

SOUTHLAND MURHIHIKU WORKFORCE DEMAND STUDY

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Prepared for Southland iRSLG & MBIE

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Introduction

The iRSLG has commissioned a Southland Murihiku Report on Workforce Demand – Skills and Personnel, with the purpose being to provide a foundational picture of the Workforce demand and skills needs across Southland Industry sectors, today and into the future. This in turn is intended to inform the Kaupapa of the permanent RSLG with the annual output of a Regional Workforce Plan.

The report includes statistical workforce and industry data, **qualitative discussions with more than 90 people across Southland industries**, an online business survey* and profiles of six emerging or potential future industries. In conclusion, it takes all the gathered information, presents a series of common themes and suggests four solution pathways to consider for RSLG.

It's hard to know where to start in telling the story of how **dire the situation is in terms of worker shortages** and supply chain delays coupled with price increases and our aging workforce.

Southland is not alone unfortunately – the situation is repeated across New Zealand and beyond - which means that with our backs against the wall, we need to act boldly and with intelligence and co-operation to save ourselves.

There are a number of strong economic headwinds currently bearing down on the region, including the possible closure of Tiwai in just over three years, the ongoing impact of COVID, unavailability of migrant workers and continued global economic uncertainty.

* The full business survey results and analysis are attached as a separate Appendix 4

Introduction

Southland Region post-COVID scenario analysis report prepared for Great South by Infometrics, attempts to forecast the region's economic and population outlook over the coming five years and looks at the region's long-term challenges and opportunities. It has identified risks and opportunities related to freshwater and carbon regulation, the 'inevitable' closure of Tiwai and opportunities for alternative industries such as aquaculture, production of hydrogen and the development of a data centre. This report highlights that the region is entering another period of change in relation to the industries that will lead growth and the external headwinds that could impact that growth.

Nationally & regionally, business seems to be booming. Already back to pre-Covid levels, businesses are generally looking to add more staff. Southland's job listings in June 2021 were up 35% compared to jobs listings in Oct 2019 [Appendix 2: Great South Job Listing Information].

But while numbers of jobs advertised have increased, the number of seekers/applicants has decreased. According to Seek, the number of candidates viewing listings had fallen by 15%. In Southland, anecdotally, the situation is a lot worse than that with companies receiving only a fraction of the applications they would have in the past, and many of those not having the skills or experience needed. Other problems include applicants not showing up for interviews and not being drug free.

New Zealand's immigration process is difficult, made worse by Covid-19 restrictions and is having real impacts with ongoing uncertainty for migrant workers and their families and some of our key sectors which are experiencing acute skills shortages.

Worker priorities have also changed with the majority of workers prioritizing workplace and time flexibility and hybrid working set-ups.

Introduction

There are worrying issues with youth – including the high number of youth not in education, employment and training, lower educational achievements, issues around mental health and a lack of work readiness and resilience. We do not have a Youth Strategy in Southland, nor a directory or common knowledge of all the organisations working in the sector. Southern DHB does not have a Youth Health Plan as most other DHBs do.

Within the above, Māori and Pacific Island youth have lower rates of academic achievement. Just 33% of Māori obtain Level 3 NCEA or above compared to 47% for pakeha and 44.7% for the region overall. In addition, Māori are at least twice as likely in Southland to experience exclusion or disadvantage.

Except for the possibility of allowing increased targeted migration, **the cavalry isn't coming**, and the world won't be returning to 'normal'.

There are bright spots though with some businesses having accepted the new reality and working innovatively with it, along with regional opportunities to position Southland strongly based on lifestyle drivers:

- The new national workforce priority of work-life balance plays to a key lifestyle attractor of Southland – the increased discretionary time and money compared to the urban centres
- Comparative advantage of housing – Southland is still the cheapest place to rent or buy in NZ [Appendix 3: Article by Emma Fitz, From 1992 to 2021, here's how much you needed to earn to afford a NZ house, www.spinoff.co.nz].

Southland data summary

Demographic and industry data, the high-level numbers – the full report is Appendix 1 and available as supporting data report

This data summary, and the full report in Appendix 1, have been produced by the RSLG Southland Murihiku Advisor - MBIE

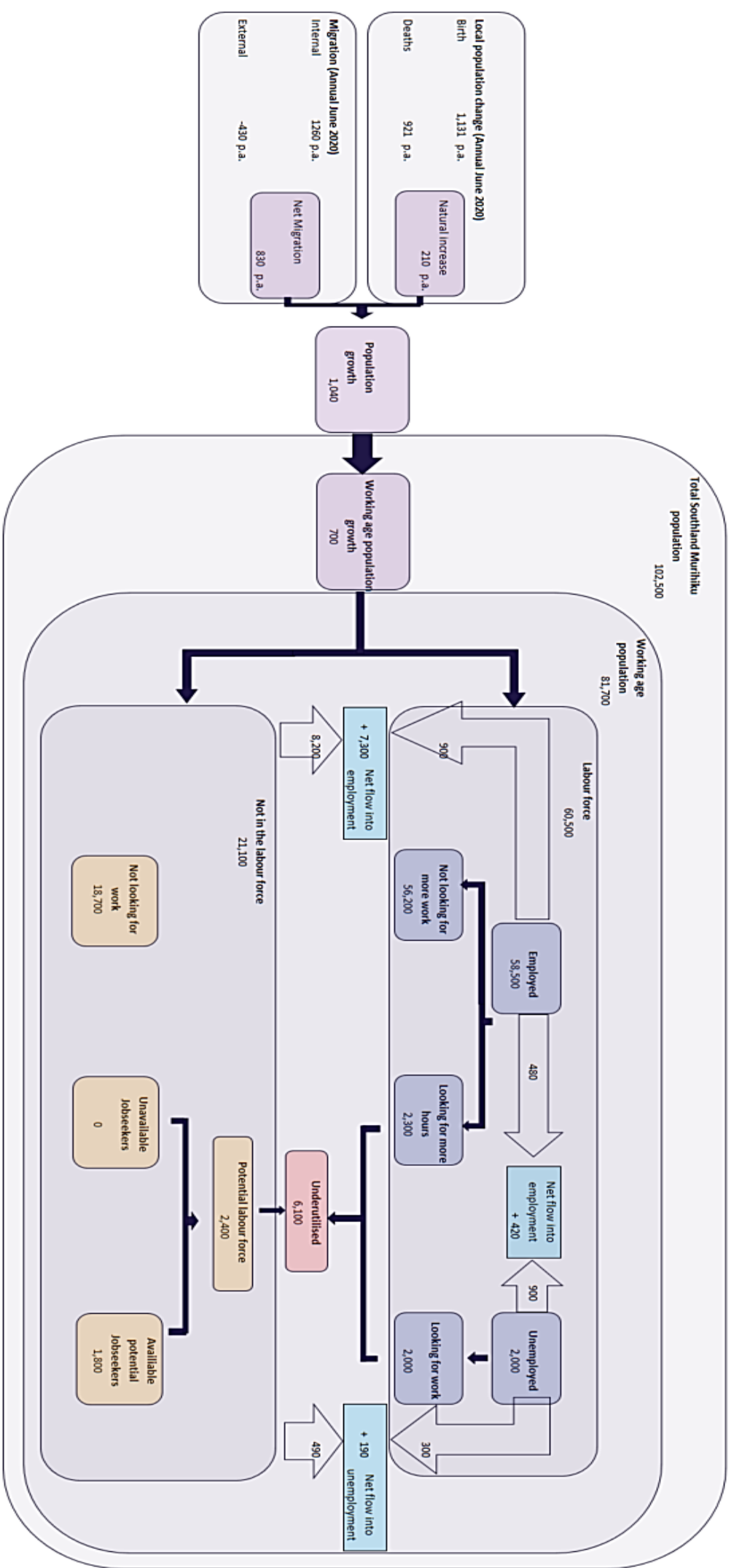
Item	Year	Southland	New Zealand	Comment
People				
Total Population	2020	102,600	5,083,500	There was a 1.1% increase in estimated resident population in Southland between 30 June 2019 and 2020.
Invercargill		57,100		
Southland District	2020	32,500		
Gore		12,900		Southland is home to 2.0% percent of the total estimated resident population for New Zealand at June 2020.
New Zealand European (approx., includes 'other')		91,316 89%	3,681,428	76%
Māori		14,484 12.9%	744,800	15%
Pasifika (approx.)	2018	2,100 2.1%	381,642	7.8%
Asian		5,466 3.2%	707,598	14.6%
MELAA		1,059 0.3%	70,332	1.5%
Rural population	2018	37% 36,063	16.3% 789,083	Based on an approximate calculation of 2018 Census Data Urban Rural areas - including all of Southland region minus Bluff, Invercargill City, Riverton, Te Anau and Gore populations at 2018. Approximately 4.6% of New Zealand's rural population resides in Southland
Age Profile				
0-14		20%	19%	
15-24		12%	14%	Southland's age profile at 2018 was similar to New Zealand's age profile. 1 in 5 residents were aged 14 or younger, with 63% of the population being of working age (not including those 65+).
25-64	2018	51%	52%	
65+		17%	15%	
Median Age	2018	39.8	37	Southland has a higher median age than New Zealand. This shows our population is slightly older, which may become an issue when considering our aging workforce.
Age dependency ratio	2018	58.75	55	Māori have a younger median age (25.1) than the rest of the Southland population (when the population is not separated into distinct communities). This reflects the greater number of Māori youth in the region compared with the rest of the region's population. Southland has a higher age dependency ratio than New Zealand as a whole. A high dependency ratio indicates that the working age population and overall economy face a greater burden to support and provide the social services needed by children and by older persons who are often economically dependent.

(Source: Appendix 1, page 6)

Education	Year	Southland	New Zealand	
Percentage aged 15+ years Level 1-3	2018	34.7% 27,105	30.3%	
Percentage aged 15+ years Level 4-6	2018	18.4% 14,319	17.4%	
Percentage aged 15+ years with Bachelor's degree or higher (Level 7 and above)	2018	14.1% 11,004	23.3%	
Percentage aged 15+ years with no formal qualification	2018	25.3% 19,770	16.9%	
Employment				
Employment Rate	2021	69.8% 6,900 ppl	67.6%	Southland's employment rate is just slightly above that for New Zealand. This is the current percentage of skilled and unskilled labour employed within the economy.
Labour Force participation	2021	72.2%	70.5%	Southland's labour force participation rate is 2.2% higher than nationally. High participation combined with a low unemployment rate is a sign of a robust labour market.
Unemployment Rate	2021	3.3% 1,900 ppl	4.0%	Southland's unemployment rate sits just below that of New Zealand. The low unemployment rate may contribute to the tight labour market currently being experienced by many employers within the region.
Youth Not in Employment, Education or Training (NEET) Aged 15-24	2021	16.1% 2,000 ppl	10.8%	Southland's NEET rate is more than 5% higher than for New Zealand as a whole, which is concerning for those aged 15-24 who are unemployed or not in education.
Underutilisation rate	2021	11.3%	10.5%	Southland has a slightly higher rate of underutilisation – the sum of those unemployed, underemployed, who are not actively seeking but are available and wanting a job, and people who are actively seeking but not currently available, but will be available to work in the next four weeks.
Exclusion and disadvantage of Young People	2020	27% 4,212 ppl	23% 190,332	Young people in Aotearoa experience exclusion through our interactions with the Care and Protection and Justice systems. As a result, they face disadvantages in education and employment. There are three criteria used to inform the level of exclusion and disadvantage. These are interactions with: care and protection, employment & education, justice
Young people are identified as 12-25				

(Source: Appendix 1, page 7)

Southland Murhiku labour market flows as at December 2020



(Source: Appendix 1, page 40)

Southland's Top 10 Industries

ANZSIC206 Industry Classification	Employee Count (2020)	Job share (Southland)	Job share (Rest of NZ)	Average annual growth from 2015 to 2020	GDP (2018) (\$)	Southland GDP (2018) (%)	NZ GDP (2018) (%)
Agriculture, Forestry & Fishing	10,578	17.9%	6.1%	-0.1%	1,065M	17.7	8.6
Manufacturing	8,784	14.9%	9.5%	1.0%	839M	14.0	2.8
Retail Trade	5,449	9.2%	9.0%	1.6%	256M	4.3	2.0
Health Care & Social Assistance	5,104	8.6%	9.1%	1.8%	288M	4.8	1.7
Construction	4,447	7.5%	9.4%	1.7%	335M	5.6	1.8
Education & Training	3,850	6.5%	7.5%	1.8%	182M	3.0	1.5
Accommodation & Food Services	3,832	6.5%	7.4%	3.9%	138M	2.2	5.0
Prof, Scient, & Technical Services	2,793	4.7%	9.3%	3.1%	201M	3.3	0.9
Transport, Postal & Warehousing	2,460	4.2%	4.1%	1.7%	288M	4.8	2.2
Wholesale Trade	1,909	3.6%	4.8%	2.0%	165M	2.7	1.2

(Source: Appendix 1, page 41)

Industry data highlights

- 93% of Southland businesses are small & medium enterprises (less than 20 employees)
- Very little growth in net new business units in Southland in last 10 years
- High reliance on primary sector and manufacturing, in terms of employees and GDP contribution. The benefits of our two leading sectors flow through to other enabling sectors such as transport, wholesale trade and professional services
- Aging workforce is illustrated in primary sector with 20% of farmer and farm managers over 65 years

