

Service IQ
SMARTER PEOPLE FOR
SMARTER BUSINESSES



REGIONAL ROADMAP SERVICE SECTOR — Gisborne —



2018/2019

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Introduction

The beautiful and sunny Gisborne or Tairāwhiti region has enormous potential, a potential that it is working towards unlocking. This will create a strong and prosperous local economy, which will benefit the entire community.

The Gisborne service sector can contribute through developing a workforce capable of delivering a world-class customer experience to both locals and visitors, making the region an attractive place to live and to visit.

#servicesuccessnz

ServiceIQ

ServiceIQ is the Industry Training Organisation for the aviation, hospitality, retail and retail supply chain, travel, tourism and museums 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 Gisborne

The Workforce Development Plan highlighted the need for service sector workforce development at a regional level. The service sector workforce roadmap provides a Gisborne 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 Gisborne 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 Gisborne

ServiceIQ hosted two workshop meetings in Gisborne in March and April 2017. Representatives from local businesses, membership bodies, government, education providers and business groups were in attendance in the meetings. In the workshops, the groups developed a vision for the service sector in Gisborne 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 mid-2017 and tested with members of the workshop groups for coherency and accuracy.

Critical success factors

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

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

Gisborne is a unique region; it has a strong cultural identity with the highest proportion of Māori in New Zealand, it has a rich history as the site of Captain Cook's first landing almost 250 years ago and a stunning natural landscape.

The Gisborne region had an estimated resident population of 47,900 people in 2016. This had been fairly stable in the five years to 2016; it increased by 1.1 per cent in 2016 and is projected to continue increasing over the next five years. The region has one of the highest unemployment rates and NEET rates (youth not in education, employment, or training) in the country, but steady improvements are being made in both. In 2016 both the unemployment and NEET rate were at the lowest since the global financial crisis in 2008.

As the region develops, the service sector has a key role to play in meeting the needs of an increasing population, in promoting the region as a great place to live, work and play, and as part of the focus on growing tourism in the region.

Service sector in Gisborne region

The service sector brings together industries covering retail, hospitality, museums, aviation, travel and tourism. The service sector in Gisborne contributed \$200 million to GDP in 2016; this is 13.8 per cent of the total GDP for the region. The sector accounted for 19 per cent of regional employment with 4,097 filled jobs, and 16 per cent of businesses in the region with 814 business units.

Between 2012 and 2014, employment in the Gisborne service sector declined. It grew in 2015 and 2016 and the sector is forecast to continue growing over the next three years, although it will not reach the peak levels of 2007. Combining new job openings with replacement roles, the sector is forecast to have 1,040 job openings in the five years to 2021.

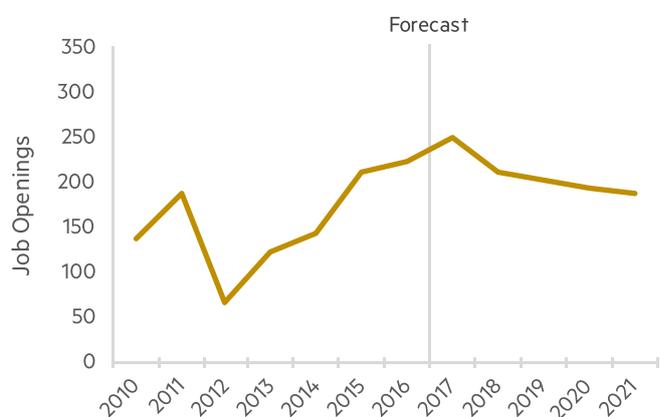
The service sector in Gisborne has a slightly lower self-employment rate than the Gisborne workforce overall, with 14.6 per cent self-employed in the service sector compared to 15.5 per cent of the overall workforce. The self-employment rate in the Gisborne service sector is higher than the rate in the national service sector, at 12.4 per cent.

Most people in the Gisborne service sector work full time (30 or more hours per week) in their main job, 31.5 per cent work less than 30 hours per week and this percentage is higher than the overall Gisborne workforce where 23.4 per cent work less than 30 hours per week.

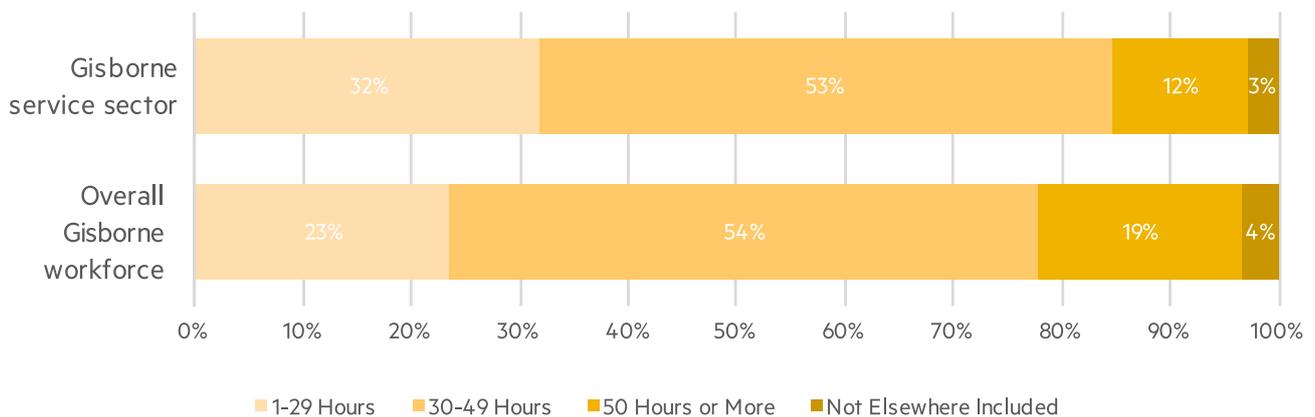
The service sector covers:

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

Job Openings in the Gisborne Service Sector



Hours worked in Service Sector and Overall Workforce

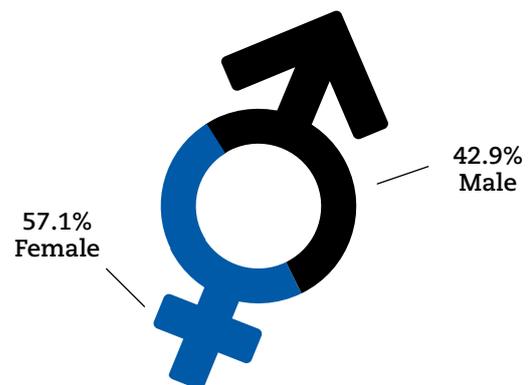


The service sector workforce in Gisborne is ageing; this is in line with the national service sector workforce and the country’s workforce overall. This is a global trend seen in developed societies, as the population ages and as young people stay in school through to Year 13, rather than enter the workforce earlier. This trend is significant in the service sector which traditionally has relied on youth workers. Between 2006 and 2013 the number of Gisborne service sector workers aged 15 to 19 years old decreased by 28 per cent from 698 to 503; conversely the number of workers aged 65 years and over increased by 68 per cent from 142 to 238.

