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## Introduction

The service sector is key to achieving the goals identified in the Tapuae Roa: Make Way for Taranaki regional economic strategy; that Taranaki is a place where talented people want to live and the Taranaki lifestyle offering attracts and retains people.

To help achieve these goals, the Taranaki service sector needs to focus on creating and maintaining a talented and skilled workforce that consistently offers high quality service to both locals and visitors to the region.

*#servicesuccessnz*

### ServiceIQ

ServiceIQ is the industry training organisation for the aviation, hospitality, retail and retail supply chain, travel, tourism and museum sectors – the service sector. We are recognised by government to set skill standards in the service sector and to arrange training in the workplace.

ServiceIQ is owned by industry. We work to empower and motivate people to provide great service to help businesses remain competitive, and for New Zealand to be internationally recognised as a great place to live or visit.

ServiceIQ advocates on behalf of industry for workforce development, and provides a national perspective and leadership for the service sector.

***All employment, occupation, demographic and business data underpinning our regional and national work is supplied by Infometrics.***

ServiceIQ developed the Service Sector Workforce Development Plan 2015 following extensive industry consultation over a two-year period. The Plan has been agreed by industry and is owned by industry. The Plan articulates a shared vision for the sector to respond to the challenges and changes it is facing, and a framework for workforce development.

The framework encapsulates the three primary levers a sector can use to develop the skills of the workforce; that is: attraction and retention, skill development, and skill utilisation. This framework has six priority actions and these underpin our workforce development activities. The priority actions are:

- ▶ Attract and retain people with the right attitude and aptitude
- ▶ Increase the number of able school leavers transitioning into the sector
- ▶ Increase access to and engagement with training
- ▶ Develop and maintain high quality qualifications and programmes that meet the needs of industry
- ▶ Increase productivity by developing core skills
- ▶ Improve business and management capability.

These priorities have been chosen because they are the most likely to have a significant impact on increasing business productivity and growth, and closely align to the primary levers.

## Service sector workforce roadmap for Taranaki

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The Workforce Development Plan highlighted the need for service sector workforce development at a regional level. The service sector workforce roadmap provides a Taranaki orientation and focus point for the six priorities; and provides a means for creating concrete, detailed actions for realising the vision for the service sector.

A service sector workforce roadmap is a plan to meet forecast workforce growth in a region over the next five years. The plan's demand side will include detailed forecasts of workforce changes including changes in workers, changes in occupations, and changes in skill levels. The supply side will outline how we can harness Taranaki knowledge and innovation to create industry-led solutions that best meet those workforce needs.

Pivotal to the success of these plans is collaboration with key organisations in the region, including city councils, regional tourism organisations, iwi, businesses, schools and tertiary education organisations.

The roadmap will link supply and demand for skills, better connect different parts of the tertiary sector, provide information to young people about where there are likely to be opportunities, and ensure that there is a pipeline to meet future sector needs.

## Developing a service sector roadmap for Taranaki

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ServiceIQ surveyed local businesses and organisations, and hosted a workshop in Taranaki in September 2017. Representatives from local businesses, membership bodies, education providers, business groups and the economic development agency attended the workshop. The group developed a vision for the service sector in Taranaki and established a range of strategies for achieving this vision, which formed the basis of the roadmap. A first draft of the roadmap was developed in late 2017 and tested with members of the group for coherency and accuracy.

### Critical success factors

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The success of the regional roadmap action plan is dependent on the Taranaki service industry taking leadership, with regular measurement and updates on progress.

ServiceIQ will track and measure progress against the Taranaki service sector workforce roadmap action plan.

Lonely Planet awarded the Taranaki region second in its Best in Travel 2017 list. With year-round events and stunning scenery, it is no surprise that domestic and international tourist spend is on the rise and tourism presents a growing industry for the region.

As well as visitors, the resident population in Taranaki is growing. The region had an estimated resident population of 116,600 in 2016<sup>1</sup>. Medium population projections from Statistics New Zealand, based on 2013 census data, see the population in the region increasing to 122,500 by 2023.

A strong, vibrant service sector workforce is essential for ongoing prosperity in Taranaki. It is key to attracting more people into the region and for a growing tourism industry.

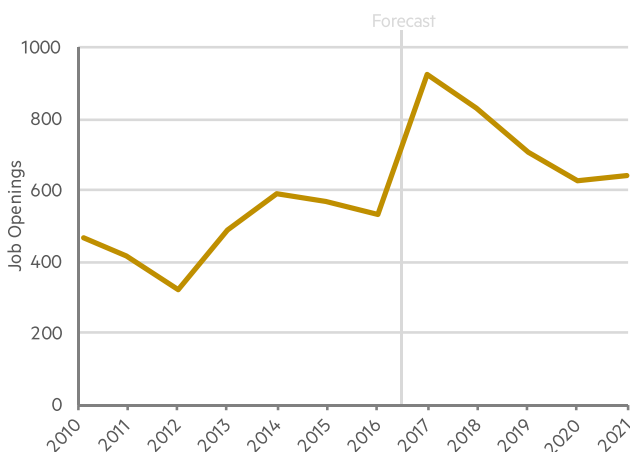
## The service sector covers:

- ▶ Accommodation
- ▶ Aviation
- ▶ Cafés, Bars and Restaurants
- ▶ Catering
- ▶ Clubs
- ▶ Museums
- ▶ Quick Service Restaurants
- ▶ Retail and Retail Supply Chain
- ▶ Tourism
- ▶ Travel

### Service sector in Taranaki

The service sector in Taranaki contributed \$727 million to GDP in 2016; this accounted for 9.7 per cent of the total GDP for the region. There were 2,186 service sector businesses in the region in 2016, with an average of 5.6 employees per business. This is higher than the average number of employees across the total Taranaki region, which had an average of 3.8 employees per business. The self-employment rate in the service sector is lower than that of the total region, 13.1 per cent compared to 18 per cent in the total region.

#### Total Job Openings in the Taranaki Service Sector



There were 12,150 filled jobs in the Taranaki service sector in 2016 (10,556 FTEs); this is 21% of all filled jobs in the region. Employment in the Taranaki service sector is forecast to grow by 792 jobs over the five years to 2021. Combined with replacement roles, there is forecast to be over 3,700 job openings in the sector.

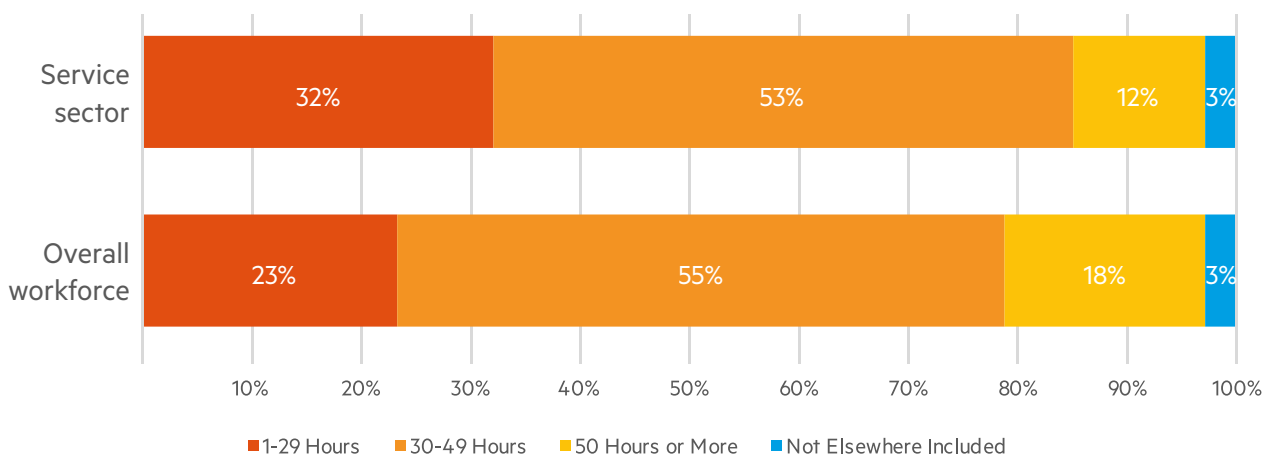
The service sector in Taranaki is ageing; this is in line with the national and international trends. In 2006, there were 1,853 employees in the service sector aged 15 to 19 years old. By 2013 this had dropped by 25 per cent to 1,391, despite overall service sector employment in the region growing during this time. Employees aged 65 years and over increased by 85 per cent from 318 employees in 2006 to 587 in 2013.