Common themes

Common themes that have emerged across sectors

Common themes

Economic Outlook

- **The inability of Covid-19 to date to sink consumer and investor confidence** has been a global phenomenon. However continued growth is resulting in an overheating economy. Governments around the world are spending heavily, especially on major infrastructure projects
- **There are signs of economic recovery over the last month** and economists are expecting inflationary pressure and rising interest rates
 - Signs of economic recovery accelerated over the last month with both unemployment and inflation exceeding market and RBNZ expectations. Inflation came in at +1.3% for the June quarter compared to market expectations of about +0.9%. This takes annual inflation to 3.3% breaking through the top of the RBNZ's target band of 1-3%
 - The second part of the RBNZ's dual mandate, maximising sustainable employment, also recorded exceptional results during the month with unemployment falling to 4.0% for the June quarter compared to market expectations of about 4.4%
 - Combined, this suggests the economy is running too hot and the RBNZ will need to increase the Official Cash Rate (OCR) promptly. Markets are now predicting OCR increasing 0.25% at each meeting through to mid-2022 which would take the OCR to 1.5% from 0.25% currently
 - Sourcing skilled labour and supply chain disruption remain the biggest capacity constraints in the economy at present
- **This uncertainty affects business willingness to take investment risk** – people and capital
- **Staff shortages are impacting bottom lines.** From our business survey, 84% of companies (47) did not have enough staff, and of those, 75% said it was impacting their business. Main impact mentioned was loss of earnings – generally in the 10- 30% range or, in numbers, generally \$200k - \$500k with a few much greater than that

Common themes

Business mindsets

- **Southland business owners tend to be somewhat conservative** and set in their ways. Although COVID has successfully challenged this in some areas, there is more opportunity to change mindsets. Necessity is the mother of invention
- **Aging owners in many cases**, low appetite for debt/risk, lack of succession planning
- **Opinion that many businesses lacked governance** and strategic plans, which made decisions around capital investment like productivity improvements, including automation, difficult
- **Micro rather than macro thinking from business owners.** There is a fear of growth, lack of ambition, lack of understanding of external funding options and owners have their heads down just running day-to-day business
- **Historically there has been a strong focus on the lifestyle advantages** of running a business in the South which can be seen as incompatible with pursuing a high growth strategy. This has not changed. New Zealand has a small domestic market and businesses that want to grow often have to turn their attention to a global market. This can be intimidating for local businesses who already see distance to market as a significant challenge when operating from this region
- **Succession scenarios may have been accelerated by COVID** but exits will be complicated by a less compelling growth strategy for many in the wake of the pandemic. With a shortage of skills in the region this is also impacting on businesses being able to attract the next generation of credible and experienced management staff. This is becoming a major challenge for Southland business owners looking to transition out of their businesses

Common themes

Worker demographics and shortages

- **Unemployment rate is now 3.3%** and severe capacity constraints are being experienced across the regional economy with almost all businesses crying out for more staff
- **Minimum wage risen 21% in 3 years** driving up labor costs – not only entry level but next tier
- There are **acute & critical skills** shortages across all sectors e.g. engineers, planners, project managers, mid level managers, farming, and health professionals and all trades
- **Aggressive staff poaching** happening within the region, in sectors where labour shortages are acute, and businesses are desperate
- **Remuneration expectations** and costs of employing someone are increasing
- **Lack of experienced staff** (5+ years experience up to middle & senior managers) which is only going to escalate with looming retirement of significant number of workers. Difficult to fast track this experience, as it is “on the job” that you can’t substitute
- **Southlanders appear to have a habit of staying in jobs** for a very long time so it’s crowded at the top and blunts the vocational pathway of those coming up. This also can result in higher wage bills as older people have built up to a higher salary range
- **High cost of recruitment** that often doesn’t achieve the desired outcomes. A lot of individual effort is taking place trying to solve common problems e.g. GP’s, Schools, Dentist Practices all trying to recruit individually
- **A lot more jobs being advertised** – 35% increase in job listings in Southland from October 2019 to Feb 2021 (appendix 2)
- **Way fewer applicants & few suitable applicants** - One business told us they used to get 70-80 applicants for entry level jobs and that number is now down to about 10, and of those, few are suitable to interview. Less extreme examples, but with the same theme, were common stories among many of the companies we interviewed

Common themes

Attraction and Retention of Workforce in Southland

Key messages from the online business survey include:

- **Perceptions of Southland** were the most reported barrier to attracting people to Southland. Negative perceptions included: poor climate/weather (top trend), belief that Invercargill is boring and mainly old people, limited long term opportunities, Southland's brand is not appealing to those that are not connected to Southland, "Invercargill is not considered glamorous", general perception, the stigma attached to Invercargill/Southland and outsiders impression of the "deep south". On the other hand, there are some companies who say this perception is shifting, especially where firms are working nationally
- **Location/distance** can be a negative where it may mean distance from family/ friends and high costs of visiting. There is a belief that the region is isolated. Positives about the location of the region included "attracting staff seeking a safer (i.e. Covid free), settled and less hectic lifestyle" and "easy access to lakes and mountains". In addition, the growing importance that workers are placing on work/life balance is well suited to the greater discretionary time that often comes with working in Invercargill/Southland rather than larger city centres
- **Remuneration and a tight labour market** means there is excess demand for a very limited labour pool. Some employers are unable to be competitive around salary compared to other regions, and have also lost workers to Australia. This also means employers need to look for resources outside of Southland due to a lack of availability within the local labour market, which in turn attracts the expectation of higher remuneration
- **Lack of facilities/things to do** is similar to the challenges for retention, the limited amenities are an issue
- **Job perceptions** including the perception that career progression is low and there are fewer opportunities to grow. Partners being unable to find suitable jobs is also a key reason for not retaining staff in the region
- **Some types of work are not attractive** including early starts (i.e. milking), shift work, not wanting to work on-call or after hours, or not being able to secure an expected level of remuneration based on age, experience and qualifications (especially for those older than 50)
- **Housing** and the shortage of rentals/housing stock creates uncertainty for people within the region and coming into the region. The availability, cost and quality are also issues for housing, and it was stated that "housing and rental costs aren't as appealing as they used to be"

Common themes

Immigration

- **Strong net migration driver of population growth.** “The primary cause of the growth was a shift from modestly negative net migration loss in previous years to strongly positive net migration gain between 2013 and 2018 (+2,634), the majority of which occurred across the main workforce ages while simultaneously offsetting continuing—but reducing—net migration loss at 15-24 years. The novel net migration gain was solely due to international sources, with a net gain of 5,106 international migrants more than offsetting a net internal migration loss of 2,452” [[Southland Workforce Strategy Update, Natalie Jackson, report commissioned by Great South July 2020](#)]
- **Impact of tightening supply of global workforce** & future uncertainty of New Zealand’s long-term net migration settings continues to be a significant and immediate concern for business, some sectors are feeling the immediate impacts more than others
- **International migrants are a significant component** of the regional workforce, from farming, hospitality & tourism, through to health. With critical skills shortages many businesses are having to retract, and in some cases business as usual is proving impossible
- **There is a human toll on migrant workers and their families** while they wait on news from Immigration New Zealand on their future. There are a range of circumstances for migrants from visa extensions, awaiting partner visas allowing families to be re-united, skilled migrants on pathway to residency, and temporary workers.
- **Responses from our online business survey** via the Chamber and Great South highlighted the key issues and concerns:
 - **Immediate issue is stability for migrant workers** and employers around those on current visas. Providing stability was an issue for employers and their migrant employees currently looking for visa extensions or a pathway to residency
 - **The lack of suitable workers available** from a (no longer available) “pool of immigrants” has made trying to fill positions harder and impossible in some sectors. It is difficult trying to recruit New Zealanders with very low or in many cases, no applications
 - **The process itself** – time, costs, effort required for applying for visas or current visa extension is impacting on staff recruitment
 - **Lack of MIQ availability** is low, even in cases where visas have been approved. Often there just isn’t MIQ space available

Common themes

Changes in attitudes since Covid

- **Staff view of the world has changed** since Covid – want work life balance
- **Post-covid, there is an opportunity to lead “reimagining the way we work”**. There is increasing discussion and a move toward more flexible conditions that will result in greater health and well being and more productive workers. This will require a shift in mindset from, ‘bums on seats hours’ towards value, quality and greater productivity
- **Employers are moving towards being more creative/flexible in offering better conditions** – e.g. full health insurance, early finish Fridays, 3 day weekends and a 4 day working week
- **It is recommended** that RSLG conduct a new survey of workers, in conjunction with the unions, with each survey being sector specific and using a variety of response mechanisms

Business improvement focus

- **Cost/benefit starting to stack up for automation & technology** interventions due to rising cost and shortage of labour. But often there is difficulty in finding the skills/capability in New Zealand to lead these projects
- **Frontier of businesses are leading way with changes**, but need to assist the businesses who are resistant to change.
- **Health and safety issues/compliance/risk** a big driver of automation
- **Boards seen as retirement jobs** – does that give boards the appetite for risk and understanding of technology that they need

Common themes

Other suggestions around higher utilization of possible workforce and retention (from HR workshop):

- There could be under utilisation of refugees
- Make parental leave options more appealing
- Assist development of social networks for newcomers, including over 30's (so beyond current Invercargill Young Professionals) and partners who aren't working. Partner dissatisfaction is a key reason people leave Southland
- Investigate a type of "adopt a grandparent" scheme for newcomers without close family in Southland
- A lot more focus needs to go into well-being of staff

Common themes

Young people

- Our issues with youth begin well before they enter the workforce. In educational achievements, in youth 'not in employment, education or training' (NEETs) and in the numbers of youth suffering exclusion or disadvantage, we tell a very sad story which is significantly worse than the national average. [See page 5 of appendix 1 for definitions]. Specifically:
 - **We have 2,000 youth, aged 15 – 24, who are not in education, training or employment.** This is 16.1% of the Southland youth population, compared to the NEET rate nationally of 10.8%
 - **We have 4,212 youth, aged 15 – 24 that are suffering exclusion or disadvantage in Southland,** which is 27% of the youth population compared to 23% nationally
 - **Our stand down rate per 1,000 students in 2019 was 42.3** compared to the national average of 29
- **In educational achievements, the region has a lower average percentage of school leavers with NCEA level 3 or higher – 44.7% vs 54% nationally**
- **Māori youth are especially disadvantaged and have higher rates of exclusion and lower rates of education achievement percentage.** In Invercargill, 40% of Māori youth are likely to experience serious and moderate exclusion and disadvantage vs 21% of Pakeha and 32% of Pasifika. In educational achievement, just 33% obtained Level 3 NCEA or higher, compared to 47.1% of Pakeha in the region
- **Various groups have expressed concerns about our youth mental health,** the most recent being the Salvation Army in its 'State of our Communities' report released 11 Aug 2021, which said, "mental health wellbeing for young people is concerning, particularly in Invercargill". It appears that the Southern DHB is one of the few, if not the only DHB in the country not to have Youth health strategy

Common themes

Young People

- **Young people have a different view of the world and different expectations of life and work**, and they are living in a different world to the last generation which just did what was asked of them. Parents etc. depression/world war hard times, and you just got stuck in and didn't question it
- **Today's employers complain that young people are coming into the workforce without basic skills of literacy and numeracy, and with attitude problems** – not wanting to work 40 hours, taking a lot of leave without pay/absenteeism, not drug free and lack resilience in areas of performance feedback. They also say they lack the soft skills and adequate CV's and often can't be considered. Employers are struggling to cope and don't feel they have time (or possibly the skills) for the extra management this cohort requires. Some are taking the approach of 'the beatings will continue until morale improves', others trying to move away from youth employees
- It seems clear that **Southland needs to focus on its youth and develop a plan to significantly improve outcomes for all youth**, and especially Māori and Pasifika. As part of the research for the plan, we need to understand why we have so many NEETS and how we can change this. Employers also need help in how to manage this age group in the workforce

Common themes

Education and Training

- Youth have numerous choices and consideration of broad pathways needs to start early
- Schools vary greatly in the resource they have devoted to career counselling
- There was a lot of experience/use of Gateway and positive experiences, but businesses often also doing their own thing directly with schools. However, we were also told that some employers who approached schools for programmes and help were then not following up. There was less awareness of Youth Futures but those that had experience with it were positive
- HR Managers interviewed felt there needed to be better coordination between schools, business and SIT and between schools and business
- There is a move worldwide to a greater experiential component in training but NZ is said to be well behind
- Firms are responding to the tight labour market with some starting their own in-house cadet or informal training schemes and hiring tutors to help apprentices with academic work
- Sectors had different experiences of the apprenticeship pathway with engineering in particular finding the learning was not well matched to job needs
- No jobs for life – future workers need to be adaptable & flexible & have transferrable skills

Sector snapshots

Size, situation, labour issues, and opportunities

Description	Primary Industry - Agriculture		
Interviewed	Southland Federated Farmers, Beef & Lamb NZ, Farm4Life, Thriving Southland, Environment Southland, Land & Water Science, Farmers		
Size	Agriculture, Forestry and Fishing in total Employees 10,578 17.9% Southland employees GDP \$1,065m (2018) 17.7% Southland GDP		
Situation	<ul style="list-style-type: none"> • Highly constrained labour market across all farm systems, particularly in dairy though which tends to be more labour intensive & has a higher turnover of staff <ul style="list-style-type: none"> • Significant uncertainty and change coming for farmers in terms of sustainability & overall compliance, very difficult for manager to “manage” when short staffed, they get dragged back into milking cows themselves and being very hands on. Particularly for family-owned farms. It is a balancing act • Impossible to train staff effectively in this environment, training on farm goes out the back door when short staffed • This problem has been amplified by Covid in terms of immigration • Attraction and retention of young people into farming continues to be challenging • Older farm owners back on the farm & stress is at an all time high. Mental health is a growing issue, the nationwide protest illustrates that farmers feel as if they are getting it from all angles and have had enough • Aging ownership & succession planning key issues facing the sector • Southland is isolated and doesn’t have the population to draw on as in the North Island or Canterbury • Dairy farmers are now calving, many have given up trying to get new staff and have their heads down just trying to get through. This means long hours, pulling in family including children & partners that work off-farm to help out, and workers working long hours in tough weather conditions • Dairy Farms need pipeline of (preferably basic pre skilled) junior staff coming into the industry to help remove the pressure on the entire team. This would enable the development of the herd managers into management, the management into contract milkers, contract milkers to share milkers and then hopefully farm ownership • Desperation for staff has resulted in poaching of staff in Southland with big offers for inexperienced staff just to get the cows milked • Quality and warmth of worker housing, if inadequate can be a major detractor in attracting staff 		

