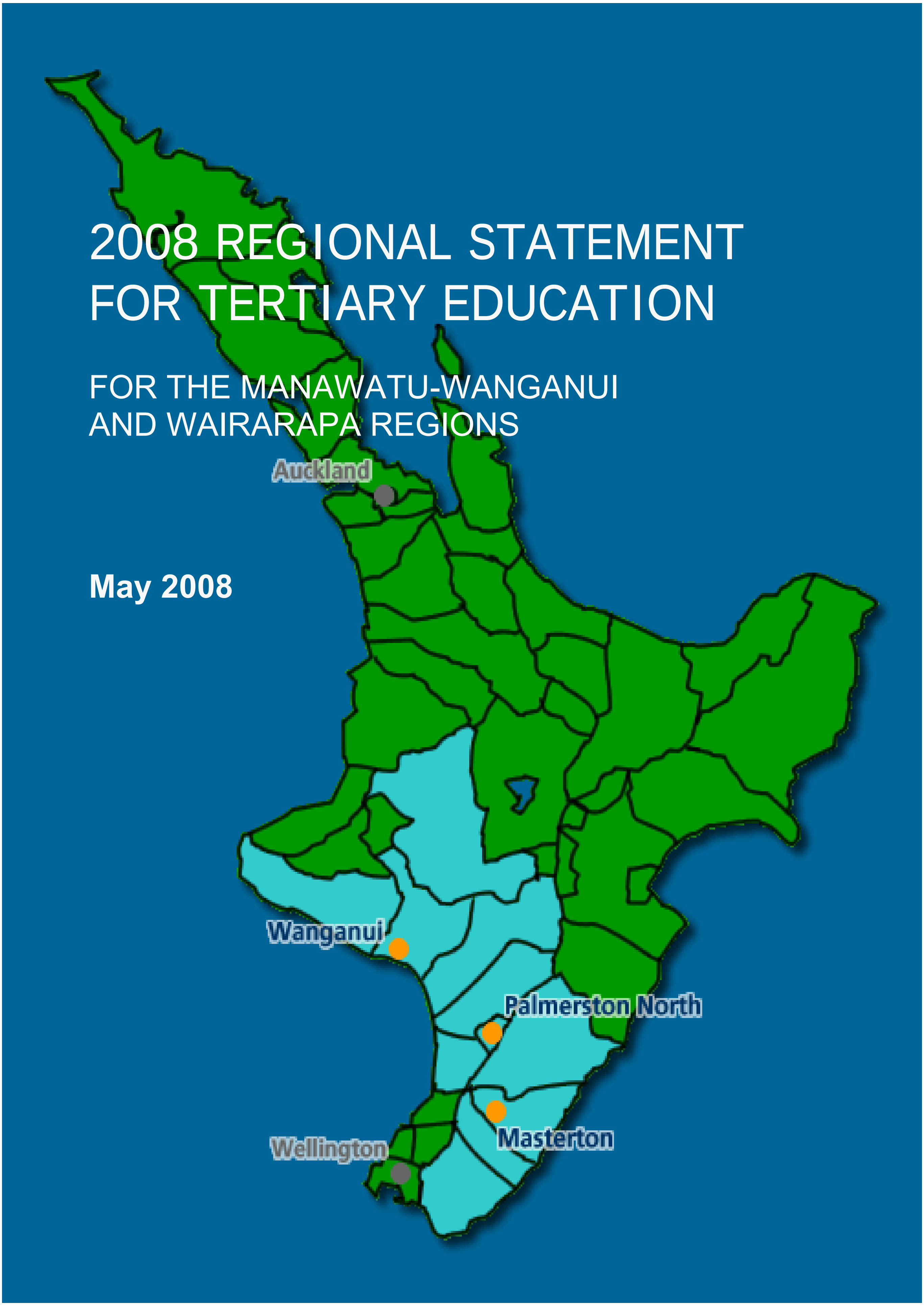
2008 REGIONAL STATEMENT FOR TERTIARY EDUCATION

FOR THE MANAWATU-WANGANUI AND WAIRARAPA REGIONS

May 2008



Acknowledgements

UCOL should like to acknowledge the many contributions to the development of the second Regional Statement.

ISBN 978-0-473-13534-8

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY

The Tertiary Education Statement (TES) released in December 2006 included a new regional facilitation role for Institutes of Technology and Polytechnics (ITPs). The purpose of the role is to improve engagement between stakeholders and tertiary education providers and to increase collaboration among providers. Development of a Regional Statement for each ITP catchment area is the first task under the role. This document is the second Regional Statement for the Manawatu-Wanganui and Wairarapa catchment areas and is an updated version of the 2007 Regional Statement.

The Regional Statement encompasses the Territorial Local Authorities (TLAs) of Palmerston North, Manawatu, Tararua, Horowhenua, Masterton, Carterton, South Wairarapa, Wanganui, Ruapehu, Rangitikei, and South Taranaki.

This area covers a large piece of the central and lower North Island and includes a diverse mix of provincial urban centres, small towns and large tracts of rural hinterland. The population is dispersed across the TLAs in communities that share some common characteristics and some distinctive features.

Other than Palmerston North, all communities experience barriers to accessing higher levels of education and many face significant problems in accessing even lower levels. In many areas broadband and cell-phone coverage is sparse, thus limiting delivery options.

Population trends are providing challenges to all communities within the region, with Palmerston North the least affected. Movement to larger urban centres is both a global and a national trend but the effects can be slowed as economic development initiatives have shown. Without efforts to support these communities a rapid spiral of lost services and capacity could severely curtail opportunities to enjoy a regional lifestyle.

In all the TLAs there is both an ageing of the population and a “hollowing” of the population compared to the New Zealand average. This “hollowing” occurs across the key age groups for both study and work (15-60). In the Wider Manawatu the “hollowing” effect shows up from age 25 on, reflecting the student population of Palmerston North. As employment opportunities are growing at a faster rate than the population, it is important that regional communities make best use of the potential workforce. Statistics show that the level of qualification affects labour market participation and that those with no or low qualifications have lower levels of participation. Stakeholders are keen to ensure that lifelong learning opportunities are available to people where they reside to enable them to develop to their full potential.

Longer working lives, rapidly changing technologies, and increasingly global labour markets all mean that many people will need to make several career changes and/or skill upgrades during their working lives. These needs require support not just in terms of education provision but also in terms of career planning advice.

Furthermore, young people now have a confusing array of possible qualifications and career paths and need access to current advice from the middle years of schooling onwards, together with experiential opportunities for testing their interests.

The region, as a whole, has comparatively large proportions of population with low or no qualifications. The population is experiencing labour shortages while, at the same time, developing a number of niche industries. Many of the low-skilled are already in the workforce but will struggle to adapt to new technologies and industry changes without stronger literacy and numeracy skills.