The service sector workforce in the Gisborne region has the highest percentage of workers of Māori ethnicity in the country; it has increased since 2006 to represent 33.3 per cent of the service sector workforce. This reflects the large Māori population in the region and is in fact slightly lower than the regional workforce overall at 36.7 per cent. Workers of European ethnicity make up 70.3 per cent of the workforce, Asian workers account for 5.5 per cent and Pasifika 2.8 per cent. Please note these percentages add to greater than 100 per cent as respondents can identify as more than one ethnicity.

There are more females (57.1 per cent) than males (42.9 per cent) working in the Gisborne service sector. The percentage of females is higher than for the overall Gisborne workforce which is 47.4 per cent female and 52.6 per cent male.

Gender in the Gisborne service sector



A higher percentage of the Gisborne service sector workforce was born overseas than the regional workforce overall; 16.1 per cent compared to 13 per cent. Service sector workers born overseas account for 4.4 per cent more of the workforce than in 2006; the highest proportion come from Europe and Asia. The percentage of workers from Europe is similar to the overall workforce (5.4 per cent in the service sector workforce and 5.1 per cent overall), but the percentage from Asia is much higher than the overall workforce born in Asia (4.4 per cent of the service sector workforce and 1.8 per cent overall).

The Gisborne service sector is better qualified than in 2006, when 64 per cent of the workforce held no post-school qualification, compared to 59.1 per cent in 2013. There does appear to be a skills gap in the medium-high skilled roles (those typically requiring a Level 5-7 qualification) and highly skilled roles (those requiring a Bachelor Degree or higher). These roles account for 31.1 per cent of service sector roles in Gisborne, but only 16 per cent of the workforce hold a qualification at Level 5 or above. The medium-high and highly skilled roles include most managers and professional roles, such as chefs.

Challenges to supply and demand facing Gisborne

Nationally, the changing characteristics and expectations of the sector's workforce and its customers are likely to influence and shape 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.

By 2021 the Gisborne service sector is forecast to have 1,040 job openings. The average rate of total job openings per annum, including new jobs, voluntary attrition and retirement, is five 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 \$23,845¹.

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

Attracting entry-level workers

Recruiting young people can be challenging. Word of mouth networks are effective, but other routes may not be as clear. Young people can have different attitudes to work and there can be issues with employability and readiness to work. Using youth employment strategies and strengthening pathways from secondary school into industry provides an opportunity to engage young people in the service sector.

Availability of skilled workers

Employers report difficulty in finding people to fill skilled roles and recruiting staff that are work-ready. This is supported by the gap in the proportion of people holding qualifications at Level 5 and above and proportion of medium-high and high skilled roles (such as chefs and managers) in the region.

Growth in tourism

There is significant scope for growth in the Tairāwhiti tourism sector, and growing tourism in the region is a key focus for the regional economic development agency. Attracting more visitors and meeting the needs of an expanding market will correspond with the need for a larger, stronger service sector workforce.

¹ New Zealand Turnover Survey (April 2016)

Seasonality

The visitor market in Gisborne is very seasonal with its peak season in January. This seasonality causes inconsistencies in staffing requirements throughout the year, and challenges in sustaining businesses. During the off-peak season a different focus is needed.

Scale of business

Finding the time to run and develop a business is challenging, particularly for owners and managers of small and medium sized businesses. Much of a manager's time is taken running the business with little resource to develop the business. Businesses are taking different approaches to meet these challenges, including collaborations between small businesses to share resources and spread overheads; businesses operating across multiple sites to grow in scale; and social enterprise models.

Accelerating the growth of Māori enterprise

Māori make a significant contribution to the Gisborne economy, both in terms of the labour force and business. Huge opportunity exists for accelerating the growth of businesses already operating in the region, and also in realising opportunities, particularly those relating to tourism.

Increased desire for flexible work

The service sector is labour intensive and in this environment, good human resource practices and leadership competencies are critical to supporting and managing the workforce. Motivation to work around customer needs and increased demand for work that doesn't fit into the traditional 40-hour work model can pose a challenge in staffing the sector.

Other challenges of note include: the effect of drug use on employability.



The
service sector
generates
SUCCESS
for
**local people and
local businesses**

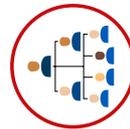
By 2021:

- ▶ Youth have clear pathways to employment in the service sector
- ▶ The education sector, local communities, businesses and iwi work together for the best results
- ▶ Gisborne offers a world class experience with qualified people

Initiatives for the Gisborne region service sector



	2017		2018				2019		Future
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Attract and retain people with the right attitude and aptitude		1.1 Identify, map and promote regional support services for employers and job seekers	1.2 Support programmes that build employer confidence						
						1.3 Acknowledge the employability issues surrounding drug use			
Increase the number of school leavers transitioning into the sector		2.1 Increase the number of Gateway opportunities in schools in the Gisborne region		2.2 Explore Youth Guarantee innovations					
					2.3 Deliver ServiceIQ Māori cultural tourism camp				
						2.4 Explore options to connect directly with Tairāwhiti youth			
Increase access to and engagement with training		2.5 Businesses make use of opportunities to promote the sector							
			3.1 Increase awareness of the flexible range of programmes available for employers						
Develop and maintain high quality qualifications and programmes that meet the needs of industry							4.1 Explore options for a tailored Gisborne service sector programme		
							4.2 Training programmes linked across providers		
							4.3 Incorporate soft skills into current training programmes		
Improve business and management capability							6.1 Develop business and management training packages to support those in management and leadership positions		
							6.2 Support and promote service sector awards		
							6.3 Strengthen cooperation and collaboration among industry and groups in the region		
							6.4 Utilise support available for existing businesses and start ups		





