2005.

The kiwifruit industry has had difficulty with recruitment for the winter seasonal pruning and tying down of kiwifruit. This is due to employers initially wanting experienced staff.

#### *Agriculture and Wool-handling*

Farm labouring and management positions lack skilled people for this industry, and currently inexperienced job seekers are taking training positions with employers. Seasonal availability of work, long hours of work during peak periods and a lack of transport for job seekers are all barriers that make this industry unattractive.

A Ngati Whakaue joint-venture initiative called *Cows to Champagne* was initiated by Arawa FOMA Properties and launched last quarter at Te Papaouru Marae. This initiative will place youth into farm cadetship training for husbandry skills and qualifications. Ngati Whakaue has yet to launch this programme.

The Te Arawa farming cadet course has been successfully launched and is a 34-week programme involving 12 cadets aged 16-25 years.

Tuwharetoa and Whareroa have had no progress of their farm cadet courses but are still developing links with the Federation of Maori Authorities (FOMA).

A recent wool-handling and shearing course catered for eight participants who are all now in full-time employment.

#### *Pest control*

Five participants have completed the initial training with Epro Ltd for a cadetship joint-venture initiative with NZ Forest Managers, Environment Waikato and Tuwharetoa proprietors. A further programme is being developed and discussions have been instigated with the Work and Income Enterprising Communities team and the Labour Industry Partnership advisors to build capacity and enhance the initiative.

#### *Engineering*

Employers are seeking workers with qualifications and experience as businesses do not have the capacity to provide in-work training and supervision for job seekers. The training provider Instep is offering youth clients and school leavers the opportunity to

take apprenticeship journeyman training with employers in the Western Bay of Plenty area. This initiative is progressing well with participants being placed into employment.

### *Hospitality*

Employers and businesses require qualified and experienced chefs and specialist labour. Currently, clients do not have journal time or workplace experience to fulfill employer needs. Food handling and preparation and kitchen-hand skills training has been accessed for clients through Work and Income client development contracts with Waiariki and the Bay of Plenty Polytechnic.

For further information, please contact Lynne Harre on (07) 921 8130.

## East Coast

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Work and Income East Coast region is addressing skill shortages in the following industries and sectors:

- building and construction
- transport and drivers licenses
- silviculture
- horticulture
- engineering and plumbing
- food and hospitality.

### ***Progress on initiatives from the March report***

#### *Building and Construction*

Work and Income East Coast has approached G & H Trade Training about industry partnerships with the building and construction industry in the region. As a result, a group Job Plus Training contract has been negotiated for the commencement of an entry to construction trades programme targeting youth. The programme commenced 16 May 2005 and ran for 12 weeks. Course outcomes included 60% of participants securing employment and 20% moving into further training. The programme is now run under the industry partnerships programme.

Tairāwhiti Polytechnic (Ruatoria) is conducting a new course to compensate for the lack of skilled labourers in this industry in the area. The open day for prospective students was held on 26 January 2005 in Tokomaru Bay. The Polytechnic expects a 100% employment outcome with the assistance of employers to provide possible employment opportunities for course participants.

#### *Transport and Drivers Licenses*

Work and Income is negotiating with a Hawke's Bay provider for another 75 licenses or endorsements in accordance with the December 2004 Service Agreement.

Work and Income and the Industry Partnerships team met with two employers, intermediaries and the Business Service Unit for discussions on 28 April 2005 and are developing an industry partnership training programme for bus drivers. The bus driving industry is currently unable to project vacancies, guarantee employment or meet sustainable employment outcomes for part-time workers. One suggestion is to partner with another industry to offer full-time employment. The bus driving industry is open to the suggestion of employing Invalid's Benefit and NZ Superannuation clients and this could assist in meeting sustainable employment outcomes. However, many of these clients can only work part-time. Industry is identifying what they can do to make employment more attractive for these clients.

#### *Silviculture*

The Local Industry Partnerships team is to commence a six-week chainsaw training programme in the Gisborne area and this model is being investigated in Hawke's Bay.

#### *Horticulture*

The Horticultural Liaison Advisor for the East Coast region continues to work on labour supply for this industry but to-date there have been no issues. This in part, may be attributed to the creation of the *PickNZ* website in the region. The advisor continues to provide ongoing advice to the industry on seasonality issues, labour demands, crop reports and employment programmes.

### *Engineering and Plumbing*

Work and Income has been approached by two employers seeking staff, but subsequently decided to source staff from overseas. Currently there is a high demand for plumbing services in the region and although apprenticeships have been offered, participants have not obtained the required standards.

### *Food and Hospitality*

In the East Coast region, four employers are currently advertising for apprentices and qualified bakers. Work and Income continues to run a recruitment service but these vacancies are yet to be filled. There is also a continuing skill shortage across the food processing industry and it is becoming increasingly more difficult to find skilled machine operators.

For further information, please contact Ali Shapland on (06) 974 8207.

## Taranaki, King Country and Wanganui

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Work and Income Taranaki, King Country and Wanganui region is addressing skill shortages in these industries and sectors:

- retail and supermarket
- tourism
- food and hospitality
- farm labourers
- meat processing
- building and construction
- transport and driver licenses
- mechanics
- engineering.