Many of these people will also be parents whose ability to support their children’s learning is limited by their own skill levels.

The region is experiencing population decline across all but the elderly age bandings, but these statistics camouflage the significant growth in the Māori population happening now, and projected to continue. For example, by 2016, 30-33% of the 0-14 year age group is likely to be Māori. Māori of working age have comparatively low qualifications. In addition, Māori school students (particularly boys) gain comparatively limited value from the compulsory sector. There is, therefore, a critical need to improve the ability to meet the education and training needs of Māori more successfully.

Iwi regard the cost of study as the major barrier to their people's increased participation at levels 1-3 post-school as the debt is incurred without significant payback at this level. As progress to higher levels of learning requires first accessing the foundation levels, this remains a significant block.

Iwi, at the same time, are looking to develop their capability to manage treaty settlement assets. There is a need for well-trained people with mainstream qualifications that also have strong tribal and cultural identity to work successfully within the iwi business context.

The regional economies are working hard to retain and grow existing businesses while attracting new ones. These economies contain the same mix of industries and businesses as larger centres and compete in the same markets. Furthermore, local TLAs and Economic Development Agencies (EDAs) are supporting the development of niche industries in their areas. These include textiles, tourism and recreation, food and wine, bio-commerce, creative industries and defence.

With a dispersed population and a student body that is increasingly combining work and study, traditional face-to-face classroom delivery will not always meet either student or employer needs. Delivery modes that provide for learning to occur anytime/anyplace are increasing in demand. Moreover, both employers and employees are seeking training that is "just-in-time/just-for-me" in its orientation. While education providers will be keen to defend the need for pedagogically sound general education and training, there is also awareness of the need for flexible bursts of learning, and stakeholders are keen to see providers more able to respond to these needs.

The provision data provided by the Tertiary Education Commission (TEC) has limitations in interpretation as it was collected for funding purposes. The data does, however, indicate a comparatively low level of provision (49%) at levels 5-7 and Bachelors level compared to 54% nationally. This is surprising in a region that hosts a university as well as a Polytechnic.

The government's tertiary priorities are for more learners to progress beyond level 4 as a response to industry needs for more technically proficient people. This region needs to examine the reasons for the apparently small numbers of EFTS at levels 5 and 6, as to remain competitive employers need access to a skilled workforce, and learners need access to opportunities for career advancement. Although the region appears to be comparatively well served with industry training uptake, Māori are under represented in modern apprenticeships.

It is evident that too many in the regional population are poorly equipped to undertake tertiary study. Beyond basic literacy and numeracy there is a need for clearly posted pathways that can assist people through the lower levels and that enable them to carry on learning at higher levels. Adequate assistance must also be available to assist these learners.

Provision also needs to address the generic skills needed by employers including problem solving, team work, communication and industry experience.

Adult and Community Educators provide significant foundation learning opportunities as well as the recreational learning that remains in high demand. Many providers develop individualised programmes for their learners. Much time within the sector is spent accessing funding to support provision and there are now several government agencies involved in community level provision.

Stakeholders are concerned that there is a mismatch between an interest in an occupation or field of study and labour market demand for the skill or occupation. Agriculture, management studies and science are examples of this. Other concerns centre on the ability of providers to respond quickly to industry needs.

There is general agreement that better engagement and collaboration among providers themselves and between providers and key stakeholders will provide the best outcomes for both businesses and students.

A number of priorities were agreed during the regional facilitation process that will involve a broad range of stakeholders. It is envisaged that provider networks will select priorities critical for that area to progress with the relevant interested parties.

1.1 Priorities

These priorities are not ranked in order of importance as the ranking may differ in the different regions.

Priority 1.
Explore innovative and sustainable ways to facilitate access to education and training for all educationally disadvantaged populations, and advocate for improved ICT coverage within the region to support access options.

Priority 2.
Develop career services that are appropriate for both school students and the current workforce that include up-to-date career and qualification information and that include the region's niche careers. Continue to build initiatives that enable students to experience an industry or an occupation first hand.

Priority 3.
Increase the provision of literacy, numeracy and language training for those already in the workforce and design the provision to fit within the context and needs of the working environment.

Priority 4.
Education and training providers work with iwi, the Māori community and with schools to address the education and training needs of Māori. Investigate how the strengths of the wananga and other tertiary providers can be combined to provide better learning opportunities for students.

Priority 5.
Work with the TEC, employers, Councils, EDAs, ITOs, Work and Income and other providers to ensure a range of core education and training provision is available to meet the needs of local businesses while planning for the specialist skills that will be needed to further develop the niche industries. Provision to include an increased capability to meet the demand for both flexible delivery and "short-burst" learning.

Priority 6.
Investigate the need for increased provision at levels 5 and 6 to provide for industry needs in both core and niche areas and examine areas where there do not appear to be adequate pathways from levels three and four.

Priority 7.
Identify and map the pathways of provision available to regional and local populations and ensure that adequate learner support is available to both guide and support learning along this pathway so that students are encouraged to develop to their full potential.

Priority 8.
Encourage our younger people and students to develop and focus their skills into the areas of regional excellence and to become leaders in these fields.

Priority 9
Work with the TEC to discuss how future funding might:
- *Reduce the cost barrier to gaining a first qualification at levels 1-3 post-secondary,*
- *Recognise the costs of providing community and adult education and reduce the complexity and duplication of the various funding streams.*

Priority 10
Investigate how to provide the capacity within the Adult and Community Education sector to carry out a thorough needs analysis, including with populations that are currently under-represented.

2. THE CONTEXT

2.1 Introduction

The Ministry of Education released a new Tertiary Education Strategy in December 2006 that incorporated the Statement of Educational Priorities. An important new component within this document was the Distinctive Contributions of each of the sub-sectors of the tertiary education sector – the particular roles and key priorities for universities, Institutes of Technology and Polytechnic (ITPs), wananga, and Private Training Establishments (PTEs).

A new role for the ITPs was that of regional facilitation. The intention of the regional facilitation role is to ensure that ITPs take responsibility within their regions for working with both stakeholders and providers to:

- Build a shared understanding of regional needs, gaps and priorities for tertiary education
- Develop capability at the regional level through collaborative relationships
- Deliver better outcomes for learners and other stakeholders, and
- Offer efficiency benefits for stakeholders and providers alike.

The first requirement in carrying out this role was to develop a Regional Statement, a high level document setting out the needs, gaps and priorities over the next three years. The first statement was released in May 2007.

This first statement was undertaken in a very compressed timeframe and relied on secondary sources of data that were developed for other purposes by a range of agencies. In some areas it was impossible to separate Territorial Local Authority (TLA) data from Regional Council level data, for example separating the Wairarapa data from Greater Wellington data. Further development by government agencies of data sources to support this process would be useful.

