

EMPLOYMENT AND SKILLS IN THE RODNEY DISTRICT

**A Report Prepared for
Work and Income Auckland in association with the
Rodney Economic Development Trust
and the Rodney District Council**

by

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INTRODUCTION

This study provides a snapshot of issues concerning employment demand in the Rodney District to assist in the development of an employment skills strategy, focussing on the provision within the district of quality, sustainable employment for Rodney residents. The research has been commissioned by Work and Income Auckland, in association with the Rodney District Council and the Rodney Economic Development Trust.

The project incorporates two broad goals. First, to gain an informed understanding of potential employment development in the district by identifying industry sectors and trades with development opportunities that will drive employment demand in the district over the next few years. Particular focus has been given to core existing industries such as construction, and also to emerging industries such as film and television production, tourism and wine making, in order to gain insight into potential skill demand in those industries. Attention has also been given to identifying any impediments to future employment opportunities and growth in the district, such as seasonal work, transport and location.

The second goal, intimately connected with the first, is to identify and clarify issues concerning employee skills and training that are experienced by employers in seven industries in the Rodney District. These industries are hospitality, retail, bio-business, construction, medical and community services, manufacturing and tourism. The study identifies existing skills shortages and skills gaps, and attempts to ascertain the nature of those shortages and gaps, why they exist and how they could be addressed. Attention is given to issues such as the relevance of courses offered by education providers, employer training programmes and their links with education providers, and employer awareness of support schemes available.

RODNEY DISTRICT - POPULATION OVERVIEW

Population and settlement¹

Rodney District lies directly north of the Auckland metropolitan area. It incorporates a wide diversity of pastoral and coastal landscapes, and combines a number of rural, village and urban communities, each with their own unique character, and particular social and economic focus. The district population in the 2001 Census was 76,182, showing 39 percent growth in the decade from 1991. Rodney's rate of population growth for the decade compares with population growth of 10.8 percent for the whole of New Zealand, and is significantly higher than that in other territorial authority areas in the Auckland region, as shown on the table below. The population of Rodney District is projected to grow 53 percent between 2001 and 2021 if past growth rates are sustained. This population expansion provides an indication of the number of new jobs required to ensure that residents are able to obtain employment within the district.

Table 1: **Percentage Growth in Usually Resident Population 1991-2001**

Area	1991 Census	1996 Census	% growth 1991-1996	2001 Census	% growth 1996-2001	% growth 1991-2001
Rodney District	54,795	66,486	21.3	76,182	14.6	39.0
North Shore City	152,646	172,164	12.8	184,821	7.4	21.1
Waitakere City	137,001	155,565	13.6	168,750	8.5	23.2
Auckland City	306,210	345,768	12.9	367,734	6.4	20.1
Manukau City	226,002	254,277	12.5	283,197	11.4	25.3

The district consists of three wards, the Northern Ward, the Eastern Ward and the Western Ward. The Northern Ward comprises a predominantly rural area largely devoted to pastoral farming and forestry, and also incorporates the village settlements of Wellsford and Warkworth, and the growing urban areas of Snells Beach, Algies Bay and Mahurangi East. Within the ward, the Matakana area incorporates an expanding viticulture industry together with other horticultural enterprises, and a growing tourist industry built around the wineries and scenic coastal and rural landscapes. The population of the Northern Ward was 17,987 in 2001 and comprised 23.6 percent of the total district population, growing 26.3 percent over the preceding decade.

¹The statistical information used in the following discussion is drawn from national census data from 1991, 1996 and 2001, unless otherwise stated.

The Eastern Ward incorporates the Hibiscus Coast, which consists of the urban areas of Hatfields Beach, Orewa, and the Whangaparaoa peninsula. The Rodney District Council is based at Orewa, the largest commercial centre in the district. The Whangaparaoa peninsula contains urban development along most of its length, and incorporates significant retail and light industrial commercial activity. The Silverdale area contains extensive light industrial and commercial development adjacent to the Northern motorway and is closely connected with the nearby commercial and residential areas in the Hibiscus Coast. The Eastern Ward covers the smallest land area of the three wards but has the largest population, which totalled 32,612 in the 2001 Census, or 42.8 percent of the district population. The 48.7 percent rate of growth of the Eastern ward population over the decade to 2001 was the highest of the three wards, comprising almost 50 percent of the total district population growth over the period.

The Western Ward is particularly diverse. There are significant areas of pastoral farming, forest plantations that include the Woodhill and Riverhead forests, and a range of settlements. These settlements include the township of Helensville, located on the Te Awaroa river mouth into the Kaipara Harbour, and the small township of Kaukapakapa further north. To the south lies the busy commercial centre of Kumeu, as well as the areas of Coatesville and Riverhead which contain a large number of rural lifestyle blocks. The 2001 population of the Western Ward stood at 25,583, or 33.6 percent of the total in Rodney District. In the decade to 2001, the population of the ward grew 37.4 percent.

Table 2: Rodney District - 2001 Census Population Overview by Ward

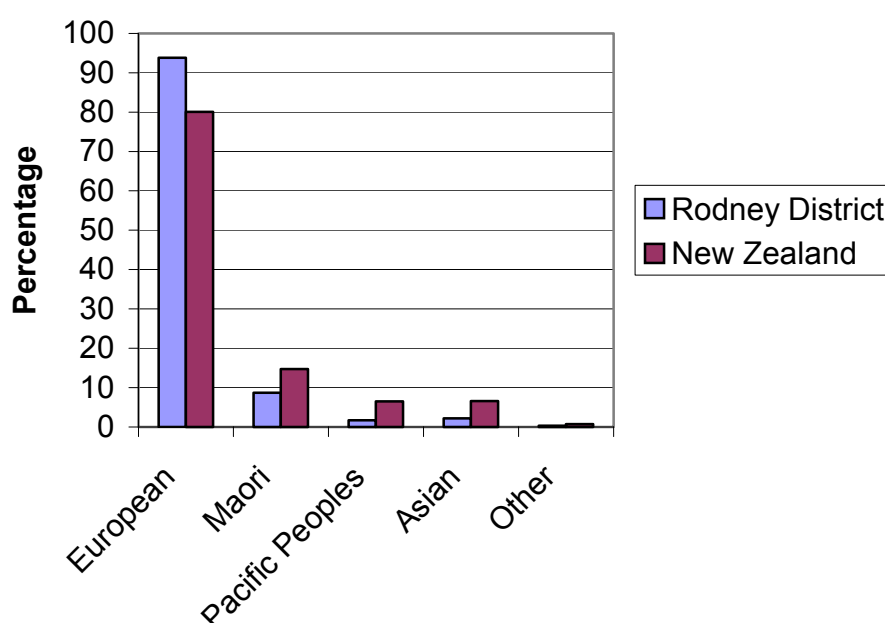
	Northern Ward	Eastern Ward	Western Ward	Rodney District
Total	17,987	32,612	25,583	76,182
Share of District Population	23.6%	42.8%	33.6%	100.0%
Growth since 1991 Census	3,740	10,685	6,962	21,387
% Growth since 1991	26.3%	48.7%	37.4%	39.0%
Share of District Growth Since 1991	17.5%	49.9%	32.6%	100.0%

Source: Statistics New Zealand, 2001 Census.

Ethnic Groups²

In the 2001 Census, over 93 percent of people in Rodney reported that they belong to the Pakeha ethnic group compared with 80 percent in New Zealand overall. The proportions of Pacific peoples (1.7 percent) and Asian peoples (2.2 percent) are less than the national average (6.5 percent and 6.6 percent respectively). Maori comprise 8.7 percent of the Rodney population against 14.7 percent for all of New Zealand. However, the proportion of Maori is uneven across the district, with Wellsford (23.8 percent), Leigh (15.2 percent), Parakai (17.9 percent), South Head (15 percent) and Helensville (18.8 percent) having a higher proportion of Maori residents.

Figure 1: **Ethnic Groups 2001**



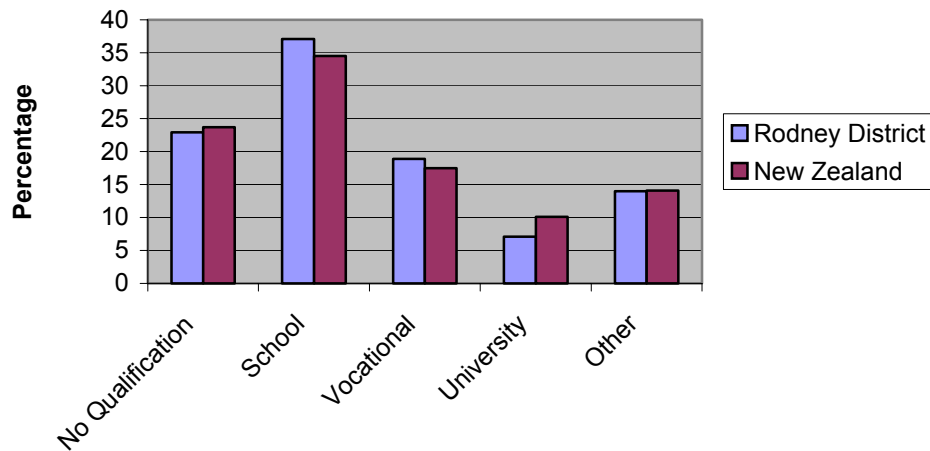
Source: Statistics NZ, 2001 Census

Education

The proportion of Rodney residents who reported in the 2001 census that they have no educational qualification was 22.9 percent, similar to the national average of 23.7 percent. The proportion of people in Rodney whose highest qualification is secondary school (37.1 percent) or vocational (18.9 percent) was marginally higher than the national rates (34.5 percent and 17.5 percent respectively). Rodney residents having university qualifications comprised 7.1 percent of the population, lower than the rate for New Zealand overall (10.1 percent).

²The percentages for ethnic groups may total more than 100% as some individuals may specify membership of more than one group.

Figure 2: Highest Qualification

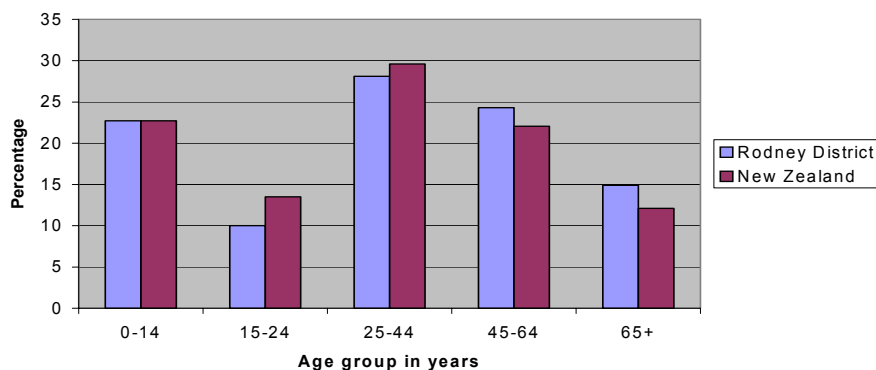


Source: Statistics NZ, 2001 Census

Age Distribution

The median age of Rodney District residents in 2001 was 38.6 years compared with 34.8 years for New Zealand overall. A total of 11,349 residents were aged 65 and over, comprising 14.9 percent of the population, compared with 12.1 percent for New Zealand overall. The district had 17,304 people under 15 years, 22.7 percent of the population, the same proportion as New Zealand as a whole. People between the ages of 15-24 years comprised only 10 percent of the Rodney population, as against 13.5 percent nationally.

Figure 3: Age Structure Rodney District Residents and New Zealand 2001

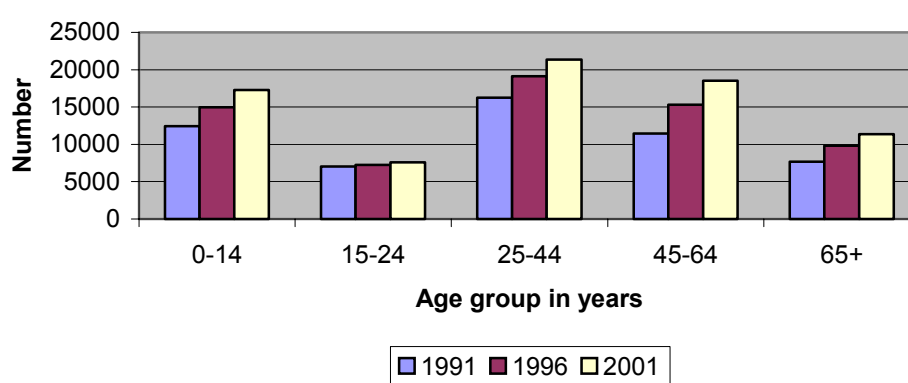


Source: Statistics NZ, 2001 Census

Population Change by Age Groups

Although the population of the Rodney District grew 39 percent over the decade to 2001, this growth has not been consistent across different age groups. The graph below shows substantial increases of the population in each age group except for the 15-24 year group, which shows only minimal numerical increase from 7,023 in 1991 to 7,608 in 2001, a mere 8.3 percent increase. This can be contrasted with the population in the 45-64 age group, which increased from 11,430 to 18,543, a 62.2 percent increase.

Figure 4: Age Structure of Rodney District Residents 1991-2001



Migration

The primary reason for this unevenness appears to be that migration rates across different age cohorts have been variable. The following table incorporates a detailed breakdown of rates of migration of different age groups, comparing the rates for Rodney with other territorial authority areas in the Auckland region and New Zealand as a whole. Of particular note are the very high rates of influx into the district of people aged 30-39 years, with an associated high rate for children under 10 years of age. There is also a significant rate of inflow of people aged 55-69 years, although the rate appears to be declining.

However, there is a high rate of migration outflow from Rodney of young people aged 20-24 years compared with other territorial authority areas in the Auckland region and New Zealand overall. The rate of migration loss for this age group is estimated to be 17.16 percent for the five years to 1996 and 23.22 percent for the five years to 2001. The 15-19 age range also shows losses over both five year periods.

Reasons for the outflow may include the desire to travel overseas, reflected in the overall rate of outflow from New Zealand, and the attraction of major urban areas such as central Auckland which, it can be noted from the table, has high inward migration of these age groups. Other factors influencing the movement from the Rodney District may include poor public transport systems in the district, the location of tertiary education providers in cities, a lack of employment opportunities and limited social opportunities and facilities for young people.

Table 3: Net Migration Gains/Losses for 1991-1996 and 1996-2001

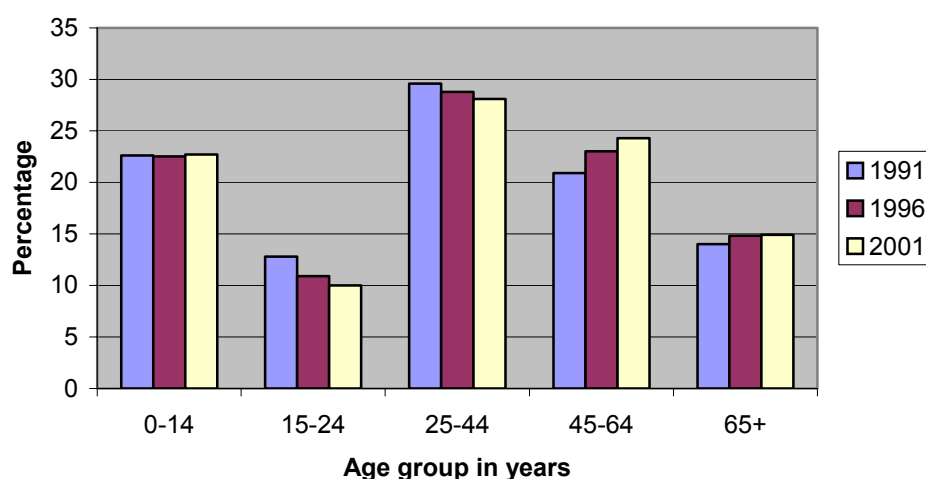
	North Shore City		RODNEY DISTRICT		WAITAKERE CITY		Auckland City		NZ TOTAL	
Age Range*	1991-1996	1996-2001	1991-1996	1996-2001	1991-1996	1996-2001	1991-1996	1996-2001	1991-1996	1996-2001
0-4	13.79	6.98	24.39	22.38	10.79	7.94	12.56	6.63	4.72	0.1
5-9	17.25	12.12	24.18	23.89	5.26	0.98	2.98	-3.96	4.4	2.6
10-14	23.52	15.21	16.93	12.11	6.94	1.22	13.07	11.45	5.27	0.97
15-19	23.44	18.3	-1.09	-2.5	7.07	8.4	28.79	18.93	3.27	0.67
20-24	0.69	-4.9	-17.16	-23.22	0.99	1.23	36.74	32.82	-4.13	-8.35
25-29	4.36	-7.1	27.41	11.22	13.25	6.02	15.18	7.94	1.29	-8.64
30-34	17.8	11.43	40.96	35.25	14.02	10.39	10.6	3.34	8.25	2.61
35-39	17.12	10.6	28.61	27.84	7.13	2.68	4.96	-2.28	5.24	1.87
40-44	13.15	8.17	19.82	15.6	5.65	0.25	7.93	-1.96	3.99	0.84
45-49	6.3	2.88	11.2	7.36	2.9	-0.06	7.93	-1.32	2.87	0.16
50-54	0.7	-2.34	21.55	10	1.78	-1.49	3.36	-1.39	1.82	-0.2
55-59	-2.13	-4.02	26.8	12.24	3.38	-1.04	0.36	-1.36	2.37	0.61
60-64	-2.52	-0.95	36.74	13.56	0.88	-0.28	-1.19	0.31	2.89	2.22
65-69	-0.18	-0.03	20.9	12.95	2.71	-1.37	-1.73	-0.81	2.1	2.33
70-74	3.77	1.29	10.36	4.88	5.66	1.72	-1.94	-4.03	1.69	1.04
75+	4.28	1.19	9.36	5.29	3.67	2.03	-2.61	-0.96	-0.36	1.08
ALL Years		4.94		12.96		3.17		3.63		-0.19

It should be noted that under 5 net migration estimates have high uncertainty/errors. The 60 years and upwards have high errors due to modelled deaths. Figures are based on applying a dated Statistics NZ 1995 parameterised national fertility and mortality model to each ethnic population to arrive at total population estimates for each Territorial Local Authority (James Newell, Personal communication, November 2002)

Age Group Proportions Over Time

A consequence of the in- and out-migration figures is that the proportionate size of the 15-24 age group has declined significantly over the decade; from 1991 to 2001 the proportion in this age group dropped from 12.8 percent to 10 percent of the overall population of Rodney District. Although the Rodney population is expected to continue to grow strongly for the foreseeable future, the loss of young people is of concern. Unless the trend is reversed, the district must continue to attract migrants to prevent the population ageing to the extent that there is a shortage of productive workers. This may include attracting back to the district those who have left in their earlier years. Furthermore, in future years the rate of the district's population growth through migration may decline as the population density reaches an optimum level. This may mean that ensuring young people remain within the district will become a key planning priority. Issues dealt with in this report concerning apprenticeships, tertiary training and the development of employment pathways are relevant to the formation of appropriate strategies.