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 services 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	Identify, map and promote regional support services for employers and job seekers	<p>Several different and intersecting initiatives are underway already, seeking to address issues associated with attracting and retaining people in the service sector.</p> <p>These services are available for employers and job seekers to support people in work, such as MSD work brokers, student job search and youth service providers. By promoting what is available and making these programmes accessible, the region can better use the resources it has.</p>
1.2	Support programmes that build employer confidence	<p>Work-readiness is frequently raised as an issue when hiring staff. Employability programmes and initiatives, such as the license to work and the Youth Employment strategy can give people the soft skills wanted by industry and build employer confidence in new recruits.</p>
1.3	Acknowledge the employability issues surrounding drug use	<p>Drug use is a significant barrier to employment in any industry. By acknowledging the issue, employers can become part of the solution.</p> <p>Exploring pathways back to employment, incorporating health and safety, rehabilitation and employability requirements, could have a positive impact on the industry and region overall.</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	Increase the number of Gateway opportunities in schools in the Gisborne region	<p>The Gateway programme provides school students with a work placement experience to gain workplace-based training. Gateway training helps students gain skills, experience and kick-start a career in the service sector. Students attain unit standards and make professional contacts that can help open doors to future jobs in the sector.</p> <p>The existing Gateway programme can be promoted and extended, bringing more employers into the scheme. ServiceIQ and other ITOs can help to ensure businesses are aware that they can be a part of this programme and make it easier for businesses to engage with their local schools.</p>
2.2	Explore Youth Guarantee innovations	<p>Youth Guarantee innovations allow students to study towards NCEA and work. Pathway options allow students who are ready to work, but who have not reached NCEA Level 2, to study and work during the school week. These pathways are referred to as 3+2 and 4+1, and offer flexibility to students to study 60 per cent of the time, and work 40 per cent (e.g. three days studying/ two days working), or to study 80 per cent and work 20 per cent (four days/one day). These pathways can fulfil the training needs of both school and industry.</p>
2.3	Deliver a ServiceIQ Māori cultural tourism camp	<p>Young people can gain a better understanding of working in the service sector through participating in a tourism-focused programme that meets the requirements for NCEA and offers real-life service sector experience.</p>
2.4	Explore options to connect directly with Tairāwhiti youth	<p>New technology and social media offer more ways for employers to connect directly with youth in the region.</p> <p>Exploring what options are available, websites such as YouthHub and youth oriented apps, could provide the necessary linkage to promote opportunities in the sector to school leavers.</p>
2.5	Businesses make use of opportunities to promote the sector	<p>Career expos, in-school competitions (such as the Youth Enterprise scheme) and practical demonstrations are excellent opportunities to engage with youth and promote the service sector as a career to students, parents and schools.</p> <p>It is important that industry actively participates and collaborates with education providers to use these opportunities to sell the unique benefits of working in the 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 awareness of the flexible range of training programmes available for employers	A range of flexible training options are available in the Gisborne region. These include local courses, online options and on-job training. Businesses that are aware of the different training options can find a programme that suits their needs. More employers engaging staff in training will raise the skill levels of the industry.

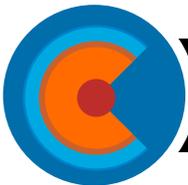


Develop and maintain high quality qualifications and programmes that meet the needs of industry

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.

#	Initiative	Description
4.1	Explore options for a tailored Gisborne service sector programme	Gisborne offers a unique visitor experience, and with that comes a need for people working in the service sector to have skills suited to Gisborne. Training that improves knowledge of the region will add a uniquely Gisborne flavour to the customer service experience of visitors.
4.2	Training programmes linked across providers	There are many avenues to achieving qualifications in the service sector; in-school programmes, on-job training and through providers. Better outcomes can be achieved by linking these varied pathways, so those learning the sector can easily transfer from one programme to another, while still achieving industry recognised qualifications.
4.3	Incorporate soft skills into current training programmes	Training that includes soft skills, as well as technical requirements, will produce staff who are productive and provide service at the level the local industry aspires to.



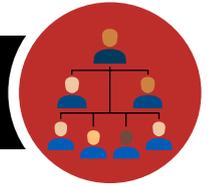
Increase productivity by developing core skills

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.

No specific initiatives identified by the Gisborne focus group.

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	Develop business and management training packages to support those in management and leadership positions	<p>It is important that businesses in the Gisborne service sector have the skills and support that allows them to grow and thrive.</p> <p>Leadership and management training will equip those in leadership positions to meet the challenges of managing staff, to develop staff and to deal with difficult and complex staff issues. Businesses that have skilled leaders will get the best out of their people.</p>
6.2	Support and promote service sector awards	<p>Service sector awards provide an opportunity to celebrate and promote good businesses and employers.</p> <p>Awards can identify those employers of choice and promote the service sector overall.</p>
6.3	Strengthen co-operation and collaboration among industry and groups in the region	<p>Better understanding of what works for the whole economy will ensure that investment in the region is well utilised.</p> <p>Encouraging a solution focussed mindset across groups will maintain high standards while growing the service sector in the region.</p>
6.4	Utilise support available for existing businesses and start ups	<p>Services such as the Māori business network and the Te Puni Kokiri business hub can help to develop basic business skills, such as goal setting. The service sector in Gisborne will be strengthened as more businesses access these services.</p>



Gisborne region service sector – sector by sector

ServiceIQ sector coverage

Aviation

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

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

Travel

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

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

Accommodation

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

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

Catering

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

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

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

Retail and Retail Supply Chain

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 Gisborne region accounted for 53 jobs in 2016 (50 FTEs) which was a six per cent decrease compared to the previous year.

The number of aviation businesses in the Gisborne region remained steady at 12 in 2016.

Aviation in the Gisborne region contributes \$4.75 million to GDP, and this fell by 10.3 per cent in 2016.

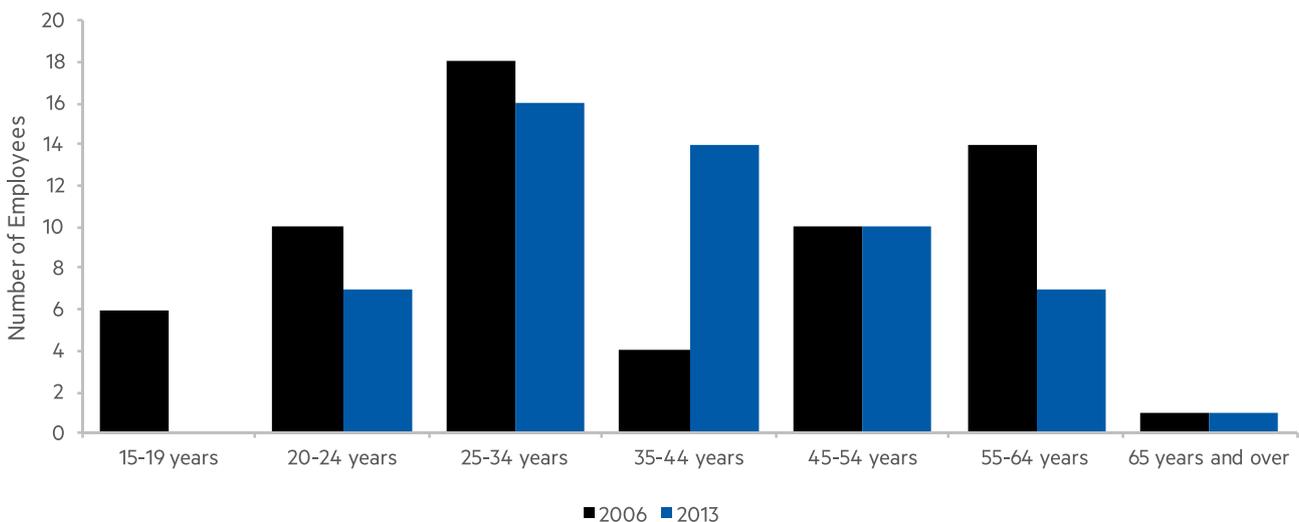
Aviation makes a significant GDP per FTE contribution of \$95,204, although this was a 5.9 per cent decrease in 2016 compared to 2015.