This is the second Regional Statement. The major areas of development since 2007 are in capturing the perspectives and priorities of iwi and Maori and Community Education. Neither area was given sufficient attention in 2007. The TEC has provided updated provision data for 2007. This is included in Section 8. Ongoing discussion is needed with both key stakeholders and the providers across this very large regional catchment to agree on ways of engaging that better support the process in the future.

2.2 The Document

UCOL has campuses in Masterton, Palmerston North and Wanganui. This means that the regional facilitation role covers the wider Territorial Local Authorities (TLAs) surrounding these campuses:

1. Palmerston North includes Manawatu, Horowhenua and Tararua (referred to as the Wider Manawatu region)
2. Wanganui includes Rangitikei, Ruapehu and South Taranaki (referred to as Wider Wanganui)
3. Masterton includes South Wairarapa and Carterton (referred to as the Wairarapa).

The Regional Statement, while a high level summary document, attempts to reflect both the distinctive differences as well as the commonalities of these communities. For reasons of brevity the regions are described under common topic headings, with overview comments in respect of shared characteristics and separate comments where significant differences prevail.

2.3 Methodology and Timeline

February 2007	Workshop for all TEC-funded providers in the region, held in Palmerston North to outline the facilitation role and agree on a process for developing the statement.
February-March 2007	Desk-top research of available secondary data.
March 2007	Stakeholder workshops in Palmerston North, Masterton and Wanganui to identify trends and needs. The workshop included representatives from industry, business, central and local government, schools, students and community groups.
March-April 2007	Draft document developed from secondary data and feedback sought from stakeholders.
May 2007	Consultation on draft document, including workshops with providers. Document finalised and promulgated.
February 2008	Desk-top research of available secondary data for the update. Four hui: Wanganui, Palmerston North, Levin and Masterton. The hui included iwi of each region and Maori training providers. Adult Community Education consultation in Wanganui, Masterton and Palmerston North.
March 2008	Draft document developed from secondary data and feedback sought from all stakeholders.
April-May 2008	Consultation on draft document. Document finalised and promulgated.

2.4 Context for Regional Statement

Although the Regional Statement focuses on the needs of a particular catchment area, these needs sit within, and are influenced by, a wider setting. The work force is globally mobile and industries are expanding their reach into global markets. Global trends will thus affect regional needs.

According to the New Zealand Institute of Economic Research (NZIER) key global trends[1] over the next ten years affecting employment and labour markets are:

- *The aging population* that impacts both the supply and the demand for goods and services where health care and leisure related activities are likely to expand.
- *Increasing globalization* where trade adjustments and transitions may be difficult as China and India emerge as significant contributors.
- *The role of migration* which changes across countries and time. Demand is currently strong for ICT skills, health skills and seasonal labour whereas students have increased on the supply side.

On the national front New Zealand[2] has experienced high employment growth, low unemployment rates and high labour force participation rates in the recent past. Other factors include:

- Labour supply constraints requiring lifts in labour productivity rates.
- An aging population with increased diversity and urbanisation.

[1] Industry Training Federation, (2006, April). *Research to support the ITO's leadership role*, Summary of the NZIER Research's report to the Industry Training Federation.

[2] Ibid

- Strongest projected growth in the services sector (retail, wholesale trade, services to households and communications) forecast over the next 5 years.
- Longer term trends that include increased tourism, slow growth in demand for agricultural exports and rising consumption of services for households.

The NZIER report concludes that the labour supply constraints and need to lift productivity requires a training system that is sufficiently flexible to respond to a changing environment and a wide diversity of training needs. Generic or transferable skills are likely to become increasingly important in the future including interpersonal and HR skills, analytical and research skills, networking, negotiation and computer skills. “Soft skills” or personal attributes are also becoming highly valued in the move towards service related occupations.

3. THE PLACE

The region covered in this Regional Statement encompasses a significant area of the central and lower North Island. It includes the provincial cities of Palmerston North and Wanganui, with Palmerston North hosting Massey University as well as a cluster of Crown Research Institutes (CRIs) and associated activities. For the most part the region is characterised by smaller urban centres surrounded by large rural hinterlands. Southern Wairarapa and Horowhenua are experiencing increasing popularity as lifestyle centres for Wellingtonians.

3.1 Wider Manawatu

The Wider Manawatu area covers the territorial local authorities (TLAs) of Palmerston North City, Manawatu (which includes the towns of Feilding, Sanson and Himitangi Beach), Horowhenua (which includes the towns of Foxton, Shannon and Levin) and Tararua (which includes the towns of Dannevirke, Woodville, Pahiatua and Eketahuna). The total population for this area is 151,299 (Census 2006).

Palmerston North City is the largest urban centre in the region. The city covers a land area of 32,954 hectares and sits between the Tararua ranges to the south east and Ruahine Ranges to the north east.

The Manawatu District covers an area of 253,164 hectares, stretching from Rangiwahia in the north to Himatangi Beach in the south.

The Manawatu area enjoys a central location that gives it significant economic advantages. With easy access to four seaports, seven airports, a major air-force base and two large military bases, the region is a highly strategic cargo, transport and business hub for the lower North Island and for the country as a whole.

The Tararua District is a predominantly rural area especially suitable for sheep, cattle, and dairy farming. The large size of the district (424,000 hectares) and the fact that there are several small urban areas included within it provide significant challenges in terms of service delivery for both local and central government.

Over a third of the workers in the district are employed in the agricultural industry. Other industries include food processing, textiles and retailing; all of these however, are insignificant compared with agriculture. Commercial forestry is an emerging activity.

The Horowhenua District stretches from Himatangi in the north to just north of the Otaki River in the south. The region is bordered by the Tararua Ranges to the east and the Tasman Sea to the west. It has a population of 29,868, many of whom choose to live there for the lifestyle. The area is known as the ‘market garden’ of the lower North Island. Manufacturing, food processing, construction and service industries are also important contributors. The textiles industry has also played an important part in the local economy.

3.2 Wider Wanganui

Wanganui City is located on the west coast of the North Island at the mouth of the Whanganui River. As one of New Zealand’s oldest cities Wanganui has a rich history and is well-known for its heritage buildings, culture, design and arts. The economy is predominantly agricultural, with the addition of forestry and meat-processing. Manufacturing and the creative industries are also significant. The 2006 Census population was 42,000.

Ruapehu District covers 6,700 square kilometres with a population of 13,569 (2006 Census). Towns include Ohura, Taumarunui, National Park, Waimarino, Waiouru and Ohakune. The district also encompasses Whanganui and Tongariro National Parks which support strong tourism and recreation ventures.