Figure 5: Age Structure of Rodney District Residents 1991-2001



Source: Statistics NZ, 1991, 1996 and 2001 Census

RODNEY DISTRICT: EMPLOYMENT OVERVIEW

Table 4: Employment by Occupation

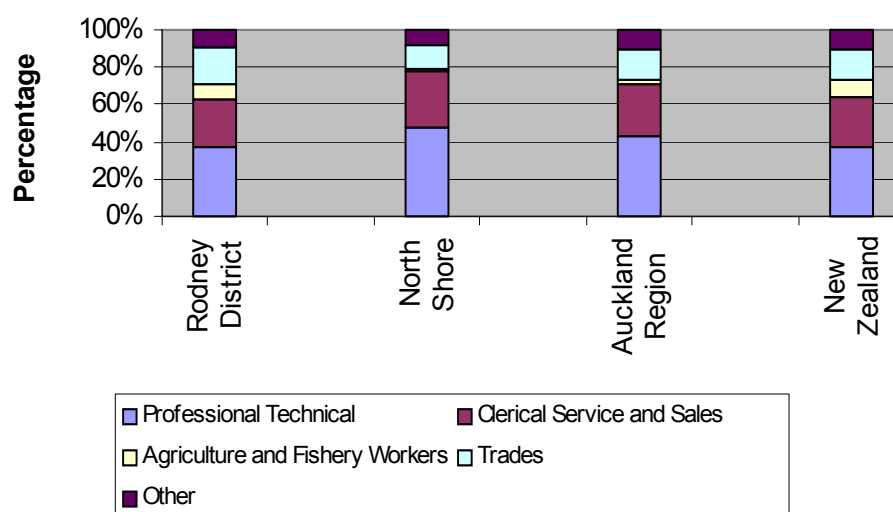
	Rodney District	North Shore City	Auckland Region	New Zealand
Professional and technical	37.3%	48.2%	43.1%	37.4%
Clerical Service and Sales	25.0%	29.8%	27.8%	26.6%
Agriculture and Fishery Workers	8.9%	0.7%	2.4%	8.8%
Trades	19.5%	12.9%	15.9%	16.7%
Other	9.3%	8.4%	10.8%	10.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: Employment by Occupation 2001 Census

In the 2001 Census, Rodney had a similar proportion of residents in professional and technical occupations (37.3 percent) to New Zealand overall (37.4 percent), but a significantly lower proportion than North Shore City (48.2 percent) and the Auckland region overall (43.1 percent). As would be expected with a district with large rural areas, employment in Rodney in agriculture and fishery occupations at 8.9 percent is high compared with the level in the Auckland region, but similar to that in New Zealand overall. The proportion of residents employed in trades in Rodney (19.5 percent) is higher than the proportion in the comparison areas.

Figure 6: Occupations in Rodney District

(Employment by Industry Sector 2001 Census)



The Northern Ward incorporates very high employment levels in agriculture, forestry and fishing at 17 percent of employed persons, compared with the New Zealand average of 8 percent. Of note, also, is the rate in the construction sector (9 percent vs New Zealand average 6 percent) and the relatively low rate in property and business services (10 percent vs 14 percent).

Showing some similarity to the north, employment in the Western Ward in agriculture, forestry and fisheries at 11 percent of employed persons is high compared to the national average of 8 percent. Again, there is a high employment rate in the construction sector (10 percent).

Employment in the Eastern Ward in the wholesale and retail trade sector is high at 23 percent compared with the national average of 18 percent of employed people, as is construction (12 percent vs 6 percent). Employment in agriculture, forestry and fishing is minimal, in strong contrast to the other two wards. Property and business service employment is quite significant (17 percent vs 14 percent). Of note, also, is the relatively low rate of employment in hospitality against the national average (3 percent vs 5 percent), which is true of all three Rodney wards.

Table 5: Employment Sectors - Employed Persons 15 Years and Over (2001 Census)

Industry	Northern Ward	Eastern Ward	Western Ward	New Zealand
Retail and wholesale trade	16%	23%	17%	18%
Property, finance, insurance and business services	10%	17%	16%	14%
Health, personal services, recreation and community services	11%	14%	13%	14%
Manufacturing	14%	12%	13%	13%
Agriculture, forestry and fishing	17%	1%	11%	8%
Education	6%	5%	6%	7%
Construction	9%	12%	10%	6%
Accommodation, cafés and restaurants	4%	3%	3%	5%
Transport and storage	3%	3%	3%	4%
Other	13%	10%	8%	11%
Total	100%	100%	100%	100%

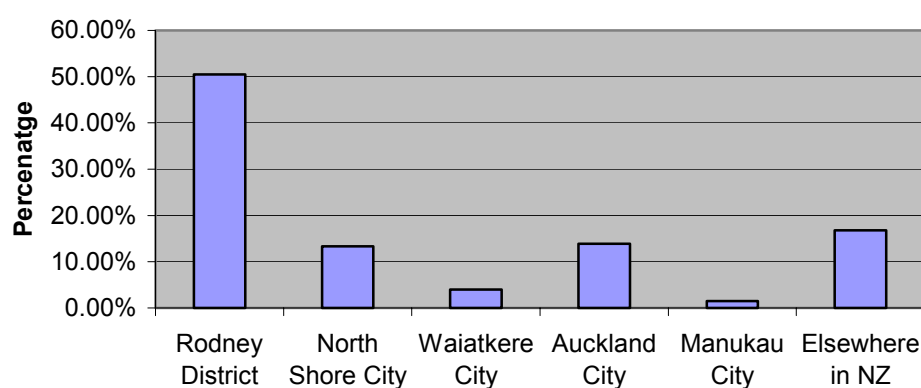
Source: Statistics New Zealand, 2001 Census

Employment - Place of Work

The discussion in the preceding two sections represents both employment by occupation and the industry sectors in which Rodney residents were employed at the 2001 Census, and needs to be considered in the context that many Rodney residents are employed in locations outside the district. Overall, almost 50 percent of Rodney residents were employed at workplace locations other than Rodney.

The census data records that residents of the Northern Ward tended to work locally (up to 70 percent), with minimal numbers working in the Auckland region (less than 10 percent). In direct contrast, only around 45 percent of employed residents of the Eastern Ward were employed locally, with approximately 40 percent working elsewhere in the Auckland region. The Western Ward showed more diversity, with around 50 percent of the population working locally in the Helensville, Parakai, South Head and Kaukapakapa areas, but with a substantial proportion (approximately 30 percent) working elsewhere in the wider Auckland region. In areas such as Dairy Flat, Kumeu, Riverhead, Muriwai Beach and Taupaki, approximately 50 percent of employed residents worked outside the district in the wider Auckland region, with around 30 percent working within the ward. In summary, the 2001 census records that a substantial proportion of employed residents of the Western and Eastern wards worked outside the district, in contrast with the Northern Ward in which most employed residents worked within the ward boundaries.

Figure 7: Rodney District Residents - Place of Work 2001



Source: Statistics, NZ 2001 Census

Employment - Contemporary Overview

The data utilised in the following discussion is sourced from the Statistics NZ Business Frame compiled for each year in the period 1997-2003. The Business Frame data includes all employing units located in the Rodney District with GST turnover greater than \$30,000.00 per annum and/or employ two or more full time equivalent persons (FTE's)⁴. As information from enterprises directly involved in farming is outside the scope of the Business Frame data, the discussion omits consideration of direct employment in agriculture. Given that the Census data records that employment levels in the agriculture sector in parts of Rodney District are well above the national average, this omission may significantly distort the picture that is able to be painted of contemporary employment patterns. Statistics NZ advise that there is no data available for agricultural employment subsequent to the 2001 Census, which may be a notable statistical lacuna for a country in which agriculture represents a key component of economic activity. Furthermore, it should be noted that the Business Frame data excludes smaller enterprises that are not GST registered.

Business Units and Employment

Rodney District has a large proportion of small enterprises. The table below indicates the size of geographic business units in Rodney in terms of the number of full time equivalent (FTE) employees for each business location. It should be noted that 90.4 percent of business units in the Rodney District comprise five FTE's or less, compared with the national level of 83.8 percent. Moreover, the proportion of business units in Rodney with greater than five FTEs is lower than that nationally, across all group size categories in the table.

Table 6: Full-time Equivalent (FTE) Employee Group Size for Geographic Business Units⁵

FTE Group Sizes	0-5	6-9	10-19	20-49	50-99	100+	Total size group
Rodney District							
Number	6,805	384	223	92	14	10	7,528
Percent	90.4	5.1	3.0	1.2	0.2	0.1	100.0
Total New Zealand							
Number	271,629	23,662	16,165	8,552	2,356	1,475	323,839
Percent	83.8	7.3	5.0	2.6	0.7	0.5	100.0

Source: Statistics New Zealand, 2003 - Business Units and Employment by Industry

⁴Full time equivalent persons engaged equal the sum of full-time employees and working proprietors plus half of the part-time employees and working proprietors.

⁵A geographic business unit is a separate operating unit engaged in New Zealand in one, or predominately one, kind of economic activity from a single physical location or base.

The following table shows the number of business units and FTE's in each industry category for 2003, as well as the percentage of each and the average number of FTE's per business unit. Again, it must be reiterated that this data must be read in the context that farming businesses and employees are excluded. The column showing the average number of FTE's per geographic business unit (GBU) for each industry reflects the comments made above concerning the size of Rodney business enterprises. Only the manufacturing and education categories have an average of more than five FTE's per GBU.

The construction industry is the largest employer, incorporating 3,840 FTE's, or 18.7 percent of total FTE's, although the combined retail and wholesale sector has a similar number with 3,800 FTE's. Manufacturing, with 3370 FTE's, is also significant, incorporating larger enterprises with an average of 5.5 FTE's per GBU. Property and business services comprise 14 percent of GBU's, although it is interesting to note the very low rate of employment for each business unit, averaging 1.2 FTE's.

Table 7: Geographic Business Units (GBU) and Full-Time Equivalent (FTE) Employees by Industry 2003

Industry	Number of GBU's	% of total GBU's	Number of FTE's	% of total FTE's	Average FTEs per GBU
Construction	1,547	20.5	3,840	18.7	2.5
Retail and wholesale trade	1,112	14.8	3,800	18.6	3.5
Manufacturing	616	8.2	3,370	16.4	5.5
Property, finance, insurance and business services	2,459	32.7	2,860	14.0	1.2
Health, personal services, recreation and community services	747	9.9	2,580	12.6	3.5
Education	125	1.7	1,160	5.7	9.3
Accommodation, cafés and restaurants	214	2.8	1,000	4.9	4.7
Agriculture, forestry and fishing	380	5.0	660	3.2	1.8
Transport and storage	226	3.0	650	3.2	2.9
Other	102	1.4	559	2.7	5.5
Total	7,528	100.0	20,479	100.0	2.8

Source: Statistics New Zealand, 2003

Employment Growth by Industry

The following table provides an indication of the rates of employment growth in each industry category from 1997 to 2003. Construction has the largest number of new FTE's with an increase of 1,070, or 38.6 percent. Large numbers of new FTE's are evident in manufacturing (640), property and business services (770) and health and personal services (830). Although the absolute numbers are not large, accommodation and hospitality (29.9 percent) and agriculture, forestry and fishing (34.7 percent) have shown strong rates of growth. Interestingly, retail and wholesale had a relatively low growth rate (13.4 percent), although it contributed 450 additional FTE's.

Table 8: Rodney District Full-Time Equivalent (FTE) Employees by Industry 1997, 2000 and 2003

Industry	1997	2000	2003	Change FTE's 1997- 2003	% change 1997-2003
Construction	2,770	3,980	3,840	1,070	38.6
Retail and wholesale trade	3,350	3,440	3,800	450	13.4
Manufacturing	2,730	2,880	3,370	640	23.4
Property, finance, insurance and business services	2,090	2,560	2,860	770	36.8
Health, personal services, recreation and community services	1,750	2,230	2,580	830	47.4
Education	1,000	1,040	1,160	160	16.0
Accommodation, cafés and restaurants	770	910	1,000	230	29.9
Agriculture, forestry and fishing	490	570	660	170	34.7
Transport and storage	590	690	650	60	10.2
Other	605	545	559	-46	-7.6
Total	16,120	18,830	20,479	4,359	27.0

Source: Statistics New Zealand, 1997, 2000 & 2003

Registered Unemployed

Work and Income has three Service Centres located in Rodney District: Warkworth in the Northern Ward, Orewa in the Eastern Ward and Helensville in the Western Ward. The following table records the numbers of registered unemployed in the Rodney District as at December 2003.

	Warkworth	Orewa	Helensville	Rodney Total
Number of Registered Unemployed	236	501	314	1,051

Source: Work and Income Analysis of Registered Job Seekers, Auckland Region, December 2003

RODNEY DISTRICT COUNCIL INITIATIVES

The Rodney District Council has developed an economic strategy for the district, outlined in a report entitled 'A Living Vision for Rodney's Economy - Jobs, Wealth and a Sustainable District'. The vision outlined in the report is for Rodney to be 'the best district in the country - economically, socially and environmentally' by creating 'a district in which people can live, work and be prosperous' (Rodney District Council, 2002:3). Key employment targets to be achieved by 2010 are to create 5,000 new jobs in the district, and to have less than 60 percent of the Rodney workforce earning less than \$30,000 per annum. A goal to be achieved by 2006 is to have at least 60 percent of the workforce employed within the district. The strategy incorporates initiatives in the growth sectors of tourism, bio-business, manufacturing and commerce, forestry and quarrying, education and training, and community life, as well as a number of specific industry projects.

The Rodney Economic Development Trust was established in 2002. The Trust operates as a local economic development agency, focussing on attracting and supporting new business ventures in the district. There is a working partnership arrangement between the Trust and the Rodney District Council. Furthermore, the Rodney District Council has entered into an agreement with Work and Income to co-operate and collaborate in specific initiatives to facilitate community well-being and create work opportunities in the district. The agreement anticipates that the Rodney Economic Development Trust will be involved in the implementation of the aims outlined in the agreement. A specific goal of the agreement is to develop an employment and skill strategy, focusing on key sectors/industries with high employment opportunities. This report is an initial step in the development of that strategy.

Outlined in the 'Vision Rodney' document (2003), the Council has recently completed an extensive consultation process with the residents of Rodney concerning their vision and aspirations for the future of the district. Key aspirations include maintaining a relaxed outdoor lifestyle, keeping the rural feel and greenbelts intact, retaining distinctive towns, villages and communities, avoiding urban sprawl, caring for the environment and being able to make a living within the district.

REPORT OUTLINE

The remainder of the report is structured as follows: after a brief discussion of the survey methodology, Section 1 provides a qualitative analysis of potential employment development in the district by identifying industry sectors and trades with development opportunities as well as identifying some possible impediments to future employment growth. The analysis also discusses vocational training and education issues arising in the qualitative interviews. The second section examines issues reported in the employer telephone survey around employee recruitment and vacancies. Attention is given to employer responses concerning hard-to-fill vacancies, including the causes of these and the outcomes for the company. Other issues addressed include employee skills and proficiencies within the company and barriers that might exist to employers developing and maintaining a fully capable team of people in the future. The final section summarises employers' attitudes to education and training provision in their particular industries.

At the end of the report, we have provided a list of useful references and websites that will keep research participants up-to-date with national and regional developments by government agencies and other organisations. The websites provide information on skills shortages, supply and demand and other relevant data.

SURVEY METHODOLOGY

The Rodney Economic Development Trust (REDT) identified 7 industries that will be the focus of this research and these are: hospitality, retail, bio-business⁶, construction, tourism, medical and community care⁷ and manufacturing. This research was approached from two angles:

First, during April and May 2004, 12 people belonging to various businesses and community organisations were approached about their views on employment, education and training to gain an informed understanding of potential employment development in the Rodney District. The names of people to be interviewed were supplied by the REDT. On average, each interview lasted for one hour, with ten of the twelve interviews being audio-taped and later transcribed. Excerpts from some of the transcriptions are included in the qualitative analysis. These in-depth interviews were conducted in a relatively informal, semi-structured and open-ended manner, framed around the following themes:

Employment development in the district, identifying:

- sectors/trades with development opportunities and potential career paths;
- 'emerging industries' and future skill demand in those industries;
- possible future employment demand over the next few years;
- opportunities for, and barriers to, future employment growth;
- factors influencing employment opportunities such as seasonal work, transport and location; and
- how to attract residents to work locally.

Issues concerning employee education and training, identifying:

- industries with skills gaps, and the nature of those gaps;
- why skills gaps exist, and how they could be addressed;
- employer training programmes and their links with education providers;
- employer awareness of support schemes available; and
- employment issues relating to immigrants – settlement and recruitment, special needs – training, productivity, inclusion and acceptance.

Secondly, 85 employers in the Rodney District were interviewed by telephone in the seven focus industries. Contact details for the enterprises in the sample were provided by the REDT. The survey was not representative of workplaces in the Rodney District as larger employers are over-represented and we did not include companies that employed less than 4 full-time equivalent employees at some time during the year. For several enterprises, employment numbers fluctuated due to seasonal demand. This offered us a broad snapshot of issues regarding employment and skills across a range of industries. Every effort was made to ensure that all responses are confidential and these are aggregated so no single employer can be identified.

The questionnaire has been adapted from the Employers Skill Survey (2002), which was designed to investigate the extent, causes and implications of skills deficiencies in England. The Labour Market Dynamics Research Group has conducted a similar study in Waitakere City in November and December, 2003. This was a pilot study in which we trialled the questionnaire and we are conducting similar surveys for the North Shore and Waitakere City. The areas addressed in the survey include:

⁶ Bio-business industries include: agriculture, dairy, vegetables under glass and wine making

⁷ Medical and community care industries include: health care centres, retirement villages and rest homes

- The extent to which employers face difficulties in recruitment and whether the lack of skills contribute to these difficulties;
- The main causes of skill deficiencies identified by employers and the consequences of these;
- Employers' perceptions of the skills gaps among those currently employed; and
- The relevance and effectiveness of education and training provision for their companies.

The questionnaire, containing some closed and open-ended questions, includes background information on the business surveyed such as growth, turnover, hard-to-fill vacancies, various attributes like competencies related to the jobs that were difficult to fill, the effect that the lack of these has on the company, skills and proficiency in the organisation, qualities and skills lacking in present staff, barriers to developing and maintaining a fully proficient team and the ability of education and training providers to remain relevant in the labour market today.

We have found in this study and in others (see for example McLaren and Spoonley, 2004; Spoonley et al., 2002 and Bartley, et al., 2001), that it is difficult for employers in New Zealand to find the time to devote to surveys. We are most grateful to the employers who have taken part in this study.

Given that we surveyed seven industries and only interviewed a small number of employers from each industry, the results should be viewed with caution. In spite of this, however, the information from the qualitative interviews together with the responses from employers we interviewed by phone, have identified recurring themes and this provides a picture that will assist in the development of a skills strategy in the Rodney District.