Description	Primary Industry - Agriculture
Situation	<ul style="list-style-type: none"> • Critical skills shortages expected in resource management with new regulations requiring all farms to have Farm Environmental Plans (FEP), along with some farms requiring new consents for farming activities e.g. some farms will require consents for intensive winter grazing. Skills shortages are expected to be nationwide • Acute shortages of skilled staff in rural contracting services which directly impacts all farmers <ul style="list-style-type: none"> • Huge void in the skilled operators required vs the skilled operators available • Spring and summer there is going to be an issue. Contractors will not be able to put out all their machines which means crops will be late getting sown and harvested • Every year due to our work being seasonal there is always going to be a requirement for overseas staff to fill in positions. • Retention is an ongoing issue as people move onto more steady, less invasive occupations and we also have the threat of big wages on offer overseas which are attracting staff away from NZ • Rural contractors require 400 experienced operators in NZ this year to take up positions <ul style="list-style-type: none"> • Immigration have said yes to 125 but MIQ spots are not available through September/October. • Australia now see NZ as a good recruitment area and are actively in NZ attracting staff. In NZ it takes weeks/months to get a Visa extension, in Australia it is taking a week and in some cases 1 day to get a work visa • Have staff in the United States that wish to return in October to NZ but they cannot get MIQ spots at the moment and may not be able to until December/January which is getting too late for the NZ season • Proactive initiatives happening across the sector at both national, regional and catchment levels and difficult to outline all the great things going on <ul style="list-style-type: none"> • Southern Primary Sector Workforce Strategy – collaborative approach across sectors and implementation via Great South. Focus areas are early skill development, entry level, and retention of staff. Funded by MPI • Beef & Lamb New Zealand implementing Farm Excellence Strategy with a vision for sheep and beef producers of “Profitable farmers, thriving farming communities, valued by all New Zealanders” • Thriving Southland, MPI funded but farmer led to support 28 Southland catchment groups, mix farming systems sharing info, education and working on practical sustainability initiatives at a catchment level

Description	Primary Industry - Agriculture
Opportunities	<ul style="list-style-type: none"> • Attraction and retention of young New Zealanders into farming has been ongoing problem. Farm4Life here in Southland presents a scalable opportunity: <ul style="list-style-type: none"> • to engage, inspire, and attract young people into farming – it’s real and relatable, illustrates career progression -> ownership • to help support agriculture learning in schools, while providing real insights into working on farm • to deliver online on job training and professional development that assists with retention and delivers learning in a visual way that will resonate with today’s young people. 850 videos already online. Next step is for NZQA accreditation. • to use that platform as a way to engage with farm workers to build understanding around farm practices and environmental impacts, so they have the why, in terms of what they do, and sustainability • Working conditions – encourage changes to work conditions such as implementing 5/2 rostering to make dairy farming more attractive and assist with retention of staff • Seasonality Passport - giving people a career pathway & job stability while building complementary skills. Utilize horticulture staff Central Otago so don’t limit to Southland. Pruning skills and then tree planting • Environmental & science skills aligned to industry needs – relevant and transferable <ul style="list-style-type: none"> • Science communication is key missing skill that needs to be developed • Environmental/planning degree qualifications– integrate mandatory farm systems papers into qualifications, where possible practical farm placements should be encouraged and ensure policy, planning and compliance staff have a practical understanding of farm systems • Good science data for farmers to make smart & targeted decisions <ul style="list-style-type: none"> • Land & Water Science Ltd here in Southland is creating a platform to support and empower farmers to make informed and confident decisions based on scientifically valid assessment of catchment and farm level characteristics as they pertain to water quality and greenhouse emissions • Bridge the gap in understanding of farm systems with landscape variability. Training & upskilling of farm professionals who have farm systems knowledge and need the landscape variability understanding. L&WS Ltd are developing training that will need to be NZQA accredited Level 3, delivered online with graphics/video/workshop components • Agricultural science skillset has been centralised by government organisation. Important we foster & build this high end science capability here in Southland • Access to skilled migrants – working with government to ensure sustainable levels of skilled staff

Primary Industry – Fishing & Aquaculture	
Description	
Interviewed	SAWG, Aquaculture NZ, Sanford, Ngai Tahu
Situation	<ul style="list-style-type: none"> • Critical shortages in fish processing and fish farming throughout New Zealand • Often difficult to recruit staff to Stewart Island • Salmon farming represents significant opportunity for growth in Southland. This opportunity and the future skills requirements are covered in the future industry section in this paper • There is a lot going on in the aquaculture workforce development space nationally. There is a critical shortage of staff, compounded by Covid border closures and fewer visa holders in the country. • MPI (Aquaculture) working on forecasting growth scenarios to get the industry to \$3bn by 2035 in line with their strategy • There are other significant species opportunities that sit outside salmon
Opportunities	<ul style="list-style-type: none"> • New processing factories will be higher tech creating automation and reduce labour processing. Rising labour costs and shortage of staff driving capital investment • Draw international skilled labour market supply of these skills particularly with new international technology • Create domestic supply through NMIT etc but content will need to be advanced for new technology • Create NZ centre of excellence in offshore fish farming - opportunity for SIT to develop salmon school leading education in new farming practices working closely with Aquaculture New Zealand, Iwi and commercial parties. Looking to Tasmania and Norway for content development

Manufacturing Engineering	
Description	
Interviewed	Blue Sky Meats, Alliance, Fonterra, Niagara, EIS, Stabicraft, Sheet Metalcraft, Fi Innovations, JK's Engineering, Mcleay Precision Engineering, SOREC, 8 responses from general survey
Size	<div> <div>Employees 8784</div> <div>GDP \$839M</div> </div> <div> <div>14.9% Southland employees</div> <div>14% Southland GDP</div> </div>
Situation	<p>Business Situation</p> <ul style="list-style-type: none"> • Almost all in survey/discussions had staff vacancies and these were impacting on bottom lines and growth capacity • Disappointed sector wasn't offered chance to price steel fabrication work for the inner city rebuild • Supply chain problems – one company with 65 containers on water and no idea when they would arrive • Shortage of steel, another price rise of 21% coming, booking steel 3 months out, but sometimes miss out because orders not large enough • Most firms were trying to manage staff burnout • Aging owners in many cases, low appetite for debt/risk, lack of succession planning • Opinion that many businesses lacked governance and strategic plans, which made decisions around productivity improvements, including automation, difficult <p>Innovation/Productivity</p> <ul style="list-style-type: none"> • MBE promoting 30-year Industry Transformation Plan for Advanced Engineering. Held one session Oct 2020 • Opinion that many in industry were conservative and there needed to be a mindset change around thinking about the future and innovation • Finding out what new equipment is available can be difficult, and obtaining loan or investment capital to fund it • Lack of knowledge of funding options, debt or equity • A switch from profitability as focus, to productivity is needed. Automation and lean work flows critical

Description	Manufacturing Engineering
Situation	<p data-bbox="1222 383 1257 719">Education and Training</p> <ul data-bbox="459 383 1214 2098" style="list-style-type: none"> <li data-bbox="1182 383 1214 1653">• There is a lack of engagement between industry and training/education organisations <li data-bbox="1011 383 1174 2098">• The approach to apprenticeships is too much of a blunt instrument, with definitions generally too broad to be useful. Needs a more tailored approach that has a greater focus on local industries e.g. a domestic electrician isn't able to work as an industrial electrician; recent block course in fabrication focused on area of light fabrication which is no use at all to heavy fabricators <li data-bbox="927 383 1007 2098">• Most questionnaire answers from manufacturers said, 'Training not well aligned with jobs' and that there is a lack of ongoing training and development <li data-bbox="842 383 922 2002">• Automation will change skills required e.g. engineers with computer gaming technology and these need to be anticipated and planned for <li data-bbox="796 383 836 1704">• There are many ITOs involved which is complex and difficult for employers to understand <li data-bbox="711 383 791 2051">• Not using Pre-Apprenticeships because of dumbing down affect, too many there just taking up space, too broad a focus, 'kids lose their spark', low success rate <li data-bbox="665 383 705 2063">• Businesses establishing own cadet schemes, and employing own tutors to help staff success rate in apprenticeship <li data-bbox="625 383 665 2007">• Businesses need help to train in house or with similar businesses due to the bespoke, specialist nature of work <li data-bbox="542 383 620 2098">• Experiential learning is critical at all levels – school through tertiary but NZ very behind with this. Otago Polytech has appointed an Experiential Learning Director <li data-bbox="459 383 537 2074">• Issues with school leavers not having basic skills and issues with frequent Leave Without Pay requests, absenteeism (common theme across sectors)

Description	Manufacturing Engineering
Situation	<p>Attracting School leavers</p> <ul style="list-style-type: none"> • Most firms were having good success with a variety of different approaches to give work experience to those while at school. These included Gateway; a new Govt approved programme that allows businesses to hire school students 2 days a week and pay \$17/hr.; and direct arrangements with schools. SOREC hopes to roll out its Engineering Academy programme in Invercargill this year – targets at risk youth still in school for direct work experience • One firm, invited to a school mathematics class to give real world examples of the use of trigonometry • Industry needs to define and promote career pathways • Careers advisors not trade experienced, and parents often don't support trades - how can this be changed? <p>Recruitment & Retention</p> <ul style="list-style-type: none"> • Attracting people from outside region to live in Invercargill difficult • New thinking is happening around conditions – two firms offering full free health insurance, early finish on Fridays • Using staff to help recruitment, with incentives for success
Opportunities	<ul style="list-style-type: none"> • Stories to change mindsets, especially around productivity (governance, strategy, risk, lean processes) • Redefine training – consider clusters of businesses doing training and roving cadetships • Develop promotion material for careers in advanced engineering. Could start with visually appealing video/online info about the different trades/jobs and career paths • Graeme Dingle Foundation Career Navigator was mentioned as a successful tool • Review apprenticeships in manufacturing to ensure training is aligned with jobs • Opportunity for supply chain co-operation

Description	Manufacturing - General
Situation	<ul style="list-style-type: none"> • Significant labour shortages 10 – 30% or, in some cases, contractors have staff shortages e.g. electricians • Longer season at meatworks has lessened availability of traditional seasonal workers for Fonterra • Heavy work has high turnover, people less willing to do it, and with aging workforce, less able to do it • Meat industry has become less attractive • Significant problems with absenteeism, esp. since Covid; people wanting to work only enough to fund essentials, not having drug free status, low workplace resilience • Introducing apprenticeships has helped image (meat) and developing own informal apprenticeships (dairy) • Very aged workforce (meat) • Labour issues and H & S are significant drivers of automation, but cost can be very high and machines in some cases not yet available to replace labour • Accommodation is a significant issue for those using migrant labour (Pacific Island, China, Halal slaughtermen, Oamaru) • Recruitment from outside Southland often requires assistance to partners to find work, which would also assist with retention
Opportunities	<ul style="list-style-type: none"> • Continued career path creation with qualifications • Assistance to employers to create more flexibility in work • A good partner assistance programme

Description	Construction			
Interviewed	NZ Master Builders Assoc., Invercargill Central Ltd, Maxis Projects, Bonisch Consulting, McCulloch Architects, HWR Property, SIT Faculty Head of Trades, RSLG Construction Deep Dive			
Size	Employees	4,447	7.5 %	Southland employees
	GDP	\$335M	5.6%	Southland GDP
Situation	<ul style="list-style-type: none">• Massive demand in civil, residential and commercial• Approximately \$1 billion dollars worth of projects commencing or tendering• Massive shortage of labour - all levels including labourers, trades, project managers, surveyors, engineers, architects, planners. Companies cited loss of income as a result• BCITO forecast labour undersupply of 37.5% next 3 yrs. Invercargill and 21.5% for region• Some firms able to recruit professionals to move to Invercargill and say, professionally view of Invercargill is changing to positive• Firms looking at alternative ways of recruiting – incentivising current staff as finders• Vertical commercial builds previously relied on foreign labour with local supervision 10:1 but without this, they are pulling from everyone else• Construction has highest suicide rate of any sector, incl farming. Generally, male under 25 (often because of workplace culture) and between 40 – 55 years (business owners)• Some builders starting to offer greater flexibility and/or additional time off e.g. 1 x 3 day weekend per month			

Description	Construction
Situation	<ul style="list-style-type: none"> • Supply chain timeframes blown out e.g. exterior cladding 10 months, laminated timber 5 months and cost increases minimum 20% up to over 40% • Locally, building consents going very well and ICC productivity improvements being held up as an example to rest of NZ • BCITO regarded as very good. Concern at what merger into Te Pukenga will mean • The way we build has changed and micro credentialling fits this but will have longer term impact in that 'builders' won't be capable of building a house or renovations • Apprentices ideally need a ratio of 1:1 so limit on how many firms can take on • More firm are taking on apprentices since Apprentice Boost, but prior to that, 100% of apprentices were taken on by only 10% of firms • Average age of apprentice is 28 years, a lot from University • Drive for 'being own boss' means most apprentices leave on completion, do another couple of years and then go out on their own doing labour only contracts for home build companies. Result is huge number of small building companies and loss of 30-45 yrs./supervisor cohort as employees in larger companies • Building industry is known for 7 year boom bust cycle – this could be addressed by a different approach

