

Report 13.803
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Committee Wellington Regional Strategy Committee
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WRS Office Update

1. Purpose

To provide the Committee with an update on Wellington Regional Strategy (WRS) Office activities raised at the previous committee meeting.

2. The decision-making process and significance

No decision is being sought in this report.

3. Background

At the last WRS Committee meeting of 5 June 2013 there was discussion on several areas of interest including immigration (in relation to the labour market) and further full cost account (FCA) initiatives.

The following is a summary of progress, findings and proposed future work in each of these areas. An update on broadband activities is also provided.

3.1 Immigration and Employment

At the Employment “Call to Action” workshop in April, a number of issues and information gaps were raised. The WRS Office has followed through on a number of the points raised at the time and in subsequent discussions. The main projects to come out of this work are a review of current immigration policy and practices, a survey to help understand future skill needs by business and a scan of the many training-business link programmes across the region. These projects are detailed below.

3.1.2 Immigration review

At the meeting on June 5, the Committee discussed whether immigration policy has had any impact on reported issues for attracting and retaining migrants in Wellington. As a result, a request for proposals (RFP) was sought for a review of immigration policy and programmes, and how these impact on the regional labour market. Berl was the successful consultant for this work, which will be done in two stages.

Stage 1 details the relevant issues, demonstrates their importance for the regional economy and suggests areas for further inventions. The draft report has been received by the WRS Office.

The draft report identifies priority issues for the Wellington region under the categories of: attracting more skilled migrants; the settlement of migrants; small business support activities; and growing the education sector. With significant immigration policy changes since 2010, the current settings are not viewed as a particular barrier to attracting and retaining migrants in the region. However, there are areas that can be supported including informing the skills shortage list to reflect all sector needs and transitioning migrants with temporary work visas to residency.

Issues related to skills utilisation, English language proficiency and discrimination experienced by some migrant groups are identified as barriers to the labour market working effectively and efficiently for all parties. The timing of this immigration review is also important in that it coincides with a national review of settlement strategies and related government programmes. Findings from the report for the WRS Committee will provide evidence for any future regional settlement activities.

Stage 2 of the work being done by Berl will provide more detail in relation to issues around the transition of skilled migrants into employment that best reflects their skills. How this links to national responses will also be looked at. The recommendations from this work will be discussed by the Senior Officers Team and presented to the Committee at its next meeting.

3.1.2 Skills research project with Victoria University

A contract has been signed with Victoria University for 80 business management students to undertake skills research with around 150 Wellington “knowledge based” businesses.

The objectives are twofold. The first objective is to get an in-depth understanding of future skills needs and what factors will help retain these businesses in the region. This information can be used, for example, to inform the skills shortage list and direct talent attraction activities. The second objective is to establish stronger links between university graduates and Wellington businesses. This exercise then becomes a part of matching skills supply and demand, and builds on the work already being undertaken by Grow Wellington.

The project has support from several corporate chief executives and has attracted interest from the Tertiary Education Commission (TEC). There is a project team involved that includes representation from Grow Wellington. Survey information and case studies will be made available in November.

3.1.3 Intern programmes

There are many programmes that aim to move graduates and trainees into local businesses, including the programmes delivered by Grow Wellington.

Feedback at the employment workshop was that such activities are often ‘non-strategic’ in terms of matching regional skills supply and demand and the involvement of businesses who might be approached by multiple training agencies.

A scoping exercise is being conducted on the various intern programmes and initiatives designed to attract or link trainees/graduates with local businesses. It is also looking at national and international best practice programmes. A draft report is due in late September and will be reported to the next WRS Committee meeting.

3.2 Full Cost Accounts

At the last WRS Committee meeting a workshop item on full cost accounts (FCAs) was scheduled, but not discussed due to time constraints. The item related to the nature of any subsequent FCAs. Council officers discussed this topic instead and agreed to recommend to the Committee that a FCA on “underemployment” be undertaken.

In order to provide more information to the Committee, a scoping exercise was commissioned jointly with Auckland Council and Waikato Regional Council (as per the previous FCA on Physical Inactivity). This study will define the elements of underemployment and to what degree the impacts of these could be quantified from existing data sources. A report is due at the end of September.

Initial indications are that there is limited social and economic detailed information on many “underemployment” factors which would mean limiting the scope of a FCA and/or require additional result as well. Findings and subsequent recommendations will be provided at the next WRS Committee meeting.

The issue of migrant underemployment would also be included in the immigration work as outlined above.

Indicator information has been updated from sources such as the *Quality of Life* survey as part of the preparation for the next Genuine Progress Index update. Once 2012 census data has been released in early 2014 our data requirements will have been met.

3.3 Broadband

The next phase of promoting ultrafast broadband (UFB) uptake by businesses is to develop a series of detailed businesses cases that demonstrate actual benefits from the application of digital tools. A methodology has been developed that would allow monitoring of improvements over time in addition to being used as a promotional tool in the immediate term.

We are currently seeking to partner with other organisations (including councils nationally) to fund a number of case studies that would give a cross section of example by sectors, scale of business and the level of existing digital uptake.

The other exercise currently being progressed is a Digital Maturity Survey. This is based on the Australian example of benchmarking individual businesses against their peers and demonstrating which sectors would most benefit from promotional and technical support i.e. those less digitally mature.

Survey results will be available by the end of October. It is proposed that introductory workshops on the benefits of UFB uptake and how digital tools might be applied would be provided to interested businesses.

For a residential audience, a draft flyer has been produced. It is designed to be a simple guide on why you would connect to a fibre network and what is involved in doing so. Distribution options are being assessed.

4. Communication

Communication on matters relating to the workstreams occurs as relevant information is identified.

5. Recommendations

That the Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*

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