A. QUALITATIVE INTERVIEWS

INTRODUCTION

The core theme of this study is employment development, and this necessarily involves consideration of two broad interrelated sets of issues centred around labour supply and employment demand. Employment demand issues include identifying current employment demand, potential future employment demand and the industries in which this is likely to occur, and consideration of specific issues that may advance or hinder the development of employment in the district generally, and within specific industries. Labour supply issues relate to the availability of appropriately skilled employees, of which the relevance and availability of education and training is a key component.

The qualitative research discussion is divided into four sections. The first deals with the emerging industries of tourism and wine making, and film and television production. The second section discusses the trades in the construction industry, including a perceived skills shortage, and suggestions made by those interviewed to improve pathways into trades careers. The third section discusses broad issues, affecting all industry sectors to varying degrees, concerning employee skills and training and also core employee attitudes and attributes. The final section introduces key transport issues raised by the interview participants that specifically relate to the Rodney District.

SECTION 1: EMERGING INDUSTRIES

TOURISM AND WINE MAKING

The following discussion, divided into two parts, centres on employment issues in the winemaking industry, particularly an anticipated future shortage of seasonal labour, and issues affecting the development of the tourist industry in the district. The tourist and winemaking industries, in the Matakana area at least, are intimately interconnected. The discussion of both has therefore been combined into one section of the report. Two interview participants operate tourist and hospitality businesses in the Matakana area in the Northern Ward. One interviewee is involved in a tourist enterprise that centres on an adventure activity, but also incorporates a café. The second interviewee operates a vineyard and associated winery, and a licensed restaurant attached to the wine making operation. Material relating to the wider promotion of the district as a tourist destination is also drawn from other interviews.

Part 1: Viticulture and Horticulture

The content in this discussion is drawn from an interview with the proprietor of a vineyard and associated winery in the Matakana area. Key issues identified in relation to viticulture and the wine industry, and possibly the horticulture industry generally, are the expected growth of local production, and the demand pressure this will place on the availability of seasonal labour.

Wine and Horticulture Industry Growth

There are a number of existing wineries already producing wine, many of which sell directly to the public, and a considerable number of new vineyards being developed but not yet in production.

...at the moment there are six [wineries] open to the public that attract visitors. There are another three or four established wineries don't have the facilities [for] people to go in and try or buy their wine so they export it, or they distribute through some other means. We had a meeting recently where we tried to invite all the people that we thought had a stake in the wine industry in the area and there was about twenty two vineyards represented.

The wider horticulture industry in the Matakana area is also expanding.

... the capsicum place ... is really huge... always expanding, and I understand that Manders Mandarins, they have made some additions to that, which I understand makes it the largest either mandarin farm or citrus farm in the southern hemisphere. These are all things that can't be mechanized ... the mandarins they use them for export, so [they are] all picked by people.

Seasonal work

There are three key types of work directly involved in the wine production process: winemaking, pruning and maintenance of the grape vines, and grape picking. Grape picking is labour intensive work that must be done within tight seasonal time frames.

... most wineries use tertiary qualified people to do the [winemaking]. There are some other skilled elements in the vineyard like pruning... I have a couple of guys to do that but that has come from on the job training. The next area where labour is important in the vineyard itself, it tends to be ... relatively low paid seasonal type of work, as we expect there to be times when we don't need anybody and there can be times such as now, when we are harvesting, we might need twenty people a day for weeks on end.

There is a network of local people who are involved in the seasonal labour circuit picking grapes and other horticultural produce. However, although sourcing seasonal labour has not been a problem to date, it is anticipated that there will be a shortage due to increasing demand, possibly within the next two years.

[Seasonal workers] tend to be slightly older people, or people who are mothers and have children at school, or people in their forties, fifties, sometimes even their sixties, that want to keep busy [and] active.

Up until now there has not been a major issue finding people. It tends to be that ... when the mandarins are finished, for example, the avocado people are looking for pickers, and so that group of people move on to them, and then ... the grapes are ready to come in. There tends to be a pool of people that are known and move around the area that at this stage can satisfy the demand.

But I can see that in a couple of years [when] some of the new vineyards... come online [that] will put real pressure on the labour pool, because vineyards by their nature... when the grapes are ready to be picked they need to come in pretty quick... The labour pool is going to go where they get the most money, which is going to put pressure on wages which will in turn put pressure on profit or pricing. You see that happening in other much larger regions like Hawke's Bay and Marlborough where you have got, especially in Marlborough, ... huge vineyards planted and a very small population. They find it hard to get people to pick...

There are no simple solutions to the anticipated labour shortage. Centrally organised labour gangs, some brought in from outside the district, may be necessary to manage any future shortage of grape picking seasonal labour.

None of that [seasonal work] is coordinated at a central point [using] ... a contract and a gang... [I use] people that I already have on my books... so there is not much point in using that service here, but I can see that that it is going to happen.

... there is not a large unemployed population in the area, and you have got to start bringing people in... from outside the area ... It got to a point in Marlborough where they have been employing immigrants, because the immigrants are the only people who are willing to do that sort of work. They bus in, and a lot of vineyards take gangs of people from Hawkes Bay down to Marlborough for the Vintage house and feed them. Expensive exercise.

Wineries and Tourism

The small wineries in the Matakana area generally need to sell their production directly to the public in order to obtain a premium price and maximum profit margin. For this to be successful, wineries must offer visitors a special experience, thereby contributing to the attraction of the area as a tourist destination.

...for a small winery to get a decent return on their investment they need to sell most, or a decent proportion [of their production] on their own premises to make full margin on it. To do that successfully you have to command a premium price [by] adding value to the wine with things like the ambience of the place, creating an experience for people so they are more willing to pay premium price...

Summary

There are a number of wineries currently producing wine, many selling directly to the public, making them an integral part of the emerging local tourist industry. Grapes grown in the vineyards attached to these wineries are currently picked by a network of local people, who move in a circuit of seasonal picking of various horticultural crops in the local area. Although there is no current shortage of seasonal picking labour, it is anticipated that there will be a shortage of labour in the next two or three years as a significant number of new vineyards come into production, and the wider horticultural industry continues to grow.

Part 2: Tourism

Key issues identified in the two interviews were the significance of tourism for the generation of local employment, a perceived threat to the tourist industry created by a process of lifestyle block subdivision, ensuring that new tourist ventures are compatible with the existing industry and the general character of the area and signage and promotional branding.

Tourism and Local Employment

One respondent suggested that the tourist industry offers considerable benefits by stimulating many aspects of the local economy, thereby directly generating local employment.

With the dairy industry you have a farm and one truck that goes in and pumps out all the milk. It's probably being looked after by a couple of people. Milk gets trucked outside the area... the area doesn't get to see much of the benefits. Whereas, a vertically integrated business like... the restaurant, we are buying a lot of local food, employing a lot of local people, using a lot of local services. We might have attracted a customer up here for the day. They have spent money here. They will stop and fill up at a petrol station, ...or stop in town and buy an ice-cream, might stop on the side of the road and buy a bag of limes. That is where the tourism industry really has strength. We are integrated into the region for people in the area, visitors spending a dollar here generate a lot more employment ... and if there is work for people in the area people move to the area.

Lifestyle Block Subdivision

Both interviewees expressed considerable concern about the ongoing process of subdivision of large blocks of farm land into smaller lifestyle blocks, which is perceived to be diminishing the attractiveness of the area as a tourist destination, as well as compromising its character for existing residents.

[Lifestyle block subdivision has] been actively encouraged everywhere and the country is being broken up. Another thing that is bad for tourism is ribbon development along all the roads. Ugly developments and you drive from one ugly little township to another. Now, we have to ask ourselves why do New Zealanders go over to Europe and why are they so enraptured with the places that they visit there. Why do they think it's so beautiful? Because the places are hundreds and hundreds of years old, they're crumbling and decaying but they're still beautiful. It has to be something to do with planning and the way they're situated, and I think that we should be looking at that... Clustering of housing into villages - attractive little villages - and then large areas of undeveloped land around them. The way we are going, we are going to cover our country with these stupid little piecemeal plots.

[A key issue is] infrastructure... the planning issues protecting what currently makes this area attractive. The area is attractive because it is green area, it is a cultural area, it is an area of nice open spaces and beautiful beaches... As the pressure builds, people want to subdivide their properties into smaller and smaller blocks. [The attractiveness of the area] has to be protected because otherwise, overnight, we will all say all the things we shifted here for... are all going, and the reasons that people have to visit us. They will think it is just another Auckland suburb. So, it is a matter of managing the pressures of those developments, where people can still make money, can still get a return on their investment, but not at the expense of the whole region.

New Tourism Ventures

Similarly, one respondent suggested that ensuring that the development of new tourist ventures is in keeping with the character of the area is critical to the preservation of the key advantages the area offers as a tourist destination, particularly the attraction of the wine industry.

I think the area has a set of unique selling points that makes it successful, and that new ventures need to ... be done with integrity. So it is not like you would do a Rainbows End fun park here... because it wouldn't be appropriate for the area. You do look at other areas of the world, places like Nappa Valley, Barossa Valley and Hunter Valley, they are all very successful regions for the whole range of things that they offer the visitor, but they all relate in some way to the wine industry or to the sort of physical aspects of the region. Adventure tourism ... would be appropriate if it was done in a sensitive sort of way.

Promotion: Branding and Signage

Members of the Matakana tourist industry have developed and are promoting their own brand.

Matakana Coast Wine Country is a promotional brand to try and promote the region. It is built around the vineyards because, for whatever reason, people like to visit vineyards and [have a] whole sort of picture in their minds that is built around having vineyards... As well as really beautiful beaches, we have got three great regional parks, we have got some really interesting artists open to the public, we have a whole range of really interesting accommodation, things to see and do - activities - horse riding, Kawau Island. The whole idea was to create a brand that [attracted] people in Auckland especially, because we have determined that as our main target market, planning what they want to do for a weekend or a day. It's been done on a very low budget and it's growing quietly all the time, but the brand has been successful for us so far there is a lot more that we can do with it. It's just the funds to really do a television campaign, or a full colour ad in cuisine...

The lack of road signage at the gateway to the Matakana area was criticised.

...there is nothing on the road [State highway one] to indicate where Matakana is... it is not until you come round the corner and you are already on the road out to Matakana that there is a sign... Matakana [Coast] Wine Country, we are about to launch our own promotional signage branding... and then that is our own initiative.

Furthermore, concern was expressed about the effectiveness of the Rodney District Council tourism strategy.

The council is throwing a huge amount of money at their tourist strategy which isn't even proved... they spend a lot of money on a report and a process and talking about it, and we all spent a lot of time in meetings and giving our input. That has been going for a couple of years

now and nothing practical has been spat out the other end... But the Rodney Economic Development Trust is certainly going to bat for us and makes a real effort to try and put the facts to the Council, to try and illustrate how important tourism could be.

Concern about branding and promotion of the district emerged in other interviews. The following comment was made about tourism in the Helensville area, which centres around adventure tourism in the Woodhill and Muriwai forests and on the Kaipara harbour.

Our businesses promote as much as they can. It would be good to have a promotional programme in place for the Helensville area... this area is sort of a playground ... Woodhill forest, get away from the city. But there is never anything about staying here... Promotion, certainly that's something that Rodney District Council economic development trust can get involved in.

Another interviewee suggested that a lack of branding of the Rodney District overall is an impediment to employment growth.

Rodney is not branded well. ... Rodney needs to re-brand itself with a really good solid brand. Rodney has got so much to offer. Warkworth itself is the second most preferred place to live in last year in a survey, after Kerikeri... It's got a [local] community culture but at the same time its got a city culture tapped into it... It is very different and unique... I mean how many communities have got a river that runs up to the main town where the boats come up to get the groceries hop back in the boat and go out to sea again. ... I believe if it was branded well, promoted well, it would absolutely help.

Summary

The interviewees considered development of the tourist industry in the Northern Ward to be critical to the development of the local economy and employment, particularly as tourism is seen to be a labour intensive service-based industry that is broadly integrated into the local economy. Concern was expressed about the impact of rural subdivisions and other developments on the character of the area, which was seen as critical to its attraction as a tourist destination. Road signage for the Matakana area was considered to be deficient.

Promotion and branding of the wider district, both generally and specifically as a tourist destination, emerged as issues of concern to a number of interview participants. Perhaps a stronger relationship between the Rodney District Council and the tourist industry would help address branding and promotion issues.

FILM AND TELEVISION PRODUCTION

Two interviewees are involved in film and television production. One is a representative of a major film production facility currently being established in the Rodney District. The other is involved in the management of regional television, and in the operation of a 3D animation company which produces 3D animation products for a large range of international clients and has recently started a training programme for 3D animators. This section incorporates two parts; the first discusses some implications for the local economy and employment arising from the establishment of the new film park production facility, and the second explores issues affecting the growth of the local 3D animation industry, with particular reference to the quality and relevance of industry training.

Part 1: Film Production

Film Park Facility

The newly established film park, located within Rodney District, consists of 850 acres of rural land, incorporating three secluded valleys, water features, native forests and pastoral scenes, as well as an existing 5000 square metre indoor studio, all devoted to the sole purpose of film making. Additional studio space is intended to be constructed in the future. The park has successfully attracted an international film with a budget of \$178 million, a substantial part of which will be filmed at the park over the next twelve months. The principals of the film park intend to create New Zealand's premium film production facility', the largest and most comprehensive in the country.

... if you want a premium spot that is licensed and is resource consented for an international feature film [our film park] is your answer. If you want somewhere that [has] ... an abundance of space [our film park] is your answer. That is not just coming from me, ... [an executive] from Fox studios in Australia ... said to me this could possibly be the largest back lot in the world for film.

It is suggested that the film production industry is expanding globally.

... film on a global scale, not just within New Zealand at the moment because of the focus on the Lord of the Rings, ... as an industry [it is] expanding ... because distribution channels [have become] much broader.

Over time, it is intended that the park facilities be developed to incorporate three elements: a core business supplying studio and sound stage facilities, a creative precinct housing a range of film-related businesses and an educational facility.

The evolvement of [the] park comes in basically three sections. The first section is the core business which is to supply infrastructure in the form of sound stages and ... a studio for international feature films. The second part is the creative precinct which, at this point, is designated to [comprise] approximately thirty acres to house creative industry suppliers, which are things like set designers, carpenters, electricians. There is really a myriad of services that would normally supply a small town. ... Beyond the creative precinct [will be] an educational

facility to train, ... in the form of cadetships, people from technical learning institutes, so that they get hands on work experience with dedicated trained professional leaders in their field.

The developers of the park see it as the key piece of infrastructure required to generate a local film industry.

We have identified that there is a huge demand on studio space globally, not just within New Zealand. ... At this point in time every studio in the country is full, every sound stage is full. There is no available space, therefore, we will not be taking on any other international films as a country until such time as this infrastructure is put in place. We do have some of the most beautiful outdoor scenic locations in the world, but they still need a base and they still need somewhere to shoot and film on a rainy day.

[We] are getting into the role of a landlord ...creating... those buildings, the masonry, the bricks and mortar because that is the catalytic piece of [infrastructure] ... that's the one piece that you are after that generates the ability to be able to do international feature films.

The significance of the establishment in the district of a base for film production is reflected in the comments made in another interview about the transient nature of film and television production work in the Helensville and Kumeu areas.

Filmmakers are growing in number, particularly through the successes of our local scenes, [the television series] Zena used scenes in Taupaki, the back of Kumeu, Woodhill. We have a couple of New Zealand programmes here... [But] they come and go back again. They came out here, they looked at the Post Office, great building, [and] they looked at the Grand Hotel, excellent building for this particular shot. So it is very much in and out. They're based in Waitakere City... It's not something that is consistent enough...

Employment and the Local Economy

Film production is a complex and labour intensive exercise that takes place over an extended period of time.

... look at ... the mega features, something along the lines of Lord of the Rings, ... other than your integral production crew and your top end of production management, ... twenty six thousand New Zealanders helped create that film. That's twenty six thousand people getting paid to create the film. ... Now that was also split over all of New Zealand, of course, because it was a moving film. But what we are hoping to do is create that type of project at [the] park because the locations there are diverse enough to be able to do that type of thing.

I personally see in the future, with all three sound stages completed, on any one day at [the park], this is without going into a massive outdoor scene of people riding horses over hills in a giant battle scene or anything like that, I see it quite happily sustaining for the actual films themselves between seven hundred and fifty and a thousand people.

The majority of those employed in a film making project are not directly involved in filming, but rather in the construction and deconstruction of the sets and in the myriad of services, such as catering, transportation, security and equipment hire, required to meet the needs of large numbers of people. Consequently, a large number of those directly employed in film production are in the construction trades and associated services.

For the building of sets you bring in carpenters, builders, electricians etc, site management people, occupational safety and health, fire officers, medical officers, transportation - it just goes on and on - just to do one thing, like literally building a building somewhere. ... [With] the manufacturing of [a] film ... you may spend three months building a set to film for five days, and then you will spend another month to six weeks deconstructing the set. So your general labour force, other than your specific labour force of the actual film crew, actually work a lot longer on the movie than the crew.

The principals of the film park believe that film production will stimulate the local economy in a complex, highly integrated manner.

The massive amount of trickle down from [film production is] almost unexplainable. For instance, the caterer goes down in the morning and buys produce from local produce growers, all the ingredients for salads, and bread, and everything. It is all purchased from local sources because they are close... If we [require] electrical supplies we are not going to drive all the way to Auckland city ..., so we call in our local electrical supplier. It goes right through to fuel, ... [and] little things, the things that make you tick - light bulbs, toilet paper, cleaners... So ... at the moment, the security is from Rodney, the cleaning contract is from Rodney, the caterer is from Rodney.

Having large numbers of people working on a film at any one time means that there is a substantial standing cost. Products and services are often required on an urgent basis to avoid the expense of a halt in production, thus creating a preference for local suppliers who are able to respond quickly.

The movie industry is literally twenty four hours a day. If something has to be done it has to be done [now], and what [is] needed... are companies with flexibility to be able to move quickly. ... Now ...geographically...it means that the quickest movement of people to [the park] are going to be people who are based in Rodney... One small example is [the local] Hire Pool... they are the closest hire centre to the largest film development in New Zealand, so, of course, we have had [their] lifters and cranes and things like that for the entire unit.

Employment Sustainability and Business Migration

The park's promoters want to create a sustainable local film industry. They anticipate that some local construction businesses will re-orient their focus towards film work, and that there will be a migration of both film oriented construction businesses and specialist film related businesses to the creative precinct in the park, and to the Rodney District generally.

Our intention is to make it fully sustainable, so there aren't ebbs and troughs of employment, so [that] people can be taken on board in full time positions instead of seasonal or part-time positions. It is one of the things that we do want to avoid, the boom and bust that comes with film. Secondary to that is [ensuring] that there is migration of businesses to [the park]. The creative precinct is ... where we house a hub or cluster of film suppliers. Currently we have already one Australian ... special effects company showing interest in moving into the creative precinct immediately and several other New Zealand businesses who are outside the Rodney District.