### ***Progress on initiatives from the March report***

#### *Retail/Supermarket*

Work and Income continues to provide a seven-week course in retail skills for 12 participants. Another 20 places have been contracted to meet the needs of a new supermarket which opened in Wanganui in June 2005.

The *Pak 'n' Save Cadetship* is progressing successfully with full participation of 10 cadets. Twenty-one participants have joined the programme with seven now employed within Pak 'n' Save - two are in bakery apprenticeships and one is working in the butcher shop. In addition, two have progressed on to further study and two have been dismissed. In the period 30 January to 30 June, there were 41 participants in Pak 'n' Save Wanganui supermarket training. Twenty of these were placed into full-time employment and five into part-time employment. There is another supermarket training programme currently underway.

#### *Tourism*

Work and Income recognised that there was a shortage of skilled cultural tourism operators while there were potential opportunities for employment. A training programme for six participants over eight weeks was offered from May to June 2005.

A major regional initiative is to be launched by the Hon. Jim Anderton in early August 2005. The Wanganui Maori Regional Tourism Organisation initiative is currently being supported by Enterprising Communities. This operator is currently meeting all milestones as per the deliverables of their contract.

Work and Income continues to fund the Wanganui River Tourism Organisation and local operators continue to develop business ventures in the region. In addition, the *Kiwi Sanctuary Feasibility Study* has been successfully completed with one participant engaged by the Department of Conservation for a further six months.

#### *Food and Hospitality*

Work and Income and the Hotel Association of NZ provided training programmes for job seekers to join the hospitality industry. The national training provider Treehouse - provided a 12-week course for 16 participants. The course finished in late June and as at the date of this report, no outcomes have been confirmed. It is yet to be determined whether to repeat the programme, however anecdotal reports of the effectiveness and quality of the training provider are favourable.

### *Tegel Food Technology Cadetship*

This initiative was set up to establish a relationship and career path for clients wanting to move into food technology. A similar model proved that this type of programme works, and as a result the region has modeled the cadetship on this scheme.

The cadetship scheme caters for four youth clients employed full-time with Tegel for an initial six-month period. They receive on-the-job training in various areas of the food technology industry, with close supervision by a 'camp mother'. This programme is designed to enable clients to attain sustainable employment outcomes and it is anticipated that this working model can be expanded. The programme started on 1 April 2005 and finishes 30 September 2005. It is expected that beyond the finish date, all four clients will be in sustainable employment. All four trainees are still actively engaged on the programme and are progressing very well.

### *Employment and Skills Forum*

This forum consisting of MSD (Work and Income), Venture Taranaki Trust (VTT) and the Tertiary Education Commission (TEC) continues to meet and follow up on the recommendations that emerged from the Regional Skills Shortages Forum held in New Plymouth in November 2004. The forum has been investigating trade shortages and the merits of group apprenticeship programmes. There are a range of options that the regions are adopting with varied success. Some of these options were presented at the recent Mayors' Taskforce for Jobs conference held in New Plymouth.

The Local Employment Co-ordinator has investigated local businesses to assess apprenticeship opportunities and identify barriers. This report was presented with recommendations at the last forum. It has been suggested that the New Plymouth District Council take a facilitative role in setting up further discussions with local business. Work and Income will continue to report progress from the forum.

A new Work and Income Local Industry Partnership (LIP) Advisor has been appointed and is working with a number of Industries across the region, developing responses to both specific employer and industry needs. The LIP Advisor is communicating with the following sectors; oil and gas production, manufacturing and mechanical engineering, milk and cheese production, contact centres and the retail sector.

### *Farm Labourers*

The civil disaster relief response has been completed and training contracts awarded to support this effort were all maximised to optimum levels. The *Straight2Work* shearing initiative commenced during the last quarter but it is too early to report on outcomes from this initiative.

### *Meat Processing Programme*

Unfortunately the initial cadet programme with PPCS Ltd (Richmond's) in Hawera failed to come to fruition due to high employer expectations of participants and the difficulty of finding suitable candidates.

Further knife-handling skills programmes will continue to be delivered to service the meat processing plants as part of the national partnership developed by the National Business Sector Unit and the New Zealand Industry Training Organisation. These programmes will be delivered in Hawera and Marton in late 2005 to coincide with the start of the new season. It is anticipated that there will be a demand for more than 120 workers.

An out-of-court settlement has allowed the Waitara Meat Processing Plant to go ahead. Recruitment is underway with ANZCO and it is estimated that up to 100 new jobs will be created by the end of 2005.

### *Building and Construction*

All industries are experiencing skill and labour shortages, and with unemployment at record low levels, supply appears to be a major concern.

The Road Contracting Training Programme was delivered by NZ Pre-Trades Training, a Hamilton-based provider. The programme had initial difficulty attracting a suitable tutor but was completed in late May 2005. The outcome of this initiative has been rather disappointing, as only two participants have found employment. However, there are two more possibilities being investigated. The CEO of Pre-Trades Training and the Work and Income Regional Commissioner are meeting to review the course.