South Taranaki covers an area of 3,575 square kilometres and has a population of 26,484 (2006 Census). The towns of the region include Hawera, Manaia, Opunake, Eltham, Kaponga, Patea and Waverley. The district is ideal dairy country and supports a large dairy factory and a cheese factory. Coastal areas are famous for their surf.

Rangitikei District covers 4,538 square kilometres and is part of New Zealand's "River Region". The Rangitikei River supports tourism and recreation activities. The river plains are backed by the Kaimanawa mountains in the north and the Ruahine in the east with substantial hill country. The population is 14,712 (2006 Census).

3.3 Wairarapa Region

The Wairarapa region comprises the 3 TLAs of Masterton, Carterton and South Wairarapa. The area forms part of the Greater Wellington Regional Council, participates in the Wellington Regional Strategy, but is separated geographically from the rest of the Wellington region by the Rimutaka Range.

Masterton District comprises one large urban town, Masterton, with a population of some 18,000 people and a diverse rural district totalling some 5,000 people. Rural districts include the coastal resorts of Castlepoint and Riversdale, the strong farming communities of Tinui, Wainuioru and Mauriceville, and large tracts of forestry on the eastern hill country. The population is 22,623 (2006 Census).

The Carterton district is located in the Wairarapa between Greytown and Masterton and has an area of 1,145 square kilometres. The district is bounded by the Waiohine River to the south and the Waingawa River to the north and stretches from the Tararua Ranges to the west and to the Pacific Ocean to the east. The 2006 Census recorded a total population of 7,098.

Grape and olive growing is thriving to the east, while still further east forestry is becoming increasingly predominant. The rural land on the western side of the urban area is predominantly used for traditional pastoral farming. To the north of Carterton township, at Waingawa, are two significant wood processing mills and several smaller operations associated with wood processing, a transport business and road construction firm.

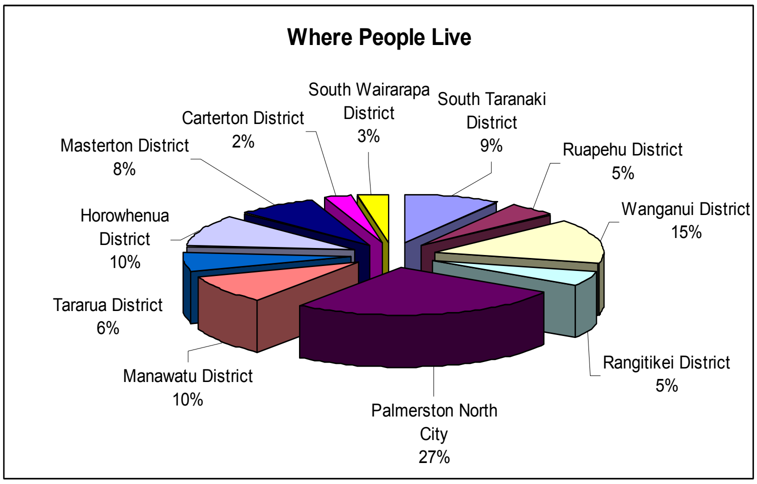
The South Wairarapa District is divided into three wards (Martinborough, Featherston and Greytown). Principal activities are fruit and vegetables (Greytown), pastoral agriculture and wine and olives. This district is also developing as a popular retirement, lifestyle and commuter base for people from over The Rimutakas.

The total population of the South Wairarapa District recorded at the 2006 census is 8,892.

SUMMARY

- The region has three main urban centres - Wanganui, Palmerston North and Masterton.
- Palmerston North is the largest urban centre.
- The region comprises 11 TLAs.
- The region is characterised by small dispersed populations with large rural hinterlands.
- Primary industry remains the mainstay.
- Tourism and recreation are also important.
- The regions have a similar mix of businesses to the rest of provincial New Zealand with some important and growing niche industries that set them apart.

4. THE PEOPLE



Source: 2006 Census – SNZ

4.1 Population Trends

The recent history is one of overall population decline in the region, although the rate of decrease has slowed between 2001 and 2006 when compared with the 1996 and 2001 censuses. Even those local authority areas that have not experienced population decrease have grown more slowly than New Zealand as a whole.

Between 1996 and 2001 the total region decreased by 10,539 people or 3.6%. In contrast New Zealand increased its population by 3.3%. Between 2001 and 2006 the region increased slightly by 1,680 or 0.59% but for the same period New Zealand increased by 7.8%

The local authority areas that increased in population between 2001 and 2006 were Palmerston North City, Manawatu District and the three local authorities in Wairarapa. Palmerston North had the largest percentage increase, but at 4.9% it was well below New Zealand. Horowhenua District was largely static.

The Manawatu-Wanganui region has experienced the second lowest population increase in the country with 1.1% growth between 2001 and 2006. Only Southland region had less with a decrease of 0.1%.

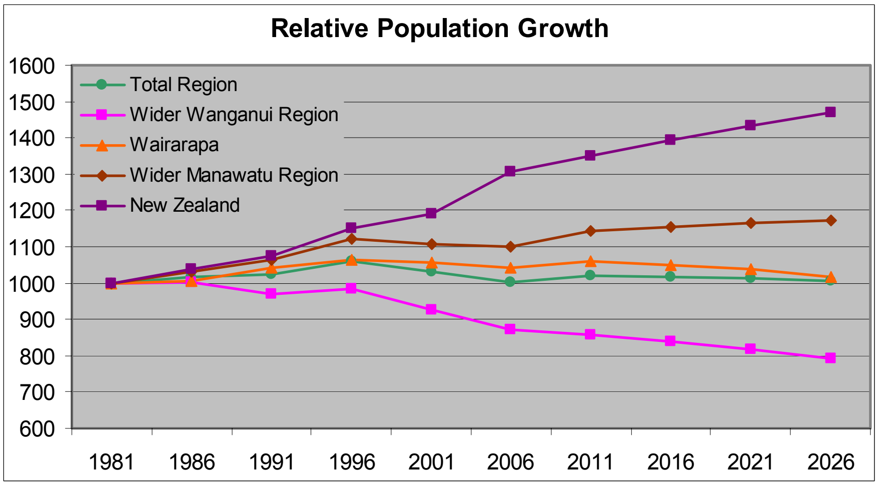
Table 1: Population Changes

Regions	2006 Census	Increase or Decrease (-) 1996–2001		Increase or Decrease (-) 2001–2006	
		Number	Percent	Number	Percent
Wider Wanganui	97,401	-7,071	-6.6	-2,802	-2.80
Wider Manawatu	151,299	-3,165	-2.1	4,074	2.77
Wairarapa	38,613	-303	-0.8	408	1.07
Total Region	287,313	-10,539	-3.6	1,680	0.59
New Zealand	4,027,947	118,974	3.3	290,670	7.8

Source: 2006 Census

The Statistics New Zealand medium to long term projections show an increased continuation of no or slow growth (using the medium projection series). Figure 1 below shows relative population growth or decline for the individual areas, the total region and for New Zealand, starting with an index of 1,000 in 1981.