Description	Construction
	<ul style="list-style-type: none"> • SIT enrolments in trades show a 71% increase in 2021: <ul style="list-style-type: none"> ○ For 2018 - 43 ○ For 2019 - 44 ○ For 2020 - 45 ○ For 2021 - 77 • SIT's role in construction training is to deliver the Pre-trade (Level 3) programme, and the iTabs Construction Apprenticeship at Level 4. It also delivers off job training for BCITO in joinery and engineering, for Competenz • SIT's main constraint in growing numbers is finding appropriately qualified teaching staff. One option has been to offer an additional intake in September this year • As part of the formation of Te Pukenga, the industry ITO's roles are being taken over by the centralized Polytechnic system. How this will work however, hasn't been completely defined
Opportunities	<ul style="list-style-type: none"> • A more Southland wide planned approach to local and central government tenders, and other larger private tenders to the extent possible, would enable work to be spaced out to match capacity and thus <ul style="list-style-type: none"> • keep construction capacity in Southland • assist with industry stability and confidence, including taking on apprentices and staff For example, instead of MOE releasing tenders for 6 schools at once, these could be spaced at regular intervals to match industry capacity • Technology is an important attractor for youth recruits • Continued development of more workplace flexibility and support for mental health

Description		Transport, Postal and Warehousing	
Interviewed	South Port, HWR		
Size	Employees 2460 GDP \$288M	4.2% Southland employees 4.8% Southland GDP	
Situation	<ul style="list-style-type: none">• Critical shortages in all areas of transport• South Port has experienced 20% growth in the last 12 months. Shortages in quality applicants for crane driving, forklift driving, warehousing. Experienced Health & Safety difficult to find• Difficulty finding people with the right aptitude and attitude that fit with company culture & can then be trained on the job• Road transport – aging workforce with NZ truck driver average age 54 and more than 20% of drivers aged over 60. Male dominated with 4% truck drivers female. Over 80% of trucking firms have never employed a female driver• More drivers are leaving the industry than coming in. Work conditions not attractive, long hours and can drive up to 70 hours per week• Driver licensing and the timeframes are an issue in attracting young people into truck driving as they move onto other jobs rather than waiting		
Opportunities	<ul style="list-style-type: none">• Continued development of more workplace flexibility and support for mental health• Industry needs truck drivers to be recognized in the immigration skills shortage list• Opportunities around new decarbonized fuel technology and productivity gains		

Description	Retail Trade		
Interviewed	The Warehouse, Mitre 10, H&J Smith, New World Elles Road		
Size	Employees 5,449 GDP \$256m	9.2% Southland employees 4.3 % Southland GDP	
Situation	<ul style="list-style-type: none"> • Most businesses had shortages in several areas. Results of this include staff stress, reduced offering, centralisation out of Southland • Shortage of experienced managers, managers who can manage people • Inability to recruit butchers and bakers, length of apprenticeships & pay in comparison to other trades – supermarkets • Vocational pathways exist in all but external tertiary training in retail is lacking to help people progress • Uncertainty re immigration visas of those already here -> unwillingness to train & commit • Very aged workforce, wanting to work less. Digital literacy issues. Seniors working part time after retirement age are helping • Entry level workers: absenteeism, not drug free, leave without pay demands, low resilience/high anxiety, poor level basic skills in literacy & numeracy, high expectations • Recognition that more energy would need to go into recruitment and training in future due to higher needs of young workforce • A lot of online training but some moving to more in person. Takes time if this is repeated in every business separately. Biggest need is in leadership. • The Warehouse has a Red Shirts Gateway programme in schools – NZQA certified NCEA Level 2. They find it excellent and wonder if it could be expanded to other retail situations • Those that use Gateway find it excellent. Little or no knowledge of Youth Futures in this sector 		

Description	Retail Trade
Opportunities	<ul style="list-style-type: none"> • Cashed up seniors returning to Invercargill, working part time to help integration / seniors in general working part time • Tertiary level retail course through SIT targeting those wanting to take next step towards management • Investigate expansion of the Warehouse Red Shirts school programme into other schools and organisations working with youth and include other retailers • Sell the vocational pathway more in all, including supermarkets – trolley person -> owner. • Review apprenticeship requirements for instore butchers & bakers • Focus on technology, especially backroom, to improve productivity, free up staff for front line, reduce cost & reduce health & safety risk

Accommodation & Food Services	
Description	
Interviewed	Distinction Hotels Group, Invercargill Licensing Trust, The Batch
Size	Employees 3,832 6.5% Southland employees GDP \$138M 3.9% Southland GDP
Situation	<ul style="list-style-type: none"> • Shortages being felt across sector with skilled chefs (key shortage impacting some businesses ability to operate business as usual), hotel staff, experienced café/restaurant staff • Hospitality not seen as attractive industry with a viable career option • Difficult to compete with other industries due to unfavourable work conditions & lifestyle – people don't like working weekends • School students and University students are utilised through the year and over Summer holidays • Effective recruitment tool has been direct referrals via social media • Training on the job • Since minimum wage increase, noticed losing staff out of hospitality into a raft of industries, particularly those that don't require nights and weekend work • High turnover industry, female dominant, and average age likely in 20s. Retirement not an issue, retention is • SIT/ILT training hotel not progressing which would have been innovative way to attract, train & retain • ILT Langlands hotel is set to open beginning 2022 and requires 80 new staff including additional 10 chefs. ILT is a large employer with 650 staff across the various businesses. ILT will target further growth once the new hotel is open with extension of on-premise offerings in CBD and suburbs

Description	Accommodation & Food Services
Situation contd.	<ul style="list-style-type: none"> • Lift in expectations of wages, and competition within region lifting pay rates to uneconomic levels. Labour costs have risen through minimum wage lift, and to remain viable will need to pass onto the customer • Acute shortages resulting in targeted poaching with the region • Impact significant with no pool of working holiday visa workers. Seemed specific to Fiordland where there is a greater reliance on seasonal workers • Uncertainty around immigration visas, particularly for skilled chefs, being felt across the sector
Opportunities	<ul style="list-style-type: none"> • Attraction & retention <ul style="list-style-type: none"> ○ The Batch is working on innovative ways around sustainability & working collaborative to showcase southern food producers and is an example of positive stories to better position the region ○ Work as an industry to change perception and get better engagement with schools • Education & Training <ul style="list-style-type: none"> ○ Opportunity to use Gateway to create pathway for school students, could this be shared between smaller operators ○ ILT has lacked professional development and training pathways for staff. Engage with education to develop programme that provides NZQA qualifications tied to remuneration with a mix of internal and external delivery

Aged Residential Care	
Description	
Interviewed	Southern DHB, Calvary Hospital, SIT Nursing Faculty, Brief overview report prepared by E tū union for Southland iRSLG June 2021, Aged Residential Care Funding Model Review, 2019 Ernst & Young, NZACA June Survey 2021
Situation	<ul style="list-style-type: none"> • Aged Residential Care (ARC) industry in New Zealand is forecasting growth 3.7% over the 5 years through to 2025-26, to \$3.9bn. Demand for workers is expected to grow in Southland over that time • Aged care is the largest public/private partnership in New Zealand. The Government pays aged care providers a bed-day rate for the care services they deliver to those older New Zealanders who can't afford to pay for themselves. Those that don't qualify for government funding must pay for their own care. There is a cap on how much a private payer can be charged, set by the Government, called a maximum contribution rate • Some providers can cross-subsidise when a care home is co-located within a retirement village. Profit rarely comes from the aged care component of a business, often the only way many stand-alone providers break-even is through accommodation supplements, where residents' pay additional amounts for features such as a larger room or an ensuite. Many older facilities were only built with standard rooms, limiting what they can charge. Having standard rooms available across the country is important for those subsidy-only payers who cannot afford to pay any extra • Data suggests that older people are entering ARC at older ages, and with higher frailty. More residents have been entering at the higher care categories, and ADL and cognitive impairment issues are increasing in severity • A June survey by the NZACA showed an estimated total of 900 Registered Nurse (RN) vacancies in ARC, a staggering 20% of our RN workforce. Survey responses confirmed the pay discrepancy between ARC and DHB nurses to be the main barrier to recruiting and retaining ARC RNs, with a lack of MLO space and delays in the visa processing system only compounding the issue

Description	Aged Residential Care
Situation contd.	<ul style="list-style-type: none"> • Critical shortage of staff is being felt across the country. SDHB advised situation as more acute in Invercargill and Gore than in Otago, impacting several providers' ability to deliver services. This is placing greater workload and stress on clinical care managers to pick up shifts, turn down new residents, or have staff work extra hours • Some operators not currently taking new residents due to not having safe levels of staffing • Shortages include Registered nurses, occupational therapists, speech therapists and health care assistants • Not viewed as an attractive industry in comparison to hospital nursing, including pay and working conditions • Senior nursing staff are feeling stressed and overworked • In aged care it is autonomous nursing. Work is often harder as you need excellent acute assessment skills because you don't have doctors onsite for direction/support • Funding for aged residential care doesn't enable operators to compete with SDHB • Aging workforce so this shortage is not a short-term issue • SIT nursing enrolments are up with 120 new students this year, normally 80-100. 100% employment rates for graduates. Key constraint in increasing the intake is nursing placements. SIT places a greater emphasis on rural health and aged care. There is move toward unifying the nursing degree throughout the country, one size fits all approach
Opportunities	<ul style="list-style-type: none"> • Short term solution, SDHB is identifying internationally trained nurses currently in New Zealand and looking at ways to help them through New Zealand registration. Could this registration programme be delivered locally. A government subsidy for what is an expensive course may help, with subsidy linked to bonding period to an ARC operator. It will be important that they are then supported in the workplace to transition • MIQ spaces and immediate priority for RNs in aged care in areas where shortages are acute • Review of ARC funding model that will enable ARC to compete within the health sector for skilled staff and invest in greater professional development, ensuring the industry is more attractive • Safe staffing levels – contractual obligations beyond one RN per residential care home to ensure safety of residents, and to protect workers

Description	Local Government
Situation	<ul style="list-style-type: none"> • All local councils have extensive capital works programmes • A major programme is the government funded Climate resilience – shovel ready projects – flood protection/river management and funding. Timeframe for this (Southland/Invercargill) is July 2023 - \$30M • Three Waters reform will require a doubling of the workforce requirements, nationally and potentially for Southland • A plan change in the Southland Water and Land Plan will be publicly notified by the end of 2023. This will place increased short term demands on the regional council with an expected surge in farming consents. The rural sector will require additional resource via consultants • Skills shortages are being experienced by all local councils and filling roles with experienced staff is the biggest challenge, especially with competition on infrastructure across regions • Shortages in some cases having an impact on speed and quality of delivery, increased workloads and prioritisation of doing work over managing people to do the work • Some councils are experiencing an increase in turnover which they attribute to the national/global trend of post-covid life-rethinking and increased completion between local, regional and central Government for experienced talent • Infrastructure shortages particularly skilled and experienced engineers across all disciplines • Only so many graduates can reasonably be taken on (especially for smaller councils like GDC to support and train on the job) • Project Management – very difficult at the moment to find experienced Project Managers across all areas of the organisation. Those that are around are commanding big money • Skilled technical people at senior levels also hard to attract, especially river engineers, consenting and planning, senior communications and finance • Aging workforce is a concern • Perception of region still an issue attracting staff from outside the region
Opportunity	<ul style="list-style-type: none"> • Is there an opportunity to create a local government graduate development programme <ul style="list-style-type: none"> ○ similar to Department of Public Works Cadet Programme (historic) ○ bring people into the sector like an apprenticeship ○ use Southland Youth Futures in this space

Community infrastructure

Essential services are a critical ingredient in attracting and retaining people and families to live in the region. Issues like being unable to sign up to a medical practice, get into a dentist or find a suitable house all work against us in terms of attraction and retention.

In this section, we review the state of what we think are essential community infrastructure services.

Discipline	Situation	Possible actions
Doctors	<ul style="list-style-type: none"> No practices in Invercargill taking on new patients Southland has 86 GPs + 7 locums Short 10 GPs and 5 locums Lower rate of GPs / 100,000 population (57.8 vs 63.8) and less locums Higher percentage of GPs over 60, so average age of GPs is 2 – 3 years older than Otago Nursing workforce also aging Each practice hires its own GPs, often using agencies – high cost Current health care reforms proposing Locality Networks to replace DHBs and PHOs by July 2022 	<ul style="list-style-type: none"> Increase productivity of practices through <ul style="list-style-type: none"> using & promoting hierarchy of services (a GP Team: Receptionist -> Health care assistant -> Nurse -> Nurse practitioner -> GP -> GP special interests promote other ways of consulting GP e.g. via video Need welcoming culture that will mentor young GPs Assistance to find jobs for partners Proposal Locality Networks would incl. all services that impact health and wellbeing and ensure better coordination

Discipline	Situation	Possible actions
Dentists	<ul style="list-style-type: none"> Current dentist numbers are <ul style="list-style-type: none"> Invercargill 22 but 8 work only at hospital Gore 4 – but two leaving Te Anau 2 Short approx. 10 dentists Dental therapists (treat children), hired by DHB, are aging. New recruits prefer private practice 	<ul style="list-style-type: none"> Is there enough capacity at our one School of Dentistry?
Accountants	<ul style="list-style-type: none"> All firms could hire more people. Probably at least two vacancies in most firms Mid level/experienced most needed A lot of poaching going on – non accounting firms poaching accountants and vice versa Biggest barrier is to attract people to Invercargill Technology has freed up bottom end roles Log jam at the top /aged workforce/partners and therefore high wage levels Critical shortage of auditors. Regulatory change has reduced to only two firms in Invercargill offering audit 	<ul style="list-style-type: none"> Keys to retention are flexibility, good culture and career plans Need more emphasis on actioning individual career plans Technology could further improve productivity

Discipline	Situation	Possible actions
Vets	<ul style="list-style-type: none"> • Southland had approx. 116 vets 2019 • In late 2020 shortage was 20 & nationally 200 – 250, traditionally sourced from overseas • Border exemptions helped but still around 10 vets short plus technicians • Pet ownership increased 35% in first 6 months 2021 adding to demand • Also short of qualified retail staff and managerial staff • Few applicants to advertisements • MPI poaching staff • Entry level vets leaving after couple of years for bigger cities • Staff stress high, and burnout 	<ul style="list-style-type: none"> • Improve critical life skills of graduates (NZVA) • Greater capacity needed at Massey for vets (NZVA) • Retail training programme needed - customer service, inventory management, merchandising, stock selection etc. - taught by experienced retail practitioners not academics

Discipline	Situation	Possible actions
SDHB	<ul style="list-style-type: none"> • 1,270 staff in Southland, mostly Invercargill • Excessive waiting lists, shortage of beds, pressure on emergency dept, lengthy waiting times for cancer diagnosis & treatment • Nearly 60% fewer beds/100,000 people than Otago and 37% less theatre space (although Southland can access Otago services in some cases) • Emergency dept. sees 86% more patients than Dunedin, with a population 46% smaller • Critical shortages in doctors, physios, midwives, nurses • Concerns about patient safety due to shortages • Clinical staff can get visa exemption but struggle for MLO space - not reserved • Covering shortages is expensive – use agencies, roster from Dunedin • High stress and burnout of staff. Low morale • Recent review of management pointed to lack of accountability, wasted money and a need to use data and information better • Older staff, but staying on part time • Hard to attract to Invercargill – both internationally and nationally • At limit to taking on more grads due to lack of enough experienced staff to supervise 	<ul style="list-style-type: none"> • Help to find partners a local job • Continue intensive buddy programme for new staff • A digital workplace (Chch hospital is now fully digital) is 10 years away – could this be hastened?