Further programmes will be run in conjunction with the development of the Wanganui River Road, and a decision to retain the current training provider is yet to be made. Future road contracting initiatives are now the responsibility of the National Industry Partnership team.

### *Transport and driver licenses*

A National Industry Partnership has been formed with National Road Carriers with the support of the NZ Road Transport Association. There are also a number of driver-related initiatives active in the region. The goal of these initiatives is primarily to progress clients from learners to full driver licenses, enabling them to enter the industry. The national partnership with Bus and Coach has four places for local passenger-licensing training.

There are high participation rates on all on-demand driver license programmes and all regional programmes require contract variations to meet this high demand. At this stage, no further programmes have been initiated under the National Industry Partnership's initiative in conjunction with NZ Road Carriers, until an analysis of the situation has been completed.

### *Mechanics*

TEC continues to offer and promote programmes and apprenticeships in this industry. Work and Income no longer has an active role in these programmes, however it assists in facilitating skill shortage fora.

### *Engineering: Career Start Cadetship Programme - Rangitikei District Council (RDC)*

A lack of suitably skilled employees in the district, particularly in the light engineering cluster, has been inhibiting growth of businesses in the area. The success of previous cadetships is evident by the RDC's commitment to the programme. Fourteen youth from the Marton area are employed on a fixed-term contract, four are with the council and the remaining 10 with other companies, with the view that permanent positions will be secured after the initial 12-month period. The initiative provides support and on-the-job training for cadets.

The Minister for Economic Development (MED), the Hon. Jim Anderton, officially opened the engineering workshops at the Western Institute of Technology Taranaki on 18 June 2005. The workshops are a result of Regional Industry Partnership funding from the MED that established the Centre of Engineering Excellence. It is expected that the Centre will play a pivotal role in meeting the engineering skills requirements of the community.

*Prisoner's Aid and Rehabilitation*

Work and Income, in conjunction with Prisoner's Aid and the Rehabilitation Society (PARS), has contracted to assist 20 participants gain work confidence and be better prepared for the local labour market. The programme is based in Wanganui, however no evaluation has been completed yet.

An initiative is to be considered by PARS for emergency social support services such as housing and employment. A decision has yet to be made about how this initiative might be supported, but a new prisoner re-integration programme is likely to impact on this decision.

For more information, please contact Malcolm Carson on (06) 965 8014.

## Central

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Work and Income Central region is addressing skill shortages in the following industries and sectors:

- transport and drivers
- wool handling
- engineering
- retail
- hospitality
- plumbing and gas fitting
- health and personal care.

### ***New initiatives***

*Trades Mentor* is an initiative that will market and deliver a collective programme to schools. *Trades Mentor* will promote trade awareness; educate school leavers and parents about career opportunities and specific skill shortages in the area of applied technology and trades.

### ***Progress on initiatives from the March report***

#### *Transport and Drivers Licenses*

The industry requires experienced Heavy Trade drivers, particularly truck and trailer and articulated vehicle drivers. Courses for heavy trade (Classes 2 and 4) licenses have been contracted by the Salvation Army and Nga Kai Mahi o nga hau e on an 'as required' basis to meet demand.

#### *Wool Handling*

A *Straight2Work* programme has been negotiated with an April 2005 start date. The programme is a result of a lack of trained wool sorters, graders and shed hands in the region.

#### *Engineering*

The Universal College of Learning ran an eight-week light fabrication pre-employment programme for 14 clients which commenced 26 April 2005. This is a Work and Income funded training programme and covers numerous skills such as; welding, drilling, jiggling, centre punching, counter-sinking and burring. A sponsor employer (Conzept Engineering) has been identified and course participants are expected to be placed into employment with either Konzept Engineering or a number of back-up employers.

#### *Retail*

The National Business Sector Unit negotiated a *Straight2Work* partnership programme within the retail industry. The Central region discussed the low-employment outcome of the first course with the National Business Sector Unit, with only six of the 20 participants securing employment following the first training course. The next two programmes have been more successful with a total of 37 participants completing the training and of these 23 (62%) have gained employment. The third course commenced on 7 June 2005, with 20 participants.

### *Hospitality*

The National Business Sector Unit has negotiated a Straight2Work job partnership programme with the Hospitality Industry. Three programmes have been completed in Palmerston North with a total of 58 clients completing the training programme. On completion of the three programmes, a total of 30 clients (52%) gained employment.

### *Plumbing and Gas-fitting*

The National Business Sector Unit has also negotiated a *Straight2Work* job partnership programme with the Master Plumbers and Gas-fitting Industry. The first programme commenced on 27 June 2005 and is expected to be completed in late August 2005. A maximum of four participants commenced the training. The Central region will report on outcomes in the next quarterly report.

### *Health and Personal Care*

Central region continues to work closely with the Ministry of Health to help them source appropriate health care workers in anticipation of the Kimberley Hospital closing its doors on 30 June 2006. There is currently a concern that this industry has a lack of skills and labour supply. It is therefore anticipated that this will be a focus for further discussions.

Work and Income, TEC and Mid-Central Health are currently investigating a sustained solution regarding the lack of skills and labour for health care assistants. It is intended that appropriate pre-employment and further work-based training will staircase health care assistants into other health fields.