The sector is predominantly made up of those who identify as European (83.9 per cent) and Māori (21.2 per cent). Fewer people working in the sector were born in New Zealand than in 2006, 60 people (96.8 per cent) in 2006 dropped to 39 people (69.8 per cent) in 2013. Of those workers in 2013 born overseas, there were 7 from Europe, 5 from Central and Southern Africa and 1 from Australia.

Males outnumber females almost three to one in the Gisborne aviation sector. In 2016 there were 39 males and 14 females working in aviation in the region.

There has been a noticeable change in the age of the Gisborne aviation sector workforce. As of 2013, there is no longer anyone under the age of 19, while half (54 per cent or 30 people) are aged between 25 and 44 years.

Changing Age of the Gisborne Aviation Sector



The majority of people are working full time (90.7 per cent) which is higher than the overall workforce in Gisborne (72.6 per cent).

There has been an improvement in qualifications held in the Gisborne aviation sector. In 2006, 42.5 per cent of the workforce had qualifications at Level 5 Diploma and above. This has increased to 64.4 per cent in 2013. In the same period, the percentage with no post-school qualifications has reduced from 39.2 per cent of the workforce to 24.5 per cent.

Employment in the Gisborne aviation sector has been steady after falling each year from 2009 to 2013.

Employment numbers are expected to remain steady over the next five years with most job openings coming from replacement roles rather than new jobs.

Museums

The museum sector in Gisborne accounted for 16 jobs in 2016 (14 FTEs), which was an increase of three jobs over 2015. There are four businesses making up the sector which is the same as in 2015.

Gisborne's museum sector contributed \$760,000 to the region's GDP in 2016, an increase of 16.1 per cent when compared to 2015. The museums workforce make a GDP per FTE contribution of \$54,342.

The museum sector in Gisborne is older than the overall workforce with everyone working in the sector in 2013 aged between 35 and 64 years old. In the overall Gisborne workforce 64.3 per cent of people are in this age range.

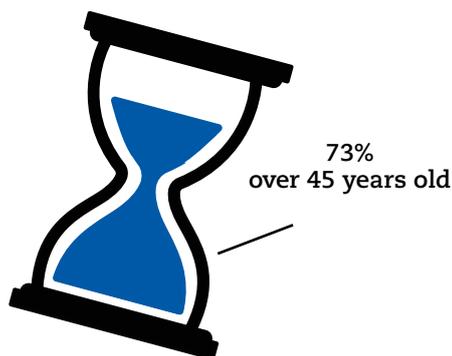
There were 10 Gisborne museum sector employees that identified as European and 7 as Māori in 2006; this changed to 11 European and 4 Māori in 2013. There were ten people born in New Zealand and five born in Europe working in the sector in 2013.

Of the 16 people working in the sector in 2016, nine were female and seven were male.

All of those working in the Gisborne museum sector worked 30 hours or more in 2013, compared to 2006 when six people worked less than 20 hours per week. The Gisborne museum sector is highly qualified with over half (nine people) qualified at Level 6 Diploma or above in 2013, and just three with no post-school qualifications.

The museum sector had been declining since its peak employment of 24 people in 2007 to a low of 13 in 2015, but did increase to 16 people in 2016. Over the next five years it is expected that employment will remain steady at 17 jobs.

Age of the Gisborne Museum Sector



*Over half of the Gisborne museum workforce are qualified to **Level 6** or above*

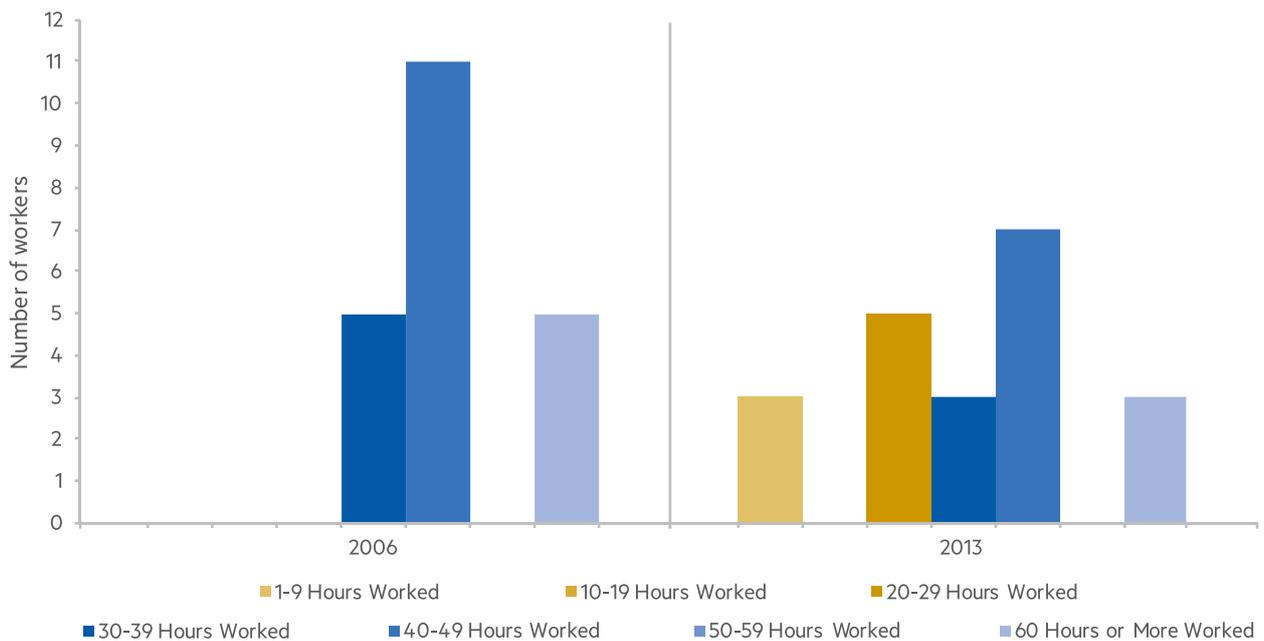
Travel

The Gisborne travel sector in 2016 employed 27 people (25 FTEs), which was a 4.2 per cent decrease on the previous year. There were 11 travel sector businesses in 2016, up from 8 businesses in 2015.

The travel sector's contribution to Gisborne GDP fell by 3.1 per cent in 2016 to \$980,000. The GDP per FTE contribution was \$39,982; this has been declining since 2013.

Seven of the 27 people working in the travel sector are self-employed. Most people are working full time with 61.3 per cent of people working 30 hours or more. There has been an increase in the number of people in the sector working less than 30 hours per week; in 2013 there were eight people in the sector working less than 30 hours per week, while in 2006 there were none.