My personal belief...is that [the park] will not only increase employment within the Rodney District [generally], but it will also definitely generate job creation of skill sets of people that aren't currently in Rodney. They will either re-educate or the next option is migration of other businesses to fill the supply to fit demand for their services.

Labour Supply and Demand

In response to concern about film production exacerbating an existing shortage of labour in the construction trades in the Rodney District, the interviewee suggested that film production would attract more resident tradespeople to work locally.

... [the park] will initialize a process that will mean that people who are builders and carpenters electricians etc in Rodney will be able to work solely in Rodney, they won't have to go to the city of Auckland to carry out their trade. For those industries that are missing, and they are the specific film creation ones, there will be a ... process of businesses migrating to the creative precinct.

Furthermore, work in the film industry is seen to be attractive due to higher rates of remuneration.

... in the film industry the pay rates are generally a little bit higher than in the general market. The volume of work done over a short period of time is immense ... and with having one or two head set builders or even a set designer on site who keep an eye over your labour force ... I couldn't see any mass shortage in that.

Conclusion

In summary, if the film park develops as anticipated by its promoters, it is likely to have a significant impact upon the local economy, through the stimulation of demand for local goods and services, and direct employment by local construction companies and specialist businesses oriented towards film production, which are expected to migrate into the district. Serious consideration needs to be given to the implications of the development of a local film industry in relation to the capacity of local infrastructure and the availability of skilled trades people, who already appear to be in short supply in the district. The industry has high inter-occupational mobility. de Bruin and Hanrahan (2003), in their investigation into the screen production industry in Auckland, found that it is a multi-faceted, multi-occupational industry for which the human capacity challenge of building a skilled workforce is complex as well as problematic, especially in a competitive labour market.

Part 2: Animation industry training

The 3D Animation Industry

The 3D animation industry may form an integral part of the emerging film and television production industry in New Zealand. The interviewee is involved in a company which produces 3D animation products for local and international consumption.

[Our] animation company [does] animation for TV2, plus our animation is sold to forty eight nations as of last week, which is amazing.

The recent establishment of internet broadband services in the Rodney District is seen as critical to the continued growth of the local animation industry.

One of the [key] scenarios is ... broadband, because we could not do what we are doing without broadband. A year ago we went into a joint venture with the Council and brought broadband onto our [television] masts ... It allows us to expand, and in the last month we have picked up four million dollars worth of overseas work. If we didn't have broadband in the community we would not have been able to do that. We are now currently employing over twenty staff ...

It is suggested that there is a high demand worldwide for suitably skilled animators.

Studies ... done by the film [industry] last year related to the shortage of animators in the country. Our film industry is starting to grow, [and] they have estimated that the shortage in this country is actually world wide, and they don't see a lot of change happening in the next five years.

Industry Training - Quality and Relevance

The interviewee's company has recently established an animation training course that is linked with its commercial production business. The course attempts to address perceived shortcomings with existing training schemes provided by universities and technical institutes, which are not seen as producing skills that meet the standards required by the animation industry.

One of the disappointments [for us] as an animation company has been that the quality of training given to 3D animators in this country isn't at a level that can be used in the industry. ... There is a great need but the training hasn't got to a level [required in the industry] ... The only 3D animation training in this country is at level four and five, and you have got to get to level seven before you can use it in the industry. So ... we put together and started a course at the beginning of the year that was level seven, ... and we have picked up sixteen kids.. They are now working with the industry standard software which is the same software that was used to make movies such as Ice Age, Bugs Life.

It is suggested that the graduates of such courses lack an understanding of the 'industry pipeline'.

[Students] haven't been taught how the pipeline in the industry works, let alone where they are going to fit into it and then specialize in the area where they really want to.... In our animation projects there's a hundred and forty five people in the pipeline, all in their area of expertise. Whoever is tutoring or training has to understand the pipeline ... it is no good teaching from a book and keeping one step ahead of the students, it just does not work. ... Courses [need to be] written with the whole industry in mind - where [students] are going to slot in, what is their actual function, what is the job, what is the job profile, what is the job description, what are we going to have to do when we get into the job? And training for it ... with a lot of consultation in conjunction with people who own different companies.

These comments are consistent with findings in recent employment research in Waitakere City. McLaren and Spoonley (2004) reported that employers in the film and television industries considered that tertiary qualifications offered by polytechs and universities lack relevance to industry practices, provide content that is too general and do not incorporate 'on the job' practical experience. The interviewee suggested that a solution is to create strong connections between training providers and professionals working within the industry.

There has got to be a greater link between the course operators and the actual companies providing the work, to make sure what they are being taught is relevant because a lot of it is totally irrelevant to what we are doing in the industry. That is so sad because kids are booking up huge amounts of student loan debt and not coming out with anything that is valuable to us and this equates to difficulty getting suitable work. I mean we are crying out for animators and we have kid after kid after kid coming to you who [has] done two years in 3D animation studies and they are of no value whatsoever. You have got to give them at least another year of real training before you can get them into the pipe line.

The respondent suggested that the course recently established by his company has been highly effective at providing relevant skills, as the training is provided by qualified professionals currently employed in the industry.

When you get someone from university they don't have a clue, they have had two years training and they are of no use to us. Why can't [tertiary training institutions] integrate what is really required into those courses so that when [students] come out they can start immediately and be of value? I think it is a huge problem. Since we started our own 3D course which is run by animators and production people, not by tutors, and we have seen a huge difference the amount that they learn in a short space of time ... [students have done] more in the first three months of their course than they have done [in a two year course].

Conclusion

The interviewee considers that the relevance and quality of training in the 3D animation industry does not meet industry standards and requirements, which is regarded as a serious concern in the context of the emerging film and television industry in New Zealand, and the worldwide shortage of skilled 3D animators. The interviewee's concerns appear to be confirmed in other research. de Bruin and Hanrahan (2003) in their research also found that a key obstacle to the growth of the industry was the lack of adequately skilled and experienced talent. They found that animation course graduates did not have an understanding of how the industry operates or the pace at which work must be completed. Furthermore, students were often taught on irrelevant software packages by inexperienced teachers. Their report notes that animation is an area of anticipated growth, although it remains very small.

The issues raised in this interview also correspond with concern expressed by employers in other industries about the quality and relevance of tertiary training, and the necessity of developing closer connections between training providers and industry professionals. These issues are further discussed in the section of this report entitled 'Education and Training'.

Section 2: Construction - the Building Trades and Civil Construction

Those interviewed included the director of a major civil construction company in the district, who is also involved in the building construction industry. Many employers in other industries commented about difficulties they face obtaining skilled tradespeople such as builders, plumbers and electricians. A considerable proportion of an interview with a secondary school educator was devoted to problems surrounding the promotion of trades to secondary school pupils, trades training and the apprenticeship system. Fundamental issues that emerged from the interviews were a shortage of skilled tradespeople in the district in the context of high demand that is expected to continue for the foreseeable future, the poor promotion of building industry trade careers and the lack of trades training facilities in the district.

Skills Shortage

There was almost unanimous agreement that there is a major shortage of skilled tradespeople in the Rodney District. A construction industry employer made the following comment about problems obtaining skilled building construction workers and a consequent reliance upon inexperienced labour.

We have a 50 percent share in a residential construction company. I certainly know that company has difficulties in securing a workforce adequate to its current workloads. That is one industry that definitely [needs to have] an apprentice system re-instated. We never used to have the problems we currently have in the industry and I think that is partly the due to a down skilling of all involved in the industry. How many difficulties would we have if we had experienced carpenters on the job. We've got very few qualified builders on site also, we're having to rely on the inexperienced labourer ...

Another interviewee made the following comment about the availability of tradespeople in the Northern Ward.

There is no tertiary education for trades, so there is a major shortage of tradespeople. Try to find a builder up here, you can wait up to six months to get a builder. But ... there are so few apprenticeships compared to what there used to be twenty years ago. I thought that was one of the best things that you could give kids a great apprenticeship alongside a great builder or a great mechanic.

A similar perception was expressed by a secondary education professional.

I think that the biggest skill shortage is in the construction and trade area and all those related trades that go with construction. I see our biggest gap is keeping up with the employment opportunities which are obviously here, especially in the construction industry, it's all around us. I think we just need a bigger push for those types of trades to be seen as a good thing to be in.

Similar problems may exist in the supply of experienced workers, particularly skilled machine operators, in the civil construction industry.

We have problems sourcing suitable people... The [civil] construction business is often a business where you need multi-skilled [workers].... they are [notionally] unskilled but they need to apply themselves to laying pipes, picking up a shovel, operating a machine, they got to be sort of multi-tasked. ... [The industry has] a reasonable turnover.... If we get somebody who is good we take them on as a labourer and then we put them on a machine. They haven't got the licence to operate the machine, but we can't be beggars for anybody to work in this industry. We've got a shortage... of skilled, qualified ... plant operators.

Future Demand

There was a general perception among interview participants that Rodney's historical building development growth is likely to continue, especially in the Northern Ward after the motorway to Puhoi is completed. This was expected to create ongoing high demand for qualified people in the building trades. The following comments were made by two of those interviewed.

As far as the building industry goes there is a huge future. When the motorway comes through as far as Warkworth ... Mahurangi peninsula will become the new Whangaparaoa peninsula and there will be the same type of density and population. I think there is a good opportunity for young men of getting trained in those facets because in the next twenty years it is going to be really good solid employment for this area.

... shortly we'll have this [motorway] section through Puhoi which makes North Rodney even more accessible. So it's likely to attract more capital investment.

An issue that may affect this process is the availability of land zoned for urban purposes such as housing and industry. Two land developers suggested that there is an overall shortage of suitably zoned undeveloped land in the district. One made the following comment.

At this point in time there has been very little land zoned for urban development, for example, in Rodney. ... I think that may change, there are some new areas that are to be opened up or re-zoned for urban development. So right at the moment there are some impediments ... in Rodney by virtue of a lack of suitable supply of appropriate zoned land.

There are some clear tensions between demands for greenfields urban development and the interests of the tourism industry discussed elsewhere in this report, and also the desires of the wider Rodney community expressed in the recent 'Vision Rodney' consultation document produced by the Rodney District Council. However, the current demand for tradespeople is unlikely to abate in the foreseeable future, in the context of continuing population growth and urban development and the potential expansion of the emerging film production industry discussed in the 'Emerging Industries' section of this report.

Addressing the Shortage

Other than attracting skilled tradespeople from outside the district, it appears that the critical issues are to attract sufficient workforce entrants to careers in the construction trades and to ensure that appropriate career development pathways are provided for them. A wide range of factors appear to limit the intake of new entrants into the construction trades. Interviewees suggested that remedying the limited number of entrants into the trades will require steps to be taken on a number of fronts, including the promotion of trades careers, greater commitment to apprenticeships from employers in the industry, brokering of connections between education providers and employers, supporting infrastructure in the form of a sound apprenticeship scheme and the provision of accessible technical training facilities.

Trade Career Promotion

Often driven by the state, commercial interests or large educational institutions, the promotion of tertiary education in the mainstream media tends to revolve around notions of the 'knowledge economy' and the necessity for a university education in the 'global information economy'. A number of interviewees observed that the tertiary education promotion is academically oriented, and that there is minimal, if any, media promotion of trades careers.

An employer in civil construction made this observation.

I think the [potential labour] pool is limited, there is a culture out there that sees the likes of labouring as a sub-standard, less than satisfactory, occupation. That's the whole academic approach we have to education these days, it is fine for a lot of people, but it is not fine for everybody.

An interviewee who has wide involvement in practical education and training for young people made this assessment.

Where are all the good ads on TV? They are surely not for trades... There's nothing to draw upon, there's nothing appealing. Yet some of those trades are incredibly good things, especially for certain types of learning skills where people are learning in certain types of ways with their hands rather than [only] with their minds. They learn with their hands, they learn real skills and their confidence is behind them. That is why apprenticeships are so good.

A similar comment was made about the building trades by a secondary school educator.

[Universities] promote themselves very well, there is lots of ... promotion [saying], if you come to us and you graduate, these are the sorts of things you might do, and this is what our graduates are doing. You don't see that for core infrastructure, [or] plumbing, [or] for any of those sorts of trade related industries where there is a real need especially in Rodney... [These trades offer] quite a secure career path ... I see a lot of newspaper publicity of shortages, there is still not really any industry promotion saying become a builder, look where it could lead you, look what being a plumber could do for you...

This interviewee suggested that, although trades careers may offer a secure and well paid career path, they have low status in the perception of many secondary school students, and changing this is the first step.

What is required is] certainly changing the perception first, and demonstrating that [the construction trades are] good, well paid and have a lot of potential, then making sure that the training is in place and that there are sufficient local people who are happy to work with apprentices.

Apprenticeships - Industry Promotion

A successful change of student perception will require concerted self-promotion by those already in the industry.

I think that the modern apprenticeships, while in theory they are good, you have got to have employers behind them promoting them. It's got to be a bit of a partnership, the employers have to want to do the apprenticeship training and then the kids will come in and do it.

However, the interviewee suggested that employer promotion is problematic due to the fragmented nature of an industry dominated by small businesses.

Because those fields often [incorporate] lots of people with small businesses, I don't know how cohesive they are to get together and say 'lets promote this cause'. They are actually probably too small to do it on their own so it needs to be [done by] their industry training organization.

Another interview participant offered this summary of the connections between contemporary construction quality issues, the loss of the old apprenticeship scheme and the disjointed nature of the building industry.

... the old [apprenticeship] system was ditched ... and understandings have just evaporated over the last two decades. But, more to the point, with these types of businesses in the trades, they tend to be busy working, they are not really working together as an industry either. ... If they don't it will be a problem in the industry. You see that in the [leaky] buildings over the last two years, all the codes have all been tightened, but frankly there was nothing wrong with the codes. ... Soon there will be no builders. Some people out there are not builders at all.

Apprenticeships - Brokering Connections

Rebuilding forms of understanding and connections that existed under the old apprenticeship scheme will require considerable effort on the part of all stakeholders. The development of robust institutional support and brokerage systems to assist employers to navigate the apprenticeship process, particularly those in small businesses, may be a crucially important step. A secondary education professional suggested that a wider communication network needs to be developed between secondary schools,

local employers, industry organisations, tertiary training providers, and local and central government planners.

The schools aren't going to produce tradespeople, they are producing people with pre-trade skills in all sorts of fields. Where the school fits in is with perception, of trying to encourage kids to go into good careers. ... [A key issue is] identifying the skill demand in the district, making sure that the industry organizations are aware of that and can fill the gaps with training programs, and then making sure that schools are aware that these training programs exist because those industries are in need. So schools certainly fit it into it, it is part of the communication network... It may not even be the employers who should be the initial identifying, it may well be higher level Council planning, or New Zealand wide planning, where we are looking at trying to promote certain industries as being key to our development, and encouraging those industries.

Moreover, employers make a considerable commitment when taking on apprentices, particularly in the context of the multiple forms of regulatory compliance employers face in respect of employment relationships and the structured nature of the modern apprenticeship process. The magnitude of this commitment may make forms of institutional assistance critically important.

I don't think the modern apprenticeships scheme is bedded in yet, and I think one of the reasons that employers quite justifiably ... are not always open to working with them as they used to be, is that there are so many more compliance issues, accountability issues, OSH issues than there were twenty years ago. I guess as a small employer you would look hard at what you could manage and what you couldn't. ... I don't know about the old apprenticeships, I think people must have had to do all their hours and things but it was probably a lot less defined as to what they had to do, whereas now with the accountability you really have to make sure that you provide a process that has outcomes. That's where this brokerage needs to be quite strong so that employers feel they are getting knowledgeable [assistance] to help them along...

Technical Institute Trade Training

This interviewee also made extensive comment about the lack of comprehensive trade training facilities in the Auckland region north of the harbour bridge, a fact noted by a number of other interviewees. In the context of extensive travelling time for students and inadequate public transport, this lack is perceived to be a significant impediment to the development of successful apprenticeship pathways, especially in an area such as Rodney which is on the urban periphery, and which does not have a polytech in easy travelling distance.

Construction training isn't strong here beyond the school level. There are certain technical skills that are done up at Mahurangi technical institute but that doesn't really cover the whole field.

The nearest comprehensive trades training facility appears to be Manukau Polytechnic in Manukau City.

Most schools do quite a lot of what I would call 'pre-trade courses' anyway. We work, for example, with Manukau Polytechnic and then [employers in the] construction, carpentry, automotive [industries]. But there's nothing beyond that apart from going to Manukau

Polytechnic. It's a long way and we don't have a lot of those training places on the North Shore, and Mahurangi polytechnic can provide some but its not huge.

It is suggested that there may be sufficient demand for a trade training facility at Silverdale.

Northland Polytechnic set up here a couple of years ago and it didn't last ... but they weren't really doing any real trade stuff, they were [offering things like] social work [and] information management. I think if there was a trade type place here, given that the population is growing hugely, there might be a need for it. ... If there was something located here at Silverdale maybe that [offered trade training] and worked in with the employers that might actually work quite well. Northland polytechnic ... wasn't really working in with employers ... [it had] a good location [but wasn't offering] the right courses...

Summary

There was a widely held perception among interview participants that there is a significant shortage of skilled workers in the construction trades in the Rodney District, and that, given the expectation of continued population growth and pressure for building development, high demand for such workers will continue for the foreseeable future. Some respondents linked current quality problems in the building industry with the loss of the old apprenticeship scheme and a shortage of experienced tradespeople.

The perceived loss of the status of trades amongst secondary school students may be a key factor in the number of entrants into construction trades. This perception may be influenced by media representations of the desirability of more academically oriented forms of tertiary education and a lack of media promotion of apprenticeships and trades careers. Industry self-promotion, both in the mainstream media and directly to school students, may be required to improve the perceived attractiveness of trades careers, although this may be problematic due to the large number of small businesses in the building industry.

The successful implementation of the new apprenticeship scheme is likely to require the development of institutional support and brokerage systems incorporating communication networks between stakeholders, including secondary schools, local employers, industry organisations, tertiary training providers, and local and central government planners. Finally, the lack of comprehensive trade training facilities in the wider north Auckland area may hinder successful apprenticeship pathways for both employers and apprentices.

Section 3: Vocational Education and Training

Several issues arising in the interviews relating to vocational education and training are discussed in this section. A key issue was the importance to employers of core (or generic) skills and the discipline of employees, and a perception that a large number of workforce entrants lack the required attributes. This was a primary factor in an employer reluctance to become involved in Work and Income's employee schemes. Marae-based training schemes have been well received by some employers, and this may provide one avenue towards addressing concerns about employee attitudes and disciplines. Considerable comment was made about the lack of relevance to employer requirements of some forms of tertiary training. These concerns led to a number of suggestions about ways to improve the connections between training providers and employers in order to improve the relevance of training and to provide employees with practical 'hands on' experience.