For further information, please contact Dave McRae on (06) 952 1430.

## Wellington

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Work and Income Wellington region is addressing skill shortages in the following industries and sectors:

- drivers
- engineering
- building and construction
- transport and drivers licenses
- taxi licenses
- meat processing
- security
- care-giving
- retail and hospitality.

### ***New initiatives***

#### *Drivers*

Shortages within the Port and Cargo Handling industry is an issue with an aging workforce, coupled with a shortage of entry-level skills such as special licenses. The CenterPort (Wellington) has engaged with the Local Industry Partnerships *Straight2Work* programme to address entry-level skill requirements and career path planning.

#### *Engineering*

General engineering, printing and facilities maintenance trades are experiencing difficulty in recruitment and/or skill shortages. Upper Hutt City Council and the Local Industry Partnerships *Straight2Work* programme are addressing entry-level skill requirements and career-path planning for these industries around the region.

#### *Building and Construction*

Work and Income are also engaging with a house insulation retro-fitting organisation Energy Smart to address skills shortages.

### ***Progress on initiatives from the March report***

#### *Building and Construction*

The Porirua Apprenticeship Trust is to deliver apprenticeship training and place clients into the construction and building industry. The provider has strong links with the ITOs and Master Builders Association, and to-date has placed 13 young people (aged 16-19 years) into apprenticeships. Identified issues include young people not having the appropriate license in order to undertake the apprenticeship training.

The local Porirua Service Centre is working closely with the Trust to assist in the purchase of the appropriate license. The region also has a contract with Porirua City Council to fund an Employment Link Co-ordinator position. The co-ordinator acts as a conduit for encouraging employment and business growth in Porirua City. To-date the co-ordinator has established strong links with local ITOs and employers such as Mainzeal and Infratrains.

#### *Transport and Drivers Licenses*

The region is currently sourcing a new provider to deliver an assortment of licenses for learners, restricted, full, dangerous goods, wheels track and rollers and heavy vehicle (classes 2 - 5). The Regional Contracts Manager has held preliminary discussions with the provider, MasterDrive Limited, to deliver the assortment of licenses for job seekers

and those in receipt of a primary benefit. There has been an overwhelming demand for local service centres to provide these courses to assist clients become 'work ready' and transition into meaningful employment. The region also contracted a provider, Crenel Training (Hutt City), to conduct a restricted license programme that incorporates a job-search or work-confidence focus.

The Regional Contracts Manager is also working closely with TEC around courses such as the *Salvation Army Heavy Trade Licenses* training.

The learner license programme purchased through the NZ Police is ongoing, and eight courses are being run for 100 participants. To-date, the NZ Police have had great success in assisting sole parents and young people attain an appropriate license.

#### *Taxi Licenses*

Work brokers are establishing local relationships with taxi training providers to assist clients move into sustainable employment as taxi drivers. Currently, the region has no contracts with the taxi industry as there is an over-abundance of drivers in this area.

#### *Meat Processing Training*

Canterbury Meat Packers has had a contract for the last two years and has placed 48 clients into employment in Ashburton as meat processors. There is a demand for this service in other areas nationally, and the Regional Contracts Manager has asked the Industry Partnerships team to investigate this situation from a national perspective. TEC also fund meat processing courses via the Commerce Commission.

#### *Security*

The region has two contracted service providers, Recon Security Limited and One Community United Trust. Recon offer suitable clients full-time employment for a six-month period while One Community United Trust offer a full-time training programme for four weeks to up-skill clients and provide them with the necessary foundation skills to enter the security industry. One Community United Trust has strong links with the security industry including a relationship with Chubb NZ. With increasing employment opportunities in the creative and film industry, ongoing demand for temporary security staff has also been apparent.

#### *Care-giving*

Eight clients have successfully completed care-giving training provided by WelTec. This was a 12-week training programme that incorporated work experience with a local employer. Of the eight participants, five passed the necessary unit standards required to enter this industry. The next course commenced in late May 2005 with 16 participants. It incorporates a two-week trial or experience component at a retirement village or care-giving industry arena, to reinforce the theory learnt on the programme.

#### *Retail and Hospitality*

Treehouse Training, through the Industry Partnership's team, has a Retail and Hospitality programme to assist clients into the industry. In the last fiscal year there were six programmes purchased. To-date the region has achieved 73 successful employment outcomes for this programme.

For further information, please contact Mel Harrington on (04) 917 7141.

## **Nelson, Marlborough and West Coast**

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Work and Income Nelson, Marlborough and West Coast region is addressing skills and labour shortages in the following industries and sectors:

- agriculture
- building and construction
- engineering
- food and hospitality
- drivers
- health and personal care.

### ***New initiative***

#### *Agriculture*

A Seasonal Co-ordinator for viticulture has been employed in Marlborough and is a seconded Work and Income work broker. The secondment will last from May to the end of August 2005, during the grape-pruning period which has the largest demand for labour in the calendar. The co-ordinator links workers to jobs in the industry; co-ordinates work permits where appropriate and links workers to possible accommodation.

