

North Canterbury Labour Market Overview

This paper is to provide information on recent trends and forward projections for the North Canterbury population and labour force in preparation for the Labour Market Strategy Workshop. The workshop is a forum to ensure all affected groups and organisations are given the opportunity to contribute to the development of a North Canterbury Labour Market Strategy.

Business Growth

In 2005, Enterprise North Canterbury conducted a survey of North Canterbury businesses. The survey cited labour shortages, as a significant barrier to business growth. With significant new projects planned, including wine, tourism and Pegasus Town, solutions to address labour market shortages in North Canterbury need to take place now in preparation for the anticipated growth of the region.

A further survey was conducted in 2006 to analyse trends occurring in the labour market in the twelve month period under review. It revealed that the total number of employees in North Canterbury was up by 20.7% on the previous year. There was significant growth in part-time and seasonal worker numbers, part-time up 289% and seasonal up 67%. 69% of businesses in the 2006 Labour Market Survey stated that their businesses were expanding, 31% were stable and none were declining. Industries described as increasing were manufacturing, irrigation, hospitality, plastics and forestry.

A 2008 telephone survey, of the original 90 businesses, identified an increase of approximately 23% of the number of job vacancies since 2005. Of these 35% were considered hard to fill and 43% moderately difficult to fill. Positions cited as currently difficult to fill include Truck drivers - bulk or livestock; General Engineers; General Labourers; Timber Yard Workers; Civil Construction workers; Manufacturer/Timber Processors; Spray Painter/Manufacture workers; Boners; experienced Slaughtermen; Farming Assistants with Heavy Traffic skills; Horticulture and Viticulture workers, Dairy workers; Utilities Planners, Engineer/Technical Officers; Roading Engineers; Conference Coordinators; Financial Officers; HR Advisor/PA to Manager, Librarians, IT/Network Administrators; Retail Salespeople; experienced Real Estate Agents; Supermarket - Dairy Managers and Weekend Store Managers, Front of House - Waitresses, Baristas, Bar staff; Chef de Partie; Cleaners and Cleaning Supervisors.

Workforce Participation

Key Labour Market Indicators for the working age population - 2006

	Employed	Unemployed	Labour Force	Not in the Labour Force	Labour Force Participation Rate	Unemployment Rate	Working Age Population *
Hurunui District	5,697	129	5,826	2,181	72.8%	2.2%	8,007
Waimakariri District	22,029	684	22,713	9,768	69.9%	3.0%	32,481
New Zealand	1,985,775	106,500	2,092,275	961,785	68.5%	5.1%	3,054,060

Source: 2006 Census, Statistics New Zealand

* Working Age Population data does not include people who did not specify their labour force status (Work and Labour Force Status Not Further Defined).

Key points to note are:

- Labour force participation in Hurunui and Waimakariri is rising and both districts' rates were higher than the regional or national rates in 2006 (68.3% and 68.5% respectively). They were consistently higher across all age groups for men and generally higher for women
- Unemployment rates have been declining in North Canterbury, and are now significantly lower in both Districts than the national unemployment rate
- Overall the capacity for further growth in labour supply from among the existing population is limited
- Participation in Waimakariri district is lower than the national average for females aged 25-34 years and over 55 years and marginally lower than the national average in Hurunui district for females aged 25-29 years, a number of these females maybe interested in part-time work

Overview of Employment in North Canterbury

Employment by Occupation Group - Hurunui in 2006 (for people *working* in the area)

	Hurunui District		New Zealand
	Number	Share	Share
Agriculture, Horticulture, Forestry and Fishery Workers	1,878	33%	7%
Elementary Occupations	642	11%	12%
Service and Sales Workers	612	11%	14%
Legislators, Administrators and Managers	609	11%	14%
Professionals	453	8%	15%
Plant and Machine Operators and Assemblers	417	7%	8%
Technicians and Associate Professionals	405	7%	12%
Clerks	360	6%	11%
Trades Workers	324	6%	8%
Total	5,700		1,985,775

Source: Census 2006, Statistics New Zealand

33% of people employed in Hurunui District work in the Agriculture, Horticulture/Viticulture and Forestry industries (compared with 7% nationally). Occupations with a large utilisation of workers include Elementary Occupations (primarily physical labouring jobs), Service and Sales Workers (which include hospitality, tourism and retail jobs) and Legislators, Administrators and Managers.