Figure 1: Relative Population Growth[3]



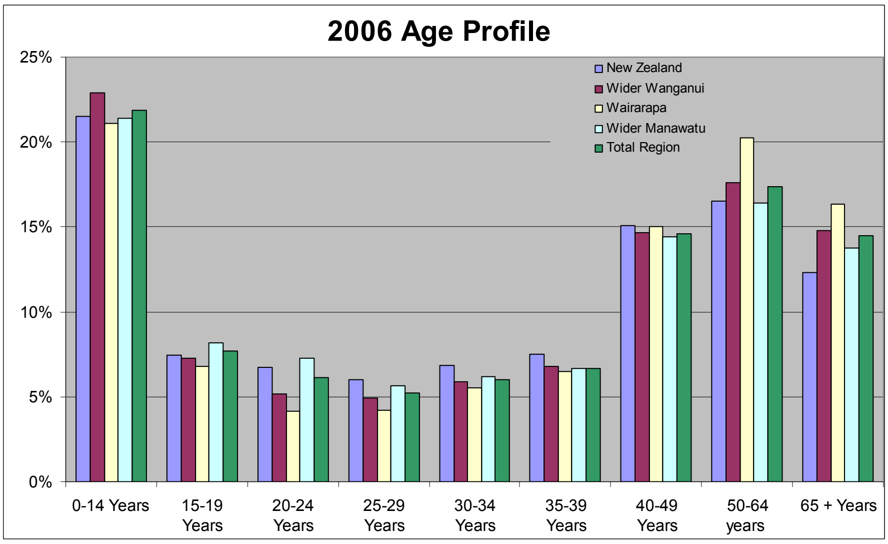
Source: Statistics New Zealand

Population projections are for New Zealand to increase by 12.5% between 2006 and 2026. The Wider Wanganui area is predicted to decrease by 9% (just over 8,000 people), Wairarapa to decrease by 2.4% (923 people) and the Wider Manawatu to increase by 6.6% (around 10,000). Overall for the region, projections are for a minor population increase of 187 people or 0.1%.

4.1.1 Overall Age Distribution

Within the total region, 8% of the population is between the ages of 15-19. A further 7% are aged 20-24, 5% are between 25-29, with 13% aged between 30-39. As can be seen from the graphs below, for all of these key age groups, the Wider Wanganui and Wairarapa areas have proportionally fewer people than nationally. They do, however, have much larger proportions in the over 50 age groups.

Figure 2: 2006 Age Profile



Source: 2006 Census

Wider Wanganui has a higher proportion of its population between 0-14 years than either New Zealand or the rest of the catchment area, but this number drops comparatively for the 15-19 age group. This "hollowing" of the population continues through the age bands until the

3 Based on October 2005 update estimates from 2001 census.

50-64 and the 65+ groups, when it then exceeds both New Zealand and the catchment as a whole.

Wairarapa demonstrates even more extreme age tendencies with lower proportions of its population in the 0-14 age group as well as in the 15-39 banding. At 40-49 the proportion equals New Zealand, but the 50+ age groups see Wairarapa way ahead of both New Zealand and the catchment as a whole.

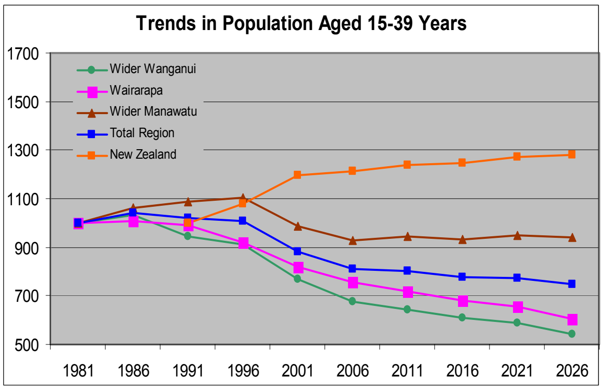
The Wider Manawatu profile, however, reflects the high student population in Palmerston North, with high proportions of young people through to 24 before the “hollowing” begins. Wider Manawatu closely reflects New Zealand in the 50-64 age group but again exceeds New Zealand at 65+.

4.1.2 Trends in Working Age Population

Two key age bands for work and study are 15-39 and 40-64. Looking out toward 2026, the total region is projected to lose over 13,000 people in these age ranges. New Zealand is projected to experience a 6% increase during this period.

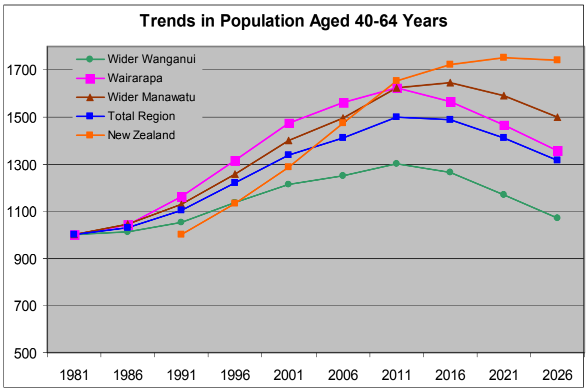
Figures 3 and 4 show the trend in two key populations over time compared to New Zealand. The entire area is projected to lose 7,000 in the 15-39 age group and 6,000 in the 40-64 age group.

Figure 3: Trends in Population Aged 15-39 Years



Source: Statistics New Zealand

Figure 4: Trends in Population Aged 40-64 Years



Source: Statistics New Zealand

The projected trends above are in keeping with what has actually taken place in the past.

Table 2: Age Group Changes Since 1981

	15-39 years 1981-2006	
	Number	**Percent**
Wider Wanganui	-14,014	-32%
Wider Manawatu	-4,085	-7%
Wairarapa	-3,407	-24%
Total Region	**-21,506**	**-19%**

Source: Statistics New Zealand

Wider Manawatu

Within the Wider Manawatu region, Palmerston North City showed the largest population increase of 4.9% followed by the Manawatu District at 2.7%. Horowhenua showed no significant increase while Tararua showed a decrease of 1.3%. Palmerston North is the only TLA within the catchment that is projected to gain population in the key 15-39 and 40-64 age groups.