### ***Progress on initiatives from the March report***

#### *Building and Construction*

The West Coast Development Trust (WCDDT) has facilitated a community-based project to improve the energy efficiency of West Coast homes. Funding is provided by WCDDT with Energy Smart and Work and Income contributing four workers and a supervisor under Taskforce Green. The project, (which commenced in January 2005) is on track and ongoing for two years, and has so far received positive feedback.

#### *Engineering*

Smart Careers for Youth is an organisation that facilitates apprenticeships across the region in a number of areas. They have been contracted to find places for youth in a range of industries for entry-level labouring roles, as many young people do not have the skills to meet apprenticeship criteria. They will support both youth and employers over a six-month period with the aim of increasing the labour pool for industry and up-skilling youth. The region is hopeful that this will enable young people to progress into employment in this industry.

#### *Food and Hospitality*

Following discussions with Latitude Nelson, the agency has indicated that they foresee severe shortages in the hospitality sector in coming years. Discussions have been held with the Aviation, Tourism and Travel Training Organisation as the key agency for the industry, and an industry partnership agreement through a *Jobs Jolt* initiative has commenced. A course for 12-15 participants commenced on 7 February 2005 but due to timing and recruitment issues only five participants started the course.

#### *Skills Shortage Surveys*

Surveys were commissioned in Marlborough and Nelson in mid 2005. The survey results and strategies to deal with shortages and issues raised are being developed by the region's economic development agencies. Working groups have been established in

both Nelson and Marlborough to work towards solutions in affected areas and cover priority groups such as; seasonal labourers, mature clients 50-60 plus years of age, migrants and people with a disability.

*Buller Youth Works* is a Mayors' Taskforce for Jobs initiative that aims to link young people to apprenticeships. In the March 2005 quarter, nine young people were supported into full-time employment. In the June quarter, three young people were supported into full-time employment and one into training. This is an ongoing 12-month service.

#### *Agriculture*

With the pip fruit harvest season completed, Work and Income seconded a work broker to act as a seasonal co-ordinator from January to April 2005. The seasonal co-ordinator referred 2,362 people to possible employment, 290 of them requiring work permits.

For further information, please contact Gary Gatward-Smith on (03) 989 7037.

## Canterbury

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Work and Income Canterbury region is addressing skill shortages in the following industries and sectors:

- retail
- hospitality
- bus driver licenses
- trades
- building and construction.

### ***Progress on initiatives from the March report***

#### *Retail*

The Canterbury region is currently providing a *Jobs Jolt* retail training course run by Treehouse Training. This is a six-week course that commenced in June 2004 catering for 25 participants. Two courses have been completed in the last six months with the second course achieving a 45% employment outcome and additional part-time work secured.

#### *Hospitality*

Work and Income contracted Treehouse Training to provide a Hospitality Training programme for 21 job seekers. The April 2005 course had 11 participants and to-date, two of these clients have gained employment.

#### *Bus-drivers Licenses*

The April/May 2005 course had 21 trainees with 19 of these successfully placed into employment. One client is injured but will be employed when fully recovered and another client refused employment. The June course had ten trainees start, however no further information is available at the time of this report.

#### *Trades*

The Plumbing, Gas-fitting, Drain Laying and Roofing course, run by the National Trades Academy, caters for eight trainees. This six-week programme, with a rolling start date, is still running steadily. An organisation called Four Trades assists employers with the paperwork associated with apprenticeships. Eight clients commenced training with the National Trade Academy during this quarter. Work and Income has an expectation that 80% of participants will achieve a successful employment outcome.

#### *Pre-apprenticeship programmes*

Twenty-two youth have started with City Care in a pre-apprenticeship programme. Although two youth have left, replacements are being sought and the programme is running smoothly. This programme was visited by the Work and Income Regional Commissioner and the Adviser to the Department of the Prime Minister.

#### *Building and Construction*

A Salvation Army building course commenced on 30 May with 12 participants and will end on 5 August 2005. The employer involved is Tradestaff. Interim results confirm that four participants have been placed into full-time employment, one moved into further training, one was imprisoned during the course and one commenced work with Tradestaff but is yet to move to full-time hours. A full analysis of course outcomes will be provided in the next report.

A composite course through the Salvation Army commenced on 30 May 2005 and finished on 15 July, with 6 participants. An update on course outcomes will also be provided in the next quarterly report.

For further information, please contact Jo Aldridge on (03) 963 8400.

## Southern

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Work and Income Southern region is addressing skill shortages in the following industries and sectors:

- wool handling
- building and construction
- engineering
- hospitality
- forestry and silviculture
- meat processing
- transport and drivers licenses
- viticulture and horticulture
- dairy and agriculture
- fishing.

### ***New initiative***

#### *Shearing and Wool Handling*

Currently there is a problem attracting young people to the shearing and wool handling industry. It is predicted that over the next 10 years, 53% of shearers in New Zealand will be over the age of 40. Enterprising Communities is currently working with the National Business Sector Unit, local contractors and shearing trainers to implement the national wool-handling contract in the region. Enterprising Communities is also developing a targeted marketing campaign to attract more young people to the industry and to attempt to challenge preconceived ideas about the shearing industry in the community.