<sup>1</sup> MBIE: Regional Economic Activity web tool

More females than males are employed in the service sector in Taranaki; 58 per cent of employees are female compared to 42 per cent male. This differs significantly from the overall Taranaki workforce where 47 per cent of the workforce is female compared to 53 per cent male. The number of service sector workers born overseas is increasing. In 2006 1,456 people (12 per cent of the workforce) were born overseas, by 2013 this had increased to 1,890 people (16 per cent of the workforce). The majority of those born overseas came from Europe (6.0 per cent of the workforce) and Asia (5.3 per cent of the workforce). Ethnicity in the service sector workforce in Taranaki is similar to that of the overall workforce; 85.3 per cent identify as European, 12.7 per cent as Māori, 6.6 per cent as Asian and 1.1 per cent as Pasifika<sup>2</sup>.

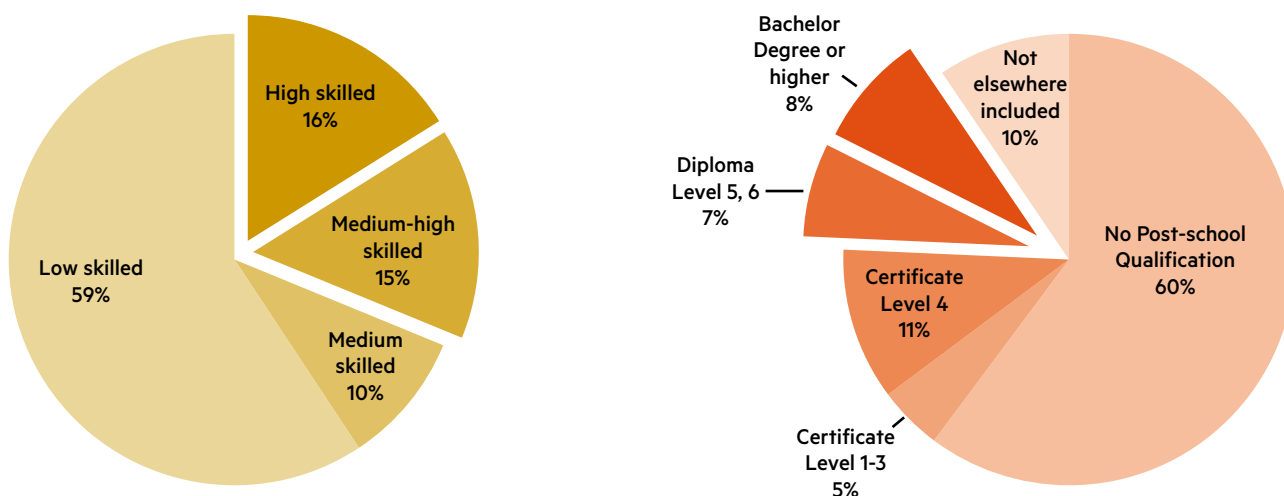
Part-time roles (less than 30 hours per week), make up a larger percentage of roles in the service sector when compared to the overall workforce. 32 per cent of workers in the service sector worked 30 hours or less in their main job, compared to 23 per cent of the overall workforce in the region.

**Hours worked per week in Taranaki**



Medium-high and highly skilled roles make up 31 per cent of jobs in the Taranaki service sector. Medium-high skilled roles typically require a qualification at Level 5 or 6 and highly skilled roles typically require a Bachelor Degree or higher. Only seven per cent of the Taranaki service sector workforce holds a qualification at Level 5 or 6 and only eight per cent hold a qualification at Bachelor Degree level or higher. This may indicate a skills shortfall in the Taranaki service sector.

**Skilled Roles and Qualifications Held in the Taranaki Service Sector**



<sup>2</sup>NOTE: Respondents can identify with more than one ethnicity.

## Challenges to supply and demand facing Taranaki

Nationally, the changing characteristics and expectations of the service sector's workforce and customers are likely to be influencing and shaping the sector over the next five to ten years. Advancing technology is also offering new ways for the sector to engage with its customers, and in turn, this is offering new ways for engaging service sector professionals in skill development.

Over the next five years, the Taranaki service sector is forecast to have 3,736 job openings. The average annual rate of total job openings, including new jobs and employee turnover, is six per cent.

Employee turnover costs between 50 to 300 per cent base salary per person. Retail workers, on average, earn \$47,690, and based on this estimate, the cost to the business of replacing staff is at least \$23,845<sup>3</sup>.

(A review of forecast supply for each sector is included as an appendix).

### Availability of skilled workers

Employers in Taranaki, and around the country, report difficulty recruiting for skilled roles, such as chefs and managers. There is a high demand for skilled chefs, but a limited pool of applicants for jobs offered. Employers are often recruiting overseas applicants, but changes to the Essential Skills policy may have an effect on this pipeline.

**Upskilling and training people to join the workforce and progress through the sector will be critical moving forward**

There is concern from employers that some students training in hospitality may not necessarily feed into the pipeline of workers needed in the sector. Upskilling and training people to join the workforce and progress through the sector will be critical moving forward.

### Work readiness

Some job applicants appear to lack professionalism and work readiness. This issue is not unique to the service sector and is seen in other sectors in the region, nor is it limited to a single age group. People of all ages apply for jobs and attend interviews with seemingly little to no interest in the available job and a lack of understanding of basic employability attitudes and skills.

These skills and traits could be incorporated into training to fill this gap, so applicants realise what skills are needed to get a job in the sector. Service sector qualifications need to incorporate industry experience to be valuable to employers.

### Staff development

In the current employment market, employers may need to train internal staff and recruit in-house to fill skilled roles, rather than looking for external candidates. Some long-term staff can have self-imposed barriers to development, they don't want to progress and are reluctant to leave their comfort zone; this can stall the progression of others.

**Employers can capitalise on qualifications and development opportunities as a benefit when recruiting**

Industry needs to commit to training staff to meet future needs. To create positive work environments, motivate staff and for businesses to achieve sustainability, employers need to empower the next generation of service sector workers and develop them through training, coaching and mentoring. This gives staff a visible pathway of progression and employers can capitalise on qualifications and development opportunities as a benefit when recruiting for entry-level roles.

<sup>3</sup> New Zealand Turnover Survey (April 2016)

## Perceptions of the service sector

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The service sector has a range of opportunities for career development and progression. These are not always recognised; long-term career options are often not visible and service sector roles are not seen as a positive and rewarding choice. The business and management career pathways in the service sector are overlooked and the industry is regarded as just a short-term option.

Businesses and managers need robust systems, so staff can see the pathways through to management and leadership roles within the sector. The service sector needs to build relationships across the region, take up opportunities to showcase the industry to the community and demonstrate the opportunities it can offer.

## Engaging youth

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New Zealand's service sector is facing strong competition for entry-level workers, as the number of young people relative to the population decreases, and young people stay longer in education institutions. As the service sector has traditionally relied on younger staff for many roles, attracting more young people into the service sector will become increasingly important.

The Gateway programme helps bridge the gap between students and job opportunities, however the connection between schools and industry is fragmented. Better industry and school partnerships are needed to link students to potential job opportunities.

## Nature of work in the service sector

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Young people can have unrealistic expectations of what working in the service sector is actually like, they see the glamourised version on TV and are unprepared for the realities of the role. Work in the service sector can be difficult, it often involves long hours in a high stress environment. Managers need to set clear expectations for staff and have the skills to address any staff shortcomings.

The service sector is a seasonal industry, this poses challenges around staffing. There is also the challenge of paying adequate wages while maintaining business profitability, the pay in the service sector can be seen as uncompetitive.

## Perspectives of employers

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There is growing recognition that personality is a more important trait than experience in potential staff. Someone with the right attitude and passion can be the best fit and employers need to hire to train.

There can be a negative perception of the alternate pipelines into the service sector, such as the MSD pathway. As a result, employers may not be aware of and not utilising the support available, such as financial support through training and wage subsidies for guaranteed employment of MSD clients.

There are cases of experienced chefs who are returning from working overseas and want to move into management roles being overlooked for management job opportunities, resulting in these experienced chefs leaving the sector altogether.

## Growth in tourism

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Tourism is a growing industry in Taranaki, with steady increases in both international and domestic tourist spend<sup>4</sup>. With the attention on the region from the Lonely Planet award and Air New Zealand profiles, the growth in this sector will continue.

More high quality hospitality operations are entering the region and raising service levels. A strong workforce is needed to support a growing tourism economy.

