

WELLINGTON REGIONAL LABOUR MARKET UPDATE FEBRUARY 2010

Labour Market Summary for Wellington Region

Labour force participation rate in Wellington stood at 71.1% during the year to December 2009 up from 70.0% the year before. In comparison the national average participation rate was 68.3% for the year to December 2009

The unemployment rate for Wellington increased to 5.8% for the year to December 2009 (national average 6.1%) from 3.9% in the year to December 2008

The employment rate (the proportion of working age population that is employed) in Wellington stood at 67.0% during the year to December 2009 down from 67.3% the year before. In comparison, the national average employment rate was 64.1%

The number of people in the labour force in the Wellington region is estimated to be 292,200 in the year to December 2009

There were 8, 253 working age people receiving unemployment benefits in the Wellington region at the end of December 2009. Wellington region makes up 12.4% of the total national share of those receiving this assistance

Young people (18-24 years) make up 32.6% (2,690) of the total unemployed, in comparison the NZ share is 34.0% (or 22, 532). Maori make up 28.9% (2,385) of the total unemployed. Pacific People make up 10.4% (855) of the total unemployed

Despite rise in unemployment, the outlook for the Wellington labour market shows some promise with a number of employers expecting to take on new staff (26% of respondents). Businesses are citing 'staff shortages' and difficulty to 'recruit and retain' as their key concerns (Source: Chamber of Commerce Business Confidence Survey)

Unemployment for the Wellington region (from Porirua – Upper Hutt and Wellington cluster only) has decreased consecutively for the last 5 weeks with 50% of applicants applying for Unemployment benefit assistance finding employment within 28 days

Work stream Activity

- Feedback paper submitted to MoE on the Government's Tertiary Education Strategy (2010-2015) with Sir John Andersons endorsement on behalf of the Wellington Region and WRS. Overall, this was a positive response to better aligning delivery with the achievement of labour market outcomes, improved completion rates by tertiary providers etc from a regional perspective

- Limited Service Volunteers (LSV) expansion has been implemented at the Trentham Army Camp, Upper Hutt. The region has appointed a National LSV Co-ordinator. The first programme starts on the 11 April. We have 440 positions available for young people at LSV. The Co-ordinator is liaising with local businesses and industry to generate employment opportunities for young people post programme
- Collaboration occurring within the economic development and business sphere. Capability NZ has been set up and involves the Chamber of Commerce, Business NZ, EDANZ, Institute of Management, Chartered Accountants, NZ Business Mentors, Business Excellence Foundation and EMA Central. Development of a national business capability tool, with the intent to create a website hub that explores and links capability of private sector suppliers with businesses. This aims to provide businesses with choice
- Regional Skills Survey completed between MSD and Grow Wellington, with over 70 businesses responding. Findings to influence key activities within the respective labour market work streams
- Engagement with local Iwi on RWC developments from a 'training, skills and employment' perspective is in progress, particularly for the retail, hospitality, trades and tourism sectors
- Youth Guarantee Scheme designed to assist young people into free education has been successfully implemented in the region with three providers (WelTec, NZ Institute of Sport and Whitireia securing a total of 185 positions). Allocation of positions to local Maori/Iwi Providers for those young people who want to pursue a career in the trades sector
- Government Schemes such as Job Ops and Community Max has achieved over 400 placements of young people (16-24) into paid employment. The scheme was designed to create jobs, provide work experience to assist young people for 6 months in the workplace as a temporary measure to stimulate jobs in the economy. UHCC, WCC, HCC, PCC and GWRC all have current Community Max projects to assist young people into work
- Launch of the internship toolkit for private and public sector scheduled for July 2010 as a mechanism to encourage employment within these sectors for those under employed or job seeking
- Inter agency collaboration occurring to assist Refugees navigate their way through the maze of services available in the education, career field, known as the "career pathway" project that has a focus on consumer need and providing support systems (offered by government and non-government agencies) to access services

- MSD, WelTec and Building Industry conducting a training programme to encourage apprenticeships and general employment in the building sector, with students utilizing their time to up skill to a level 4 certificate in carpentry
- Extensive delivery of CV and work preparation workshops by Career Services across the region to distinct ethnic groups in the community and secondary schools
- Next Wellington Labour Market Governance Group meeting scheduled for mid March 2010, discussion on adopting GPI measures for the labour market strategy to better align with the WRS GPI work

Challenges

- Governments capped crown funding continues to impact on delivery of services
- The current environment has led to the re-prioritization of funding by agencies, therefore requiring a renewed focus on the current labour market strategy deliverables. Paper to be submitted to the Wellington Labour Market Governance Group in March on Work Stream Leader recommendations
- Continued forecasts that there will slow growth of jobs available in the labour market, though this will be an improvement from this time last year
- Increasing demand and interest in studying at polytechnics with capped funding volumes restricting access for students

Request

- If there are upcoming developments across councils (or other projects) that may require labour or support with training, please contact Mel Harrington (mel.harrington015@msd.govt.nz – Ph: 04 917 7141/029 278 3736)