### ***Progress on initiatives from the March report***

#### *Building and Construction*

The labour supply required for the construction of Project Crioch (Milburn Prison) is still under discussion. A working group has been created to obtain an understanding of skill sets required for the project. Work and Income operational staff have been involved in subsequent meetings with a view to having a second staff member liaise with the construction project group focusing on the labour supply. Positive employment opportunities for Work and Income clients are expected.

The construction manager for the Department of Corrections advised that there will be 450 workers on-site with a possible peak of up to 550. It is envisaged that over 141 carpenters will be working on-site in February 2006. Some Work and Income clients have already undertaken site-safety training. This course is paid for by WorkStart as well as occupational course costs. Enterprising Communities is also in contact with the Department of Corrections regarding future staff requirements and training. A work broker has been assigned to work alongside the construction manager of the new prison site in Milburn to establish opportunities and labour solutions.

The former Oamaru Hospital is about to be demolished and basic demolition training is being developed for the approximately 20-30 Work and Income clients who are to be employed on this project. Training includes site safety, a health and safety component, safe handling of power tools and knowledge of the safe handling of asbestos.

### *Engineering*

The Southern Institute of Technology runs a pre-trades course in engineering and the Southern Group Training Trust initiates and supports apprenticeships for the industry.

Welding training is provided by the Dunedin Training Centre and funded by TEC. The Dunedin Trade Training Course also provides a successful programme and has an excellent relationship with Hillside Workshop, a large engineering employer.

### *Hospitality*

Job seekers participating in the Limited Services Volunteers (LSV) course at Burnham Military Camp are offered the opportunity to take part in the *Bridge to Queenstown* initiative. Seventy young people have participated in the programme since it started in January 2003. Work and Income offices in Invercargill and Gore have been involved with the recruitment of young people to attend LSV, and as part of the youth strategy over the next 12 months it is proposed that this project will be expanded throughout the region. A Work and Income project co-ordinator has been appointed, based in Queenstown, to assist people into careers and will also provide *In Work Support* within the hospitality industry.

The Enterprising Communities team is working with the food and hospitality industry to discuss the labour and skills shortage in the region, especially in Queenstown. The national food and beverage industry has an 8% turnover in staff. Queenstown also suffers from a lack of affordable housing, which makes attracting and retaining staff a problem. The ski season is well underway now and there are a large number of vacancies in the tourism and hospitality sector in the region. The NZ Immigration Service continues to provide a two-day turnaround for visitor work permits, to help address staff shortages in the area.

### *Forestry and Silviculture*

While the course has been successful, it is not currently operational. The majority of clients in training have been offered jobs, however there is a very high turnover of staff once in employment. The Enterprising Communities team is currently developing an *In Work Support* plan for employers in the region.

A Wood Processing course is being run in Mosgiel by Exlim. There is still a shortage of workers in this industry, particularly in South Otago and Mosgiel. The Balclutha and Mosgiel offices are working together with employers in the Milton, Balclutha, and Mosgiel areas to address these staff shortages. There is, however, difficulty in attracting suitable employees to positions available in the industry and no training programmes have been offered in 2005.

### *Meat processing*

Two knife-handling courses held at Alliance Smithfield and PPCS Pareora in April 2005 have proven successful.

PPCS Finegand are interested in accessing Work and Income DPB clients to work for them and discussions are underway to gauge support from childcare centres to extend their operating hours to provide childcare. This is a joint initiative between Balclutha, Mosgiel and Dunedin Service Centres. Enterprising Communities are in discussions with PPCS and Alliance Corporate regarding staff retention, *In Work Support*, attracting new staff and the shortage of affordable housing in the Balclutha area. It is hoped that some solutions can be developed to assist these major employers.

### *Transport and Driver Licenses*

The Southern Institute of Technology runs a pre-trades course in this field, assisting people to gain the required license to enter this industry. However, there is still a shortage of drivers with experience required to work in the industry at a level that is expected by local employers. The Dunedin Training Centre also provides clients with Heavy Trade licenses. Literacy and numeracy tests are now a basic requirement of these courses as this has been a barrier for some clients.

Timaru case managers provided referrals to a pre-apprenticeship training programme which was previously funded by the former Community Employment Group. This course will now be continued by the Aoraki Polytech. Several Timaru businesses have employed clients as apprentice drivers under the *Straight2Work* programme.

### *Viticulture/Horticulture*

The last quarter has been a quiet time for orchard growers as they carry out maintenance and take stock of the season that has just passed. Seasonal Solutions Central Otago (SSCO) is active within the region in consultation and engagement with the industry through meetings with the local advisory groups.

SSCO has held meetings with the Cromwell, Roxburgh, Alexandra, Etrick and Gibbston Valley communities to gather further feedback on the proposed business model for industry ownership of this project in the long term. This consultation process with fruit growers and wine growers will finalise the structure and the shareholding of SSCO. It will also include the scope of the process for a transition to grower ownership in the long term.

This season has highlighted the increasing contribution of offshore labour to the industry and the need to proactively promote and manage this source of labour. Of the 2,135 employees placed into the industry in 2004/2005, there were 1,192 overseas employees and 943 New Zealanders managed by SSCO. The 2005/2006 labour predictions indicate that 3,500 employees will be required to service the needs of the industry if there is an ideal season for growing, resulting in maximum fruit growth and productivity for growers.