**Other issues of note include:** the effect of fluctuations in the oil and gas industry.

<sup>4</sup> MBIE: The New Zealand Tourism Dashboard – Regional summaries



— *The service sector in* —

**Taranaki  
flourishes;**

— *providing* —

**considerable  
opportunities**

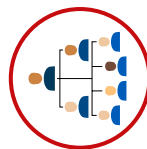
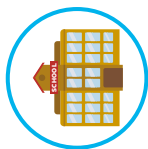
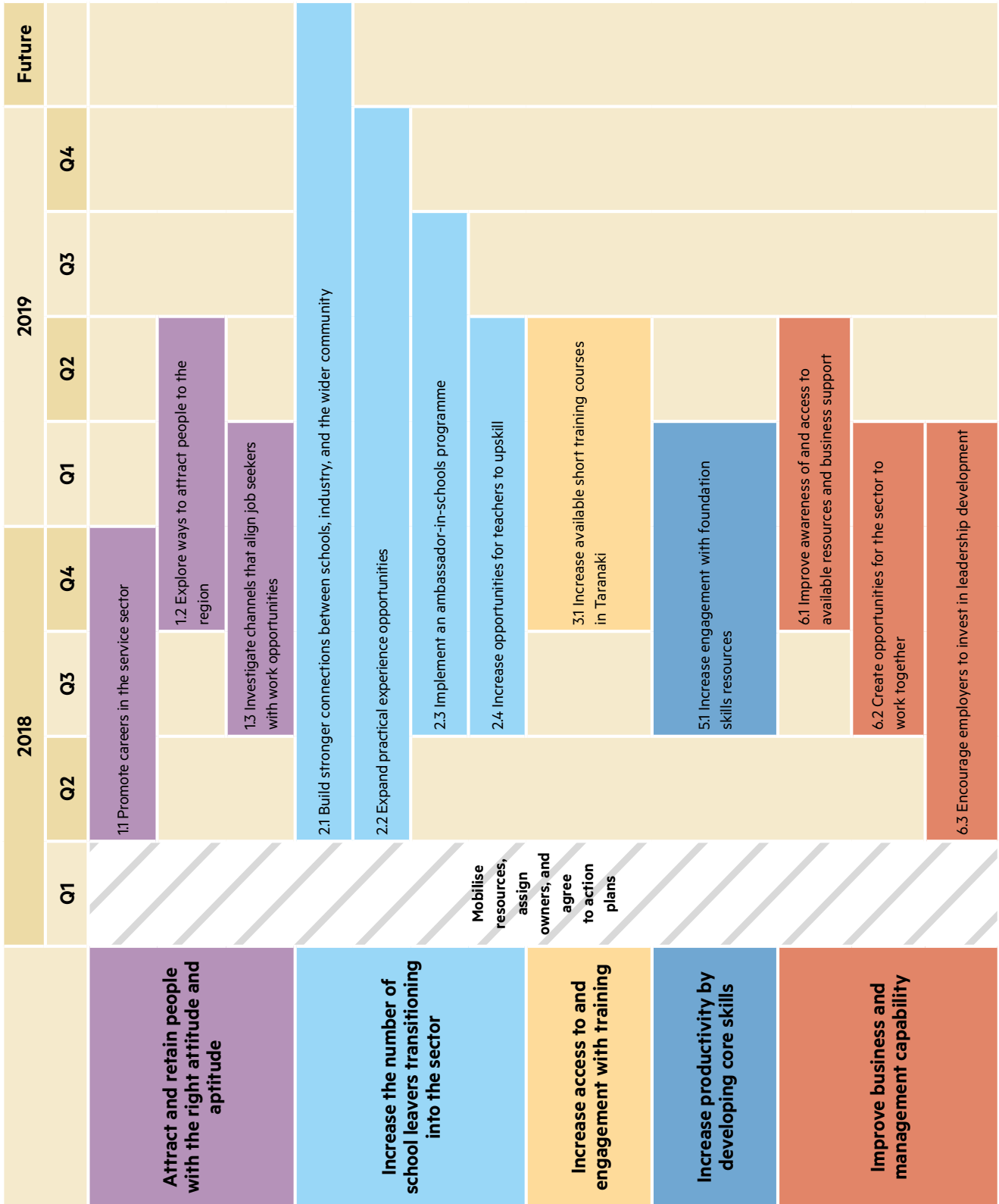
— *and* —

**attracting people  
to the region**

**By 2021:**

- ▶ Employers are committed to accessible, flexible and functional training - embedded in the workplace
- ▶ Business owners adopt tools for effective management and building positive work cultures
- ▶ Employees see progressive career pathways in the sector and it appeals to people changing careers
- ▶ Industry has a strong partnership with educators, sharing understanding of the importance of training

# Initiatives for the Taranaki service sector





## Attract and retain people with the right attitude and aptitude

To help the sector thrive, effort must be put into attracting the right people and retaining them.

The right people have strong core skills, a good work ethic, and a customer-focused attitude.

Attracting the right people involves raising the profile of the service sector and persuading prospective workers of the potential career and lifestyle possibilities.

To maximise utilisation of skills, and generate a return on investment in training and reduce the cost of turnover, people need to continue working in the sector for longer.

Creating incentives for people to stay in the sector through developing clear career pathways and offering realistic progression opportunities will keep valuable skills in the sector.

#	Initiative	Description
1.1	Promote careers in the service sector	<p>The service sector needs to raise the profile of its careers, by promoting the opportunities and long-term career options available. Service sector businesses should engage with events that allow them to connect directly with students and adults, such as the Taranaki Careers and Training expo.</p> <p>The sector needs to celebrate success stories to build pride in the sector. The South Taranaki Youth to Work Awards could be used to showcase young achievers in the service sector and expanded beyond South Taranaki. Suitable outlets to publish service stories, such as the BluePrint app could get the stories out to youth.</p>
1.2	Explore ways to attract people to the region	<p>Attracting people to the Taranaki region is key to alleviating problems employers experience recruiting staff for their growing businesses. Promoting the region overall and the service sector within it, will mean more people want to move into the region and young people desire to stay.</p> <p>Taranaki can make good use of the opportunities provided by the hospitality sector and tourism growth. A vibrant hospitality sector with job opportunities and competitive wages can be a major drawcard for the region.</p> <p>Events that bring people to the region for “staycations” and increased help in advertising from Tourism New Zealand will bring more people to Taranaki and showcase the advantages it can offer.</p>
1.3	Investigate channels that align job seekers with work opportunities	<p>Identify a means to match local jobs with local people, a seamless approach that allows employers and job applicants to see available employment opportunities.</p> <p>This could be a further development of the RecruitMe Job Seeker Network or an initiative similar to the Dunedin Sexy Summer Jobs programme including a “speed dating” event with short face-to-face interviews between several businesses and a variety of potential job seekers.</p> <p>Projects coordinated through the Mayor’s Taskforce for Jobs could also provide the means to connect job seekers and employers.</p>

# Increase the numbers of able people transitioning to work



Young people bring energy and new ideas into the service sector.

Ensuring strong connections between schools and tertiary providers, schools and workplaces, helps to create and sustain a pipeline into service sector careers.

#	Initiative	Description
2.1	Build stronger connections between schools, industry, and the wider community	<p>Through the work of Taranaki Futures, the region is leading the country regarding relationships within the education sector. Building stronger connections between the education sector and industry, through advisory groups and increased involvement, would enable schools and the service sector together to educate the community and change narrow and outdated perceptions of today's education system.</p> <p>Passionate teachers and careers advisors within some schools have good relationships with industry. Strong connections allow for contextualised learning programmes that link individual learners with career pathways and job prospects, and schools working with employers can secure more apprenticeships for students in service sector roles.</p> <p>Encouraging parents and the community to attend industry events with student involvement provides an opportunity to see how students enjoy the industry and view career prospects favourably. The education sector and industry, together with the community, can challenge the idea that only credits have value in education, so that gaining skills and experience are recognised as important.</p>
2.2	Expand practical experience opportunities	<p>Practical experience for students in the service sector is a powerful tool to prepare them for the workforce. Excellent models exist such as the Gateway programme, Youth Guarantee 3+2 initiatives, and collaboration with training providers such as WITT.</p> <p>Incorporating practical courses in school curricula (such as Level 3 Hospitality courses), and using unit standards, can help students understand industry and transition students from high school into the workplace.</p> <p>There are barriers to acknowledge when exploring new practical experiences for students outside the classroom, for example health and safety requirements. As there are already successful models available, these can be expanded by increasing the number of opportunities and bringing in more employers.</p>
2.3	Implement an ambassador-in-schools programme	<p>A programme wherein service sector representatives visit schools, to present career options at secondary school level. This would enable students to interact directly with real people in the sector who have real experiences to share, and gain knowledge of what employers are looking for.</p> <p>The programme could function like a mentor relationship, students work with employers to define goals, and employers can communicate their expectations and identify future pre-requisites for employment in a manner that is clear and digestible for students.</p>
2.4	Increase opportunities for teachers to upskill	<p>Providing teachers with opportunities to upskill in the service industries and keep abreast of developments, results in better information and guidance for students.</p> <p>The South Taranaki District Council Connect17 programme includes a teacher training day, so teachers can experience industry. Expanding this initiative to all of Taranaki would allow any interested teacher in the region to access industry experience.</p> <p>School participation with membership bodies such as the NZ Chefs Association should be encouraged, as it provides teachers with valuable insight of the current sector. Through this relationship they have access to further opportunities and greater awareness of progress in the service sector.</p>



## Increase access to and engagement with training

One of the biggest issues limiting skills development is access to training.