Core Skills and Attitudes

There was a broad consensus among employers who were interviewed that core interpersonal skills, attitudes and work disciplines are critical prerequisites for prospective employees to possess. These include having appropriate communication skills, being well-presented and pleasant to others and having a positive attitude towards work. Some reported difficulty finding employees, particularly school leavers, who have the required qualities. These responses reflect the findings in the quantitative discussion (see following section) and of other studies (see for example McLaren and Spoonley, 2004 and Spoonley, McLaren and Hanrahan, 2002) which found that the basic skills and attitudes are important to employers and that attitudes to employment, particularly among school leavers, is a major problem for employers. Some interviewees regarded such prerequisites as the basis of a decision to employ a person, rather than technical skills and formal training. An employer in the hospitality industry in the Matakana area made the following comment.

We tend to employ mainly on attitude as opposed to skills test. Generally, we can teach people how to use a till, or we can teach people how to make a cup of espresso coffee, but it's very hard to teach people to turn up to work on time, or not to turn up hung-over...

He reported little difficulty attracting staff locally who have the right attitudes and attributes.

I don't know if it's because of the semi rural sort of area or high decile area or what, I have no idea ... but we tend to find people are conscientious and hard working, good kids with good attitudes.

Others have experienced considerable problems.

A lot of families in the Wellsford and outlying areas have had two or three generations on the dole ... and this is a very hard cycle to stop. I personally bend over backwards to employ Maori, I would really like more Maori employees but this cycle has made that particularly difficult for me as an employer. ... I think that if they want to keep our Maori population in the area and not urbanised, I think we have to actually make it known that we actively looking out for their kids.

That we are prepared do to 'on the job' training. I am, but [I] want a level of commitment from them, and that's the thing, young people have no commitment or loyalty to their employers.

There appears to some difficulty attracting workers with the requisite attitudes and work ethic in the civil construction industry.

I think if you talk to the other construction companies in the district, they will have similar concerns that there is not generally a good pool of people out there. We also do get the situation where you get somebody suitable, who has the capacity, has the brawn, but is not motivated. We give him a job ... but he'll throw the towel in after a while, it's too hard or ... I might stay in bed and earn nearly this much on the dole as there is not a big enough difference between the dole and sometimes what the industry pays. Our starting wages are not big, but if we get somebody good we pay them more, double...

A representative of a trust that provides various forms of tertiary training echoed employer sentiments, and noted a desire amongst many young people to develop core attitudes and life skills.

... kids are really starting to look at [our life skills] training course which is very physical and disciplined... It is very outside adventure orientated, very [core] skills based, [with] a high character based, common sense component. That's an area we see a huge development just giving kids the basics of life: what it is to have a good attitude... Most kids don't even know what a bad one is, don't know the difference, and at the moment they are uncut, and [that] they are flying first on attitudes and second on skill that has to say something...

A Maori interviewee made this comment about Maori cultural attitudes towards discipline.

Maori like discipline... that's why they do so well in the army and the police, they like the discipline. They like the challenge. So any employment industry that is looking for good personnel should look at work ethics and discipline. You'll always get the best out of a Maori if you lay down challenges.

Work and Income Schemes

Some employers, motivated by a personal commitment and a desire to help give people opportunities, have been involved with Work and Income schemes in the past, but will not consider such arrangements again due to negative experiences. Three employers made the following comments.

The calibre of kids that go through WINZ [is such that they] are not worth employing, they cause trouble amongst stable staff. Bring them in here and they create more problems.

We employed a couple of people here on a WINZ subsidy. I am a believer in giving people an opportunity and a chance, but I guess it is a sad fact of life... that some people don't make good employees, based on values and attitudes. ... A certain [small] percentage of the population... just aren't able to concentrate on a job, or aren't able to be reliable to turn up for work, or when they say they are going away for a few days, they forget to tell you that a few weeks have slipped by and they have decided not to come back. I don't know if you can teach people that... If you have tried that with WINZ, and you have had a couple of bad experiences, you are less

likely to give them a chance. I'm probably not as receptive now, I'm not saying I wouldn't.... Even though... WINZ says I can get paid, it still doesn't make it work.

[Civil construction] businesses are not there take someone from Work and Income, for example, and try them out on a scheme and go through all the namby pamby process. The industry is a hard industry, the hard doers, the guys are hardworking and they make tough decisions. It is an action industry.

Similar sentiments were expressed by the employers we interviewed for the telephone survey.

In a related context, a secondary school educator made the following observation about the problems inherent in placing 'risky' students in apprenticeships and employer work experience schemes.

When [the school gets] opportunities for apprenticeships or special programs, in some ways we are quite reluctant to send students who are a little bit risky because you want to make the maximum use out of the opportunity. In fact the students that are a little bit risky are often the very ones that need that extra help, [who may not] have the background or support to think the career opportunities through for themselves. But we are a bit cautious about that because if ... an employer comes to us and wants people, we obviously want it to work for them. We want it to be a successful experience for the employers, we want it to be successful for our kids, and so sometimes those at the level below miss out a bit because we don't feel we can take the risk because when you ask an employer to do something in the way of training and the first person we send them doesn't turn up for work every day they are not going to do it again.

Marae-based Training Initiatives

A number of employers in the quantitative telephone survey offered positive comments about marae-based training initiatives. Questions concerning such training were included in the telephone survey questionnaire at the suggestion of a representative of the Ngati Whatua iwi during the initial design of the study. One employer from the retail industry group suggested that together with other training, marae-based training initiatives provide a broader approach to education than 'kiwi-training' alone. Another employer in the 'bio-business' industry commented that this training is free, 'it is brilliant' and it is open to non-Maori. She continued that marae training was an eye opener for them, that they would use it again and it was a pity that so few employers had heard of it. The third employer to mention this training is in the hospitality industry. The reason she found it effective was that young people are not 'talked down to' on the marae, there is a family atmosphere, empathy is shown and consequently kids open up and take their advice.

These comments seem to indicate that forms of marae-based education may offer both Maori and non-Maori forms of knowledge and education processes that differ from those offered in other learning institutions. Such education may offer pathways that can be developed to address the problems of the 'poverty trap' referred to by the employer from the Wellsford area in the discussion above. A member of the Ngati Whatua iwi offered these comments about Maori experiences in the education system.

We look at Maori and they are achievers, they just achieve at a different rate and in a different way. We are not providing education based on areas that will stimulate their interest.

He suggested that education for Maori should not simply be focussed around Tikanga Maori, but rather it should involve a blend of Maori and western perspectives.

I think that skills issues have always been a problem for Maori. My reason is that [education] is either one or the other. In saying this, you go to a western tertiary institution and everything is driven by a western paradigm. On the other hand, if you go to Maori institution and it is completely the opposite. People might think that is good for Maori, it's not. The market, at the end, is always the market. There are opportunities within that market to apply contemporary or historical Maori concepts and values. But we just don't seem to be able to weave those two together.

However, he argued that addressing Maori employment issues also requires wider recognition and understanding of Tikanga Maori, both in mainstream education and wider society.

But what we are going to [have to] become, if we're going to be one nation, is a bilingual country. Whereby [te reo Maori] will be taught from kindergarten right through to secondary school and you'll come out of the end of it speaking two languages. ... Let's be bi-cultural so we understand the concepts that Maori hold fast to, so we can assist each other meet our obligations... in my opinion [we would be] such a wonderful rich country if we have each others' cultures rather than one being forced to have a dominant western culture... If we don't start there employment is always going to be difficult...

Vocational Training Quality and Relevance

Echoing the discussion in this report about the relevance of training courses in the 3D animation industry, there was a perception among a number of interviewees that the content of various forms of vocational tertiary training was of poor quality, or it lacked relevance to current industry practices and technology (see also section on Education and Training, page 79). The following comment was made in respect of short (six week) courses.

I think that the training that the kids are getting here is inadequate and creates a safety hazard... I think these six week courses are a scam to put it mildly. I think people doing it probably believe they are doing it for the best interests of people, but they're not ... They are time fillers.... It's simply a way of government getting them off the dole.

In industries such as film production, fast moving technological development means that the content of formal technical education courses almost inevitably lags behind cutting edge industry practices. Entrants to the industry require considerable time on the job to gain the necessary experience.

... the theory being taught in technology classes and institutes is a little behind the cutting edge stuff which is [used in] making the blockbusters, [like] the software programmes ... for Return of the King and the big fight scenes. If you want to be at the production end - producer, director, creative designers, advisors and things like that - you're going to be watching ... and learning for another three years.

Work Experience, Employer Training and Brokering Connections

A number of those interviewed, including employers and those involved in secondary education, considered that forms of workplace experience for young people are beneficial for a number of reasons. One employer suggested that work experience enables young people to gain practical skills and assess whether a particular career was of interest to them.

I think maybe employers could take [young people] on work based training schemes and be paid the same as polytechnics or more, and the practical training will be better for them. In the high schools they have work experience days and I think they're really great for kids. They come home all fired up with enthusiasm, or they know that job is not for them. Sitting in a classroom having stuff shoved down their throats is not going to teach them whether they like a job or not ...

A secondary school educator suggested that work experience programmes are of considerable benefit to the school, students and employers. They provide connections between the school and a range of local business people, provide students with work place experience, both in the sense of self-discipline and practical skills, and allow students to gauge their interest in particular career paths. The respondent's school is actively involved in fostering relationships with local employers.

There are a number of ways [connections between schools and local business] are brokered, by our careers teachers searching people out [and] by employers approaching the school. ... We are working with the Rodney District Council sponsored Rodney Economic Development Trust programme ... to make it more effective so that we can identify kids who would be good at certain jobs and they can identify jobs that they can do. We are still in preliminary stage with that, but we are quite hopeful that it might go really well because that requires the students to be involved in the work place, not necessarily going away to get training straight away, but they can actually get work place training. Then the factors of distance and accessibility for tertiary training are less and they can be approached later.

Furthermore, this respondent made a more general comment that employer training is valuable as it directly meets employment market demand for workforce entrants, rather than speculatively attempting to meet unknown demand via expensive preparatory tertiary training courses.

I quite like the idea [of] employer training... it is quite hard to gauge long term what [employment] needs will be and setting up ... training organisations [is] expensive. ... If employers can do quite a lot of the work place initial training I think that is a better way of identifying the gaps. Those people will need further training but they have already started...

An employer in hospitality suggested that connections between the local technical institute and hospitality businesses could create beneficial outcomes by tailoring courses to employer needs and providing connections between employers and potential employees through work experience schemes.

As far as staff in the restaurant go, we do most of our training in house... That seems to work quite well, it seems easy for an employer to do it in-house rather than just send twenty staff up to a technical school for the day. ... If I knew there was an organisation that I can get in to talk

about staff training, about customer service or some other aspects of the hospitality industry, then I would most

likely use them ... I don't know [if] there is hospitality training [at Mahurangi tech], as far as I am aware there are no links to any of the hospitality places in the area ... They could come to ... the hospitality operators in the area in general and [ask] ... what do you guys need, what sort of things are you looking for, and ... they might be able to tailor courses to the needs in the area.

Rather than taking kids out of school and training them with skills we don't need, kids could have ... on the job training and some at the technical institute, and ... I end up with somebody who has got some skills that are really needed. Instead, ... how many employers employ people out of a tertiary institutions and find out that they are all theory and have got no practical skills.

An interviewee who is an employer, and also involved in various forms of tertiary training for young people, suggested that a local process needs to be developed to assist young people to plan their career training, which incorporates more co-operation between training providers and input from employers.

... there needs to be more pathways for [young people] number one. We all protect our own territory, but what kids really need is good pathways where they can do part of training, or part of a learning experience in one area where those people do that the best, and then move on to another area. I think the training facilities in this area need to work closer together without being threatened by one another. To see how they can ... work together on different programs that benefit the students. ...

I really do believe we need to have a process where the students ... volunteer to go on a database and that database be valuable to the community, and those students be ... followed through on a long term basis so that they can be assisted in their own [career] mapping. ...

The next step [is] for the employers to get into it. ... There needs to be a consultation process while the [each student's] course is being formalized so that the content is relevant ... That [must] be evaluated by the people they are going to work for. ... Then, of course, at the end there is a whole link up between employers and the kids, there is [an ongoing] relationship between them...

Summary

Employers showed concern that some workforce entrants lack crucial skills, attitudes and discipline. Several employers who had taken on Work and Income-sponsored employees in the past said a lack of personal discipline was the main factor in their reluctance to repeat the exercise. A number of employers reported that marae-based training schemes, in conjunction with other forms of training, are beneficial for their employees.

Some forms of tertiary training appear to lack relevance to employer requirements. A number of suggestions were made about ways to improve the relevance of training. Student work experience is seen as worthwhile, as are forms of employer 'on the job' training generally. There is a perception that career pathways for workforce entrants are better driven by employer demand rather than through expensive and speculative tertiary training courses. A number of contributors made suggestions about how connections between training providers and employers could be improved in order to provide employee training in which both work-based training and formal education are more integrated.

Section 4: Transport

The lack of a viable public transport system in the Rodney District was stressed by many interview participants as a significant factor affecting young people, particularly access to education and training, employment and social outlets. A number of interviewees argued that there needs to be a public transport system between the major 'nodes' in the district, connecting Helensville and Kumeu in the Western Ward, the Hibiscus Coast in the Eastern Ward, and Warkworth and Wellsford in the Northern Ward.

A secondary school professional offered these comments about access to education.

... when kids are doing training courses ... they are down on the Shore, and the younger the child the more difficult that is because of the lack of public transport. ... There's no way, for example, for someone to go from here to university unless they have got a car ... that's quite an obstacle really.

You can hop on the bus at Orewa and go to the North Shore but basically Warkworth, Helensville are only served by ... inter city type buses which is no good for getting to and from educational institutes.

An employer in Matakana noted the necessity of private transport in the area.

Anybody who wants to work around here has to have their own transport... public transport, I don't know if there [ever] will be. It's sad to see, there are lots of kids that hike around, it's the only way they can get from point A to point B. I'm not aware ... that it is restricting their ability to get employment.

Another interviewee commented that many young people from the Warkworth and Matakana area rely upon private motor vehicles or hitch-hiking.

[Transport] is a major issue. We ... need a bus service to the city to get [young people] around. The nearest bus station is twenty minutes and that's the part of what I was saying, our infrastructure is behind and it needs to improve. ... So, kids' mode of transport is a mate who's got a car. Especially Friday and Saturday - you get to know them all, you get to know all the kids by picking them up ... we need transport services.

An interviewee in Helensville suggested that there needs to be public transport connections between the area and Orewa, and also Waitakere City, the existing railway line providing a preferred option for the latter route.

Forming transport systems, particularly by the ARC, would honour the district by giving its people the opportunity to be mobile on public transport. We [need] appropriate forms of public transport from Kaukapakapa and Te Awaroa [Helensville] to Orewa, across from Te Awaroa down into the corridor at Westgate. ... We're enthusiastic about the train ... a lot of people would travel by train. Again there is another focus for youth, youth getting the opportunity to get on the train go to Henderson, do what they want to do get back out again.

It was also suggested that there might be significant movement of people between Helensville and Whangaparaoa if a public transport system was in place.

... if you had a transport system that came across from the east coast,... you would see a lot of movement from Stanmore Bay to come and spend the day in Te Awaroa...

B. TELEPHONE INTERVIEWS

INTRODUCTION

Following the discussion analysing the qualitative interviews with key stakeholders, we report on the telephone interviews we conducted with 85 employer representatives in the Rodney District. These are broadly categorised into the following industries and number of responses:

Hospitality	15
Retail	14
Bio business	15
Construction	12
Health and Community Services	8
Manufacturing	10
Tourism	11

These categories should be viewed with caution as many companies could be classified in more than one sector - for example, a vineyard with a restaurant could be coded as a bio-business, or as being in hospitality or tourism. This is a reflection of the employment sector in Rodney which has many cross-sectoral businesses that do not fall into conventional categories.

Where the discussion in the previous section has dealt with subjects in more depth, most of the responses in this section appear in figure and tabular form. These are aggregated as well as analysed by occupational and industry groups. As the sample is small, we cannot generalise too extensively so our discussion is representative of the respondents' views only. Moreover, the size of the businesses we surveyed are not representative of the Rodney District because we confined our interviews to employers with four or more full-time equivalent staff employed at some time during a calendar year. Names were supplied to us by REDT. The table below compares the size of companies interviewed in our survey with the Statistics New Zealand (2003) figures on employees in organisations. The nature of the survey sample is such that businesses with less than five employees, the overwhelming numerical majority of Rodney businesses, are consequently under-represented.

Table 9: **Size of Businesses**

Number of Employees	Frequency		Percent	
	Sample (n=81)	All of Rodney	Sample	All of Rodney
4-5	6	6805	7.4	90.4
6-9	9	384	11.1	5.1
10-20	28	223	34.6	3.0
21-49	20	92	24.7	1.0
50-99	6	14	7.4	0.2
Over 100	12	10	14.8	0.1

One of the difficulties when asking employers about the number of employees they employ concerns the nature of that employment, that is, whether they are permanent or temporary employees. We can no longer assume that people work for a single employer with the assumption of ongoing employment as there is an increasing trend towards self-employment, casual, fixed-term and seasonal employment with irregular and less predictable hours as well as less security and continuity of job tenure (McLaren et al., 2004). To get some sense of the temporary work arrangements in the Rodney District, we attempted to distinguish between permanent full-time and part-time employees, and temporary full-time and part-time employees. Because of the seasonal nature of some of the employment in Rodney, we suggest that employment of a temporary nature is under-represented. Given the industry groups surveyed, there is a strong reliance on casual and seasonal work. Because this type of work arrangement involves a transient working population, this is a broad guide only as many employers did not stipulate the numbers employed in each category – in some instances, it was because they were not currently employing seasonal workers. These results indicate that there is a reliance on non-standard workers in casual, temporary and seasonal roles. Table 10 below gives us a guide of the types of employment relationships among the employers surveyed. In terms of temporary employment, almost a quarter of businesses employed casuall on a full-time or part-time basis.

Table 10: **Employment Relationships**

Employment relationship	Number of employers	Percentage of employers
Permanent full-time	85*	100
Temporary full-time (non-spec)	6	7
Temp full-time: Contractors	0	0
Seasonal workers	3	3.5
Casuals	3	3.5
Fixed-term	1	1
Permanent part-time	27	32
Temporary part-time: contractors	8	9
Seasonal workers	5	6
Casuals	18	21
Fixed-term	1	1
Apprentices	12	14

*Not every employer surveyed answered this question. We have made the assumption that all companies employ at least one person on a permanent full-time basis and this includes owners of the business.

Table 11: **Residence of Employees**

Residence	Frequency (n=82)
Rodney (all/almost all)	81
North Shore	14
Waitakere	4
Auckland City	7
All of them	1
Other	7

Apart from one employer, the remainder (81) who answered this question about the residence of their employees, reported that all or most of their employees live in the Rodney District. In addition, 14 of these had some employees from the North Shore, 7 from Auckland City, 4 from Waitakere and 7 from other centres like South Auckland and Whangarei. Many employers suggested that the reason why most of their employees were from the Rodney District was the inadequacy and cost of the public transport system. This significantly reduced the pool of applicants they could attract to the area. This has been discussed in detail in the previous section.