Hours Worked Per Week in the Gisborne Travel Sector, 2006 and 2013



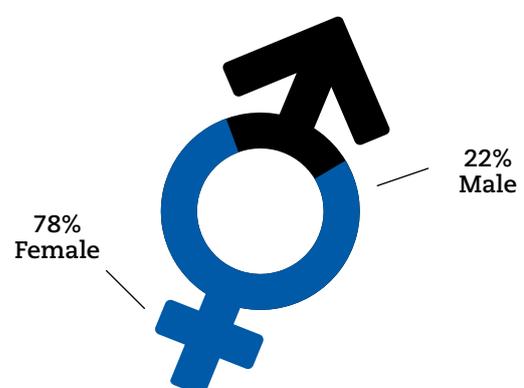
There have been changes in the demographics of the travel sector since 2006. In 2006, everyone working in the sector was born in New Zealand. In 2013 there were two people born in North America and two from Europe, with the remaining 17 born in New Zealand. 93.6 per cent of the travel sector workforce identify as European and 17.6 per cent identify as Māori (respondents can identify with more than one ethnicity).

The travel sector workforce in Gisborne is ageing. In 2006, 52.9 per cent were aged 40 years or over, by 2013 this had increased to 66.8 per cent aged 40 or over. Everyone is aged between 25 and 65, with a fairly even spread of people across this age range.

The Gisborne travel sector is predominantly female. In 2016, of the 27 people in the workforce, 21 were female (78 per cent) and six were male (22 per cent).

A fifth of the people employed in the sector in 2013 (19.6 per cent), were qualified to Level 4 and above, a decrease since 2006 when 33.5 per cent held a qualification at Level 4 or above. The percentage with no post-school qualification has increased from 36.4 per cent in 2006 to 43.5 per cent in 2013.

Gender in the Gisborne Travel Sector



The Gisborne travel sector has been growing since 2013 and employment is expected to remain steady over the next five years, with most job openings likely to be replacement roles.

Tourism

The Gisborne tourism sector in 2016 employed 1,352 people (1,145 FTEs), a 0.7 per cent decline on the previous year. The tourism sector makes up 6.3 per cent of the Gisborne workforce.

The tourism sector's contribution to Gisborne GDP was \$58.5 million in 2016, which was slightly lower (0.9 per cent) than the previous year. The GDP per FTE contribution for the sector was \$51,134.

In 2016 there were 248 tourism related businesses in Gisborne, which was a year on year increase of 1.4 per cent (three businesses). On average these businesses are employing more people than other businesses in the region (5.5 people compared to 4.2). The rate of self-employment within the Gisborne tourism sector has remained steady at 12.5 per cent.

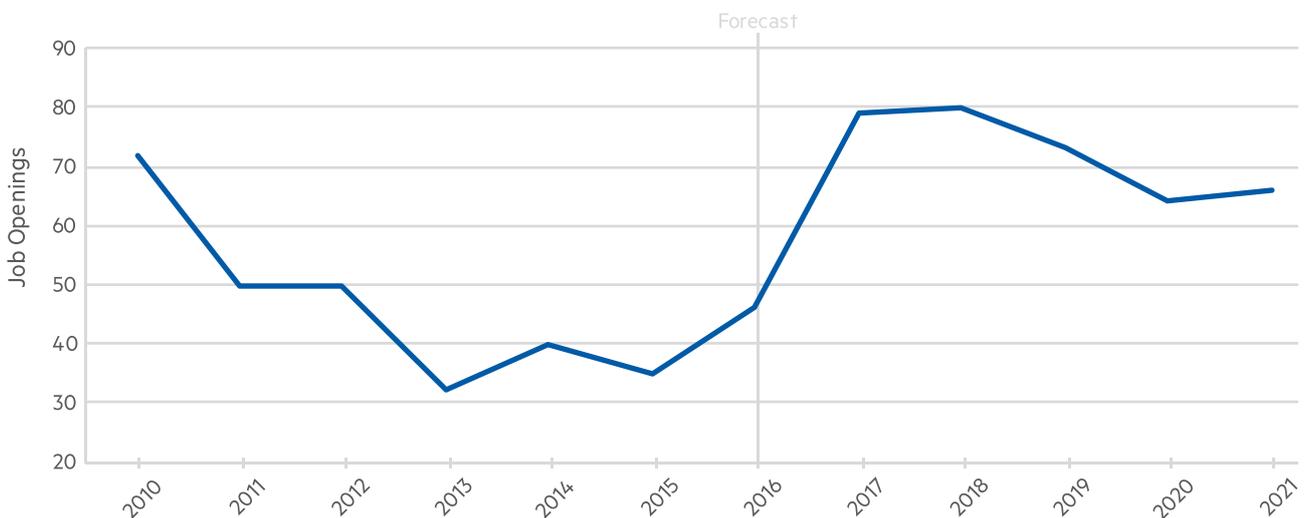
While the number of people aged under 25 working in the sector has dropped from 303 in 2006 to 276 in 2013, they still make up 19.8 per cent of the Gisborne tourism workforce compared to 13 per cent of the overall workforce. There has been a 33 per cent increase in the number of people aged 55 and over in the Gisborne tourism sector between 2006 and 2013, from 258 in 2006 to 342 in 2013, and this age group now represents 24.4 per cent of the sector workforce.

Most people working in the tourism sector are working full time (60.3 per cent), while 36.7 per cent work less than 30 hours. The proportion of part-time roles is higher than the total Gisborne workforce, where 23.4 per cent work less than 30 hours.

The tourism sector in the region is predominantly female (62 per cent), and 38 per cent male. This differs from the overall Gisborne workforce which is 53 per cent male and 47 per cent female.

Of the people working in the tourism sector, 68.6 per cent identify as European, 37.7 per cent Māori and 4.9 per cent Asian. Most people working in the sector were born in New Zealand (84 per cent), with 5.6 per cent born in Europe and 3.8 per cent in Asia.

Job Openings in the Gisborne Tourism Sector



Within the tourism sector 49.3 per cent hold no post-school qualification, but this is gradually decreasing. In 2013, 28 per cent held a qualification at Level 5 or above, from 22.4 per cent in 2006. However, this sector has 41.5 per cent medium-high and highly skilled jobs, which typically require a qualification at Level 5 and above, so this may indicate a skills shortage.

Employment in the Gisborne tourism sector has been declining since its peak of 1,466 jobs in 2007. The sector is forecast to grow in the next five years with an estimated 362 job openings, comprising 58 new jobs and 301 replacement jobs.

Accommodation

The accommodation sector in Gisborne accounted for 212 jobs in 2016 (178 FTEs), and increased by 3.3 per cent. There were 59 businesses, a reduction of nine businesses from the prior year. The average number of employees per business grew in 2016, hence the growth in employment despite the decrease in businesses.

Accommodation contributed \$6.58 million to Gisborne GDP in 2016, which was an increase of 3.7 per cent on 2015. The GDP per FTE contribution of the accommodation sector was \$36,951 which is low for the service sector in the region (second only to quick service restaurants).

