



BRIEFING

Update on Jobs and Skills Hubs

Date:	29 April 2019	Priority:	Low
Security classification:	In Confidence	Tracking number:	3335 18-19

Action sought		
	Action sought	Deadline
Hon Shane Jones Minister for Regional Economic Development	Note the contents of this briefing	2 May 2019
Hon Grant Robertson Minister of Finance		2 May 2019
Hon Phil Twyford Minister of Transport		2 May 2019
Hon David Parker Minister for Economic Development		2 May 2019
Hon Willie Jackson Minister of Employment		2 May 2019
Fletcher Tabuteau Parliamentary Under-Secretary to the Minister for Regional Economic Development		2 May 2019

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Nathan Grennell	SWEP Programme Director	Privacy of natural persons	✓
Rose Stainer	Principal Policy Advisor	Privacy of natural persons	

The following departments/agencies have been consulted



n/a

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments

PROACTIVELY RELEASED



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Title

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Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** the attached information about progress towards establishing Jobs and Skills Hubs.

Noted

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**Programme Director, Sector Workforce
 Engagement Programme**
 Provincial Development Unit, MBIE
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Hon Grant Robertson
Minister of Finance
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Hon Shane Jones
Minister of Regional Economic Development
 / /

Hon Phil Twyford
Minister for Transport
 / /

Hon David Parker
Minister of Economic Development
 / /

Hon Willie Jackson
Minister for Employment
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Background

1. On 25 March 2019, at the regular Regional Economic Development Ministers' meeting Minister Jones requested a progress update on the establishment of Jobs and Skills Hubs, as part of the wider work supporting implementation of Te Ara Mahi – Pathways to Work.

Jobs and Skills Hubs

2. In October 2018, Cabinet agreed to Provincial Growth Fund (PGF) investment in employment, skills and capability. This initiative is known as Te Ara Mahi, and focuses on supporting local people into local employment opportunities.
3. Jobs and Skills Hubs are interventions that support the objectives of Te Ara Mahi. Hubs aim to deliver improved employment and skills outcomes for regions through close collaboration between government (both central and local), employers and industry.
4. A Hub may be established where there is demand for jobs, the workforce faces barriers to entering employment, the nature of the work would benefit from close proximity to training opportunities, and there are willing employer partners. The place-based environment enables employers to connect with the potential workforce and to better coordinate and plan for their current and future labour requirements. The Hubs enable strategic planning and engagement by employers so that informed decisions can be made to maximise the development of career pathways for future or existing workers, sometimes through apprenticeships, and better use and development of the local workforce in local communities.

Auckland Hubs established from 2015 onwards have provided a precedent

5. As part of the Ministry of Business, Innovation and Employment's (MBIE) wider work on employment, three Hubs have been established in Auckland. These are: Ārā – the Auckland Airport Jobs and Skills Hub, the CBD Jobs and Skills Hub, and the Tāmaki Jobs and Skills Hub. These Hubs have been positively received by both employers and workers.

Status of PGF Jobs and Skills Hubs

PDU is actively working with stakeholders to establish Hubs

6. The Provincial Development Unit (PDU) supports the development of Hubs as an effective coordination mechanism to bring together government, employers, community stakeholders and industry. We are actively working with stakeholders in all five Te Ara Mahi surge regions to progress establishment.
7. PDU expects the first Hub, in Manawatu-Whanganui, to be operational by the end of June 2019.

However, local stakeholder support is essential to establishment and agreement between stakeholders can take some time to achieve

8. Many stakeholders recognise that capacity to deliver employment and skills initiatives is a challenge across a number of regions. PDU continues to actively work with stakeholders in PGF regions to determine whether the establishment of a Jobs and Skills Hub will meet the region's specific employment needs.
9. Establishing a Hub in a short period of time is challenging. Scoping, initiating and operationalising a Hub creates added pressure on existing stakeholder resources. We are reliant on these local stakeholders to inform how Hubs are developed, and the pace at which they are required. This ensures that the establishment of Hubs is aligned to regional priorities and direction to maximise the investment.

10. The regions with good governance structures have made the most progress in these discussions. These governance groups have been pivotal in providing guidance, support, and connecting in with key stakeholders to give direction. This approach allows for regions to identify local priorities and develop solutions (such as a Hub) to address them.
11. PDU has shared key data with the regional governance groups, giving a view of economic projections, PGF investments, demographic and labour market information to inform discussions.
12. Lessons from the establishment of the Auckland Hubs have informed the PDU's approach to developing Hubs in PGF regions. Stakeholders are supported to visit the three Auckland Hubs to understand how the Hubs work and can be developed to meet the unique needs of different communities.

Regional update on progress

13. Work is ongoing in the following areas:

- *Tai Tokerau:* The Northland Skills and Employment Group is considering whether a Hub is required and where it would be best placed. The group has developed concepts about scope and design of a Hub. One possibility is that the Hub would be established by Te Hiku o Te Ika iwi. MBIE continues to support stakeholders to understand how best to proceed.
- *Bay of Plenty:* Several meetings have been held with key stakeholders to discuss the establishment of a Hub and the development of the Regional Investment Portfolio for Employment. Data sets and regional information were shared at these meetings to support the group to make informed decisions about how to progress. The Regional Principal Advisor is supporting continuing discussions.
- *Tairāwhiti:* PDU has had initial discussions with the new Senior Regional Official, Apryll Parata. Apryll advises that she has all the information and support she needs to now begin stakeholder conversations.
- *Hawke's Bay:* A group of representatives from government agencies have been supplied with data and information to assist with making an informed decision regarding the need for a Hub. PDU has met with the new Senior Regional Official, Bryan Wilson, and a meeting is being set up between Bryan, the Hasting District Council Chief Executive - Nigel Bickle, PDU and a sub-group of Matariki to progress the establishment of the Hub.
- *Manawatu / Whanganui:* PDU is working with stakeholders and the community to establish a Hub based at Manfeild Park in Fielding. This will serve the civil construction sector in building Te Ahu a Turanga – Manawatu Tararua Highway, and other major road projects. Transport and Logistics have been identified as a key growth sector in the long term for this region. The Hub is expected to open by the end of June 2019.
- *Otago:* MBIE is working with the Ministry of Health (MOH), Ministry of Social Development, Dunedin City Council, Southland District Health Board, amongst other stakeholders to leverage construction of the waterfront, Otago University and Dunedin Hospital. While Otago is not a PGF surge region, the significant investment in construction provides an opportunity to support local development by ensuring as many local people as possible can be trained to assist with the builds. It has been projected that over \$10 billion of construction consents will be made in the Otago region over the next 10-15 years. A potential property for the Hub has been identified by the MOH. MOH is very supportive of the possibility of establishing a Hub.

Jobs and Skills Hubs outside PGF

14. *Porirua*: conversations have commenced with a group involving local iwi, Porirua City Council, and Home Land and Communities (HLC) to discuss a potential Hub for Porirua due to the extensive local construction and government funded regeneration builds in the area. MBIE expects to receive a proposal from the group to begin undertaking a scoping exercise by the end of April 2019.

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