The reasons for this are various, such as workers having limited access to training materials and resources, or limited time for undertaking training, or a lack of support from within the workplace for accessing training.

#	Initiative	Description
3.1	Increase available short training courses in Taranaki	<p>Service sector training in the Taranaki region is done well, through WITT, PIHMS and ServiceIQ. These organisations could align with the Taranaki Chamber of Commerce to help further service sector training and support training opportunities.</p> <p>Smaller bite-sized training and short courses are gaining favour, such as the WITT community cooking classes and the Restaurant Association half day courses for industry. Increasing the uptake of short courses and the number offered, could raise skill levels in the region and lead more people to consider working in the service sector.</p> <p>The courses could be run in collaboration across organisations, with consideration of what to cover, who runs it, how to promote it for maximum visibility, and when to have them so the times suit various groups. In some cases, the WITT kitchen could be a suitable venue.</p>

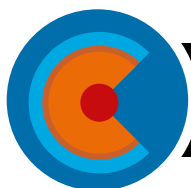


## Develop and maintain high quality qualifications and programmes that meet the needs of industry

Education and training that does not meet industry's current or future needs is counterproductive.

Businesses need access to quality qualifications and training programmes tailored to the service sector if they are to attract and retain skilled workers who best meet their needs.

**No specific initiatives identified by the Taranaki focus group.**

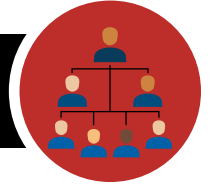


## Increase productivity by developing core skills

Core skills are the 'glue' that binds vocational skills together. The service sector has a significant opportunity to increase its productivity and profitability if it lifts the core skills of the people it employs.

#	Initiative	Description
5.1	Increase engagement with foundation skills resources	<p>Good foundation skills improve the productivity of the workforce. There are resources available to support job seekers entering the workforce. The Taranaki Adult Literacy Service can help with C.V.s, basic computer skills and offer refresher courses for those outside the workforce. The Youth Guarantee provider, U-Turn, offers foundation skills qualifications.</p> <p>The work ready programmes available could be broadened; they could include networking nights for employers and job seekers and mock interviews as preparation for entering the workforce. The programmes could also incorporate soft skills to meet employment needs.</p>

## Improve business and management capability



Business and management capability is fundamental to the success of any business and the service sector.

Quality management can make a business profitable, enable it to make better use of resources, and contribute to its sustainability. A good manager can ensure that worker skills are effectively utilised and best contribute to business objectives. Given the limited supply of skilled workers, effective skill utilisation is becoming more important.

#	Initiative	Description
6.1	Improve awareness of and access to available resources and business support	Businesses would benefit from wider visibility of the various support and initiatives that are available in the region. These include MSD's projects in the community and flexi-wage scheme, Venture Taranaki initiatives, and initiatives led by the New Plymouth District Council.
6.2	Create opportunities for the sector to work together	The service sector in Taranaki has the capacity to work together to share ideas and relevant information. Opportunities for the sector and community to collaborate through events and experiences would strengthen business in the region. A business forum through a local group, such as the Chamber of Commerce or Venture Taranaki could be a powerful tool to build service sector business capability.
6.3	Encourage employers to invest in leadership development	Employers and managers need to develop the future leaders in their staff today, to prepare the workforce for tomorrow. Robust succession planning with a clearly-defined, visible pathway to leadership or business ownership will strengthen the sector and address upcoming shortages in leadership roles.  Employers can support staff applying for scholarships and attending conferences and events, such as the Hospitality New Zealand Future Leaders programme scholarship and one-day event.



## Taranaki service sector – sector by sector

### ServiceIQ sector coverage

#### Aviation

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Aeronautical engineering and aircraft operation. Includes pilots, cabin crew, and aircrew; safety management; air traffic services; airline and airport operations; customer check-in; air cargo; and aviation ground support operations.

#### Museum

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Includes all collections, art galleries, historical societies, and science centres – either volunteer or permanently staffed.

#### Travel

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Including the management and operation of all forms of retail, wholesale and corporate based sales, packaging or brokering of inbound and outbound travel and tourism products – including store-based, online and travel reservation centres.

#### Tourism

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Includes all aspects of visitor services; attractions; adventure providers; tourism guiding.

#### Accommodation

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Includes all hotels, motels and other commercial accommodation establishments such as backpackers, hostels, holiday accommodation parks, bed and breakfasts, lodges, resorts, halls of residence and apartments.

#### Cafés, Bars, Restaurants

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Includes licensed or unlicensed cafés, bars, taverns, pubs and restaurants.

#### Catering

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Includes food service premises, on-premises catering and food services carried out in hospitals, residential, prisons, education facilities, offices, airports, factories and other workplaces, stadium and event catering, and off-premises catering.

#### Clubs

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Includes licensed or unlicensed clubs such as sport and recreation clubs, social clubs, working men's clubs, cosmopolitan clubs, chartered clubs, town and country clubs, community clubs and Returned and Services' Associations.

#### Quick Service Restaurants

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Includes fast-food and take-away national and regional chains, franchises and independent outlets.

#### Retail and Retail Supply Chain

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Includes the operation of all forms of consumer based sales of goods and services including store-based, online, national and regional chains, franchises and independent outlets.

## Aviation

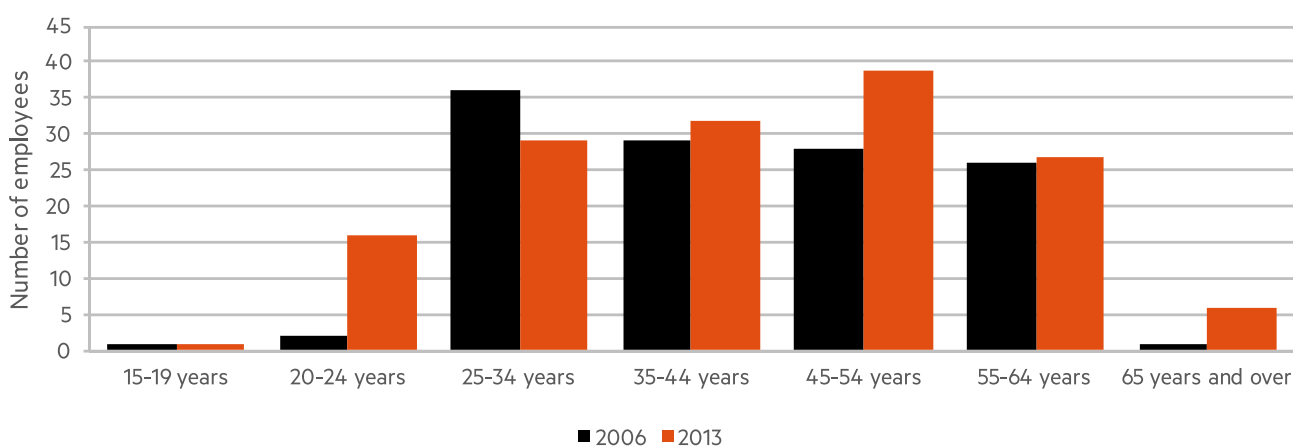
The aviation sector in the Taranaki region accounted for 146 jobs in 2016 (140 FTEs) which was a 10.7 per cent decrease compared to the previous year.

The number of aviation businesses in the Taranaki region in 2016 was 25, six less than the 31 businesses in 2015.

Aviation in Taranaki contributes \$19.1 million to GDP, and this fell by 11.9 per cent in 2016. Aviation in Taranaki makes a GDP per FTE contribution of \$136,432, which was a 2.9 per cent reduction on 2015, but is still higher than average GDP per FTE for aviation across New Zealand at \$117,020.

The Taranaki aviation sector is predominantly made up of those who identify as European (91.4 per cent) and Māori (14.3 per cent)<sup>5</sup>. Almost all of those working in the sector were born in New Zealand (91.8 per cent) with 4.4 per cent born in Europe.

**Changing Age of the Taranaki Aviation Sector**



Males outnumber females three to one in the Taranaki aviation sector. In 2016 there were 112 males and 35 females working in aviation in the region.