Table 3: Population Changes by Census Period for Wider Manawatu

Region	Territorial Authority	1996 Census Usually Resident Population Count	2001 Census Usually Resident Population Count	2006 Census Usually Resident Population Count	Increase or Decrease (-) 1996–2001		Increase or Decrease (-) 2001–2006	
					Number	Percent	Number	Percent
Wider Manawatu	Palmerston North City	73,095	72,033	75,543	-1,062	-1.5	3,507	4.9
	Manawatu District	28,077	27,510	28,254	-567	-2.0	744	2.7
	Tararua District	19,068	17,859	17,634	-1,209	-6.3	-228	-1.3
	Horowhenua District	30,150	29,823	29,868	-327	-1.1	42	0.1
	Total	**150,390**	**147,225**	**151,299**	**-3,165**	**-2.1**	**4,074**	**2.77**

Source: 1996, 2001, 2006 Censuses

Although the last census shows an overall increase for the area rather than the decrease registered at the 2001 census, the level of increase is small compared to the rest of New Zealand (7.8% increase in population between 2001 and 2006 census periods).

The Wider Manawatu region's medium to long term projections show that future growth will also be slower than for New Zealand as a whole.

Table 4: Population Change with Selected Age Groupings 2006 - 2026[4]

Territorial Authority	15 -39 years Increase or Decrease (-) 2006 - 2026		40 - 64 years Increase or Decrease (-) 2006 - 2026	
	Number	Percent	Number	Percent
Palmerston North City	3,672	12.2	2,683	12.6
Manawatu District	-674	-7.9	-273	-2.8
Tararua District	-937	-18.4	-1,389	-23.7
Horowhenua District	-1,196	-15.7	-909	-9.2
Total	**865**	**1.7**	**112**	**0.2**

Source: Statistics New Zealand

Palmerston North is the only area that shows a projected increase in these key populations to 2026. Projections show a significant decline for Tararua.

Wider Wanganui

Since the 2001 Census the Wider Wanganui area has experienced population decline across all the TLAs. Although the percentage decline between 2001 and 2006 is smaller than between the 1996 and 2001 censuses (particularly Ruapehu), the decline is against the New Zealand average gain of 7.8%.

[4] These projections have as a base the estimated resident population of each area at 30 June 2001 and incorporate medium fertility, mortality and migration assumptions. 2006 is census data.

Table 5: Population Changes by Census Period for Wider Wanganui

Region	Territorial Authority	1996 Census Usually Resident Population Count	2001 Census Usually Resident Population Count	2006 Census Usually Resident Population Count	Increase or Decrease (-) 1996–2001		Increase or Decrease (-) 2001–2006	
					Number	Percent	Number	Percent
Wider Wanganui	South Taranaki District	29,133	27,537	26,484	-1,596	-5.5	-1,053	-3.8
	Ruapehu District	16,743	14,295	13,569	-2,448	-14.6	-723	-5.1
	Wanganui District	45,042	43,269	42,636	-1,773	-3.9	-630	-1.5
	Rangitikei District	16,356	15,102	14,712	-1,254	-7.7	-390	-2.6
	Total	**107,274**	**100,203**	**97,401**	**-7,071**	**-6.6**	**-2,802**	**-2.80**

Source: 1996, 2001, 2006 Censuses

This region is projected to lose around 10,000 in the key age groups with losses spread over all districts. Wanganui District is least affected in terms of percentage loss but may still lose around 3,000 people. Other districts are forecast to lose greater percentages if the trends continue.

Table 6: Population Change with Selected Age Groupings 2006 - 2026[5]

Territorial Authority	15 -39 years Increase or Decrease (-) 2006 - 2026		40 - 64 years Increase or Decrease (-) 2006 - 2026	
	Number	Percent	Number	Percent
South Taranaki District	-1,753	-21.0	-871.0	-10.5
Ruapehu District	-1,219	-27.6	-967.0	-22.4
Wanganui District	-1,890	-15.4	-1,402.0	-10.2
Rangitikei District	-1,014	-23.8	-1,320.0	-26.5
Total	**-5,876**	**-20.1**	**-4,560**	**-14.5**

Source: Statistics New Zealand

Wairarapa

The Wairarapa made a small percentage gain between the 2001 and 2006 censuses. Although the 400 increase in population represents only a 1% increase, this compares to a decrease of 300 people between the 1996 and 2001 censuses.

Table 7: Population Changes by Census Period for Wairarapa

Region	Territorial Authority	1996 Census Usually Resident Population Count	2001 Census Usually Resident Population Count	2006 Census Usually Resident Population Count	Increase or Decrease (-) 1996–2001		Increase or Decrease (-) 2001–2006	
					Number	Percent	Number	Percent
Wairarapa	Masterton District	22,755	22,614	22,623	-141	-0.6	9	0.0
	Carterton District	6,813	6,849	7,098	36	0.5	249	3.6
	South Wairarapa District	8,940	8,742	8,892	-198	-2.2	147	1.7
	Total	**38,508**	**38,205**	**38,613**	**-303**	**-0.8**	**408**	**1.07**

Source: 1996, 2001, 2006 Censuses

5 These projections have as a base the estimated resident population of each area at 30 June 2001 and incorporate medium fertility, mortality and migration assumptions. 2006 is census data.

The Wairarapa is also projected to lose population from the key age groups if current trends continue, with 2,000 projected to go in the 15-39 age group and 1,700 in the 40-64 grouping.

Table 8: Population Change with Selected Age Groupings 2006 - 2026[6]

Areas	Territorial Authority	15 -39 years Increase or Decrease (-) 2006 - 2026		40 - 64 years Increase or Decrease (-) 2006 - 2026	
		Number	Percent	Number	Percent
Wairarapa	Masterton District	-1,298	-20.4	-776	-10.2
	Carterton District	-336	-17.7	-339	-12.8
	South Wairarapa District	-459	-20.6	-656	-19.5
	Total	**-2,093**	**-19.9**	**-1,771**	**-13.0**

Source: Statistics New Zealand

4.2 Ethnicity

The Wider Manawatu area has a higher proportion of Māori than New Zealand. The 13% increase in Māori since the last Census is the largest in the region and is large compared with the New Zealand average percentage increase of 7.4%. It should be noted that Palmerston North is also a refugee settlement area.

The Wider Wanganui has the highest proportion of Māori in the region, significantly higher (at 25%) than the national average of 15%.

Wairarapa reflects the national average.