As one employer suggested, it was difficult to find employees who were prepared to live and work in Rodney. The cost of commuting prevents many from considering jobs north of Auckland. It was suggested that 'living in Rodney' should be made more attractive with a media campaign to assist in this.

Almost three-quarters of the companies surveyed were independent – and all 15 employers in the hospitality industry were stand-alone enterprises. A quarter of those surveyed were part of a larger organisation and two were franchises (both of these in the retail industry). Figure 9 describes this in more detail.

Figure 8: **Business Grouping - Overall**

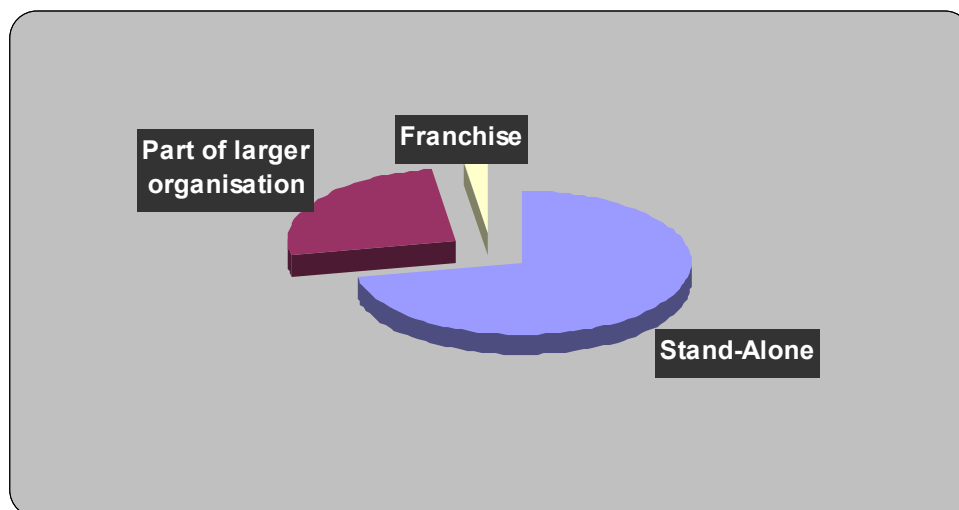
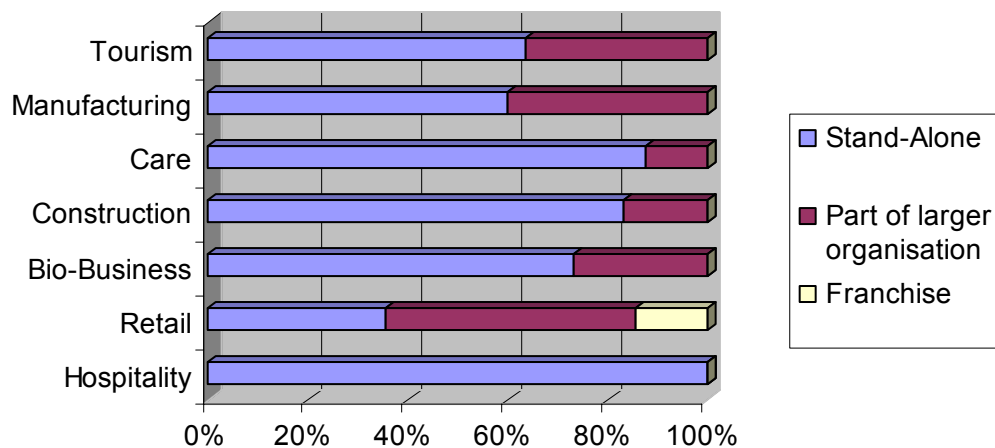
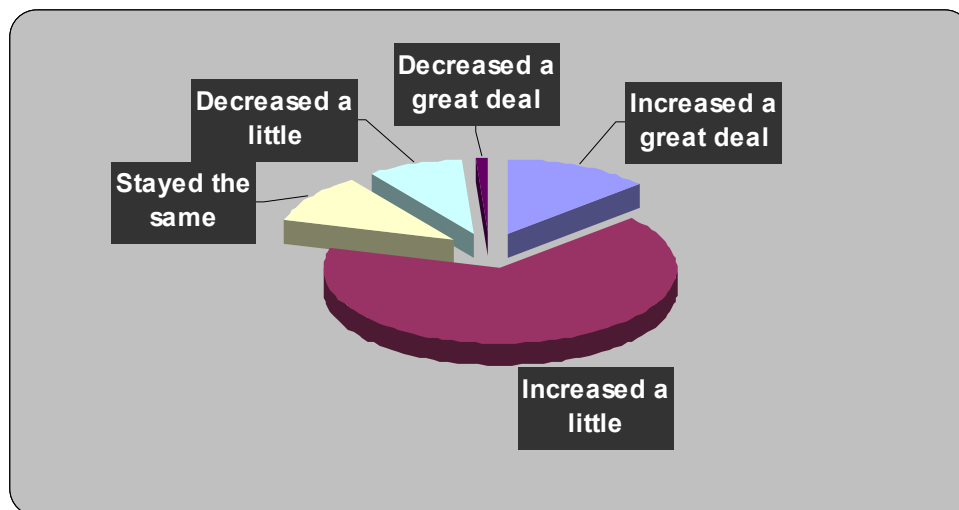


Figure 9: **Business Grouping – By Industry**

For 80 percent of employers surveyed, business had increased in the last 12 months, for 11 percent it had stayed the same and only 9 percent had seen a decline in the volume of businesses. The only companies which saw a large decrease in business were in bio-business and none of the employers in the hospitality and retail companies reported any decline in the volume of business.

Figure 10: **Volume of Business in the Last 12 Months – Overall**

Of all of the industry groups, the greatest proportion of employers (almost 40 percent) in tourism and manufacturing reported that business has increased a great deal over the past twelve months. Over 20 percent of employers in the health and community services (care) sector advised that business had increased a great deal.

Figure 11: Volume of Business in the last 12 Months – by Industry

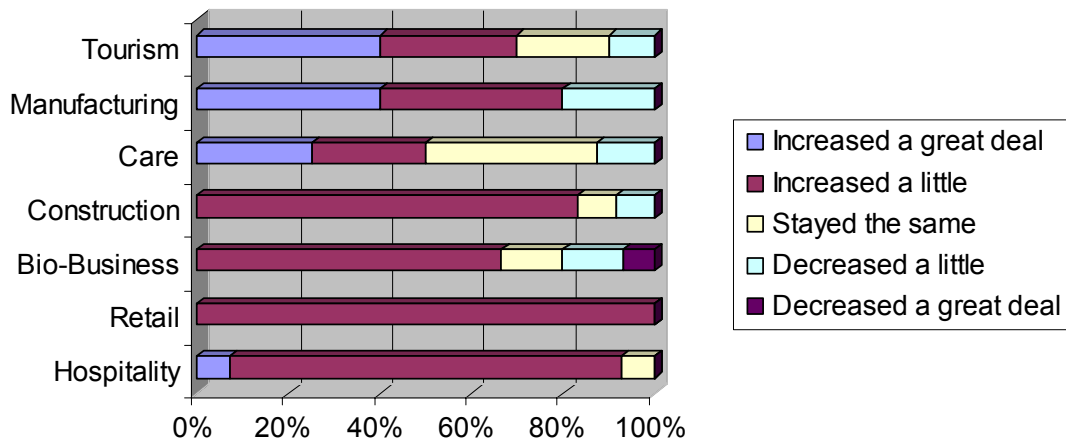


Figure 12: Employment Expectations Over the Next 12 Months – Overall

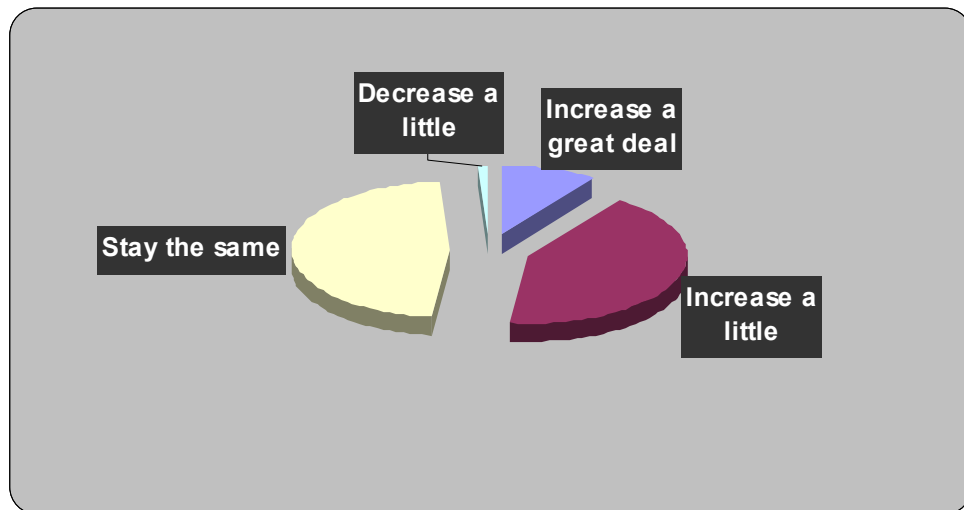


Figure 13: Employment Expectations over the next 12 Months – by Industry

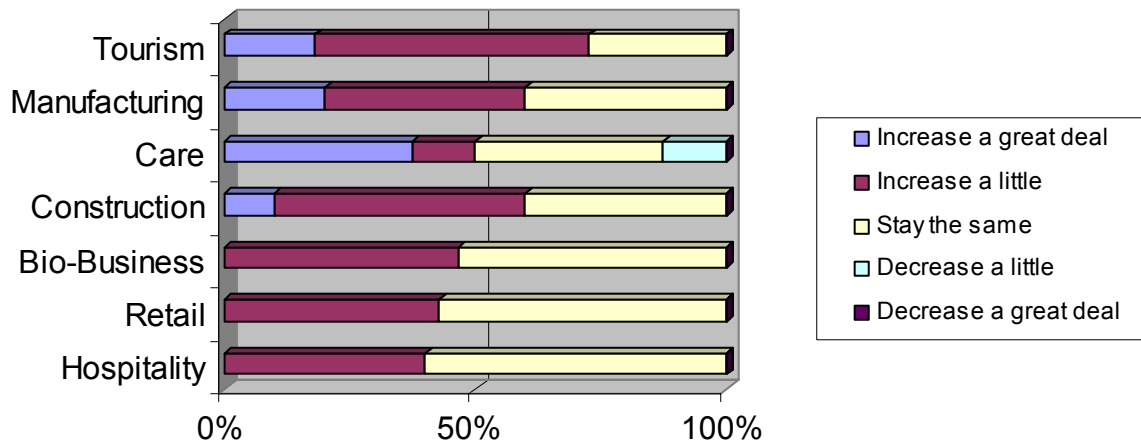


Table 12: Comparison of the Volume of Business in the Last 12 Months and Anticipated Employment Growth in the Next 12 Months

Expectation	Volume of Business in the last 12 Months		Employment Expectations in the next 12 months	
	Number	Percent	Number	Percent
Increase/d a great deal	11	13.3	8	9.6
Increase/d a little	55	66.3	35	42.2
Stay/ed the same	9	10.8	39	47
Decrease/d a little	7	8.4	1	1.2
Decrease/d a great deal	1	1.2	0	0
TOTAL	83	100	83	100

Whereas 80 percent of the employers interviewed had experienced an increase in the volume of business in the last 12 months, just over half anticipated that employment would grow over the coming year, with 47 percent suggesting that it would stay the same. Of note is the proportion of employers in the care services industry group (35 percent) who anticipate a large increase in business.

VACANCIES

Of the 85 employers surveyed, 61 responded that they had had some staff turnover in the last year. This is shown in the table below:

Table 13: **Number of Employees Departing In Last Year**

Number	Number of responses (n=61)	
	number	percent
1	11	18
2	14	23
3	8	13
4	4	6.6
5	7	11.6
6	1	1.6
7	1	1.6
15	2	3.4
31	1	1.6
45	1	1.6
Casuals/seasonal workers come and go	11	18

Over half of the employers who answered this question had lost fewer than 3 employees. Eighteen percent could not quantify the number of employees who departed because of the number of casual and seasonal workers they employed.

At the time of the survey, over half of the 85 employers surveyed had no current vacancies. From table 14, which lists the occupations that were vacant at the time of the survey, it is evident that a significant number of job vacancies are in the lower or unskilled categories like labouring, cleaning and gardening. This is followed by a combination of trade, technical and managerial roles.

Table 14: **Current Vacancies**

Occupation	Number of responses (n=40)
Sales/service/sales rep/marketing/merchandiser	14
Managerial/supervisory	11
Labourer/cleaners/gardeners	9
Trades/Technical (incl. furniture maker, boat builder, fabricator, builder)	6
Machine operator/driver	4
Caregiver	2
Clerical roles	2
Agriculture/forestry	2
Nurse	1
Not specified	2
TOTAL	53

The next section will focus specifically on hard-to-fill vacancies identified by employers. Terms used to describe skills gaps/shortages or hard-to-fill vacancies are often used interchangeably but do have different meanings. Based on the National Skills Taskforce in the UK, the Department of Labour (2003:14) has outlined a number of circumstances in which shortages might arise and these are as follows:

- Skills shortages occur when 'employers have considerable difficulty filling their vacancies simply because there are insufficient job seekers with the required skills';
- Skills gaps occur when employers are able to only find people who have some, but not all, of the skills required; and
- Recruitment difficulties occur when there are enough job seekers with the required skills but they are unwilling to take up the work that is on offer.

According to the Employers Skill Survey (Felstead, 2002:171), hard-to-fill vacancies are not only equated with skill shortages, but rather can be distinguished between those that are skill-related and those that can be attributed to company-specific factors such as the industry, unattractive rates of pay or conditions of employment.

HARD-TO-FILL VACANCIES

Employers were asked whether they had any roles in their organisations that are generally difficult to fill. Sixty-three employers described the characteristics of hard-to-fill vacancies and identified 68 occupations although only 40 employers suggested that they had current vacancies, 63 commented on roles generally difficult to fill.

Over 70 percent of the hard-to-fill vacancies were ongoing or always difficult to fill. Twelve percent of positions had been vacant for 2 months, 9 percent for three months, four percent for one month and three percent for 5 months.

Table 15 below indicates that, contrary to some expectations and our findings in a similar survey in Waitakere City (McLaren and Spoonley, 2004), many of the hard-to-fill vacancies are in roles that do not necessarily require a high level of education or training. Instead, attitude and motivation were seen to be the most important attributes for these roles (see table 16). This is aptly described by one of the employers interviewed earlier who commented that:

We tend to employ mainly on attitude as opposed to skills test. Generally, we can teach people how to use a till, or we can teach people how to make a cup of espresso coffee, but it's very hard to teach people to turn up to work on time, or not to turn up hung-over..

In the industries surveyed, sales and service positions were most commonly seen as positions difficult to fill (18) and these included care-givers, serving staff and salespeople. This is followed by elementary positions (15) such as cleaners, labourers and general maintenance workers. Eleven positions were identified in the trades, for example, boat builders, furniture makers, fabricators, apprentices and builders. According to several employers, the trades are becoming increasingly difficult to fill. One attributed this to the abolition of the apprenticeship system which has created a skills gap lasting between 10 and 12 years. This is exacerbated by many skilled employees reaching retirement age and new apprentices not qualified yet. Another in the manufacturing industry felt that people were avoiding the manufacturing industry because of the perceived insecurity. He commented on the lack of government support and the dearth of the promotion of manufacturing roles.

Managerial or supervisory roles were identified as hard-to-fill in all industries except in medical and community services and manufacturing.

Table 15: **Hard-to-Fill Vacancies by Occupational Group⁸**

	Manager	Professional	Technical	Clerical	Service & Sales	Agriculture	Trades	Plant & Machines	Elementary	TOTAL
Hospitality	2	0	0	0	6	0	0	0	0	8
Retail	3	0	1	0	7	0	1	0	2	14
Bio-business	2	0	0	0	0	5	1	0	3	11
Construction	1	0	0	0	0	0	3	1	5	10
Medical & Community Care	0	3	0	1	2	0	0	0	0	6
Manufacturing	0	0	0	0	0	0	6	2	1	9
Tourism	2	0	0	1	3	0	0	0	4	10
TOTAL	10	3	1	2	18	5	11	3	15	68

The remainder of this section on hard-to-fill vacancies examines the following issues:

- Skills lacking in applicants;
- Personal attributes or qualities lacking in applicants;
- The main causes of hard-to-fill vacancies;
- Effects of hard-to-fill vacancies on the company; and
- Outcomes of hard-to-fill vacancies for the company.

All these are presented in terms of occupational groups and industries.

Technical or practical skills were most commonly found to be difficult to fill. This is consistent with employers' comments on the relevance of education and training provision where many courses were found to be too theoretical or not practical enough. This is covered in greater detail in the section on education and training. Employers in retail, construction and manufacturing industries commented about this most frequently.

⁸ The occupational breakdowns were categorised according to the nine Statistics New Zealand's Standard Classification of Occupations 1999, retrieved from www.stats.govt.nz.