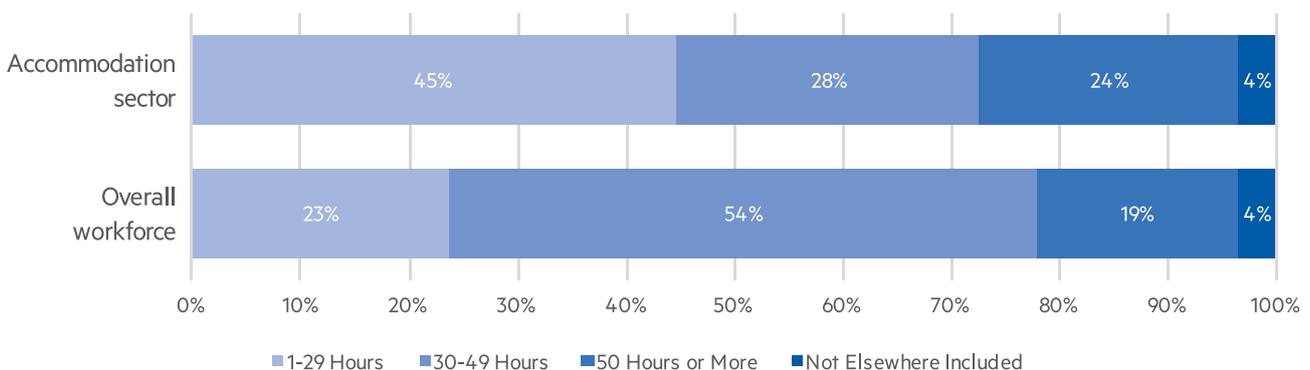
The sector is predominantly made up of people who identify as European (70.3 per cent) and Māori (36.6 per cent), with increasing percentages of Asian ethnicity (five per cent) and Pasifika (3.4 per cent). Please note that individuals may identify with more than one ethnicity. The majority of the accommodation workforce were born in New Zealand (86 per cent).

There are more than twice as many females working in the accommodation sector in the region with 71 per cent of the workforce female and only 29 per cent male.

The Gisborne accommodation workforce is spread across all age groups, with the largest number of workers aged between 35 and 64 years (65.3 per cent). In contrast to the accommodation sector nationally, the percentage of people under 30 years old in the Gisborne sector has increased from 17.6 per cent in 2006 to 21.2 per cent in 2013.

Just over half of the people working in the Gisborne accommodation sector are working 30 hours or more per week (52 per cent). This is much lower than the overall Gisborne workforce where 72.6 per cent work 30 hours or more.

Hours worked in Accommodation Sector and Overall Workforce



More than half of the Gisborne accommodation sector have no post-school qualifications (55.6 per cent). Only 18.1 per cent of the workforce hold qualifications at Level 5 and above which indicates a possible skill shortage, as 41.7 per cent of roles in the sector are medium-high and highly skilled roles.

The accommodation workforce has been declining since its peak in 2006 when there were 277 people working in the sector. The sector is forecast to remain steady over the next five years with most job openings coming from replacement roles.

42% of roles are medium-high to highly skilled but only 18% of the workforce is qualified to this level

Cafés, bars and restaurants

Employment in the café, bar and restaurant sector in Gisborne fell between 2015 and 2016, from 542 filled jobs to 521 (428 FTEs), a 3.9 per cent decrease.

The Gisborne café, bar and restaurant sector contributed \$16.5 million to GDP in 2016 which was a reduction of 2.9 per cent on the previous year. The GDP per FTE for the sector in 2016 also fell slightly, by 0.5 per cent, to \$38,572.

12% of the Gisborne café, bar and restaurant workforce identifies as Asian compared to 3% of the overall workforce

In 2016 there were 78 cafés, bars and restaurants in the Gisborne region, which was just one less than the 79 businesses in 2015. There is an average of 6.7 people employed in these businesses which is above the regional average of 4.2.

The sector is predominantly made up of those who identify as European (60.3 per cent), Māori (39 per cent) and Asian (11.8 per cent). Please note that individuals can identify with more than one ethnicity.

The percentage of people in the workforce who were born in New Zealand has declined from 83.3 per cent in 2006 to 75 per cent in 2013. The largest increase has been in the percentage of the workforce born in Asia, from 6.4 per cent in 2006 to 11.6 per cent in 2013.

Half of the people working in the sector are under 30 years old (49.1 per cent) and 65 per cent are under 40. There has been an increase in the number of people over 60 years old, from 20 people in 2006 to 51 people in 2013, but they still make up a small part of the café, bar and restaurant sector (8.7 per cent) compared to 15.8 per cent of the overall Gisborne workforce.

Cafés, bars and restaurants in the sector are predominantly female, with 62 per cent female and 38 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, and this has increased slightly from 58.3 per cent in 2006 to 60 per cent in 2013. The percentage of people with a qualification at Level 4 or above has also increased from 18.4 per cent to 22.7 per cent during the same period.

Just over half of the people working in cafés, bars and restaurants are doing so full time (53 per cent). The total hours worked in a week in this sector has remained quite steady since 2006, dropping slightly from an average of 32.9 hours per week to 32.3 hours per week.

Café, bar and restaurant sector employment been declining since 2014, following growth in 2012 and 2013. It is forecast that there will be modest growth in the next five years from 521 to 530 people. There is likely to be 138 job openings, but most of these will be job replacements.

Average business employment size



Catering

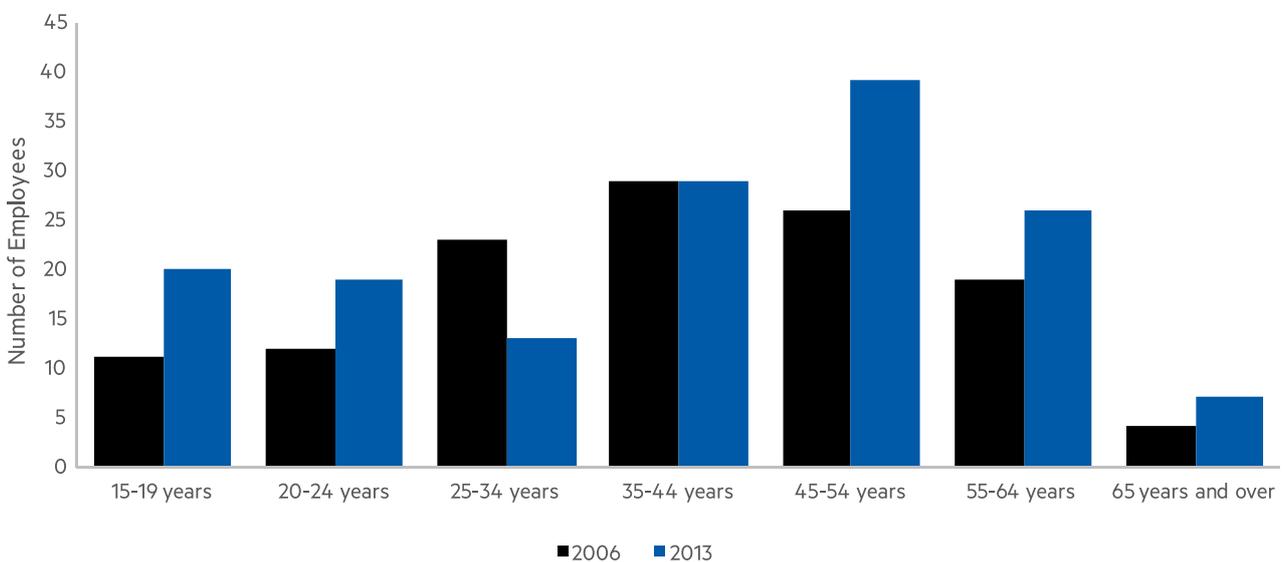
Catering in the Gisborne service sector accounted for 150 jobs in 2016 (128 FTEs), which was a small decrease of 1.4 per cent (two people) on the previous year.