Discipline	Situation	Possible actions
Teachers	<ul style="list-style-type: none"> • Critical shortages in all levels – Early childhood (EC), primary and secondary • Lumsden EC centre with 50 children closed in August due to inability to recruit enough staff. Closest centre 32 kms away, but it has a full wait list. Farmers having to take preschoolers out on farm work as no other options • Primary short all over Southland, struggling to get relief teachers and not many applying for positions • Supply issues for secondary teachers in Science esp. physics and mathematics. Hard to fulfil STEM goals without staff in these areas • Hard materials technology teachers (wood, metal and textiles) critically short. One school unable to recruit any in last 5 years and surviving by utilizing LAT teachers • English teachers with genuine qualifications becoming scarce • Too many PE grads who then teach other subjects in which they aren't qualified • Te Reo teachers – critical shortage • Training options for secondary teachers were centralised to Christchurch and Dunedin in 2010, with the closure of the Invercargill campus. Many of the teachers in Southland are local graduates and the closure of the local campus has limited options for so many especially those with families and those wanting to retrain • Recent news that enrolments in teacher training have increased by 1090 in 2021 <ul style="list-style-type: none"> ○ EC up 31%, Primary up 27%, Secondary up 40% 	<ul style="list-style-type: none"> • Relook at how professional people can complete the one year secondary teacher training in a local setting • Revisit the requirements around hard materials teachers being required to have 4 year teaching degrees

Discipline	Situation	Possible actions
Teachers	<ul style="list-style-type: none"> • Age of workforce in Southland is an issue and attracting young teachers to Southland • Estimate that 80% of appointments are movements within the region rather than people new to Southland. Smaller, rural and low decile schools can be hardest hit by this • Pre covid, immigration was being used to fill gaps • Relief teacher situation critical due to <ul style="list-style-type: none"> ○ change in regulations for registration as relief teacher and ○ being used to fill permanent gaps that unable to recruit for • Ministry of Education, Teacher Supply Manager has advised that the Ministry doesn't hire teachers and it doesn't know what the shortages or other supply issues are in the regions. MOE recruits students to the teachers colleges and then hope they filter out to where they are needed in NZ. MOE would be keen to partner with RSLG to survey schools and find out specific details on recruitment issues 	<ul style="list-style-type: none"> • Partner with MOE to undertake research with schools and monitor vacancies, number of applicants to provide basic jobs data to MBIE

Discipline	Situation	Further possible actions
Housing	<ul style="list-style-type: none"> • A Great South report in 2018 estimated Southland was short 2,500 houses. A review/update of this research has been due for some time but is not yet available • The Southland Housing Action Forum (SHAF) says that Te Anau and Gore are also suffering the plight of poor housing, affecting recruitment to the area as well as having few smaller dwellings to enable older people to downsize • Govt. has promised 80 Social Houses, but there are approx. 165 on the waiting list • Agencies working with youth estimate we are short 50 - 100 places for youth housing 16 – 25 years • Average prices have climbed by around 87% in the last five years in Southland, and in the last year prices rose 22.4% in Invercargill and 31% in Gore • Partly the issue is lack of supply with the number of houses offered for sale about half that available 3 years ago and very few individual sections on the market • Despite this, Southland remains an affordable place to buy a home (appendix 3). The rise in equity in homes is also having a positive impact in areas like South Invercargill where there has been a high percentage of poor quality housing. A noticeable number of these are now being renovated, confirmed by real estate agents • Active projects by the SHAF to address the issues include working with: <ul style="list-style-type: none"> ○ community groups with an interest in Social Housing ○ developers looking for opportunities that would diversify housing offerings ○ Kainga Ora on Social Housing • A new subdivision in South Invercargill, Te Puawai, will add 600 houses and is expected to commence in late 2021 	<ul style="list-style-type: none"> • SHAF are advocating for Council to review District Plan and LTP to consider how it can facilitate intensification and housing variety (i.e. smaller dwellings on smaller sections, medium density and apartments to support changing demographics)

Future industries

Most likely future industries and their needs in terms jobs/skills

<h2>Salmon Farming</h2> <p>Info from: SAWG, AQNZ, Ngai Tahu, Sanford, Environment Southland</p>	
Proposed industry	Aquaculture is the fastest growing major food production sector in the world. Southland salmon farming industry is poised to grow, to take up the substantial value-add opportunity that farming presents, & to make most of the unique growing environment that Southland provides. New offshore salmon farming space has been applied for, taking farming offshore by utilising world-leading fortress pen technology. Southland has the conditions, reputation and capacity to be world leaders in both scale and quality, in the next generation of sustainable salmon aquaculture
Projected earnings over time	<p>Targeted additional growth – 25,000 tonnes production, GDP \$270m, Exports \$1,400M</p> <p>Two current open ocean applications forecast production - one application offers 30,000T of production and the other 25,000T</p> <p>To achieve this targeted scale, likely to expand over 10 year period (based on Tasmania experience)</p>
Job creation	<p>800 jobs – salmon production, processing, marketing and logistics</p> <p>Jobs located Stewart Island, Bluff, Invercargill and depending on operator, some may be further up north</p> <ul style="list-style-type: none"> • Farm worker (NZQA L1-3) – fish feeder, net mender, hatchery staff, harvest crew, diver • Skilled Farm Worker (NZQA L4-5) – compliance, environmental technician – water quality & biosecurity • Specialist roles (NZQA L6+) – marine biologist, fish veterinarian, blood stock manager, salmon farm manager, production planner • Marine Engineering – engineer trades & profession, apprentices, senior engineers, maintenance manager • Processing – filleting, quality control, supervisor • Logistics – transport manager, truck driver, forklift driver

Salmon Farming	
Skills & training	<ul style="list-style-type: none"> Existing vocational training predominantly delivered by NMIT in Marlborough: <ul style="list-style-type: none"> Level 3 & 4 Certificates are offered by NMIT with full-time campus and online study. The online certs require 12 hours a week and ideal for people already employed in aquaculture who are wanting to get a qualification Level 3 certificate through to Level 8 Post graduate diploma. Applied approach, so includes work placements etc. in all programmes. Likely gaps in vocational training needs with shift toward offshore farming University of Otago delivers aquaculture courses as part of Applied Science programmes with majors in Aquaculture. University of Waikato have aquaculture programmes In Australia, University of Tasmania leading provider of aquaculture courses Primary ITO are currently updating the Seafood unit standards for aquaculture. Level 2, 3, 4 & 5 unit standards are currently with NZQA for approval (August 2021) with strands in Finfish, Shellfish and Hatchery. Collectively these Unit Standards are anticipated be Aquaculture Apprenticeships New jobs will require high levels of skill and specialisation and vocational training will be required in the region to support the expansion Opportunity to develop specific salmon school in terms of offshore farming here in Southland. Opportunity to develop centre of excellence in offshore salmon farming Limited skills/experience of new farming practices and technology in New Zealand. Will need to attract from Europe and Australia for high skilled level jobs in the short/medium term while we build the capability Train on the job & professional development required, improve the skills using top quality and close by educational facilities such as the SIT & Primary ITO aquaculture apprenticeships with approved assessors of unit standards

Salmon Farming	
Resources other than staff	Consented water space & require a high level of capital investment. It is important to note that the ongoing critical workforce shortages and specialized skills in offshore farming are a likely barrier to growth
What's needed to make it happen	Consented water space
Expected construction date	RAS Salmon Hatchery – expected construction 2021 – completion 2022. Awaiting variation on discharge consent
Expected start date	Until water space consented, can't put a date on it
Likelihood happening	High – New Zealand Government Aquaculture Strategy aligns with regional and industry aspirations
Other aquaculture opportunities	<ul style="list-style-type: none"> • Ch4 Global – global company trialing farming the seaweed species <i>Asparagopsis Armata</i> which may help reduce methane emissions from livestock • Ocean Beach – Bluff Ltd - vision for this rejuvenated site to become an aquaculture park with a hatchery, grow out, processing, education, R&D and sustainable tourism. NZ Abalone Company is in the early stages of re-establishing the former Southern Marine Paua farm on site
Natural linkages to other sectors	Growth in jobs will include an ongoing need for a range of skills, including maintenance workforce engineers, electricians, and other trades. Links with the wider seafood sector given similar transferable skills. For example, seagoing commercial fishing experience might be relevant in terms of open ocean aquaculture
Key commercial players	Ngai Tahu – open ocean farming consent applicant & working with Crown on statutory aquaculture settlement obligations. Sanford existing operator and open ocean farming consent applicant. NZ King Salmon, largest salmon farming producer has applied for consent for monitoring off Stewart Island. Aquaculture New Zealand and NZ Salmon Farmers Industry Association are key national industry bodies

Data Centres	
Info from: Dave Simpson T4 Group, Steve Canny Great South, Prue Halstead Invest South	
Industry background	All data centres are essentially buildings that provide space, power and cooling for network infrastructure. They centralise a business's IT operations or equipment, as well as store, share and manage data. Data centres are significant users of power and New Zealand's renewable energy status makes the region's power profile very attractive for service providers wanting cleaner emissions. They also thrive in cooler climates and some are increasingly using cold water to cool their systems. A data centre will not provide many long-term jobs, although construction would create a short-term boost in employment. There are other downstream digital industries that are likely to grow off the back of it as well, such as dealing with e-waste. Data centres are a huge growth area worldwide, with a forecast expenditure of \$200 billion on infrastructure next year
Proposed industry	The opportunity for Southland is to build a value proposition around carbon-neutral centres in a politically stable environment. There are two data centres that are currently being proposed in Southland: DataGrid and T4. These developments are not mutually exclusive and serve different parts of the market
Proposed opportunities	DataGrid In January 2021 announced a NZ\$700m data Centre proposed for Southland with the aim of taking up the spare energy load from Tiwai on its proposed closure in August 2021. DataGrid has acquired an option on land in Makarewa (7km north of Invercargill) and if it comes to fruition, will be New Zealand's first hyperscale data Centre. North Makarewa was selected because it has an existing Transpower substation connected by three power lines, and two Chorus fibre cables passing through it which – with the new subsea cables – would give it a total of four fibre links. A data Centre is defined as hyperscale when it has in excess of 5,000 servers and 1000 sq. metres linked with an ultra-high speed, high-fibre count network. Companies that generally own and operate hyperscale data Centres are AWS, Microsoft, Google and Apple. Key to the viability of this project is a submarine cable that will connect Invercargill to the east coast of Australia. This will enable hyperscalers such as Amazon, Google, Facebook and Apple to directly serve around 20 million people across Australia and NZ. There is also talk of the Chilean government building a subsea cable linking Chile, Sydney and NZ which would further enhance the proposal. This would also allow Invercargill and Antarctica connectivity

Data Centres	
Proposed opportunities	<p>T4 Group: A second data Centre is being explored by a Southland group of interested parties. Proposing the development of a Tier 4 data Centre which refers to the most resilient level of storage. This offering will deliver the highest levels of reliability and resilience as an economically viable option for NZ businesses. This is currently unavailable in NZ. To be defined as a Tier 4 data centre, the operation must be able to ensure:</p> <p>Zero single points of failure:</p> <ul style="list-style-type: none"> • 99.995% uptime per annum • No more than 26.3 minutes of downtime per annum • 96-hour power outage protection <p>Southland is considered the only viable location for a Tier 4 data centre for the following reasons:</p> <ul style="list-style-type: none"> • Only NZ location with existing infrastructure suitable for a T4 level Data Centre • Lower cost renewable power • Cooler climate will result in significantly lower power consumption • Low risk backup location, geographically removed from the main centres <p>A preliminary feasibility study involving customer validation has been completed and is progressing to the next level of detailed capital expenditure projections. This is a less complex model which could, at its initial stages, co-exist alongside Tiwai and not require any additional power. If funding is secured (local investment will be sought), it is likely to be developed in advance of the DataGrid proposal as it does not require any additional infrastructure, such as a subsea cable, to proceed</p>
Job creation	<p>T4 group: Direct - expect 5-6 FTEs locally growing to 8-10 FTE's over time. Approx. 50% security personnel, growth in future services add-ons. Indirect—expect due to having the facilities available, encourage further local investment in technology related innovation</p> <p>DataGrid: Direct – 40 FTE including security</p>