Table 16: Skills Lacking in Applicants by Occupational Group

	Manager	Professional	Technical	Clerical	Service & Sales	Agriculture	Trades	Plant & Machines	Elementary	TOTAL (no. of responses)
Technical or practical skills	4	1	0	2	6	3	9	1	5	31
Customer handling skills	3	1	1	1	12	0	0	0	2	20
Team working skills	2	0	0	0	4	0	3	3	2	14
Management/supervisory skills	7	0	0	0	5	0	0	0	1	13
Oral communication skills	1	0	1	0	5	0	1	0	2	10
Problem solving skills	1	0	0	0	5	1	2	1	0	10
Literacy	1	0	0	0	5	0	0	0	3	9
Numeracy	1	0	0	0	5	1	0	0	1	8
IT or software skills	1	1	0	2	4	0	0	0	0	8
Experience	4	0	0	0	2	1	0	0	0	7
Product knowledge	2	0	0	0	2	0	0	0	0	4
Heavy duty license	0	0	0	0	0	0	1	1	2	4
Interpersonal skills	1	0	0	0	1	0	0	0	0	2
Other	1	1	0	0	0	0	0	0	1	3
TOTAL	29	4	2	5	56	6	16	6	19	143

Table 17: Skills Lacking in Applicants by Industry Group

	Hospitality	Retail	Bio-business	Construction	Medical & Community Care	Manufacturing	Tourism	TOTAL (no. of responses)
Technical or practical skills	2	7	3	7	1	5	2	27
Customer handling skills	4	6	0	0	3	0	4	17
Team working skills	2	2	0	2	2	4	0	12
Management/supervisory skills	2	3	2	1	0	0	2	10
Oral communication skills	2	2	0	1	1	1	2	9
Problem solving skills	0	3	1	1	1	2	2	10
Literacy	1	3	0	1	0	1	1	7
Numeracy	2	2	1	0	0	1	1	7
IT or software skills	0	2	0	0	1	0	3	6
Experience	0	2	1	0	0	0	2	5
Heavy duty license	0	0	0	4	0	0	0	4
Product knowledge	0	2	0	0	0	0	0	2
Other	1	1	0	0	1	1	0	4
TOTAL	16	35	8	17	10	15	19	120

Table 18: Qualities Lacking in Applicants by Occupational Group

	Manager	Professional	Technical	Clerical	Service & Sales	Agriculture	Trades	Plant & Machines	Elementary	TOTAL (no. of responses)
Attitude	7	0	1	0	17	2	5	3	4	39
Work ethic	7	0	0	0	15	2	5	3	5	37
Presentation	3	0	1	0	11	1	0	0	0	16
Interpersonal skills	3	0	1	0	7	0	1	0	1	13
Commitment	2	0	0	0	3	2	2	3	0	12
Punctuality	0	0	0	0	4	1	1	0	2	8
Respect	0	0	0	0	3	0	2	0	1	6
Team working skills	0	0	0	1	3	0	0	0	0	4
Willingness to learn	1	0	0	0	2	0	0	0	1	4
Drugs, drink	0	0	0	0	0	1	1	0	1	3
Other	0	1	0	1	1	1	0	0	1	5
TOTAL	23	1	3	2	66	10	17	9	16	147

Table 19: Hard to Find Qualities/Attributes by Industry Group

	Hospitality	Retail	Bio-business	Construction	Medical & Community Care	Manufacturing	Tourism	TOTAL (no. of responses)
Attitude	7	10	3	3	1	6	3	33
Work ethic	5	9	4	3	1	5	3	30
Presentation	4	7	1	0	1	0	1	14
Interpersonal skills	2	4	0	1	2	2	1	12
Punctuality	2	1	2	0	1	2	0	8
Commitment	0	2	2	1	0	2	1	8
Respect	1	0	1	0	2	2	0	6
Team working skills	1	1	0	0	0	0	2	4
Drugs	0	0	2	0	0	0	1	3
Other	0	3	2	0	1	0	0	6
TOTAL	22	37	17	8	9	19	12	124

A consistent finding throughout this research and others (see Spoonley et al., 2002; McLaren and Spoonley, 2004) was the general lack of commitment and work ethic required from employees. This was particularly evident in the service and sales occupations followed by management roles. The personal qualities of young people were raised throughout the questionnaires – not always in response to the same questions. Several employers in the retail industry commented that younger workers had a poor work ethic, one of them suggesting that students rejected wearing uniforms, were too casual and did not take their tasks seriously enough. One employer in the manufacturing industry noted that some of the younger workers had anger management as well as drinking problems. This will be discussed in more depth when we consider the barriers that might exist for maintaining a fully proficient workforce.

Although drug addiction did not appear to be a significant problem in response to any one particular question, substance abuse and drinking were brought up as a challenge throughout the survey. One employer in a bio-business described how problems with substance abuse among staff resulted in dishonesty, and a loss of working hours. The consequence of this was that his business was shrinking to include only those workers who could be relied upon. One employer submitted that the ongoing problems with substance abuse needed addressing before employers could start thinking about training concerns. A second employer in the same industry agreed that substance abuse was a significant problem and interfered with the ability of employees to do their jobs. One outcome has been to employ more immigrants because of their work ethic and motivation which was perceived by several employers to be better than that of local workers (see also section on migrants, page 75).

Table 20: Main Causes of Hard-to-fill Vacancies Identified by Employers

	Manager	Professional	Technical	Clerical	Service & Sales	Agriculture	Trades	Plant & Machines	Elementary	TOTAL (no. of responses)
Low number of appropriate applicants	8	1	1	2	14	3	5	2	5	41
Low number of applicants generally	2	3	0	1	4	4	10	3	8	35
Terms and conditions offered for the job	0	4	0	2	7	4	5	2	6	30
Lack of necessary work skills	7	2	0	2	9	0	3	0	3	26
Not enough people interested in doing this job	0	2	0	1	5	3	4	0	6	21
Lack of required qualifications	7	1	0	0	3	1	2	0	2	16
Shift/hours	0	2	0	2	7	0	0	1	2	14
Competition from other employers	0	2	0	1	2	1	3	0	2	11
Location/lack of public transport	0	1	0	0	2	2	1	0	5	11
COL in Rodney	2	0	0	0	2	0	0	0	0	4
Company's recruitment strategies	1	0	0	0	0	0	2	0	0	3
Insufficient childcare	0	0	0	0	1	1	0	0	0	2
Other	1	0	0	1	1	1	2	0	0	5
TOTAL	28	18	1	12	57	20	37	8	39	220

Significantly, the low number of applicants was the most frequently mentioned cause of hard-to-fill vacancies. Sales and service occupations were identified as failing to attract appropriate applicants and the most significant concern was in relation to the trades because of the low number of applicants. Lack of public transport and location had the most impact on the shortage of elementary jobs. Location is problematic as is the lack of public transport and cost of that transport. One employer suggested that while Work and Income does provide employers with people, most of the time they do not show up. Similar sentiments were expressed by the stakeholders interviewed. One possible reason given for this was transport difficulties particularly for employees working in areas like Warkworth.

Employers did acknowledge that some of the jobs are not seen as desirable, with working conditions – particularly non-standard hours - contributing to this particularly in service and sales.

Table 21: **Main Causes Of Hard-To-Fill Vacancies by Industry**

	Hospitality	Retail	Bio-business	Construction	Medical & Community Care	Manufacturing	Tourism	TOTAL (no. of responses)
Low number of appropriate applicants	5	8	5	1	3	5	6	33
Low number of applicants generally	0	1	5	5	5	9	7	32
Terms and conditions offered for the job	4	2	5	4	4	4	4	27
Lack of necessary work skills	3	5	1	2	2	2	6	21
Not enough people interested in doing this job	1	2	3	3	4	4	3	20
Lack of required qualifications	2	4	2	2	1	1	2	14
Shift/hours	2	2	1	1	4	0	3	13
Competition from other employers	1	0	1	1	3	3	1	10
Location/lack of public transport	0	0	2	1	1	2	5	11
Company's recruitment strategies	0	0	0	0	0	2	1	3
Other	3	3	2	1	0	0	1	10
TOTAL	21	27	27	21	27	32	39	191

Whereas hospitality and retail did not attract the appropriate applicants, manufacturing industries and construction commented on the low number of applicants generally in the skilled areas they require. For employers in tourism and bio-business, it was a combination of appropriate applicants and numbers applying.

Table 22: Effects of Hard-to Fill Vacancies on Occupational Groups

	Manager	Professional	Technical	Clerical	Service & Sales	Agriculture	Trades	Plant & Machines	Elementary	TOTAL (no. of responses)
Difficulty in meeting customer service objectives	6	2	1	0	9	2	6	2	6	34
Existing staff work harder/stressful	6	0	0	0	7	1	0	0	6	21
Loss of business to competitors	5	0	1	0	2	1	4	0	3	16
Increased operating costs	2	1	0	0	1	0	5	2	4	15
Difficulties introducing new work practices	2	2	0	2	0	0	5	2	1	14
Delays in developing new products/services	2	0	0	0	1	0	5	2	0	10
Withdraw from offering certain services altogether	1	0	0	0	0	0	6	2	1	10
Compromises quality	2	0	0	0	0	0	2	2	1	7
Difficulties introducing tech change	1	2	0	1	0	0	2	0	1	7
Other	0	0	0	0	0	2	1	0	0	3
TOTAL	27	7	2	3	20	7	36	12	23	137

The difficulty in filling sales and service as well as elementary occupations in the Rodney District reflects the trend in New Zealand. Generally, these are often low-wage jobs and are increasingly occupied by non-standard workers. Many of these roles have grown significantly and this growth can be clearly seen if we highlight changes in employee numbers over the ten-year period between 1991 and 2001 of a few of the occupations that have been discussed in this report. Some data canvassing changes in that period for certain occupations is shown below. Although employment in all occupations only increased by 23 percent in New Zealand between 1991 and 2001, dramatic increases are evident in care-giving roles (220 percent), checkout operators (135 percent) and counter assistants in hospitality (121 percent) – all occupations commonly staffed by casual and temporary employees.

	1991	2001	% change
Care-givers	10,998	35,172	220
Checkout Operators	5,115	12,036	135
Counter assistants in hospitality	6,207	13,686	121
Cleaners	24,942	32,721	31
All Occupations	1,400,400	1,727,271	23

Source: personal communication James Newell (MERA)

Table 23: Effects of Hard-to-Fill Vacancies on Industries

	Hospitality	Retail	Bio-business	Construction	Medical & Community Care	Manufacturing	Tourism	TOTAL (no. of responses)
Difficulty in meeting customer service objectives	2	8	4	3	3	4	5	29
Existing staff work harder/stressful	4	4	4	3	1	0	2	18
Loss of business to competitors	1	5	2	4	0	2	1	15
Increased operating costs	0	0	1	1	2	6	3	13
Difficulties introducing new work practices	0	0	1	0	2	5	2	10
Delays in developing new products/services	0	0	0	1	0	4	3	8
Withdraw from offering certain services altogether	0	0	1	1	0	5	1	8
Compromises quality	0	0	1	0	0	2	2	5
Difficulties introducing tech change	0	0	0	0	2	3	1	6
Other	0	0	2	1	0	0	0	3
TOTAL	7	17	16	14	10	31	20	115

The effects of the hard-to-fill vacancies can make conducting business problematic as customer needs could be compromised and additional stress placed on existing staff. This might be one of the reasons why many of the employers interviewed did not envisage employment in their businesses increasing over the next 12 months.

Table 24: Results of Hard-to-Fill Vacancies

	Manager	Profession	Technical	Clerical	Service & Sales	Agriculture	Trades	Plant & Machines	Elementary	TOTAL (no. of responses)
Increased training	6	2	0	0	11	2	7	1	5	33
Extend recruitment beyond Rodney	4	1	0	0	5	2	4	0	3	19
Increase salaries/make job more attractive	3	1	1	0	0	0	7	0	2	13
Redefine existing jobs	2	0	0	0	1	0	4	0	2	9
Use technology as a substitute	1	0	0	0	1	0	5	0	1	8
Other	0	0	0	0	0	1	2	0	0	3
TOTAL	16	4	1	0	18	5	27	1	13	85

Table 25: Results of Hard-to-Fill Vacancies by Industry

	Hospitality	Retail	Bio-business	Construction	Medical & Community Care	Manufacturing	Tourism	TOTAL (no. of responses)
Increase training	5	5	3	6	4	6	6	35
Extend recruitment (incl. beyond Rodney)	1	1	4	2	2	4	5	19
Increase salaries	1	0	0	1	1	8	3	14
Redefine existing jobs	0	0	0	0	0	4	5	9
Use technology as a substitute	0	0	0	0	0	6	2	8
Take on more trainees	0	1	0	0	0	1	0	2
Other	0	1	1	0	0	0	0	2
TOTAL	7	8	8	9	7	29	21	89

The outcomes of these challenges in filling hard-to-fill jobs are far reaching and have important consequences for employers. Most commonly, it was suggested that the quality of the product was compromised, operating costs increased, it was difficult to meet customer objectives and introducing new practices was problematic. Existing staff had to work harder to make up for those hard-to-fill vacancies. To overcome this, employers increased their workplace training, took on more trainees and redefined existing jobs. Salaries too were increased in certain instances.

From the above tables, it is evident that the shortage of trades has the most significant impact on employers in the manufacturing industry with increased training, recruitment, salaries and existing jobs redefined. The difficulty in finding reliable staff has caused one employer in the manufacturing industry to introduce an automated system. In terms of the responses to the outcomes of hard-to-fill vacancies one-third of all responses were in the manufacturing industry and just under one-quarter in tourism.

The above discussion indicates that there is a combination of factors affecting employers in the Rodney District. Firstly, skills shortages exist because there are insufficient numbers of job seekers with the required skills, particularly in the trades. Secondly, recruitment difficulties are experienced because of the lack of appropriate applicants and employers have highlighted issues of commitment and work ethic. In addition, the nature of some of the jobs does not attract job seekers. Finally, skills gaps are experienced because employers are only able to recruit job seekers with some of the skills required and it has been suggested that the lack of practical and technical skills contributes to this. Consequently, in-house or on the job training of existing staff was the most common option used by employers to overcome hard-to-fill vacancies. The following section will examine the issue of skills gaps experienced by employers.

PROFICIENCY OF CURRENT STAFF

Less than half of those in the sample (38) answered the question on whether any skills gaps exist in their workplaces. Of those that did respond, 14 suggested that they made sure that their staff was sufficiently trained. This employer comment typified these responses, 'we train our own staff, so lack of qualifications would not be an issue for us'. It would be safe to assume that the 47 employers who did not respond to this question probably relied heavily on training to make sure that the staff they had remained proficient in the roles they were filling. On-the job training is becoming increasingly relevant and has been the focus of government initiatives. John Blakey, Chair of the Industry Training Federation (2002), suggested that the future of the economy would depend on the ability to establish a system that goes well beyond the current 'front loaded, pre-employment system of education and training'. He argues that industry training is the vanguard of the new economy training and learning system and should be seen as a legitimate pathway for the skill development of school leavers and vocational training of university graduates as they enter the workforce thus 'future proofing employees and the economy against the relentless logic of innovation and change' (www.workinprogress.govt.nz).

In spite of the small number of responses, we have presented responses in the tables below. This indicates that skills gaps existed primarily in retail and sales positions as well as general unskilled roles like labouring and general maintenance.

Table 26: Employees Not Seen to be Fully Proficient

Occupation	number
Serving staff/waiter	4
Salesperson	3
Kitchen hand	2
Customer service	2
Labourer	2
General (incl. maintenance, unskilled)	2
Nurse	1
Accountant	1
Research Analyst	1
IT (non-specific)	1
Office (non-spec)	1
Care-giver	1
Barr staff	1
Merchandiser	1
Lifeguard	1
Manufacturing (non-specific)	1
Carpenter	1
Production (non-specific)	1

Table 27: **Reasons Why Staff are not Proficient**

Reason	Number of responses
Lack of experience/recently recruited	17
Staff lack motivation	12
Failure to train and develop staff	10
Recruitment problems	6
Inability of workforce to keep up with changes	4
High staff turnover	3
Other	2
TOTAL	54

Lack of experience and motivation were the most frequent responses given for the lack of proficiency in current staff and could be an indication of the high turnover in service and sales roles because of the reliance on casual workers. The most common skills that current employees do not have, and which emerged throughout the report, are personal skills like customer service, work ethic, and interpersonal skills.

Table 28: **Skills Lacking in Staff**

Skills	Number of responses
Customer service	4
Experience	3
Work Ethic	3
Teamwork	3
Interpersonal skills	2
Technical skills	1
Ability to complete task adequately	1
Organisational skills	1
Basic skill	1
Practical skills	1
Other	9
TOTAL	30

To complete this discussion on skills, we asked employers to identify skills they thought might become increasingly important over the next two to three years. Not surprisingly, table 29 below indicates that people skills including customer service, work ethic, teamwork etc. constituted 58 percent of all responses. This is followed by 17 percent of responses around technical and trade skills. Several employers felt strongly that young people should be actively encouraged back into the trades. Although it was recognised that some trades were viewed negatively, they could lead to excellent employment outcomes particularly if management skills were added at a later stage. Moreover, management skills could become part of trade qualifications.

Table 29: **Skills that will be Important in the next 2-3 years**

Skills	Number of responses (n=78)
Personal skills	68
Personal/people skills (incl. attitudes, motivation)	30
Customer services/sales	11
Willingness/ability to learn	8
Communication skills	6
Teamwork	5
Work ethic	3
Cultural awareness	3
Problem solving	2
Technical/trade skills	17
Use/update of new technology	6
Technical skills	4
Trade skills (incl. apprenticeship)	4
Computer skills	3
Management/supervisory	6
Occupations (incl. nurse, engineer, caregiver, hospitality and gardener)	6
Marketing skills	4
No real changes	6
Other	10
TOTAL	117

Having concentrated on skills gaps and skills shortages, we asked employers if there were any other barriers in place that might affect the employment of staff. This is canvassed below.

OTHER BARRIERS TO EMPLOYMENT

This question was open-ended with no pre-codes. Many barriers to business growth were identified and these have been broadly categorised into local and central government; shortage of applicants (including skilled employees); personal qualities/traits; industry/enterprise related barriers; location and 'other'. The table below lists these in more detail with the large number of 'other' comments ranging from supermarket chains introducing organic foods which has had a significant impact on smaller organic food producers, the discrimination of older workers to the lack of industrial space.

Table 30: **Barriers to Employment of a Fully Proficient Team**

Barriers	Number of responses (n=62)
Local and central government	25 (27%)
New Holiday Act/ERA	8
Bureaucracy	4
Compliance costs	3
Lack of government support for industry	3
Local council regulations	2
Lack of childcare facilities	3
Foreign exchange	2
Shortage of applicants/appropriate/skilled	19 (20%)
Small pool of applicants	11
Shortage of skills	4
Staff retention	4
Personal qualities/traits	17 (18%)
Work ethic	7
Attitude	5
Willingness to learn	2
Drug abuse	3
Location	11 (12%)
Location	8
Poor public transport	2
Cost of transport	1
Industry/enterprise related	11 (12%)
Low pay rates in the industry	3
Financial constraints	3
Nature of industry (unattractive)	2
Training costs	3
Other	11 (12%)
TOTAL	94

Local and Central Government

The revised Holidays Act, compliance costs such as ACC levies and bureaucracy in general are seen as real barriers to business growth. In addition, a couple of employers mentioned local council regulations becoming more stringent, particularly regarding resource consent. Council was seen as obstructing progress and this has impacted on employment. For example, one employer commented that the local spray helicopter has lost its license thereby making planning arrangements difficult.

Shortage of Applicants/Suitable Skills

The shortage of suitably skilled job seekers, particularly since the abolition of the apprenticeship system, has caused employers to devise strategies to overcome this. One employer in the manufacturing industry is automating his systems. Another is changing the focus of his business. One manufacturer submitted that all the apprentices in his business were over 40 years old and there was a shortage of apprentices coming through the system. He suggested that trades should be 'professionalised'. Discussions in the qualitative interviews found almost unanimously that there was a major shortage, particularly in the skilled trades in the Rodney District. This shortage is Auckland wide.⁹

Personal Qualities/Traits

This has been discussed in various sections of the report but, in addition, it is interesting to note that several of the employers we interviewed referred to problems with younger employees regarding work ethic, attitude and commitment. These issues emerged as a barrier to developing and maintaining a fully proficient team across all the industries surveyed. One employer in construction suggested that work ethic and commitment is a general problem in the Rodney District. He continued that people take it for granted that they receive pay but do not understand that they have to 'give' in return. A second employer in the construction industry commented that because the work ethic among younger workers was problematic, the company preferred to employ older workers who were more responsible and committed. Similar comments were made by several employers in other industries.