The Gisborne catering sector contributed \$6.74 million to GDP in 2016 which was a small decrease of 0.5 per cent. The GDP per FTE also fell slightly by 0.7 per cent in 2016 to \$52,776.

The number of catering businesses in Gisborne remained unchanged at 29 in 2016. These businesses employed 5.1 people on average; this is higher than the overall Gisborne average of 4.2 people per business. Most people work full time (63.1 per cent) although this has fallen from 68.9 per cent in 2006.

The Gisborne catering sector has more young people, 25.7 per cent of the workforce is aged under 25 years, than the overall Gisborne workforce (13 per cent). The sector is also attracting more older workers with one third (33.4 per cent) aged over 50 years compared to 26.3 per cent in 2006.

Changing Age of the Gisborne Catering Sector



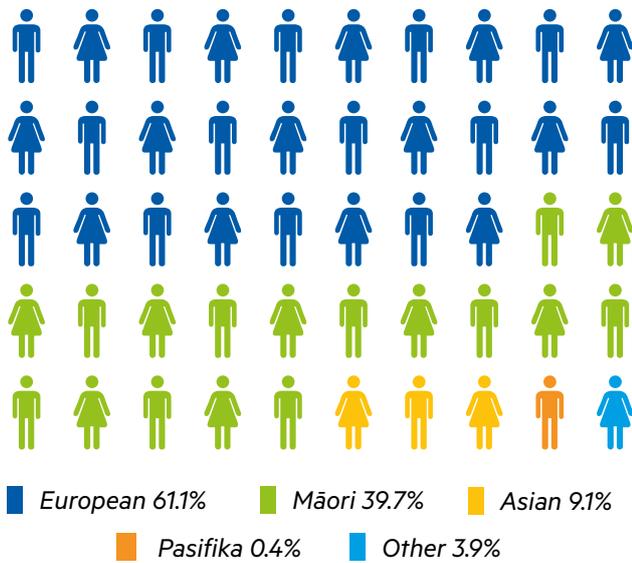
Almost twice as many females work in the catering sector in Gisborne, with 64 per cent female and 36 per cent male. The sector is predominantly made up of people who identify as European (67.9 per cent) and Māori (38 per cent). Most people were born in New Zealand (87.6 per cent), with an increasing percentage born in Europe, from 4.3 per cent in 2006 to 6.9 per cent in 2013.

Close to half of the Gisborne catering sector workforce have no post-school qualification (47.5 per cent). One third of the sector have qualifications at Level 4 or above (33.2 per cent) which is comparable to the catering sector nationally where half have no post-school qualification and 34.8 per cent are qualified at Level 4 or above.

Employment in the catering sector has remained fairly steady since it peaked at 155 in 2010. It is forecast to grow modestly in the next five years to 159 employed in 2021, with mostly replacement job openings during that time.

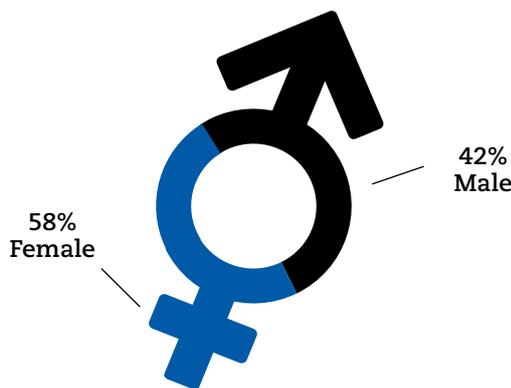
Clubs

Ethnicity of the Gisborne Clubs Sector



Of the people employed in the clubs sector, 71.1 per cent are aged over 40 years. There has been an increase in the number of people working in the sector aged over 65. There was no one over 65 working in the sector in 2006 and by 2013 there were seven people. More than half of the clubs sector in the region are female (58 per cent) compared to 42 per cent male.

Gender in the Gisborne Clubs Sector



In 2016 clubs in Gisborne accounted for 51 jobs (40 FTEs), an increase of 3.5 per cent (two jobs) on 2015. There were five businesses in 2016, three more than in 2015.

The Gisborne clubs sector accounted for \$1.59 million of the region's GDP in 2016 which was a 3.3 per cent increase compared to 2015. The sector contributes \$39,647 to GDP per FTE.

The clubs sector is made up of those who identify as European (61.1 per cent), Māori (39.7 per cent) and Asian (9.1 per cent). Please note that individuals may identify with more than one ethnicity. While most people working in the sector were born in New Zealand (80 per cent), there are increasing numbers born in Europe (9.6 per cent) and Asia (9.0 per cent).

*There were **no** workers over 65 years old in the clubs sector in 2006, by 2013 there were **7***

Almost half the clubs sector workforce are employed full time (47.6 per cent) with the largest group working 30-39 hours per week (26.3 per cent).

Most of the people working in the clubs sector hold no post-school qualification (67.5 per cent) while there are eight people (19.1 per cent) with a Bachelor's Degree.

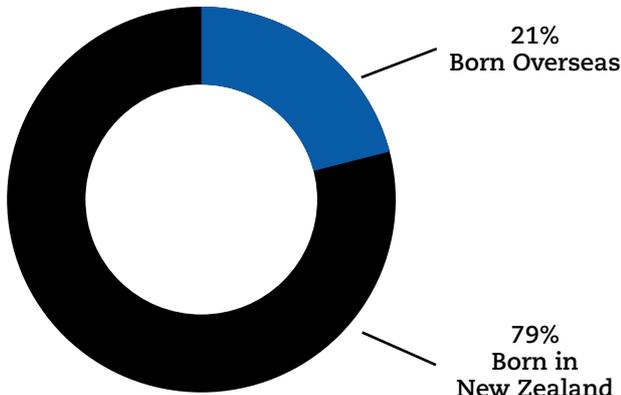
The clubs sector has had employment growth since 2013 to 51 jobs in 2016. This is expected to decline slightly over the next few years to 47 in 2021, with the only job openings being replacement roles.

Quick Service Restaurants

Quick service restaurants in Gisborne accounted for 266 jobs (207 FTEs) and grew by 2.1 per cent in 2016.