Data Centres	
Skills & training	<p>Skills required:</p> <ul style="list-style-type: none"> • Planning, engineering and technical • Information technology • Power management and supply • Data and facility security • Air conditioning and environmental control systems
	<p>T4 Group identified Certified Data Centre Technician Professional Course would be a good start for any courses / qualification for people to aim for. Excel in a highly skilled and efficient technical team charged with optimising the operational capability and productivity of the data centre to meet the evolving demands of the business. This is offered overseas and indicated nothing available in NZ. This study should be done as part of working in a DC, having hands on experience is proven to have better results than having only theory</p>
Expected construction date	T4 Group – likely 2022
Expected start date	T4 Group – anticipate 2023
Likelihood happening	T4 Group – medium/high

Green Hydrogen

Info from: Consultant, Great South & The New Zealand Hydrogen Opportunity Report July 2021 (Meridian & Contact), Invest South, HWR

Proposed industry

- Green hydrogen is regarded as the most promising energy source to de-carbonise sectors such as heavy transportation and industrial processes that currently rely on fossil fuels. It is produced by using renewable electricity to split water into hydrogen and oxygen
- The McKinsey & Co report was commissioned by Meridian and Contact, who are investigating the use of renewable energy in Southland to produce green hydrogen at scale once the supply agreement with New Zealand Aluminium Smelter finishes at the end of 2024
- The report estimates global demand could increase more than sevenfold to 553 million tonnes by 2050. Southland has the potential to be at the forefront of this growth opportunity. Supply is ramping up to meet demand, but there are challenges to achieving a large-scale hydrogen economy
- Economic benefits outlined in the report for a 600 megawatt green hydrogen export facility include a one-off addition of up to \$800 million to New Zealand's GDP and the creation of thousands of jobs in construction, as well as up to \$450 million and hundreds of additional jobs on an ongoing basis
- Key conclusions of The New Zealand Hydrogen Opportunity Report:
 - International markets for green hydrogen are imminent
 - New Zealand could become the world's first large-scale producer of green hydrogen
 - Liquid green hydrogen or green ammonia – a decision to make
 - Focus required to support a hydrogen future
 - Bridging the economic gap will require government support
 - A hydrogen production facility can support a dry-year solution
 - The potential for transformational economic change to New Zealand's competitive advantage

Green Hydrogen

Key Commercial Players & Status	<ul style="list-style-type: none"> • Contact Energy and Meridian Energy are seeking registrations of interest to develop the world's largest green hydrogen plant • The Southern Green Hydrogen feasibility study is ongoing, with two further reports to be produced later in 2021 • Fortescue Future Industries (FFI) has signed a collaboration agreement with Murihiku Hapu of Ngāi Tahu, that will see them working together to assess and potentially develop a large scale, renewable green hydrogen production project in Southland. The project proposes construction of a large-scale hydrogen plant in Southland which aims to achieve first production in early 2025, with potential for multiple stages of expansion in future
Job creation	<p>Large scale plant – direct jobs 350-400 – likely to be scaled over time.</p> <p>Medium scale plant – direct jobs 30-40</p> <p>Skills required (similar to Smelter):</p> <ul style="list-style-type: none"> • Process and chemical engineering • Civil / mechanical engineering • Water engineers • Logistics and export planning • Environmental specialists • Shipping / transport • Construction - approx. 600 workers over 3-4 years • On-going FTE workforce 350-400 workers • Service industry workforce involving up to 50 companies
Expected start date	FFI targeting to achieve first production in early 2025

Oat Milk Processing Industry	
Proposed industry	Plant based beverage contract manufacturer NZ Functional Foods Ltd (NZFF) that will produce 12,000 litres/hour with annual capacity of 40 mil litres/year. With further investment, the plant could be scaled to 120 mil litres/year and with further technology would produce a wider range of products
Job creation	25 jobs in 2023, rising to 50 jobs over a 3 year period as throughput approaches 40mil litres Skilled workers - Food Technology, Quality, Operations Management, Engineering, Operations, Sales, Marketing, Accounting, IT Median salary approx. \$80,000
Projected earnings over time	Revenue figures are commercially sensitive, but in the order of \$40-\$60m once design capacity for the factory is reached. Export estimated to be 60-80% of production
Regional value & benefits	<p>Oats perform a range of useful functions on farms including:</p> <ul style="list-style-type: none"> • Absorbing nitrogen left by stock, thus greatly reducing nitrogen leaching • Providing an invaluable break crop between other crops (e.g. barley and wheat) literally breaking disease and pest cycles, meaning farmers can grow these higher value crops using less pesticides and fungicides <p>A range of downstream benefits would also be expected:</p> <ul style="list-style-type: none"> • A new Industry for Southland and indeed for NZ – specialist technical skills in plant-based beverages • Inbound interest from suppliers, customers and related industries • Support and growth of opportunities for arable farming activity • Low climate impact crop – the same volume of oat milk uses significantly less land water and carbon than dairy • Funds for further investment into cultivars and crops which can provide competitive advantage • Flow on of employment opportunities for support businesses • Potential spearhead for developing more value-added food & beverage products in Southland and development of local training to support this

Oat Milk Processing Industry	
Skills & training	University level food technology, food science and food processing degrees that include plant-based food and beverage manufacture – ideally available in Southland and combined with business studies targeted at food entrepreneurs Linkage between new product development businesses and accelerator & business development services like Coin South & Great South
Resources other than staff	With initial annual capacity of 40 mil litres, the plant would require 816 hectares of planted oats
What's needed to make it happen	NZFF says, "A stepping stone Innovation line of 2,000 litres /hour is fundamental. The shift to plant-based foods is a massive global trend. NZ derives a very large percentage of our export earnings from the sale of agricultural products, we simply cannot afford to fall behind in the race toward plant-based milks. Investment in this factory and an innovation line is not only significant for Southland, it's an issue of national significance." Most consents are in place. A renewed waste-water discharge consent will be required.
Expected construction date	Q4, 2021
Expected start date	Q4, 2022

Space Industry	
The industry	<p>Southland has a natural advantage for monitoring, downloading data from satellites and providing launch monitoring services. There are opportunities to innovate in the area of earth observation data to enable efficiencies for Southland's existing industries and to develop new data services. In addition there are opportunities to support the development of technical support for businesses</p> <p>Building, installing and maintaining satellite tracking stations for clients is currently the main income</p>
Job creation	<ul style="list-style-type: none"> • Employing 5 people and working on getting an international space engineer, subject to visa • Plus contractors for builds and servicing
Earnings over time	<ul style="list-style-type: none"> • Currently more than self funding. Forming separate stand alone company which will pay only a dividend to Great South and then have retained earnings for development • Earnings are 'weightless exports'
Regional value & benefits	<ul style="list-style-type: none"> • Puts Southland on the map • Southland, as a result of sponsorship from the European Space Agency as well as from Tiwai, has one of the highest rates of young people completing physics at secondary school and going through to engineering programmes • Helps youth see possibilities in science. 250 students through last year. Work with Youth Futures

Animation, Gaming and Film	
What SIT offers	Animation, Game Design, Film and Audio https://www.sit.ac.nz/Courses/Film-Animation-Game-Design?campusId=1
Numbers of students	<ul style="list-style-type: none"> Numbers of students in 2021 are: film 20, animation 45, game design 10 Max capacity when the new centre is open will be 40 in each year, but can increase this by double streaming, and the blended option of people taking part by zoom The department takes part in SIT's Trades Academy in Schools. From 6 students in 2020, there are 24 students in 2021. all of whom have indicated they are likely to study full time at SIT after leaving school
Why is SIT prioritizing these disciplines?	<ul style="list-style-type: none"> SIT is building a new campus, costing \$17mil which will be ready for occupancy in 2022. It is the first in the public sector to move into animation, gaming and film, plus music and audio SIT already has a world class recording studio – a BBC replica and hosts some top recording artists There are linkages between SIT courses and architecture, graphic design, 3D drawings, CAD design and engineering design. Coding in particular is a crossover skill to other industries with students covering a number of fields https://www.stuff.co.nz/business/opinion-analysis/125123649/how-diversity-could-fill-nzs-need-for-tech-experts#comments https://www.stuff.co.nz/entertainment/games/125861918/worldclass-wellington-homegrown-video-game-company-a44-hopes-to-deliver-second-blockbuster The course contributes to attracting people to Southland. Approx. 30% of students stay in Southland on graduation. Of these, about 50% set up on their own and about 50% enter paid jobs in companies
Constraints to retaining graduates in Southland?	<ul style="list-style-type: none"> Lack of night entertainment Lack of housing Difficulty in finding out what's on. Proposal that SIT could provide an I-Site function from its new campus

Murihiku Regenerate

Murihiku Regenerate

- Murihiku Regenerate (MR) is a collaboration of the 4 Papatipu Runanga of Murihiku. Murihiku Regeneration has been established to work closely and collaboratively with the crown, giving voice to the Treaty partnership, to ensure a clear, coherent plan for a prosperous Southland. This has been triggered by the uncertainty surrounding the future of Tiwai, COVID-19, and the impact these kaupapa have on the community. Business cases for existing and new industries are being developed, which includes vocational pathways, research and innovation. Specific Kaupapa MR are actively engaged in currently are: green hydrogen; aquaculture; data storage and property developments in Central Otago
- Puta I Tua is a Māori Future Skills Strategy that is designed to effect system change to improve equity in education, improve Māori education achievements and move a much greater percentage of Māori into high skilled jobs. This work is supported by the 4 Papatipu Runanga of Murihiku/Southland and Murihiku Regenerate - given our current and future demographic and given Iwi engagement in new Industries in Southland; Iwi are committed to enhancing career and wellbeing pathways for Māori
- That these plans are sorely needed is evidenced by the situation of Māori in education and the workforce:
 - Māori unemployment is two to three times that of Pākehā,
 - The pay gap for Māori is twice that of the gender pay gap
 - Māori are concentrated in low-pay sectors, predominantly labourers (30%)
 - Māori youth have lower rates of academic achievement in Southland. Just 33% obtain Level 3 or above compared to 47% for pakeha and 44.7% for the region overall. In addition Māori youth in Southland are at least twice as likely to experience education exclusion or disadvantage
- Māori in Southland have a greater proportion of Rangatahi (0-24 years) in that age profile than in the older population which suggests Māori will be a significant contributor to our future productive workforce

Murihiku Regenerate

- The plan for change, detailed in Puta I Tua (Future Skills Strategy), is to re-orient Māori pathways towards future focused careers which pay better, offer opportunities for progression and protect whanau from future recessions. Puta I Tua has developed strategies and identified the actions needed to reach it's targets of an additional 6000+ Māori in high skilled jobs and additional 400+gaining Level 3 NCEA (South Island wide). In Murihiku, it is forecasted 1000+ jobs will be created between 2023-2026 ([Te Matapae | Infometrics](#))
- Murihiku Regenerate and Murihiku Papatipu Rūnanga continue to gather data and evidence to support their regional economic business cases.

For more info. on Puta I Tua, see [Putai-Tua-Strategy.pdf \(maorifutures.co.nz\)](#) and for more detailed information on Māori employment and education, see Statistical Report in Appendix 1, pgs. 16-20 & 30-31

Transition of NZAS staff on plant closure

Expected closure is Q4 2024

Transition & retention of staff at Tiwai into businesses in Southland

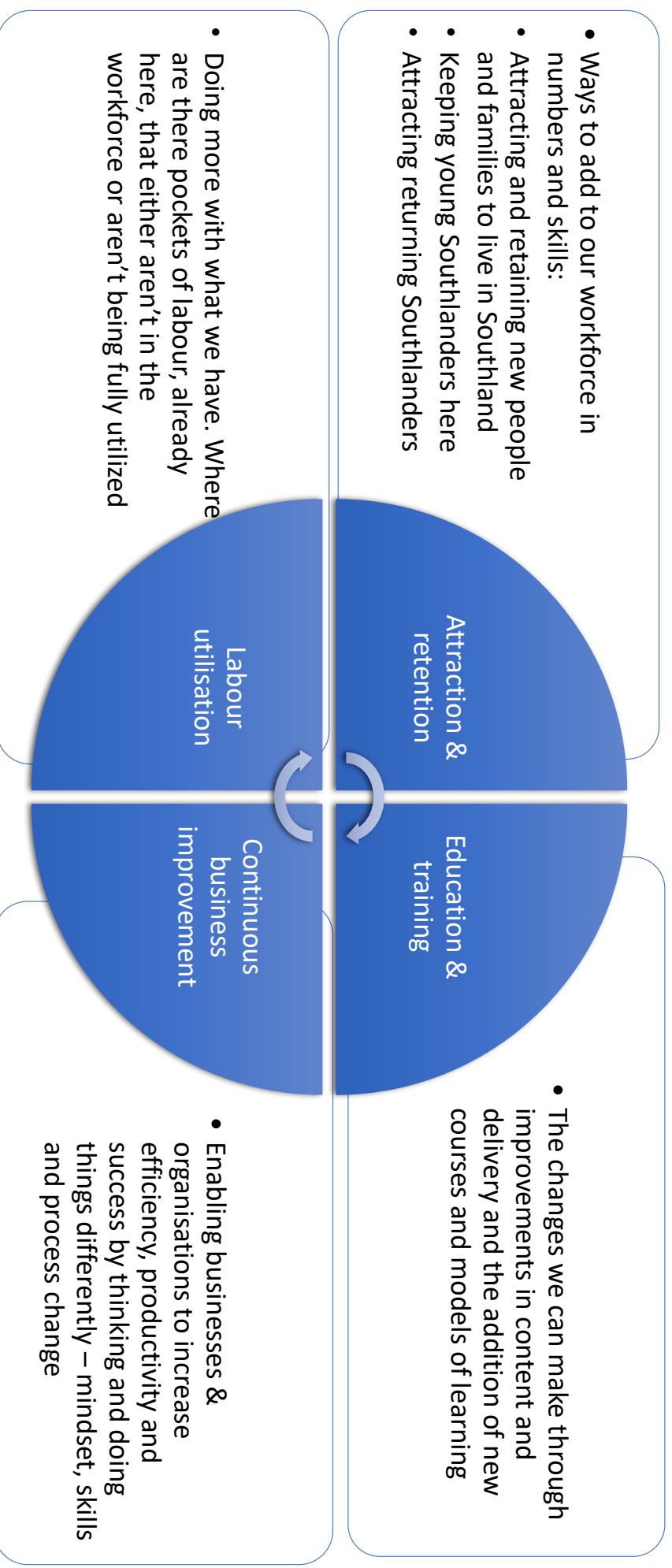
NZAS Transition

Number of employees	708 (excludes contractors)
Role types	Trades - 129 Operations - 365 Leadership/ Professional/ Technical – 214
Demographics – retirement age	16% current employees at or over retirement age in 2025
Individual future plans	<ul style="list-style-type: none"> All employees will be given an opportunity to participate in My Future Plan program Will include a support package and access to subject matter experts to assist with preparing for their future endeavours – whether that be future employment or otherwise This will include training/re-training/re-skill for other roles and include connection with local businesses for future employment Will commence next individual discussions to understand future desires in Q4 2021 and progress through until operations cease (bulk of program to occur in 2023-2024) NZAS will encourage our contracting groups to offer a similar support program to contractors who are regularly based at Tiwai
Latest direct and indirect numbers	2020 NZAS employment contributions (NZAS 2020 sustainable development scorecard and socio economic impact assessment report) <ul style="list-style-type: none"> 738 direct employees 257 contractors 1282 indirect and flow on impacts
Industry types included in indirect numbers	<ul style="list-style-type: none"> Manufacturing Construction Retail trade Professional, scientific and technical services

Solution pathways to consider

What would the main pathways be to develop solutions for Southland, based on what we've learned from our research?