SSCO's contribution to the local industry, in terms of relieving growers of the need to process variations of contracts, work permits and IRD numbers, is seen as a major factor in favour of SSCO so far as growers were concerned. In this context, it is essential that the SSCO's ability to continue to undertake this function is not compromised. The management team of SSCO will meet with the Inland Revenue Department and the New Zealand Immigration Service on 14 July 2005 to provide an update on the season's progress.

Feedback from both government organisations is unanimous in terms of SSCO's role and their agencies functions in maintaining a very high profile throughout the region. The function of SSCO is to ensure that employees within the fruit and wine industries in Central Otago meet all the necessary requirements in terms of their legal requirements. This is an additional service not previously forecasted, however through a fee structure, is available to employees and employers to use.

### *Dairying and Agriculture*

Sixteen job seekers have completed a dairy industry course with Agri-Business, run in conjunction with Waimate High School and their students. Work brokers have indicated that they would like to extend this contract to include *In Work Support* as the industry has major retention issues, especially for younger workers. A proposal is currently being prepared.

### *Fishing*

A pre-sea deck-hand course with Aoraki Marine Training is being run for clients and this assists in meeting the needs of local fishing vessels working out of the Port of Timaru. This has proven successful with local employers.

### *Southern Youth Strategy*

Service Level Agreements have been documented that will enable Work and Income staff to refer clients within the 15-19 year bracket to life coaches for mentoring. The roll-out of the *Southern Youth Strategy* is scheduled for mid-August 2005, and this will also involve the roll-out of *Careers In Mind* in Invercargill, Timaru, Balcultha and Central Otago. The Transition to Work Trust will extend the hours of their existing staff in Timaru. Additional life coaches have been appointed in Dunedin, Invercargill and Central Otago. The key goal is that all 15-19 year olds will be engaged in appropriate education, training, work and other options that will lead to long-term economic independence and well being.

For further information, please contact Emma Hamilton on (03) 955 6687.

## Appendix 1 – Related national initiatives

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**The following national initiatives provide a context for many of the local initiatives presented in this report.**

### *Jobs Jolt*

In July 2003, the Government announced the Jobs Jolt package of initiatives, aimed at addressing skill and labour shortages and assisting people into sustainable employment. The package contains a number of initiatives being delivered by the Ministry of Social Development (MSD). Some are being delivered regionally and others are being delivered across all regions. The MSD Jobs Jolt initiatives are:

- Jobs Partnership with Industry (see below)
- a mobile employment service
- employment coaching
- supporting sole parents into work
- mature-focused case management
- Sickness Benefit and Invalid's Benefit best practice
- Job Club pilot expansion
- innovative employment assistance for Sickness Benefit and Invalid's Benefit recipients
- creating clear and strong expectations, including pre-employment drug testing, limited employment locations and streamlining of work-testing procedures.

### *Jobs Partnership with Industry*

This initiative aims to strengthen partnerships between Work and Income and industry. A national co-ordinator oversees immediate development of industry partnerships and helps to ensure that job seekers secure sustainable employment.

Partnerships focus on pre-employment training that is targeted to meet industry-identified skill and labour shortages. This may include:

- assessment
- training
- on-the-job training
- placement
- career support
- career planning.

The first partnership was signed with the Hospitality Association of New Zealand in October 2003. This three-year agreement aimed to assist 200 people into jobs across Work and Income regions in 2003/2004 and 380 in 2004/2005. Other partnerships signed are as follows:

- Auckland Chamber of Commerce
- Bus and Coach Association
- Composites Association of New Zealand
- Electrical Contractors Association of New Zealand
- Hospitality Association of New Zealand
- Infratrains, NZ Roving and NZ Contractors Federation

- Lion Nathan School of Business
- Master Builders and the Building and the Construction Industry Training Organisation
- Master Plumbers, Gas-fitters, Drain layers and Roofers Association of New Zealand Inc. and the Tertiary Education Commission
- National Road Carriers Inc.
- New Zealand Industry Training Organisation (NZITO) and the Meat Industry Association
- New Zealand Retail Association
- Transfield Services
- the Warehouse Ltd.

### *Enterprising Communities*

Enterprising Communities is focusing on achieving labour market outcomes for communities and groups who are disadvantaged in the labour market. The aim is to help these groups develop initiatives that will lead to sustainable opportunities for employment and financial independence.

Work and Income will shortly provide a locally-based advisory service that includes financial assistance and will help disadvantaged communities who are on the fringes of the labour market. This will assist clients to:

- recognise and assess local opportunities that have employment potential for them
- identify their assets
- invest their assets in venture that generate local employment.

### *Local Industry Partnerships*

As part of Enterprising Communities, these partnerships will address local skill shortages. The programme will enable regions to respond quickly to emerging local employment opportunities where local labour skills do not match the required skill sets for jobs.

Local Industry Partnerships are intended to complement the national Job Partnerships with Industry initiative, developed under the Jobs Jolt package in 2004. They will provide tailored skills development for emerging employment opportunities unique to each region.