Table 9: Territorial Authority by Ethnic Group[7] for the Census Usually Resident Population Count

Areas	Māori 2001		Māori 2006		Māori Change Over Time 2001 - 2006	
	Number	Percent	Number	Percent	Number	Percent
Wider Wanganui	22,707	23.6%	22,962	24.6%	255	1.1%
Wider Manawatu	21,744	14.5%	24,750	16.8%	3,006	13.8%
Wairarapa	5,403	15.2%	5,493	14.7%	90	1.7%
Total Region	49,854	18.1%	53,205	19.1%	3,351	6.7%
New Zealand	526,281	14.7%	565,329	14.6%	39,048	7.4%

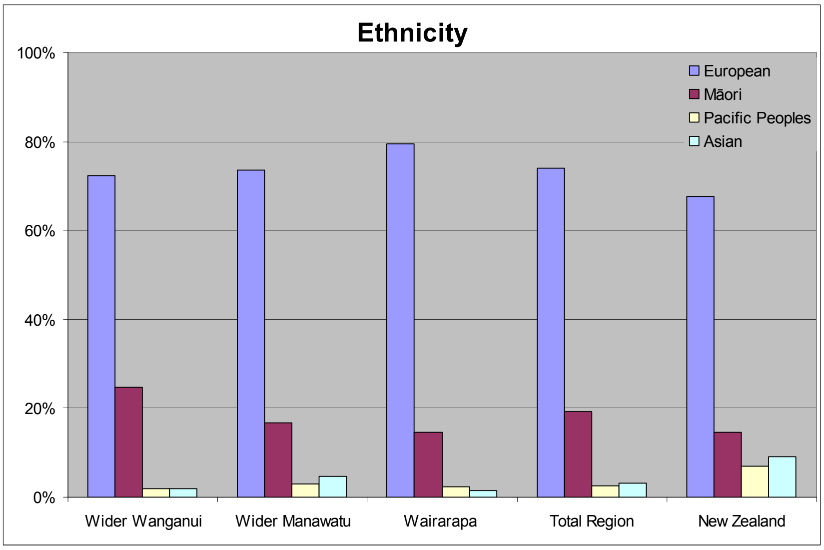
Source: 2001, 2006 Censuses

6 These projections have as a base the estimated resident population of each area at 30 June 2001 and incorporate medium fertility, mortality and migration assumptions. 2006 is census data.

7 The Maori ethnic population is the count for people of the Maori ethnic group. It includes those people who stated Maori as being either their sole ethnic group or one of several ethnic groups

Figure 5 shows that the total region has a much lower proportion of the Pacific Peoples and Asian ethnic groups than the New Zealand average.

Figure 5: Ethnicity



Source: 2006 Census

4.2.1 Māori Population by Projected Age[8]

While total population is predicted to decline in the 15-39 age group across the region it is important to note that the Māori population is increasing and is projected to continue to increase.

Within the Wider Manawatu region projections show that by 2016:

- Those in the 15-39 age group who are Māori will increase by 1,200 while the total population is projected to increase by only 405 people.
- Māori in the 0-14 age group will form 33% of this population compared to 17% in the 2006 Census for the total population.

Within the Wider Wanganui region projections show that by 2016:

- Those in the 15-39 age group who are Māori will increase by 700 while the total population is projected to decrease by 2,886.
- Māori in the 0-14 age group will form 31% of this population compared to 25% in 2006 for the total population.

For Masterton, by 2016[9]:

- Those in the 15-39 age group who are Māori will increase by 300 while the total Wairarapa population is projected to decrease by just over 2,000 people.
- Māori in the 0-14 age group will form 33% of this population compared to 15% of the total population.

Growth in the younger age groups is driving the total Māori population increase, against the trends of the population as a whole. For example, while the population is predicted to decline in the 15-39 age groups across the region, it is important to note that the Māori population is increasing, and is projected to continue to increase.

8 These projections have as a base the estimated resident population of each area at 30 June 2001 and incorporate medium fertility, mortality and migration assumptions. 2006 is census data.

9 Statistics New Zealand were unable to project the Maori population for Carterton and South Wairarapa as the data is not of sufficient size.

4.3 Social Deprivation

The economic and social circumstances of a population can impact significantly on their ability to participate in education and training.

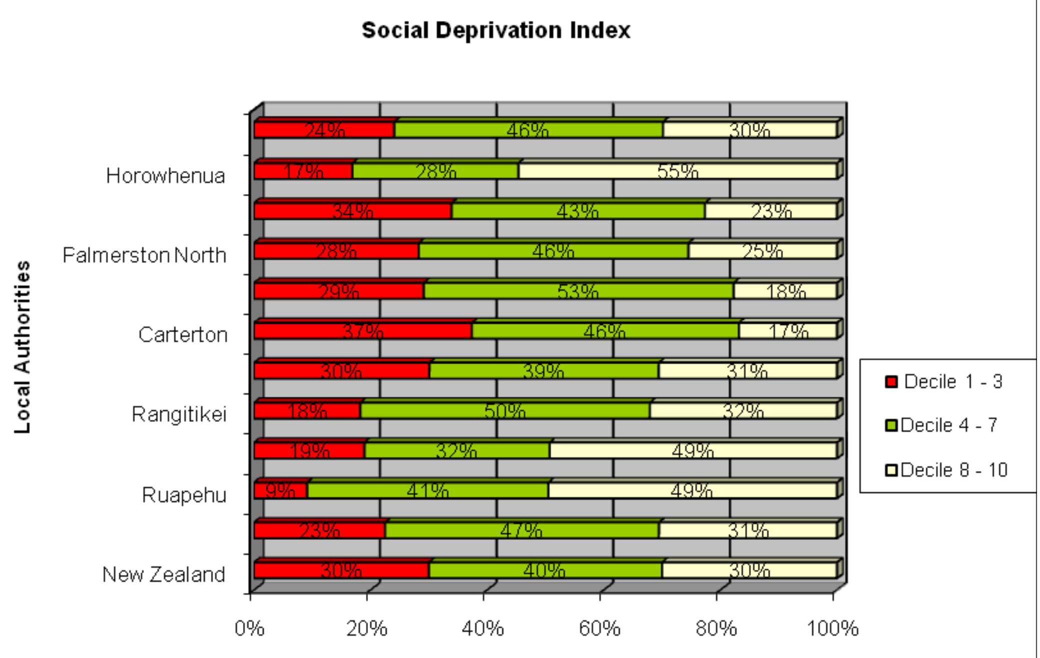
There are considerable differences among the 11 local authorities that make up this area with regard to the proportion of resident populations living in the least and the most deprived deciles.

The Wider Wanganui region has significant proportions of its population in the most deprived deciles. Ruapehu and Wanganui Districts have almost half of their populations (49% for both) living in the more deprived deciles of 8, 9 or 10. They also have much smaller proportions in the least deprived deciles of 1-3 (9% Ruapehu, 19% Wanganui, and 18% Rangitikei).

Within the Wairarapa region, Masterton is almost identical to the New Zealand average, while Carterton and South Wairarapa have fewer people in the least deprived deciles (17% and 18% respectively).

The Wider Manawatu region is dominated by Palmerston North city which has 25% of its population in the most deprived decile grouping and 28% in the least. By contrast, Horowhenua has a high proportion in the most deprived decile grouping with over half its population in Deciles 8-10 (55%) and only 17% in the least deprived grouping.