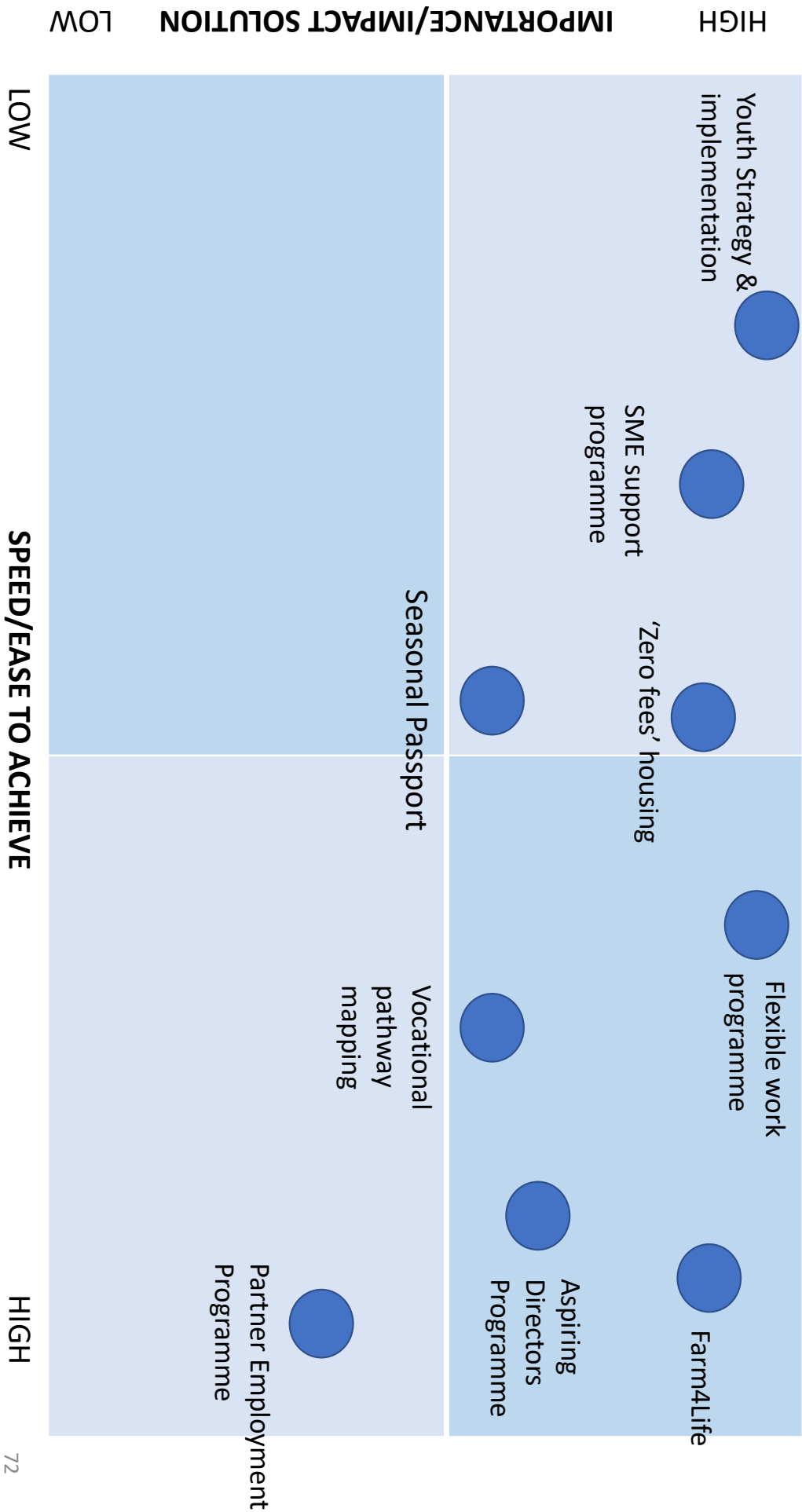
Solutions pathways to consider



Solutions - project examples

Attraction and retention	Education, skills and training
<ol style="list-style-type: none"> 1. The next Zero Fees idea – interest free house deposits so ‘everyone gets a house’ (t&cs apply!)? 2. A bold regional programme positioning Southland as a leader in work/life balance 3. Develop regional narrative/stories 4. Separate businesses like GP’s, dentists, teachers to explore model such as where high schools acted jointly to attract international students 5. Housing issues must be addressed – quantity and quality 6. Partner employment assistance service 7. Incentivisation schemes for staff as ‘recruiters’ 8. Utilise demographic information from Southland Workforce Strategy to understand target market, and assist with targeted marketing campaigns 	<ol style="list-style-type: none"> 1. Review offerings against the 3 E’s – early, experiential and engaging 2. Farm 4 Life model 3. Well defined vocational pathways illustrating clear career progression with real examples 4. Establish local retail tertiary training 5. Roving cadetships for SME groupings 6. Employer education – change their approach/attitude so they aren’t expecting working conditions to continue as they used to be 7. Governance programme that is accessible and builds strong pool of up and coming directors, with a database for businesses to search for right skills set
Labour utilization	Continuous business Improvement
<ol style="list-style-type: none"> 1. Develop a Southland Youth Strategy & understand why we have so many youth not in the workforce and how this can be changed 2. Work with others investigating a 12 month job for seasonal workers (Taranaki, Beef & Lamb NZ & Primary ITO, MSD) 3. More flexible rostering/work conditions to suit those with limited hours available (working parents, retirees) 4. Upskilling aging workforce in digital skills 5. Investigate potential in refugee community 	<ol style="list-style-type: none"> 1. Clusters like SOREC – businesses, industry and the region working on key initiatives for change 2. Supporting SMEs to make the shift in thinking and acting differently through success stories, modelling, peer persuasion, incentives. Its not a one-off workshop or seminar. Requires ongoing coaching and quality mentorship in areas including: <ul style="list-style-type: none"> • Governance – create database for new aspiring directors/skillset • Strategy • Succession planning • Operational excellence

Matrix for assessing solution ideas



Regional business engagement

Insights gathered from in-depth interviews, focus groups, and surveys

General business	Organisation	Topic
Neil McAra	Chair, Southland Chamber of Commerce	Economic development
Mike Shafford	Murihiku Regenerate	Regional development
Aimee Kaio	Regional Investment, Ngai Tahu	Regional development
Prue Halstead	Manager, Invest South	Economic development
Anna Hufstutler	E Tū Union	Worker perspectives
Anna Stevens	Southland Housing Champion, Chamber	Housing supply
Ben Lewis	Great South	Economic reports
Future industries		
Dave Simpson	T4 Group	Data Centre
Dave Taylor	Technical Director, Aquaculture New Zealand	Aquaculture
Ted Culley	Sanford	Aquaculture
Steph Hopkins	Policy Manager, Aquaculture New Zealand	Aquaculture
Sarah Brown	Consultant	Hydrogen
Steve Canny	Great South	Hydrogen, Oats, Space
Hamish Small	SIT	Animation & gaming

Aged Care		
Margaret Brown	Manager, Calvary Hospital	Aged Care
Sharron Adler	Manager, SDHB Older Persons Contracts	Aged Care
Accommodation & Hospitality		
Chris Ramsay	CEO, ILT	Accommodation & hospitality
Kate French	Owner, The Batch Cafe	Hospitality
Geoff Thomson	Managing Director, Distinction Hotels	Accommodation
Primary Sector		
Daryl Thompson	Chair Rural Contractors Association NZ	Rural contracting
Andrew Morrison	Owner, Daryl Thompson Contractors	
	Chair, Beef & Lamb New Zealand	Sheef & Beef Farming
Simon Hopcroft	Fonterra Co-operative Council	Dairy Farming
	Dairy Farmer (Western Southland)	
Richard Kyte	Manager, Thriving Southland	Environment
Rob Phillips	CEO, Environment Southland	Environment/Regulatory
Bernadette Hunt	Vice president, Federated Farmers Southland	Farming
Matthew Richards	CEO, Fortuna Group	Dairy Farming
Paul Marshall	Chair, iRSLG	Dairy Farming
Warwick Low	Marketing Manager, Vet South	
Tangaroa Walker	Farm 4 Life	Dairy / Education

Transport		
Elliott Mitchell	GM Human Resources, HWR	Transport & Infrastructure
Kim Hill	Business Improvement, HWR	Business Improvement
John Stevens	Business Improvement, HWR	Business Improvement
Education		
Ivan Hodgetts	Ministry of Education	School education
Onno Mulder	CEO, SIT	Tertiary education
Maree Howden	SIT	Health/Nursing
Hamish Small	SIT	Tertiary education
Jarlath Kelly	Principal, Verdon College	Secondary education
Doug Rodgers	Trades Faculty, SIT	Tertiary education
Simon Mandal-Johnson	Teacher Supply & Strategy Design, Ministry of Education	School education

Local Council		
Rhiannon Suter	Strategy Manager, Invercargill City Council	Council projects & staffing
Cameron Macintosh	CEO, Southland District Council	Council overview
Michelle Stevenson	Policy Manager, Southland District Council	Council projects
Rachel Miller	Environment Southland	Council projects & staffing
Amy Kubrycht	Human Resource Manager, Environment Southland	Staffing
Matthew Bayliss	Gore District Council	Council projects
Construction		
Scott O'Donnell	Managing Director, HWR	Commercial
Geoff Cotton	Invercargill Central Project Manager	Commercial
Nick Hamlin	Southland District Council	Commercial
Kerry Archer	President NZ Master Builders Association	Building
Brent Knight	McCulloch Architects	Commercial & Residential
Boyd Wilson	CEO, Bonisch Consultants	Commercial & Residential

Professional Services		
James Harvey	Partner, McCulloch & Partners	Accounting
Paul Rowe	Well South	GPs
Jayne Jepson & Michelle McClimont	SDHB	Hospital
Kelvin Khoo	Southland Dentists Association	Dentists
Hamish McKenzie	GM Human Resources, SBS Bank	Banking
Mark Mclean	GM Member Experience, SBS Bank	Banking
Manufacturing & Engineering		
Jessica Robinson	HR Manager, Rio Tinto	Tiwai & transition staff
Joe O'Connell	Finance Director, KG Richardson Group, Chair, SBS Bank	Forestry processing Banking
Ceri Mcleod	Manager, SOREC	Manufacturing Engineering
Nigel Reaney	Managing Director, LMAC	
Richard Grey	Operations Manager, Fonterra	Dairy Manufacturing
Shashank Pande	Plant Manager, Alliance	Meat Processing
Mary-Ann Webber	NZ Functional Foods	Food Processing
Ross Smith	CEO, Blue Sky	Meat Processing
Steve Lindsay	GM, Southland Real Estate	Real Estate

Retail		
Bradley Patton	Owner New World, Elles Road	Supermarkets
Kelvin Mooney	General Manager, Warehouse Invercargill	Retail
John Green	Managing Director, H & J Smith	General retail
Tracy Key	Mitre 10	Hardware retail
Focus Groups		
Advanced Engineering Workshop (2)		
Chris Hughes	CEO, McLeays Precision Engineering	
Nathan Barker	CEO, Sheet Metalcraft	
Gareth Dykes	CEO, FI Innovations	
David Glen	CEO, Stabicroft	
Dean Addie	CEO, EIS	
Nigel Davy	CEO, JKS	
Ceri McCleod	Manager SOREC	
HRNZ		
Tracey Whyte	HR Consultant, HR South	
Janet Ellis	GM Human Resources, Southland District Council	
Rebecca Faithful	GM Human Resources, Stabicroft	
Katherine Frost	GM Human Resources, EIS	
Helen Young	GM Human Resources, South Port	
Dave Stevens	Gm Human Resources, Powernet	
Online Surveys		
Business survey via Chamber & Great South	58 responses	