Location

Again, location emerged as a significant problem for many employers. The distance employees need to travel to get to employment from outside the Rodney area, and the fact that companies operating across the Rodney District are competing with employers from all over the Auckland region for appropriate staff were some of the reasons given. Furthermore, certain parts of Rodney have turned into a 'lifestyle' block society and real estate is no longer affordable to the average 'blue-collar' workers. Expensive transport costs and inadequate public transport contribute to difficulties in attracting job seekers – particularly in the lower paid occupations. The general skills shortage in the Auckland regional labour market is already so tight that Rodney's location and transport difficulties make recruiting the right employees problematic. Nationally, skills shortages remain very high and surveys have confirmed that companies are finding it more difficult to recruit staff than at almost any other point in the last 25 years. Furthermore, it is the main factor limiting expansion in one-quarter of companies in New Zealand which represents a 30 year high (<http://www.dol.govt.nz/lmr-skills.asp>).

Industry/Enterprise

Several employers recognised that the nature of their industry might not be attractive to potential applicants. This could be because of the industry itself. One manufacturer suggested that hospitality was perceived to be a more desirable industry to work in. Working conditions contributed to this perception – many of the employers we interviewed were heavily reliant on staff working shifts and unsociable hours.

⁹ In a recent publication (preliminary results) examining job openings for Auckland regional residents in the eight years between 2003 and 2011, it was found that 12,093 trades workers would be required and 25,042 technicians and associated professionals (Economic Development Unit, Manukau City Council, 2004).

MIGRANTS

We asked employers to describe the employment of migrants in terms of their company needs. This question was asked because the loss of young people is of concern although the Rodney population is expected to continue to grow strongly for the foreseeable future. One of the strategies to overcome the effects of an ageing population, the loss of young people to other areas and the shortage of productive workers might be to attract migrant workers.

Table 31: **Migrant Employees**

Reasons	Number of Responses (n=53)
(but) No different to non-migrants	15
(but) Communication difficulties	12
Work well/not an issue	10
Work ethic/reliable/motivated (incl. better work ethic)	9
Welcome diversity/essential/enriches industry	9
Do not employ migrants/employ locals	3
Best workers/more skilled	2
Other	7
TOTAL	67

The majority of those who answered this question had positive experiences in employing migrant workers, often in spite of communication difficulties. For many, the ethnicity of their employees was irrelevant. One employer in the retail industry suggested that cultural diversity training was one of the biggest issues facing the future of education in New Zealand and the globalising business world. She felt that New Zealanders had little understanding of culturally different behaviour and given the increasing trend of globalisation and this country's market, this is important 'we can't simply take their money and business' – we must look after them at the same time.¹⁰ Another employer in the bio-business agreed that employees from other cultures were a 'must' as they can learn from each other. Several suggested that migrant employees brought fresh ideas. One employer saw this as especially important in the hospitality industry because of the multi-cultural clientele. To achieve this, it was suggested that education and training providers should make more use of OE schemes and student or work exchanges. Cultural diversity was seen as enrichment by another employer. Many observed that language barriers were easy to overcome, and the high quality of work and positive attitude to work made up for any difficulties. Comments regarding the superior work ethic of migrants were made. It was suggested that the attitude of some New Zealanders to immigrants was an issue rather than the skills or communication problems migrants might have.

The final section of this report deals with issues around education and training.

¹⁰ This is an interesting observation and an area of increasing interest. David Thomas and Kerr Inkson have recently published a book 'Cultural Intelligence: People Skills for Global business' which looks at the processes of globalisation and how they have led to greater cross-cultural interaction than ever before.

EDUCATION AND TRAINING

The final section of the questionnaire was included to gain an understanding of employers' attitudes to education and training. This has been discussed in more detail in the section on vocational education and training and complements that discussion. Eighty-one percent of the employers surveyed suggested that they participate in some form of training but less than one-quarter were aware of Government subsidised training schemes. Of the 21 employers who were aware of government assistance in training, 11 mentioned Work and Income schemes; five ITOs, one a PTE; one the NZQA and three spoke of other forms of assistance. Training schemes subsidised by employers included the following:

Table 32: **Employers' Participation in Training**

	Number of Responses (n=69)
In-house (non-spec)	55
ITOs	21
PTEs	11
Manufacturer/product/franchise training	8
First aid/H&S/OSH	7
Consultants (non-specific)	5
Infratraining	5
Modern apprenticeships	3
NZQA	3
Correspondence (non-specific)	2
Courses (non-spec)	2
Work and Income	2
Other	9
Total	131

Almost 80 percent of the employer representatives surveyed answered the question on participation in in-house training schemes. One particular example of the effectiveness of this form of training is the Infrastructure ITO training scheme 'Infra Train'¹¹ which was mentioned by several employers in the construction industry. One employer suggested that all staff sent on their courses improved their skills considerably as Infra Train works closely with industries to ascertain what skills are needed. In one instance, 9 out of 13 unemployed people who went on this course found employment in Rodney. A second employer observed that in four weeks, unskilled workers learned more on an Infra Train course than in years of education. Infra Train also successfully taught positive personal attitudes. Another said that his company had designed a program with Infra Train and this was most effective as it best suited their training needs.

¹¹ Infra Train is a National Industry Training Organisation for the infrastructure industries. As indicated by some of the employers interviewed, industries can establish programmes aimed at lessening the skills shortage (www.infratraining.co.nz)

Table 33: Employer Opinions on Education and Training Provision

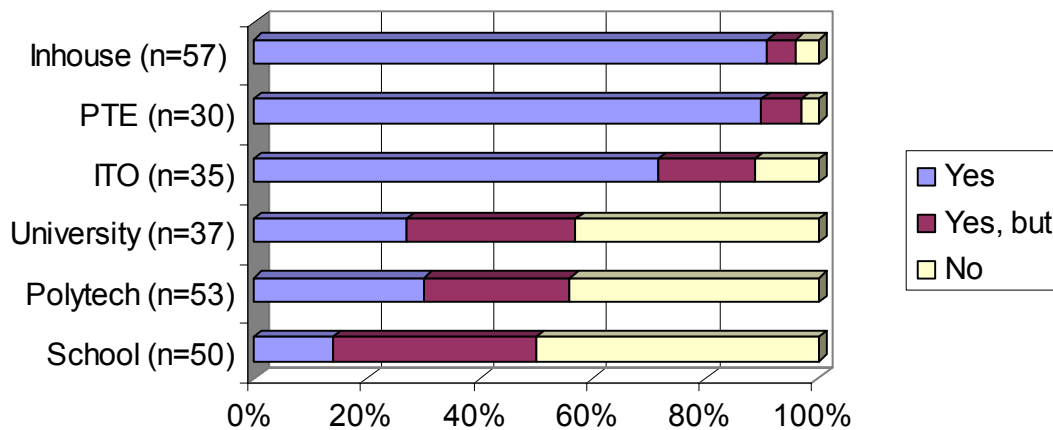
Education/ Training provider	Effective/ Relevant?	Hospitality	Retail	Bio-business	Construction	Medical & Care	Manufacturing	Tourism	TOTAL
School	Yes	1	1	3	2	0	0	0	7
	Yes, but...	3	5	5	2	1	1	1	18
	No	4	7	1	4	2	3	4	25
Polytech	Yes	2	0	3	2	5	2	2	16
	Yes, but...	2	3	4	2	0	0	3	14
	No	4	8	2	4	1	2	2	23
University	Yes	0	0	2	2	4	1	1	10
	Yes, but...	2	3	3	1	1	0	1	11
	No	2	6	3	4	0	0	1	16
ITO	Yes	4	6	4	4	2	5	0	25
	Yes, but...	2	0	1	1	0	1	1	6
	No	1	1	1	0	0	1	0	4
PTE	Yes	2	5	5	4	6	3	2	27
	Yes, but...	1	0	1	0	0	0	0	2
	No	0	0	0	0	1	0	0	1
Inhouse	Yes	5	9	10	9	8	6	5	52
	Yes, but...	0	1	0	0	0	0	2	3
	No	0	0	0	0	0	1	1	2

To increase our understanding of current education and training provision, employers were asked to give some indication of the effectiveness of school, tertiary and other forms of training, the reasons for this and suggestions on how education and training programmes could be improved (see tables 33-35). In response to the question about school education, of the 50 employers who responded to this question, only 14 percent felt that schools were preparing students adequately for the workforce, 36 percent thought it was effective but with some reservations and half did not feel that basic skills were taught adequately and that aspects of the curriculum were not practical enough. Fifty-three of the people interviewed commented on polytechs and of those, 43 percent found polytech qualifications inadequate, primarily because they were not practical enough. Similarly, of the 37 employers with an opinion on university education, 43 percent did not find that education satisfactory, again because courses tended to be too theoretical.

On the other hand, almost three-quarters of the 35 employers commenting on ITOs, 90 percent on PTEs and 91 percent on in-house training (not specified) found those forms of training most valuable because of their relevance. The figure below describes this in more detail. Three employers were

particularly impressed with marae-based training schemes (see also page 45). One employer in the retail industry group observed that together with other training, marae-based training initiatives provide a broader approach to education. Another employer in the 'bio-business' industry commented that this training is free, very effective and is open to non-Maori. The third employer to mention this training is in the hospitality industry. The reason she found it valuable was that young people responded to the atmosphere and teaching methods on the marae.

Figure 14: **Employers' Education and Training Preference**



Reasons for Employer Opinions on Training

Not unexpectedly, employers felt that training and education providers were not always practical enough. One employer's response typified this. He suggested that for the development of effective training and education courses, institutions should be made aware of the requirements businesses have. Many employers have developed their own in-house training schemes that work well once they have attracted the desired employees. A common response was around the inability of people to read and write properly, the low standard of education and the lack of preparation for the workforce. Several did acknowledge that education began in the home and many children were coming to school without having acquired basic personal skills.

Table 34: Reasons for Employers' Opinions on Education and Training

	School	Polytech	University	ITO	PTE	Inhouse	TOTAL RESPONSES
Not practical enough/too theoretical	9	11	8	0	0	0	28
Too general/not broad enough	2	6	5	3	0	0	16
Lack of OJT	4	2	3	0	0	0	9
Not meeting requirements/relevance	3	2	1	0	0	0	6
Literacy	3	0	0	0	0	0	3
Lack of personal (incl. basic skills)	7	3	2	0	0	0	12
Attitude of applicants	1	0	0	0	0	0	1
Not technical enough	1	0	0	0	0	0	1
Numeracy	2	0	0	0	0	0	2
Education starts at birth	2	1	0	0	0	0	3
Inadequate training (non-spec)	0	0	1	0	0	0	1
Training suited to our needs	1	2	2	3	5	20	33
No work ethic	0	1	1	0	0	0	2
Relevant	0	1	0	0	0	0	1
Employees ill prepared	0	1	0	0	0	2	3
other	9	5	5	3	1	3	26
TOTAL	44	35	28	9	6	25	147

Training is an essential component in employment growth. There is growing evidence that contemporary challenges include the need to consider education, training and skills in a more systematic way as globalisation together with a tightening regional labour market and shortage of skills, are reshaping local and regional economies. What is incontrovertible is that work-based education and training is one of the most effective ways of closing skills gaps in organisations. Although work-force training is recognised as one of the most effective means of up-skilling staff, many small and medium sized companies do not have the resources in terms of time, money and personnel to achieve this as successfully as they might desire. Several employers in this survey observed that it was difficult to achieve training objectives given compliance costs, time spent on administration supporting compliance issues, the size of companies and their work load.

CONCLUSION

The national skills shortage which is at a 25 year high (<http://www.dol.govt.nz/lmr-skills.asp>) is reflected in the Rodney District. Furthermore, the intensification of skills shortages among the unskilled and lower-skilled occupations is one of the defining features of the Rodney labour market. The Department of Labour reports that the highest growth in job vacancies over the last year has been in these occupations. In addition, most trades are still in 'severe shortage' (<http://www.dol.govt.nz/lmr-skills.asp>). Several of the employers we interviewed indicated that this could get worse as the loss of apprenticeships has created a skills gap lasting between 10 and 12 years with the continual depletion of skilled people as skilled trades people are retiring.

Whilst there are specific labour shortages, a large number of Rodney residents work outside the district. Clearly, the creation of job opportunities is an issue of importance in the Rodney District. This was not only identified by the employers and stakeholders we interviewed, but also by residents interviewed in the 2002 survey undertaken by ACNielsen (2002).

The small pool of applicants in the Auckland region, skills shortages and the location of many employers in Rodney can make it difficult to attract appropriate job seekers – particularly since public transport is inadequate both from other areas and within the Rodney District. Moving to Rodney is not an affordable option for many as the value of real estate has escalated as the 'life-style' block society is becoming an increasing phenomenon in this district.

From the range of qualitative and quantitative interviews undertaken in April and May 2004, certain challenges for the Rodney District Council and REDT have emerged if employment and the recruitment of appropriate staff are to be addressed. Some of these themes are indicated below.

- There was a widely held perception among interview participants that there is a significant shortage of skilled workers in the Rodney District.
- The poor perception of the status of trades amongst secondary school students was identified as a key factor in the number of entrants into the trades. This perception may be influenced by media comments about the desirability of more academically oriented forms of tertiary education and a lack of media promotion of apprenticeships and trades careers. Furthermore, the successful implementation of the new apprenticeship scheme is likely to require the development of institutional support and brokerage systems incorporating communication networks between stakeholders, including secondary schools, local employers, industry organisations, tertiary training providers, and local and central government planners.
- The lack of comprehensive trade training facilities in the wider north Auckland was identified as a hindrance to apprenticeship pathways for both employers and apprentices.
- A campaign to increase the awareness of the Rodney District as a desirable place to work was seen as important to overcome some of the barriers to recruitment that are experienced;
- Inadequate and expensive public transport, both within and from outside of the Rodney District, is an issue - particularly in the employment and retention of lower-skilled workers. Furthermore, transport problems impacted more widely on students from the Rodney District getting to training facilities outside of the district;
- Ninety-nine percent of the Rodney employers surveyed had employed all, or most, of their employees from within the district yet, at the same time, half of Rodney residents work outside the district.

- Tourism has been recognised as one of the emerging industries in the area yet it has been suggested that the district does not have a well-planned and co-ordinated strategy to encourage this growth. The lack of signage was one example of this.
- Comments were made regarding haphazard planning which could detract from the unique character of Rodney - one of the reasons so many tourists are attracted to the area. Well planned, designed and aesthetic development in the district was seen as a strategy to maintain the character and landscape of the areas ensuring the growth of tourism and the resultant employment in the tourism industry.
- A centrally co-ordinated strategy for the employment of seasonal workers was suggested as a way of avoiding the inevitable shortage of seasonal workers that would arise in the next few years as agricultural and horticultural businesses were growing as well as increasing in number. There was an escalating demand on a limited supply of workers.

This report has presented a broad snapshot of a myriad of issues facing employers in the Rodney District. Some of the employment challenges confronting employers are beyond their direct control and overcoming them will require concerted strategies from local and central government agencies. We have identified a number of issues but a more in-depth understanding will require further research. An overwhelming impression of Rodney District is that is an extremely diverse area, comprising large rural areas containing many small communities in villages and towns, as well as concentrated urban and commercial areas such as the Hibiscus Coast. The employment issues faced in different areas within the district are therefore diverse. Further research could be on a ward basis rather than as part of a district-wide investigation as the characteristics of the three wards contained within the Rodney District are so different. Centres such as Wellsford and Helensville appear to face specific issues that the wide focus of this report is unable to address in sufficient detail, and these centres may warrant specific study. Another avenue for further research is to examine the possibility of making new forms of employment connections. One example is connecting the various geographical areas in Rodney together in a more coherent manner. Worthy of investigation is the development of viable forms of public transport between key 'nodes' throughout the district, particularly targeted to attract working commuters. Another is developing local connections between job seekers, particularly young people, and education providers and employers. The more intimate nature of Rodney communities compared with the large urban areas of the four cities in Auckland may make these forms of connections workable propositions.

Our research has shown that there are significant skills shortages, skills gaps and recruitment difficulties given the shortage of appropriate job seekers. Some of these problems may be exacerbated by new employment demand from emerging industries such as tourism, film production and healthcare services. However, the nature of the district – its relatively undeveloped natural environment, its diverse urban, rural and coastal features, and its people - provide a strong opportunity to shape the development of a local economy that serves residents of the district by providing the opportunity to earn a living locally. A key component of this process will be the development of an employment and skills strategy through a pro-active partnership between the various stakeholders in the district, including the Rodney District Council, Rodney Economic Development Trust, Work and Income, education providers, the local iwi and employers. We trust that this report provides some useful insights into contemporary and potential future employment issues in the Rodney district that will assist the development of an appropriate strategy.

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USEFUL WEBSITES

EDANZ, the economic development agency of New Zealand has identified some useful websites around information on skills and labour shortages in New Zealand (<http://www.edanz.org.nz>). These and others are listed below.

The Department of Labour has various useful websites:

www.dol.govt.nz/labour-market-reports.asp: The Department of Labour has obtained customised HLFS survey data by regional council area and these results are published in the Department's six monthly regional labour market reports.

<http://www.dol.govt.nz/skill-mkt-plan.asp>: This website provides information on the Skills Action Plan (SAP) launched by the Government in 2002 to better match people's skills to job opportunities and to assist people to make well-informed decisions about participating in, or providing, education and training.

<http://www.dol.govt.nz/linked-employee.asp>: This is the linked employer-employee database which is a joint project between the Department of Labour and Statistics NZ to develop a database which integrates data from different sources so that the same individuals are matched and different information about them is combined to gain new insights into their labour market behaviour and outcomes that cannot be answered from employee or employer surveys alone.

Other Government agency websites:

www.worksite.govt.nz: This is a web-based portal for labour market information.

www.workinsight.govt.nz: This is a six-monthly publication on skills and work, which supports the aim of helping match people and jobs. It contains updates on labour market trends, statistical information, personal profiles and references to further information. Its primary target audience is career advisers, Work and Income NZ work brokers, and other job market intermediaries.

Local Government and Agency websites:

www.rodney.govt.nz: website of the Rodney District Council.

www.bizrodney.com: website of the Rodney Economic Development Trust which was formed in 2001 to assist in the implementation of a strategy for Rodney District's economy.

Other useful websites:

www.anzbank.com/nz: The ANZ bank publishes a job advertisement series that measures the number of jobs advertised in the major daily newspapers and Internet sites covering Auckland, Wellington and Christchurch each month and provides a good indication of future labour market trends.

www.nationalbank.co.nz: The National Bank Survey of Business Opinion includes information on the employment intentions of employers. The information is available on a regional basis and provides a qualitative indication on the future labour market conditions in each region. The bank also publishes information on quarterly regional economic trends.

<http://lmd.massey.ac.nz>: This website has the Labour Market Dynamics Research Programme's publications that can be downloaded.