Employment by Occupation Group - Waimakariri in 2006 (for people *working* in the area)

	Waimakariri District		New Zealand
	Number	Share	Share
Legislators, Administrators and Managers	2,934	13%	14%
Service and Sales Workers	2,808	13%	14%
Elementary Occupations	2,553	12%	12%
Technicians and Associate Professionals	2,508	11%	12%
Professionals	2,445	11%	15%
Clerks	2,325	11%	11%
Trades Workers	2,325	11%	8%
Plant and Machine Operators and Assemblers	2,184	10%	8%
Agriculture, Horticulture, Forestry and Fishery Workers	1,950	9%	7%
Total	22,032		1,985,775

Source: Census 2006, Statistics New Zealand

Employment in Waimakariri district is relatively evenly split across occupational groups, which is rare in districts across New Zealand. A relatively smaller percentage of people in Waimakariri district work as Professionals (11% compared to 15% nationally) while a relatively larger percentage of people work as Trades Workers (11% compared to 8% nationally), Agriculture, Horticulture/Viticulture and Forestry Workers (9% compared to 7% nationally) and Plant & Machine Operators and Assemblers (10% compared to 8% nationally).

Population Projections

The Hurunui District population, which in 2006 was 10,800, is projected to increase to 13,900 by 2031 (an increase of 3,100 people.) There is significant growth expected in the Hurunui District through wine and tourism developments. The population of Waimakariri District Council, which in 2006 was 44,100, is projected to increase to 73,200 by 2031 (an increase of 29,100 people.)

Projected Working Age Population change 2006-2031 by age grouping

	New Zealand *	North Canterbury	Hurunui District	Waimakariri District
15-24 Years	6%	64%	17%	75%
25-34 Years	10%	58%	16%	68%
35-44 Years	5%	15%	2%	18%
45-54 Years	5%	18%	-10%	25%
55-64 Years	38%	67%	26%	77%
65-74 Years	103%	145%	110%	154%
75-84 Years	110%	189%	170%	194%
85 Years and over	173%	450%	425%	456%

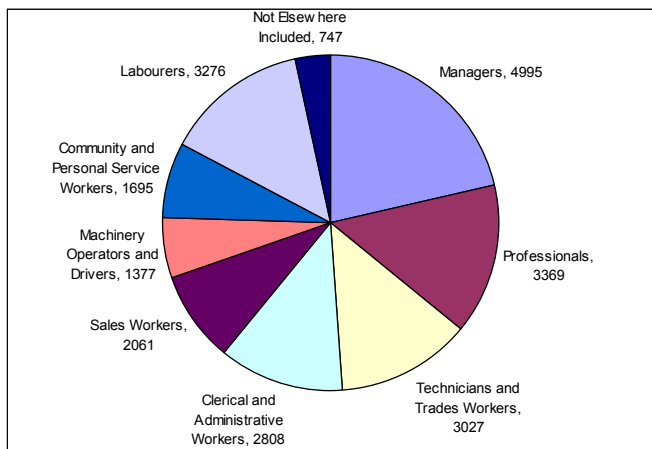
Source: Statistics New Zealand, Sub-national Population Projections (2006 base - High Growth Assumption) Note: NZ is shown as Medium assumption (as recommended by statistics New Zealand)
 Note: High growth assumption is used for North Canterbury due to significant growth impetus

The table above projects higher growth than the nation across all age groups, which is largely being pushed by growth in the Waimakariri district. The most significant growth is projected in the 65 years and older population, where currently workforce participation is low. Workplaces in North Canterbury may need to consider changing current working environments to better leverage off an aging workforce.

Commuting Work Force

Of the employees living in Hurunui district, 11.5% work in Christchurch and 5.6% work in the Waimakariri district. 48.5% of the employees living in Waimakariri district work in the district, and 51.5% work outside the area. 47.9% of employees living in Waimakariri district commute to Christchurch.