The spread of ages in the Taranaki aviation workforce has widened. There has been an increase in young people; in 2006, just 2.9 per cent of the workforce were under 25 years, by 2013 this had increased to 11 per cent. There are also more people aged 65 years and over, up from 1.2 per cent in 2006 to 4 per cent in 2013.

The majority of people are working full time (82.6 per cent) which is higher than for the overall workforce in Taranaki (73.6 per cent).

Half of the Taranaki aviation sector has a qualification at Level 4 or above (51.9 per cent) with a quarter at Diploma Level 5 or 6 (26.8 per cent). The percentage of people with a Bachelor Degree or higher has almost doubled from 7.8 per cent in 2006 to 14.2 per cent in 2013.

Employment in the aviation sector fell in 2016 after four years of growth. Employment numbers are forecast to grow over the next five years, with a total of 50 forecast job openings over that time (20 new and 30 replacement jobs).

<sup>5</sup> NOTE: Respondents can identify with more than one ethnicity.



## Museums

The museum sector in Taranaki accounted for 54 jobs in 2016 (47 FTEs) which was an increase of one job compared to 2015. There are five businesses making up the sector; this has remained the same since 2008.

The sector contributed \$2.42 million to the region's GDP in 2016, a decrease of 1.4 per cent in comparison to 2015. The museums workforce makes a GDP per FTE contribution of \$51,974.

The museum sector in Taranaki is getting older, with the percentage aged 35 years or over increasing from 78.8 per cent in 2006 to 85.8 per cent in 2013. It is older than the overall workforce where 70.2 per cent were aged 35 years or over in 2013. The age group with the highest representation in the museum sector workforce is 35 to 44 year olds which makes up 38.4 per cent of the sector.

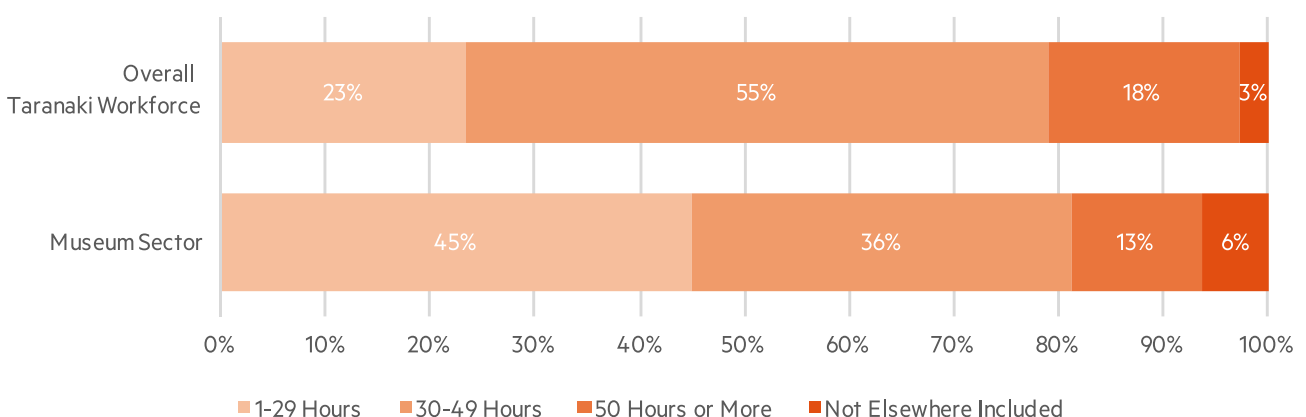
**38 per cent of the museum sector workforce is made up of people aged between 35 and 44 years old**

In the Taranaki museum sector, 87.9 per cent identify as European, 12.4 per cent as Māori and 5.9 per cent as Asian. Most of the people working in the sector were born in New Zealand, with the remainder (ten people) born in Europe.

There are twice as many females as males working in the Taranaki museum sector. In 2016 there were 36 females and 18 males in the museum workforce.

Almost half of the museum sector (48.7 per cent) work full time with the most common hours of work being 40 to 49 hours (28.4 per cent). There has been an increase in the number of people working 29 hours or less, up from 37.1 per cent in 2006 to 45 per cent in 2013.

**Hours Worked in the Taranaki Museum Sector and Overall Workforce**



The museum sector in the region is highly qualified with 62 per cent of the workforce qualified at Level 5 Diploma or above compared to 24.6 per cent of the overall Taranaki workforce. Forty-five per cent of the museum workforce are qualified at Bachelor Degree level or higher.

Over the past five years, employment in the Taranaki museum sector has had two years in decline and three years of growth. Modest employment growth is forecast until 2021 when it is forecast to remain steady at 60 people in the sector, with 20 forecast job openings, including new and replacement jobs, over that period.

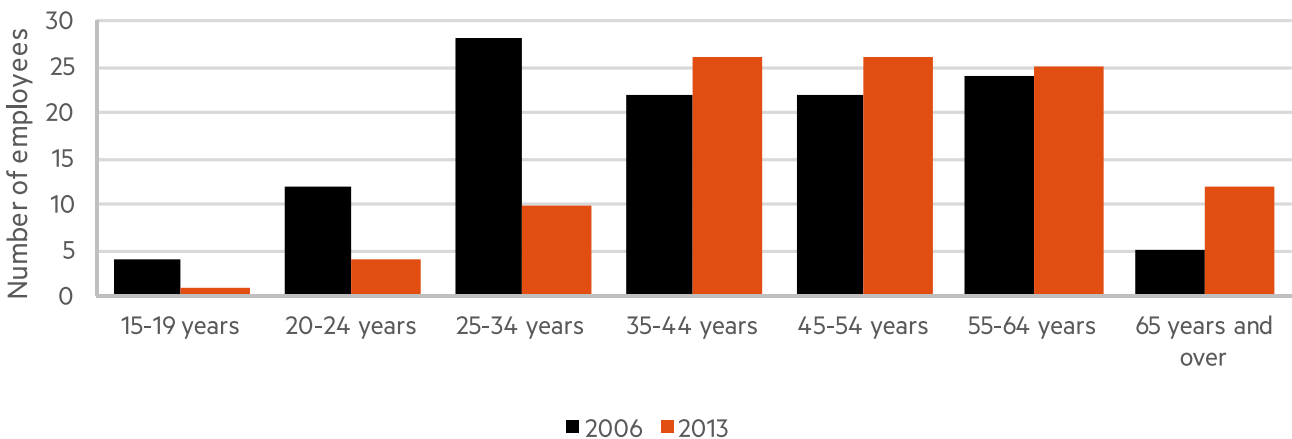
## Travel

The Taranaki travel sector in 2016 employed 107 people (99 FTEs), which was an increase of 0.7 per cent (a 2.2 per cent FTE increase) when compared to 2015. There were 26 travel sector businesses in 2016, which was an increase of nine businesses since 2015.

The travel sector's contribution to Taranaki GDP increased by 5.1 per cent in 2016 to \$10.5 million. The GDP per FTE contribution was \$106,803 which is higher than the sector nationally which contributes \$47,089 GDP per FTE.

There are 23 self-employed people working in the Taranaki travel sector. More than three quarters of the workforce are working full time (75.2 per cent), which is similar to the overall workforce (73.6 per cent). Forty-six per cent of the travel workforce in the region work 40 to 49 hours per week.

**Changing Age of the Taranaki Travel Sector**



Almost all of those working in the region's travel sector are of European ethnicity (94.5 per cent), 5.6 per cent identify as Māori and 3.9 per cent Asian. The sector is predominantly made up of people born in New Zealand (90.1 per cent), with all of those born overseas (nine people) born in Europe.

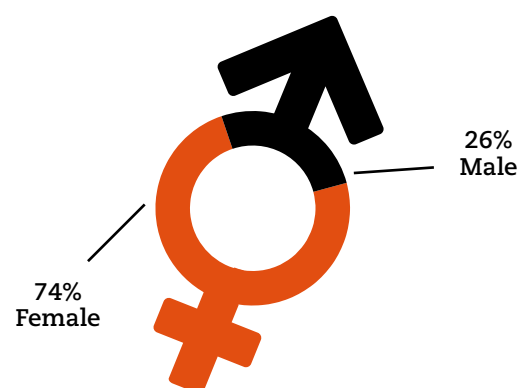
The travel sector workforce in Taranaki is ageing. In 2006, people aged 35 years and over comprised 62.4 per cent of the workforce, by 2013 this had increased to 85.6 per cent.

The travel sector workforce in Taranaki is predominantly female. In 2016, of the 107 people in the workforce 80 were female (74 per cent) and 27 were male (26 per cent).