Appendices

Supporting data & information

Appendix 1

Southland Murihiku Workforce Demand Study Supporting Document – Data

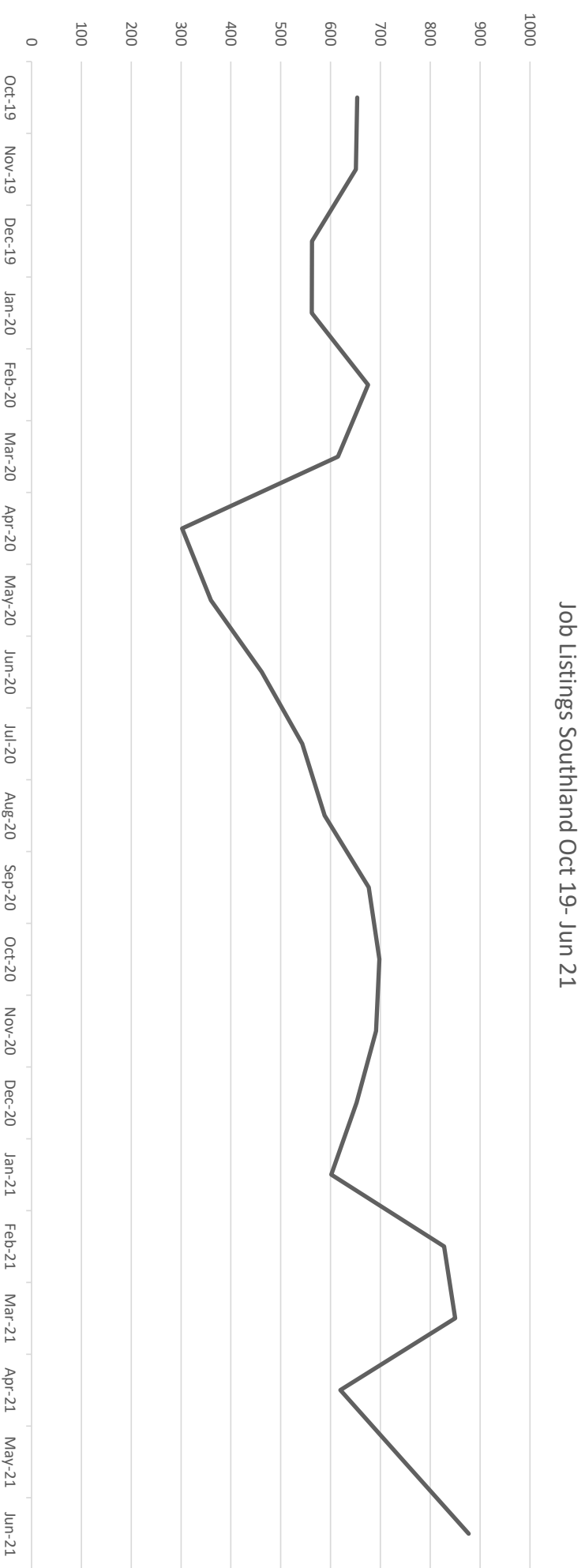
[This report has been produced by the RSLG Southland Murihiku Advisor – MBE, and is supplied as a separate report]

Appendix 2

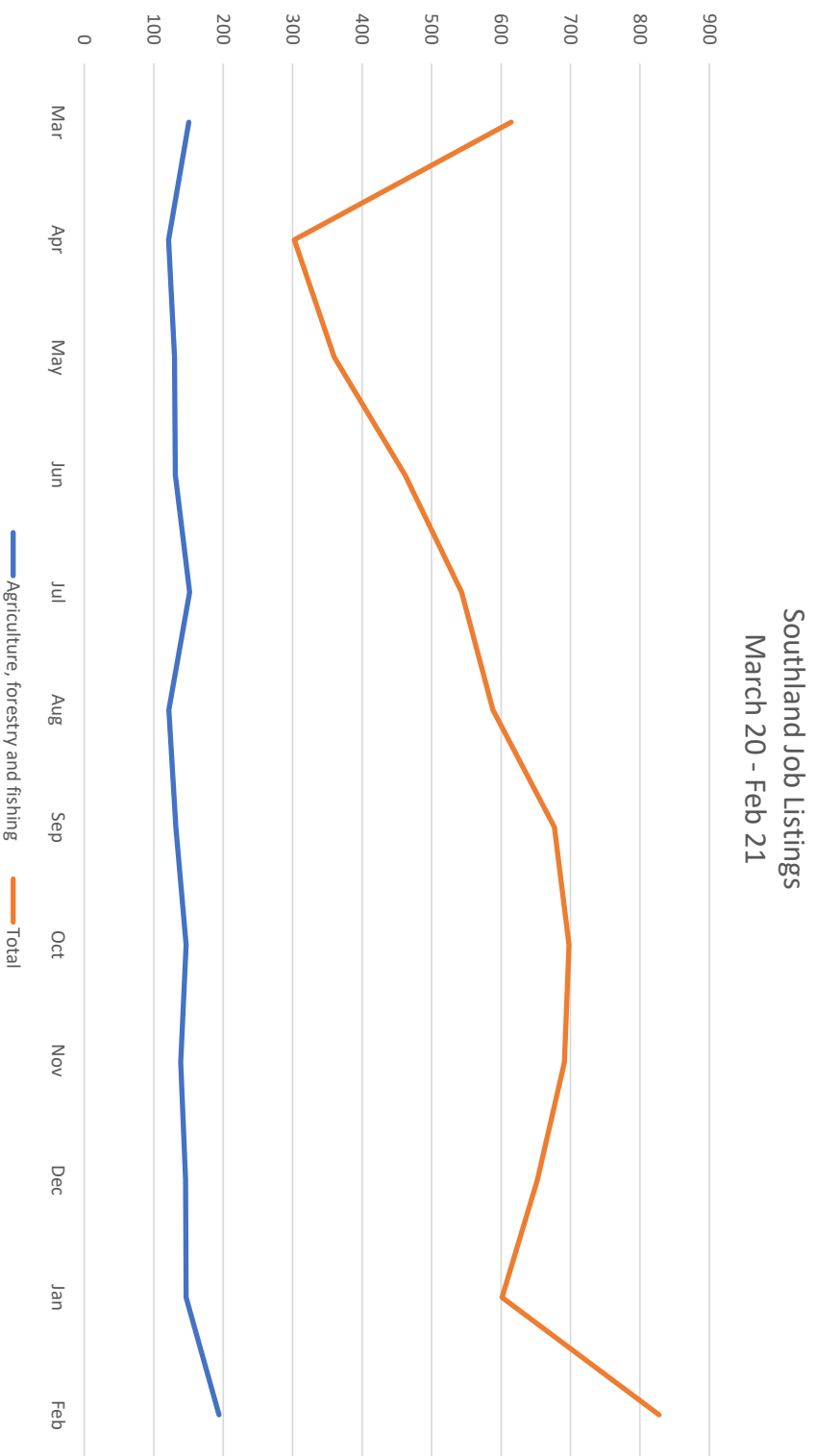
**Online business survey results and analysis
[Supplied as separate report]**

Appendix 3

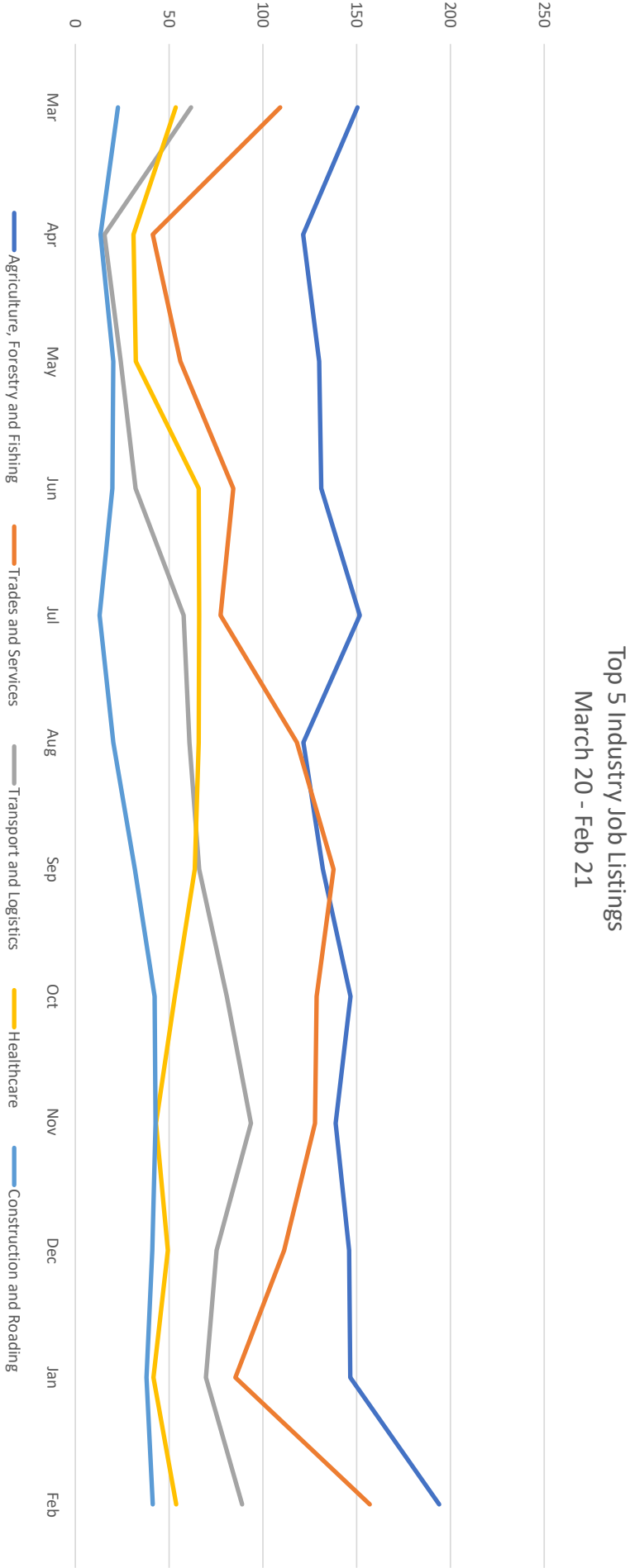
Appendix 3: Great South Job Listing Data



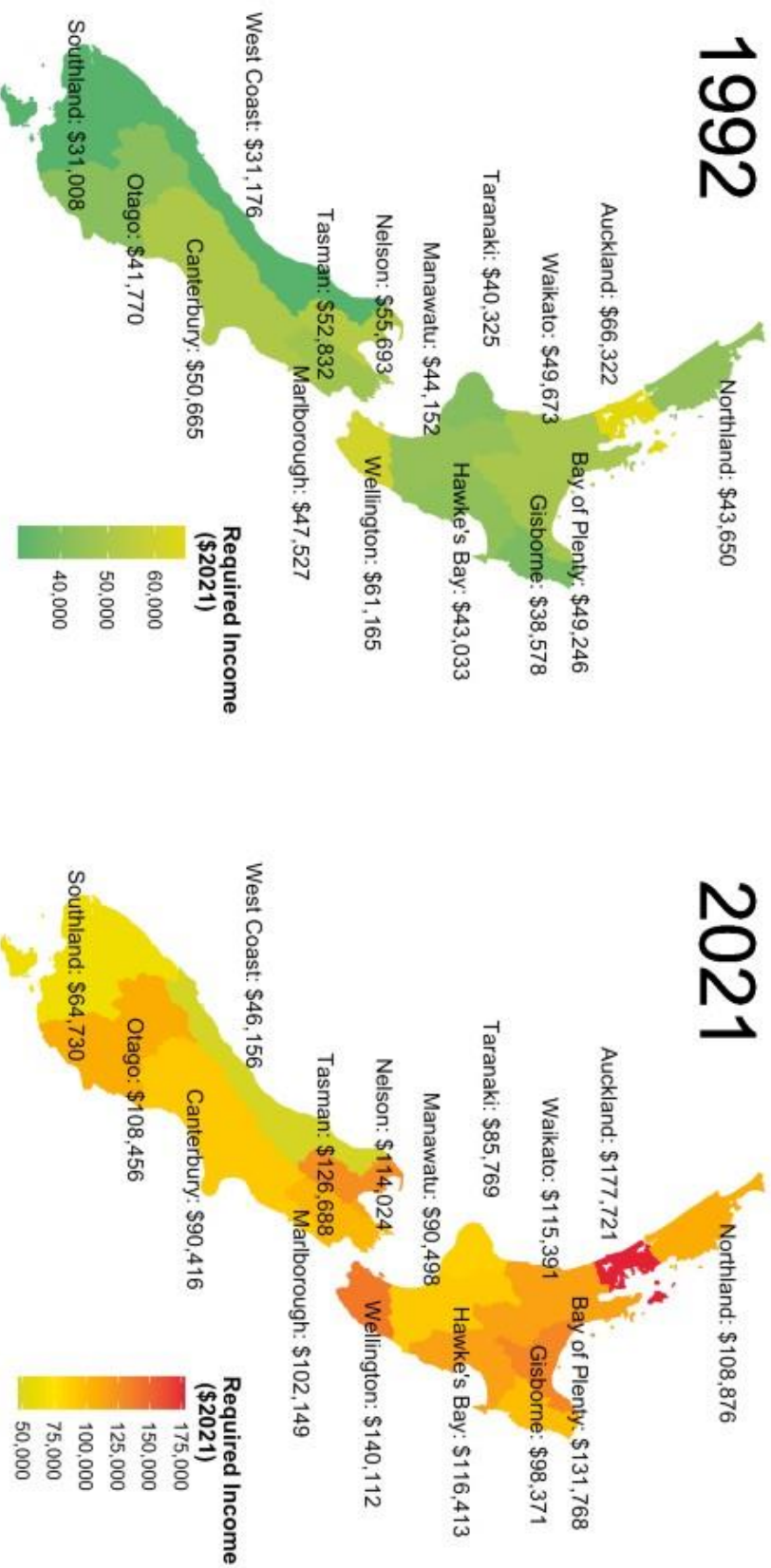
Appendix 3: Great South Job Listing Data



Appendix 3: Great South Job Listing Data



Appendix 4



Source: Article by Emma Fitz, From 1992 to 2021, here's how much you needed to earn to afford a NZ house, www.spinoff.co.nz – illustrates Southland 2nd most affordable region in NZ to buy a house