Local Industry Partnership staff will work directly with industry training providers and employers to design skills training packages tailored to industry needs. Work and Income will also provide clients with high value skills training and sustainable employment outcomes in communities that are experiencing labour market disadvantage.

### *Quarterly Work Broker Survey*

This quarterly survey taps into valuable frontline labour market knowledge that work brokers get through contact with employers, job seekers and training providers. Work brokers are canvassed about the extent of skill shortages in their region. The survey aims to identify skill shortages at a regional and broad occupation level, as well as improve MSD's understanding of labour market issues.

MSD is using this information in a directory of regional skill shortages initiatives. The survey is also used to inform skills reports from the Department of Labour (DoL) and TEC. MSD, Career Services and TEC are working to create a shared distribution network for this and other quarterly skill shortages information.

### *General Seasonal Initiatives*

Work and Income regions who have seasonal labour markets, such as East Coast, Northland, Bay of Plenty, Nelson and Southern, have all put in place strategies to ensure that employers' needs are met and as many clients as possible are able to take up employment opportunities.

In the past, seasonal industries have found it difficult to recruit sufficient staff, and registered job seekers have been reluctant to take up the employment opportunities for various reasons.

However, Regional Commissioners have the flexibility to develop local strategies to deal with seasonal work and respond to local labour market conditions (as well as client and employer needs) and take a planned approach in managing seasonal work flows.

Regions have strategies aimed at keeping clients in seasonal work for longer periods of time. There is an emphasis on meeting with employers/industries and managing responses to filling vacancies to ensure employers' needs are met.

A national strategic approach to seasonal labour shortages is underway, involving industry representatives, employers and government agencies. A short-term strategy for the coming season has been developed alongside the NZ Immigration Service, while a medium-to long-term strategy and relevant policy components are also being developed.

### *Employment and Skills Fora*

Employment and skills fora continue to be held regularly in each Work and Income region. These help Work and Income and other agencies such as DoL and TEC to identify a range of local and national issues impacting on regional labour markets, as well as involving local stakeholders in developing and implementing solutions to regional issues.

Following each forum, Work and Income Regional Commissioners, working with regional stake-holders, develop action plans to address the issues raised at each forum. Regular reporting to the Minister for Social Development and Employment on the outcomes and activities of the fora is continuing.

## Appendix 2 – Initiatives led by other agencies

Initiatives where Work and Income plays a role.

Initiative	Description
<i>Civil Building and Construction</i>	Work and Income have funded a licensing component of the <i>Civil Construction</i> programme in Opotiki for 12 job seekers. Work and Income is working in conjunction with TEC, and a training provider and positive outcomes have resulted for all participants. Youth and school leavers are being targeted for apprenticeship training in carpentry and cabinet-making. There are plans to expand this initiative into the Eastern Bay of Plenty.
<i>Building and Construction</i>	G & H Training delivers an <i>Entry to Construction</i> course in Hamilton, which finished on 13 May 2005. There remains a skill shortage in the Waikato region for building and construction workers. However, with the completion of this course it is expected that 80% of clients will move into sustainable employment. The provider has numerous links with local employers who are keen to employ clients, providing they have achieved the minimum entry level. The course provider had initial problems with the calibre of clients, some of whom were not attending the course regularly and did not appear interested. However, these issues have been addressed and the first two weeks of the course covers attitude and work ethics. Participants who have completed other foundation courses but have not yet been placed into employment are encouraged to attend this course. Feedback by participants has been positive. Seven clients have completed their training and three have been placed into full-time employment. Another three have progressed into further training within the building industry while a further seven participants are currently attending a course.

<i>Childcare Assistance</i>	<i>Choices for Sole Parents</i> is a job partnership signed with the Auckland Chamber of Commerce aimed at addressing skill shortages in many Auckland industries. Sole parents often have skills and experience sought by employers, but many face difficulties finding a job that allows them to meet their childcare commitments. The Auckland region is advocating the advantages of flexible workplace practices. Employers who can offer flexibility are then matched to suitable clients who are receiving a Domestic Purposes Benefit.
<i>Agriculture and Horticulture</i>	Work and Income continues to work with a number of Horowhenua/Kapiti agricultural growers to discuss partnering to train and source potential staff. This was facilitated by Enterprise Coast and Work and Income. The Central region has asked its Regional Policy Advisor to work with the local service centres on this initiative. Central region is sharing the costs with a horticultural employer to transport 10 clients from the Pahiatua and Dannevirke areas to horticulture-based employment opportunities. Pahiatua is subject to low employment activity and therefore the transporting of these clients provides both the employer and client with enhanced recruitment and employment opportunities.
<i>Tourism</i>	Omapere Resort Tourism Development is assisting Work and Income to get local unemployed into tourism developments that are increasing in the South Hokianga area. These opportunities are limited due to the vicinity of work and the time required traveling to employment areas (45 minutes to travel from South Hokianga to Kaikohe). Twelve clients receiving on-the-job training are receiving various benefits (Domestic Purposes Benefit, Sickness Benefit, Invalid's Benefit, NZ Superannuitants). Agencies such as Te Puni Kokiri, NZ Trade and Enterprise and the Northland Economic Development Agency are in the first stage of developing training and employment opportunities for these clients.