Just over one third of the people employed in the sector in 2013 (34.8 per cent) were qualified to Level 4 and above, a decrease since 2006 when 39.4 per cent held a qualification at Level 4 or above. Forty-six per cent of the Taranaki travel workforce hold no post-school qualification.

Employment in the Taranaki travel sector has been increasing since 2013, but a small decline is expected from 2018 to 2021, with all of the forecast 22 job openings likely to be replacement roles.

**Gender in the Taranaki Travel Sector**

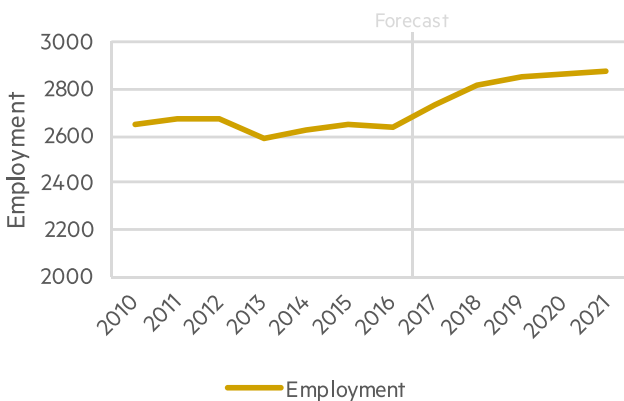


## Tourism

The Taranaki tourism sector in 2016 employed 2,642 people (2,221 FTEs), a 0.3 per cent decrease compared to the previous year. The tourism sector makes up 4.6 per cent of the Taranaki workforce.

In 2016 there were 418 tourism related businesses in Taranaki, which was a year on year increase of 2.6 per cent (11 businesses). On average, these businesses are employing more people than other businesses in the region (6.3 people compared to 3.8).

**Employment in the Taranaki Tourism Sector**



The tourism sector's contribution to Taranaki GDP was \$114 million in 2016 which was slightly lower (0.2 per cent) than 2015. The GDP per FTE contribution for the sector was \$51,258.

The tourism workforce in Taranaki is ageing. Between 2006 and 2013 the number of young people aged 15 to 19 years decreased from 357 people (14.8 per cent of the tourism workforce) to 282 people (10.9 per cent). During the same period, the number of people aged over 55 years old in the sector increased from 443 people (18.4 per cent of the tourism workforce) to 621 people (24.1 per cent). The remaining two thirds of the workforce are aged 20 to 55 years.

The percentage of people working in the tourism sector full time is 56.8 per cent, while 40.2 per cent work less than 30 hours. The proportion of part-time roles is higher than in the total Taranaki workforce, where 23.3 per cent work less than 30 hours.

The tourism sector in the region is predominantly female (65 per cent) and 35 per cent male. This differs from the overall Taranaki workforce which is 53 per cent male and 47 per cent female.

Of the people working in the tourism sector, 84.9 per cent identify as European, 14.4 per cent Māori and 6.7 per cent Asian. Most people working in the sector were born in New Zealand (81.6 per cent), with 7.3 per cent born in Europe and 5.7 per cent in Asia.

Within the tourism sector just over half (53 per cent) held no post-school qualification in 2013, while 22.5 per cent held a qualification at Level 5 or above. However, 38.7 per cent of jobs in this sector are medium-high and highly skilled, typically requiring a qualification at Level 5 and above, which may indicate a skills shortage.

**81.6 per cent of people working in the sector were born in New Zealand, with 7.3 per cent born in Europe and 5.7 per cent in Asia**

Employment in the Taranaki tourism sector has been increasing since 2013, with the exception of a small decline in 2016. Employment growth is forecast to continue for the next five years, with employment at 2,875 people in the tourism sector by 2021. Over this time, almost 850 job openings are forecast (new and replacement jobs combined).

## Accommodation

The accommodation sector in Taranaki accounted for 836 jobs in 2016 (701 FTEs), and increased by 0.9 per cent. There were 146 businesses, which is a decrease of three businesses on the prior year.

Accommodation contributed \$26.3 million to Taranaki GDP in 2016, which was an increase of 1.6 per cent on 2015. The GDP per FTE contribution for the sector was \$37,598, which is low for the service sector in the region (second only to quick service restaurants).

The sector is predominantly made up of people who identify as European (88.3 per cent), Māori (10.8 per cent) and Asian (5.5 per cent). The majority of the accommodation workforce (80.6 per cent) were born in New Zealand, with an increasing percentage from Europe (10.1 per cent) and Asia (4.6 per cent).

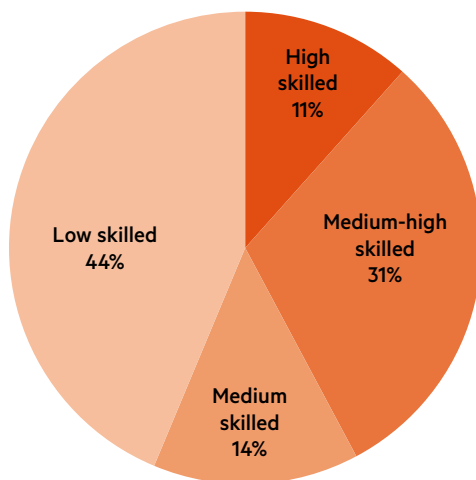
There are almost three times as many females working in the accommodation sector in the region, with 73 per cent of the workforce female and only 27 per cent of the workforce male.

Between 2006 and 2013 the Taranaki accommodation workforce had a 20 per cent decrease in those working in the sector aged between 15 and 19 years old. In the same period there was a 62 per cent increase in those aged 55 years and over working in the sector. One third of the accommodation workforce is now aged 55 years and over.

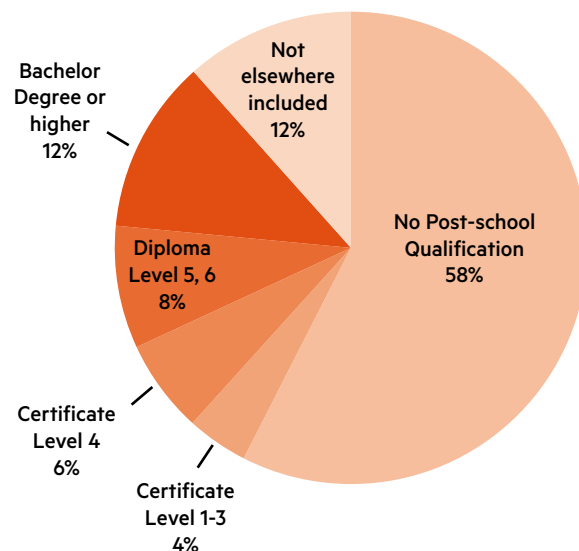
Just under half of the people working in the Taranaki accommodation sector are working 30 hours or more per week (48.5 per cent) which is lower than the overall Taranaki workforce where 73.6 per cent work 30 hours or more.

More than half of the Taranaki accommodation sector have no post-school qualifications (57.5 per cent). Only 20.3 per cent of the workforce hold qualifications at Level 5 and above, which indicates a possible skills shortage, as 42.2 per cent of roles in the sector are medium-high and highly skilled.

**Roles by Skill Level in the Taranaki Accommodation Sector**



**Qualifications in the Taranaki Accommodation Sector**



The accommodation sector workforce has been increasing since 2013 and this is expected to continue over the next five years. It is forecast that, including new and replacement jobs, there will be 277 job openings during that time, and that by 2021 there will be 916 people working in the sector.

## Cafés, Bars and Restaurants

Employment in the café, bar and restaurant sector in Taranaki remained steady in 2016, increasing by just one person to 1,693 filled jobs (1,388 FTEs).

The Taranaki café, bar and restaurant sector contributed \$58.5 million to GDP in 2016, which was a small decrease of 0.3 per cent on 2015. Cafés, bars and restaurants had a GDP per FTE contribution of \$42,148.

In 2016 there were 252 cafés, bars and restaurants in the Taranaki region, which was a 2.5 per cent increase (six businesses) on the previous year. The percentage of cafés, bars and restaurants employing 10 or more people is 24.7 per cent compared to 6.3 per cent of all businesses in the Taranaki region.

The sector is predominantly made up of those who identify as European (77.9 per cent), Māori (18.9 per cent) and Asian (12.2 per cent). The percentage of people in the workforce who were born in New Zealand has declined from 84.5 per cent in 2006 to 76.4 per cent in 2013. During that time, there have been increases in the percentage of the workforce born in Asia (from five per cent to 10.7 per cent) and in Europe (from 5.3 per cent to 6.2 per cent).

