

Workforce 2020

Meeting New Zealand's Labour Market Challenge



Where are we now ?

- 3.6% unemployment
- 29,000 people on the unemployment benefit
- 69% of adults in the workforce
- 15,000+ more people immigrating than leaving each year
- Long hours of work
- 40% of employers say skill shortages are the key barrier to growth



A perfect storm coming?

- Major demographic change
 - ★ immigration, aging workforce, increasing diversity
- Rising demands of work
 - ★ technology, customer demands, regulation, work organisation
- Literacy skills of the workforce
 - ★ 40% of the workforce don't have the literacy skills their job demands



What are we doing now?

- 180,000 people in industry training
- 35,000+ businesses working with ITOs
- 400,000+ students at universities and polytechnics
- A small investment in literacy and numeracy programmes



What more must we do?

- Greater use of better national qualifications
- Massively increase the scale of literacy and numeracy action
- Address organisational leadership and management capability
- Integrate skill development with workplace improvement



Better qualifications

- Simpler standards - plain English ?
- Fewer, more flexible and durable qualifications
- Focus on critical skills and performance
- Job Design < > Qualifications Design < > Organisational Design



Lifting scale of literacy action

- Highlight the literacy and numeracy components of jobs and tasks
- Integrate “literacy and numeracy” into everything we do
- Develop capability of training providers in partnership
- Tailored range of approaches to meet worker and employer needs



Management Capability

- Understanding the context NZ business has to operate in
- Understanding where a business is going
- A sense of ownership and responsibility for skills
- The ability to attract, retain and utilise skill



Workplace Improvement

- Making investing in skills worthwhile
 - Lifting productivity, profitability and wages
 - Improving recruitment and retention, reducing wastage, errors, loss
 - 80 / 20 rule of training and skill utilisation
- Integration is the challenge ...

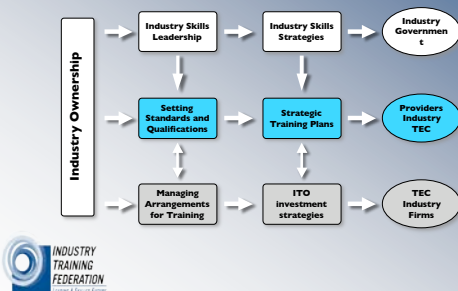


Are we up to the challenge ?

- 40 Industry Training Organisations
 - 35,000 enterprises
 - 180,000 workers
- We have the building blocks ...



The Industry Training System



ITOs working together

- Pan-ITO leadership: Workforce 2020
- Emerging Sectoral Clusters:
 - Building and Infrastructure
 - Primary
 - Manufacturing
 - Services
 - Government and Community
- Continuing focus on service at an industry and firm level