Professions commuting outside their usual area of residence in North Canterbury

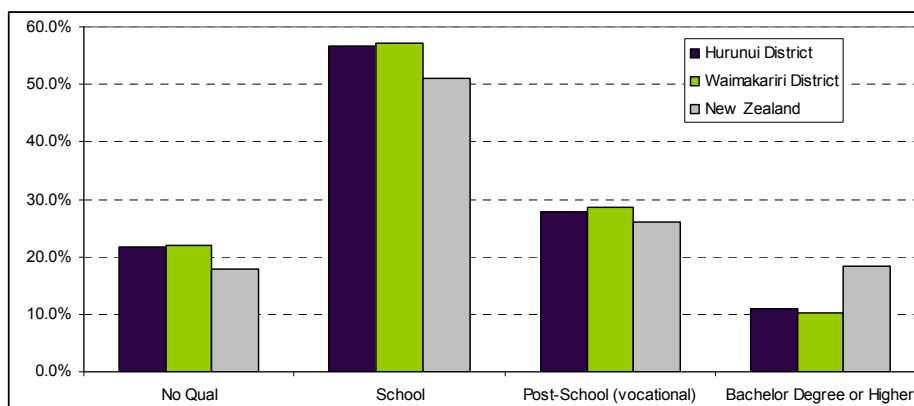


Source: 2006 Census, Statistics New Zealand

The chart above shows that people commuting to work outside of North Canterbury have a wide range of skills and experience. Local people are a potential resource to attract into local jobs. The benefits of employees telecommuting (where employees work one or more days per week from home) are currently being investigated by Enterprise North Canterbury.

Youth and Education

Highest Qualification



Source: Census 2006, Statistics New Zealand

Larger proportions of the working age population in North Canterbury have either no qualification, or have a school, or vocational qualification, compared to the national average. A smaller proportion of the working age population in North Canterbury has a Bachelor Degree or higher compared to the national average.

Youth are a potential pool of resources to fill local labour vacancies which require more interpersonal and practical skills. Education and Industry are signalling an interest in working together to introduce youth into local jobs, careers or training opportunities. Industries such as Hospitality and Tourism, Horticulture and Viticulture, Agriculture, Butchery, Bakery, Manufacturing, Engineering, Retail, Sales and Office often have job opportunities suitable for youth that are willing to learn and develop their skills.

Migration

Recent years have seen an increase in migration into the North Canterbury area, both of people from other parts of the country and from overseas. Census 2006 data shows that of the 14,676 migrants that live in North Canterbury, 59% come from the UK or Ireland, the next largest number comes from Europe at 12% and Australia at 11%. Other nationalities include 6% from Asia, 4% from North America, 6% from other countries and 2% from the Pacific Islands.

Of the number of migrants working in North Canterbury an increasing number in the Hurunui District are working in Agricultural based roles, followed by Service and Sales, and Legislators, Administrators and Managers. Migrants in the Waimakariri District are predominately employed as Professionals, Legislators, Administrators and Managers, and Technicians and Associates.

Examples of Labour Market Solutions in Other Areas

A number of other regions in NZ with high seasonal employment requirements have established Seasonal Employment Coordinators which utilise local and international labour for horticulture and viticulture businesses. When required, workers are assisted to find temporary accommodation, transportation and work permits to enable them to work in the area. The Seasonal Employment Coordinators have been funded by Government and local businesses. To view more information visit http://www.hortnz.co.nz/activityareas/docs/Seasonal_Labour_Strategy.doc

In 2005, the Queenstown Lakes District Affordable Housing Strategy was released. Its purpose was to set out a range of actions that the Council and community should take to address issues of reducing housing affordability. For more information visit <http://www.qldc.govt.nz/Documents/ContentDocuments/Community%20Housing%20HOPE.pdf>

Participating in Job Expo's can benefit rural areas by increasing the awareness of lifestyle and job opportunities in their region. Job Expo's are currently held annually in Auckland and Wellington. Ashburton recently attended the Auckland Expo and reported it provided great publicity for their region. For more information <http://www.nzjobexpo.com/exhibitors-2007>

Research has found that businesses with a range of HR best practices in place have fewer issues in a tight labour market. Spending time on retention strategies is proven to have a positive affect on the productivity of staff and on the bottom line. To find out more view <http://www.dol.govt.nz/workplaceproductivity/productivity/case-studies/index.asp> or information on Employer of Choice view <http://dol.govt.nz/pdfs/employer%20of%20choice.pdf>