**Ethnicity of the Taranaki Café, Bar and Restaurant Sector Workforce**



Half of the people working in the sector are under 30 years old (50.1 per cent) and 67.1 per cent are under 40 years old. There has been an increase in the number of people over 60 years old, from 63 people in 2006 to 112 people in 2013, but they still make up a small part of the café, bar and restaurant sector workforce (6.8 per cent) compared to 14.2 per cent of the overall Taranaki workforce.

The café, bar and restaurant sector workforce is predominantly female, with 65 per cent female and 35 per cent male. Nationally the sector is 56 per cent female and 44 per cent male.

There is a high proportion of people working in the sector with no post-school qualification, although this has improved slightly from 62.7 per cent in 2006 to 60.6 per cent in 2013. The percentage of people with a qualification at Level 4 or above has increased from 18.6 per cent to 21.5 per cent during the same period.

Over half of the people working in cafés, bars and restaurants are doing so full time (56.9 per cent). The total average hours worked in a week in this sector has dropped slightly from 33.6 hours per week in 2006 to 32.9 per week in 2013.

Café, bar and restaurant sector employment grew in 2012 and 2013, then remained fairly steady from 2014 to 2016. Employment is forecast to grow in the next five years from 1,693 to 1,869 people. There is forecast to be over 600 job openings during this time (including new jobs and replacement roles).

## Catering

Catering in the Taranaki service sector accounted for 416 jobs in 2016 (350 FTEs), which was an increase of one person compared to 2015.

The Taranaki catering sector contributed \$26.3 million to GDP in 2016 which was a small decrease of 0.4 per cent. The sector contributed \$75,172 to GDP per FTE.

### Average Business Employment Size

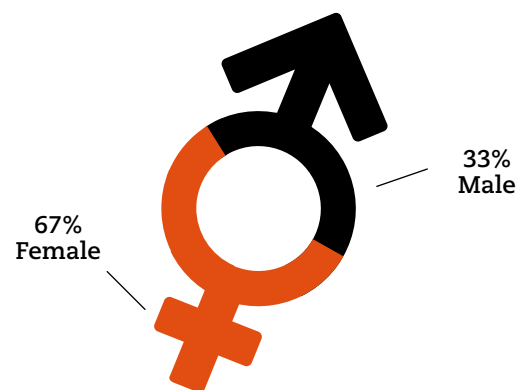


The number of catering businesses grew by two in 2016 to 69 businesses. These businesses employed six people on average; this is higher than the overall Taranaki average of 3.8 people per business. Most people work full time (64.1 per cent) which is higher than in 2006 when 58.8 per cent worked full time.

The age range of the Taranaki catering sector is similar to the overall workforce in Taranaki, with 21.3 per cent aged under 30 years, and one quarter aged 55 years and over. There has been an increase in the number of people aged 60 years and over working in the catering sector, up from 10.8 per cent of the sector in 2006 to 16.2 per cent in 2013.

Females outnumber males two to one in the Taranaki catering sector, with 281 females (67 per cent) and 135 males (33 per cent). The sector is predominantly made up of people who identify as European (85.6 per cent), Māori (13.9 per cent) and Asian (5.5 per cent). Most people were born in New Zealand (85 per cent), with an increasing percentage born in Europe (4.7 per cent) and Asia (4.7 per cent).

### Gender in the Taranaki Catering Sector



*Over half of the Taranaki catering sector have no post-school qualification*

Over half of the Taranaki catering sector have no post-school qualification (52.9 per cent); 30.8 per cent of the sector have qualifications at Level 4 or above, which is slightly lower than the catering sector nationally where 34.8 per cent are qualified at Level 4 or above.

Employment in the catering sector has been increasing since 2014 and this is forecast to continue over the next five years, with 459 people working in the sector by 2021. Over that time, 138 job openings are forecast (new and replacement job openings combined).

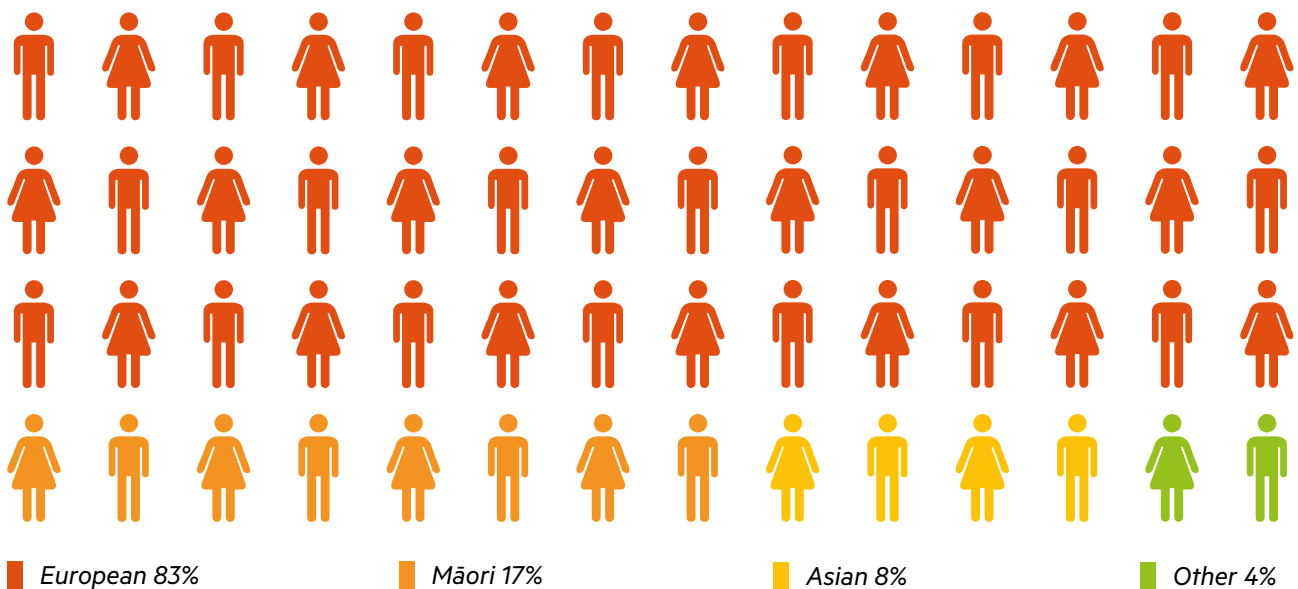
## Clubs

In 2016 clubs in Taranaki accounted for 139 jobs (110 FTEs) which was an increase of two jobs on 2015. The number of businesses remained unchanged at 14 businesses in 2016.

The Taranaki clubs sector accounted for \$4.65 million of the region's GDP in 2016 which was a 1.6 per cent increase compared to 2015. The sector contributes \$42,204 to GDP per FTE.

The clubs sector is made up of those who identify as European (82.7 per cent), Māori (17.1 per cent) and Asian (8.4 per cent). While most people working in the sector were born in New Zealand (83.9 per cent), there are increasing numbers born in Europe (7.9 per cent) and Asia (four per cent).

**Ethnicity of the Taranaki Clubs Sector Workforce**



In Taranaki, the clubs sector has a wide spread of ages working in the sector. There is an increased percentage of young people working in the sector; in 2006 17.1 per cent of the sector was aged between 15 and 29 years old; in 2013 this had increased to 33.3 per cent of the workforce. This is considerably higher than the overall Taranaki workforce where 21.3 per cent are aged 15 to 29 years. There is also a higher percentage of people aged over 60 years old working in the catering sector (19.2 per cent) compared to the overall workforce (14.2 per cent).

Females outnumber males by more than three to one in the clubs sector with 107 females (76 per cent) and 33 males (24 per cent). Less than half of the clubs sector are employed full time (38.8 per cent) with the largest group working 10 to 19 hours per week (29.8 per cent).

Over half of the clubs workforce hold no post-school qualification (53.4 per cent), while a quarter (24.4 per cent) hold a qualification at Level 4 or above.

The clubs sector workforce has grown from 107 to 139 since 2011. The sector is forecast to peak in employment in 2017, then remain steady and with small declines from 2020. There are forecast to be 35 job openings in the next five years but these are expected to be mostly replacement roles.