This sector contributes \$7.34 million to Gisborne GDP, and this grew by 2.9 per cent in 2016. The sector has the lowest GDP per FTE contribution in the service sector at \$35,409 per FTE, and this was a 0.8 per cent decrease compared to 2015.

Gisborne Quick Service Restaurant Workforce Born Overseas



The sector is younger than most of the other service sectors; almost half (45.4 per cent) are aged under 25 years old. Most of the people working in quick service restaurants have no post-school qualification (70.3 per cent or 182 people). The high number of young people working in the sector, some of which will still be in school or study, will account for some of this (34.8 per cent are aged 15-19 years old and 10.6 per cent are aged 20-24 years). However, almost a quarter of the jobs in the quick service sector are medium-high to highly skilled roles, which could indicate a potential skill shortfall with only 11 per cent qualified at Level 5 or above.

Close to half (47.6 per cent) of people are working full time. Over one third (36.5 per cent) work less than 20 hours, which is likely to reflect younger people in part-time roles while at school and studying.

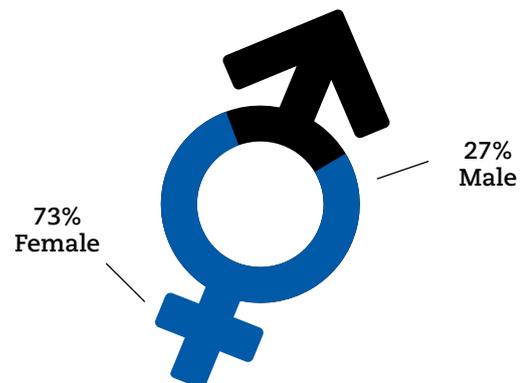
Employment in Gisborne quick service restaurants grew in 2015 and 2016 after declines in 2013 and 2014. The sector is forecast to grow in the next five years to 289 jobs in the workforce by 2021, with 88 new and replacement job openings during that time.

In 2016 there were 57 quick service restaurants in the Gisborne region which was an increase of 5.6 per cent on the previous year when there were 54 businesses.

The sector is predominantly made up of people with European (60 per cent), Māori (40 per cent) and Asian (10.8 per cent) ethnicity. Please note individuals can identify with more than one ethnicity. Most people working in the sector were born in New Zealand (78.8 per cent) with an increasing percentage born in Asia. In 2006, 5.1 per cent were born in Asia and this increased to 10.6 per cent by 2013.

Almost three quarters of the quick service restaurant sector workforce in Gisborne are female (73 per cent) compared to 27 per cent male.

Gender in the Gisborne Quick Service Restaurant Sector



Retail and retail supply chain

The retail and retail supply chain sector is the largest sector within the service sectors. Retail and retail supply chain accounted for 2,806 jobs in Gisborne in 2016 (2,476 FTEs), an increase of 1.9 per cent. 13.2 per cent of all jobs in the Gisborne region were in the retail and retail supply chain sector.

The sector's GDP contributions increased by 3.6 per cent in 2016 to \$155 million. The sector contributed \$62,687 to GDP per FTE.

The number of retail and retail supply chain businesses in the Gisborne region grew by 1.1 per cent in 2016 to 561 businesses (from 555 businesses in 2015).

Gisborne's retail and retail supply chain workforce is predominantly European (73.4 per cent) and Māori (31.1 per cent). Please note individuals can identify with more than one ethnicity. Most people were born in New Zealand (85.6 per cent or 2,295 people) with an increase in the percentage of people born in Europe, from 3.7 per cent in 2006 to 5.2 per cent in 2013.

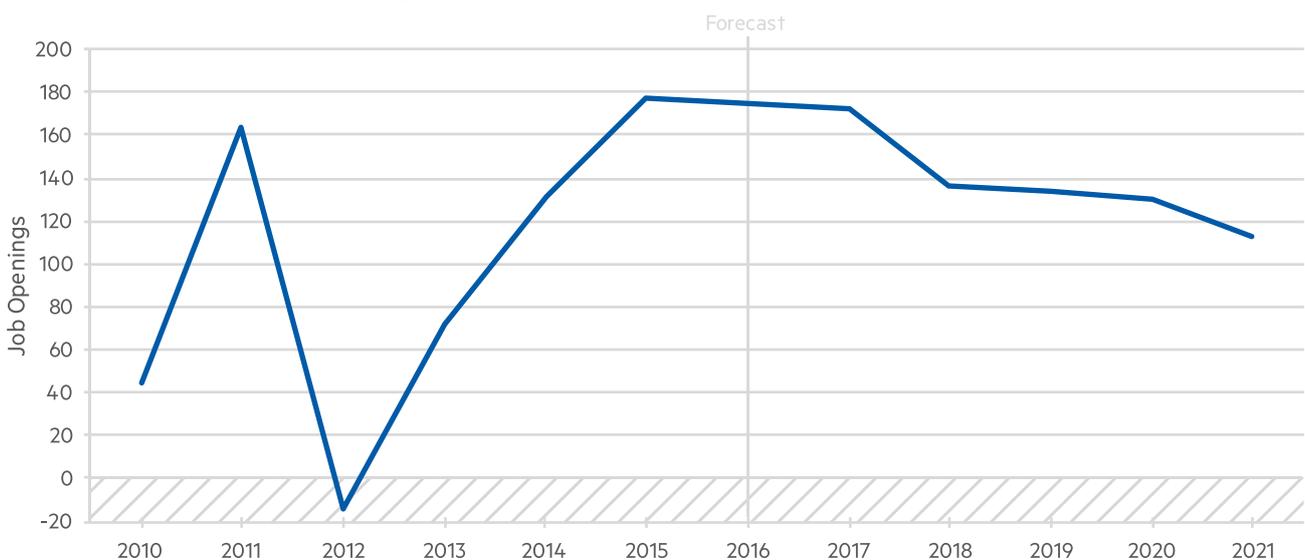
There has been a reduction in the number of 15 to 19 year olds working in the sector, from 403 people (13.5 per cent) in 2006 to 249 people (9.3 per cent) in 2013. During this time, there has been an increase in people aged over 60 years old; there are now 366 people (13.6 per cent) working in the retail and retail supply chain sector aged 60 years or over compared to 280 people (9.4 per cent) in 2006.

The sector has a fairly even split of male and female, with 52 per cent female and 48 per cent male in 2016. While the retail and retail supply chain sector accounts for some part-time and casual work, 70 per cent of people working in the sector are doing so full time.

People with no post-school qualification make up 59.8 per cent of the retail and retail supply chain sector. Only 15.3 per cent of the sector workforce have a qualification at Level 5 or above, yet 33.4 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 growing since 2014, after two years of decline in 2012 and 2013. It is forecast to continue to grow until 2020 when numbers will decline slightly. There are expected to be 687 job openings over the next five years with most being replacement roles.

Job openings in the Gisborne Retail and Retail Supply Chain Sector



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

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