## Quick Service Restaurants

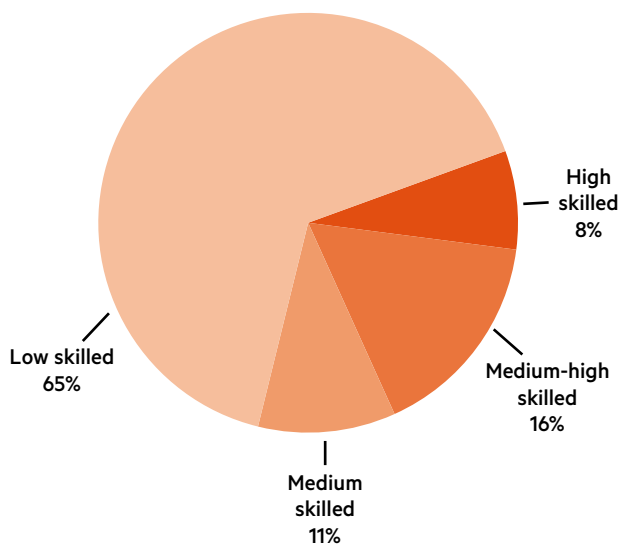
Quick service restaurants in Taranaki accounted for 485 jobs (378 FTEs) and grew by 9.2 per cent in 2016.

This sector contributes \$13.8 million to Taranaki GDP and this grew by 9.7 per cent in 2016. The sector has the lowest GDP per FTE contribution in the service sector at \$36,488 per FTE, and this was a one per cent decrease compared to 2015.

In 2016 there were 111 quick service restaurants in the Taranaki region which was an increase of 5.7 per cent (six businesses) on the previous year when there were 105 businesses.

The sector is predominantly made up of people identifying with European (65.1 per cent), Asian (25.4 per cent) and Māori (20.6 per cent) ethnicity. Most people working in the sector were born in New Zealand (69.8 per cent) or Asia (22.2 per cent). The percentage of people born in Asia is much higher than the overall Taranaki workforce where 2.9 per cent were born in Asia.

**Roles by Skill Level in the Taranaki Quick Service Restaurant Sector**



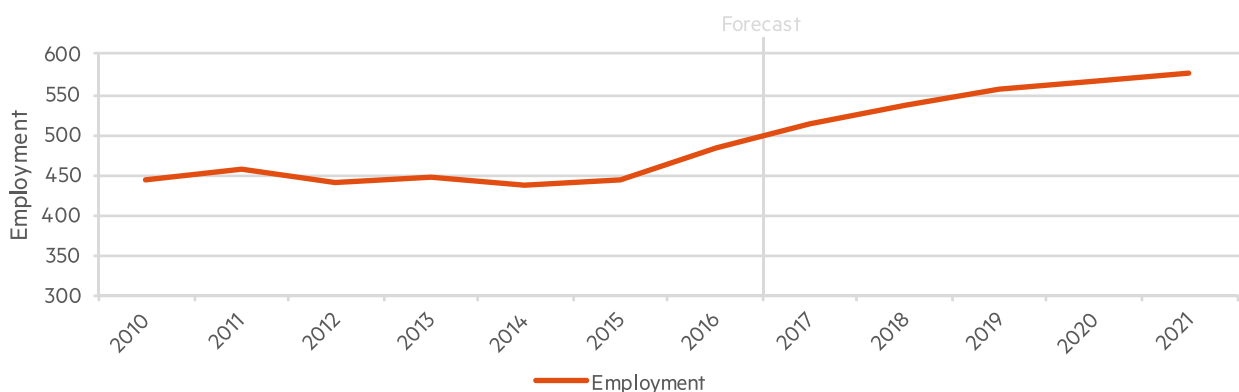
There are almost twice as many females (64 per cent) working in Taranaki quick service restaurants than males (36 per cent).

The quick service restaurant sector in Taranaki is younger than most of the other service sectors with over half of the workers (53.2 per cent) aged under 25 years old and 69.9 per cent under 35 years. The majority of people working in quick service restaurants have no post-school qualifications (76.6 per cent or 342 people). The high number of young people working in the sector, some of whom will be in school or studying, will account for this (38.1 per cent are aged between 15 to 19 years). However, almost a quarter of the jobs in the quick service restaurant sector are medium-high to high skilled roles (23 per cent) and only six per cent of the workforce have a qualification at this level which indicates a potential skill shortfall.

In the quick service restaurant sector 37.3 per cent work full time and 57.1 per cent of the workforce work less than 30 hours per week. Almost half (44.4 per cent) work less than 20 hours per week, which is likely to reflect younger people in part-time roles while at school and studying.

Employment has grown overall since 2010, with four years of growth and two years in decline (2012 and 2014). The sector is forecast to grow in the next five years to 577 jobs in the workforce by 2021, with 219 new and replacement job openings forecast during that time.

**Employment in the Taranaki Quick Service Restaurant Sector**





## Retail and Retail Supply Chain

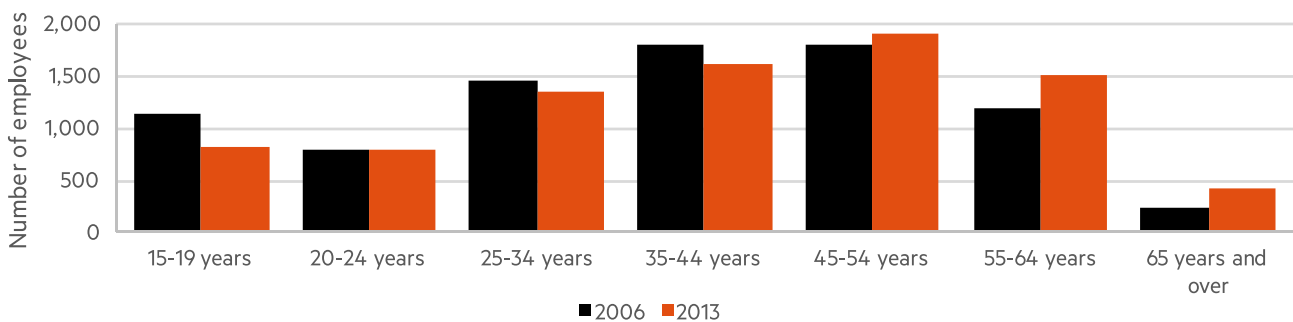
The retail and retail supply chain is the biggest sector within the service sectors. Retail and retail supply chain accounted for 8,296 jobs in Taranaki in 2016 (7,364 FTEs), a decrease of 0.5 per cent (or 45 jobs). This sector accounts for 14.3 per cent of all jobs in the Taranaki region.

The sector's GDP contributions increased by 0.4 per cent in 2016 to \$567 million. The sector contributed \$76,942 to GDP per FTE.

The number of retail and retail supply chain businesses in the Taranaki region fell by 3.9 per cent in 2016 to 1,541 businesses (from 1,604 businesses in 2015). Retail and retail supply chain businesses make up 10.2 per cent of all Taranaki businesses.

Taranaki's retail and retail supply chain workforce is predominantly European (87.4 per cent), Māori (11.1 per cent) and Asian (4.7 per cent). Most people were born in New Zealand (85.3 per cent or 7,164 people), 5.7 per cent of the workforce were born in Europe and 3.6 per cent were born in Asia.

**Changing Age of the Taranaki Retail and Retail Supply Chain Sector**



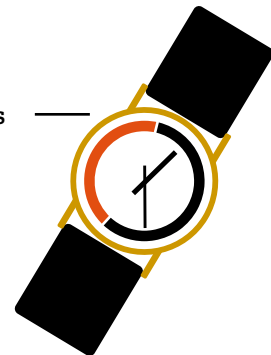
There has been a reduction in the number of 15 to 19 year olds working in the sector, from 1,137 people (13.5 per cent) in 2006 to 820 people (9.8 per cent) in 2013. During this time, there has been an increase in people aged 55 years and over working in the retail and retail supply chain sector; up from 1,435 (17 per cent) in 2006 to 1,926 people (23 per cent) in 2013.

The sector has more females than males, with 55 per cent female and 45 per cent male. While the retail and retail supply chain sector accounts for some part-time and casual work, 69.5 per cent of people working in the sector are doing so full time.

People with no post-school qualification make up 60.9 per cent of the retail and retail supply chain sector. Only 14.1 per cent of the sector workforce have a qualification at Level 5 or above, yet 33.1 per cent of roles are considered medium-high and highly skilled which may indicate a skill shortage.

Employment in the retail and retail supply chain sector has been changeable, peaking at 8,634 people employed in the sector in 2009 and dropping to 8,296 people in 2016. Employment is forecast to grow over the next five years, reaching 8,679 in 2021. Over that time there is forecast to be 2,365 job openings with most being replacement roles.

42.1%  
Work 40 – 49 hours  
per week



AVIATION ▲ TOURISM ▲ TRAVEL ▲ MUSEUMS ▲ CATERING  
CAFES, BARS, RESTAURANTS ▲ QUICK SERVICE RESTAURANTS  
CLUBS ▲ ACCOMMODATION ▲ RETAIL AND RETAIL SUPPLY CHAIN

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