Figure 6: Social Deprivation Index



Source: New Zealand Deprivation Index

This graph uses the New Zealand Deprivation Index which shows the percentage of the population in the 11 territorial local authorities which make up the UCOL region who live in each deprivation index decile. The Index combines a range of key socio-economic factors from the 2001 Census and estimates an overall score of material and social deprivation for a particular area, on a scale of 1 (least deprived) to 10 (most deprived).

4.4 Qualifications

Table 10 presents census data from the resident population of the catchment. All of the areas have a higher proportion of people with no qualifications when compared to New Zealand. Wider Wanganui has the highest proportion at 31%, followed by Wairarapa at 29% and the Wider Manawatu at 27% (Palmerston North 21%) This compares with a New Zealand average of 22% and demonstrates significant educational disadvantage.

All areas also have a slightly higher proportion of people with Level 1 as their highest qualification when compared to New Zealand. Other highest qualifications, either gained at school or post school, are reasonably similar to the New Zealand proportion except for Bachelor Degrees. The Wider Wanganui area (at 5%) has half the percentage of people with Bachelors Degrees as does New Zealand as a whole (with 10%).

Table 10: Territorial Authority by Highest Qualification (1) for the Census Usually Resident Population Count Aged 15 Years and Over[10]

Highest Qualification	Areas				New Zealand
	Wider Wanganui	Wider Manawatu	Wairarapa	Total Region	
No Qualification	31%	27%	29%	28%	22%
Level 1 Certificate Gained at School	14%	13%	14%	14%	12%
Level 2 Certificate Gained at School	8%	9%	9%	9%	8%
Level 3 or 4 Certificate Gained at School	3%	6%	4%	5%	5%
Overseas Secondary School Qual	2%	3%	3%	3%	5%
Level 1, 2 or 3 Certificate Gained Post-school	4%	4%	4%	4%	4%
Level 4 Certificate Gained Post-school	9%	9%	11%	10%	9%
Level 5 Diploma	3%	3%	4%	3%	3%
Level 6 Diploma	4%	5%	5%	5%	5%
Bachelor Degree and Level 7 Qual	5%	8%	7%	7%	10%
Post Graduate Qual	2%	4%	3%	3%	4%
Not Elsewhere Included[(2)]	13%	9%	9%	10%	10%

Source: 2006 Census

Table 11 presents census data from the Maori resident population of the catchment. All of the areas have a higher proportion of people with no qualifications when compared to the Maori population in New Zealand, except for the Wider Manawatu which has the same proportion. The Wairarapa region has the highest proportion at 41%, followed by the Wider Wanganui at 40% and the Wider Manawatu at 36% (Palmerston North 30%). This compares with a Maori New Zealand average of 36% and New Zealand average of 22% which demonstrates significant educational disadvantage.

All areas also have a slightly higher proportion of Maori with Level 1 as their highest qualification when compared to New Zealand. Other qualification levels, either gained at school or post school, are reasonably similar to the general New Zealand population except for Bachelor and Post Graduate Degrees. Maori participation rates in higher education in the region are significantly lower than that of the general population of New Zealand, for example 4% at Bachelor level and 1% at Post Graduate level for Maori in the region compared to 10% and 4% for the general New Zealand population.

10 For further information on the qualifications framework, refer to the Statistical Standard for Qualifications, available from Statistics New Zealand's website: www.stats.govt.nz Includes Highest Qualification Unidentifiable and Not Stated.

Table 11: Maori Population by Territorial Authority and Highest Qualification (1) for the Census Usually Resident Population Count Aged 15 Years and Over[11]

Maori by Highest Qualification	Areas				Maori in New Zealand
	Wider Wanganui	Wider Manawatu	Wairarapa	Total Region	
No Qualification	40%	36%	41%	38%	36%
Level 1 Certificate Gained at School	14%	15%	15%	15%	15%
Level 2 Certificate Gained at School	7%	9%	9%	8%	9%
Level 3 or 4 Certificate Gained at School	3%	5%	3%	4%	5%
Overseas Secondary School Qual	0%	0%	0%	0%	0%
Level 1, 2 or 3 Certificate Gained Post-school	5%	6%	5%	6%	6%
Level 4 Certificate Gained Post-school	7%	7%	7%	7%	8%
Level 5 Diploma	2%	2%	3%	2%	3%
Level 6 Diploma	3%	3%	3%	3%	3%
Bachelor Degree and Level 7 Qual	3%	5%	3%	4%	5%
Post Graduate Qual	0.7%	1.4%	1%	1%	1.4%
Not Elsewhere Included(2)	14%	10%	10%	12%	11%

Source: 2006 Census

SUMMARY

- Slow population growth compared to New Zealand as a whole.
- Wider Wanganui has a comparatively high proportion of its population in the 0-14 age band.
- Wairarapa has a comparatively low proportion of its population under the age of 49 and a comparatively high proportion aged 50 and above.
- Palmerston North has a comparatively high proportion of its population under 25, and then it ‘hollows’ across the key age groups.
- “Hollowing” of the population in the key 15-64 age group is projected to continue.
- The population is aging faster than for New Zealand as a whole.
- The Māori population is projected to provide the major area of future growth and is providing the most significant growth in the younger population groups.
- The region has significant large pockets of economic and social deprivation.
- The population has comparatively high proportions of people with no or low qualifications, particularly Maori.

[11] For further information on the qualifications framework, refer to the Statistical Standard for Qualifications, available from Statistics New Zealand's website: www.stats.govt.nz (2) Includes Highest Qualification Unidentifiable and Not Stated.

5. THE LABOUR MARKET

The labour force data below shows that, compared to the national average, the Wider Wanganui and Wairarapa regions have slightly lower percentages of people employed full time, greater proportions employed part-time and greater proportions not in the labour force. Manawatu is closer to the New Zealand average with slightly higher percentages working part-time.

The percentage of people in full time employment increased by 15% for New Zealand since the 2001 Census, but Wider Wanganui experienced only a 6% increase and Wairarapa 4%. The Wider Manawatu equalled the New Zealand increase in full time employment, but all parts of the region gained considerably fewer people employed in part-time work (14% increase for New Zealand, 8% for the region as a whole).

Table 12: Labour Market Participation

Region	Employed Full Time	Employed Part-time	Unemployed	Not in the Labour Force	Work and Labour Force Status Unidentifiable
Wider Wanganui	47%	15%	4%	32%	3%
Wairarapa	47%	16%	3%	32%	2%
Wider Manawatu	48%	16%	3%	31%	2%
Total Region	48%	15%	3%	31%	2%
New Zealand	48%	14%	3%	30%	3%

Source: 2006 Census

The Maori labour market participation within the region is similar to that of the New Zealand general population. The major difference is the unemployment rate, which is double than of the general population in the Wider Wanganui and Wairarapa, and more than double (8% compared to 3%) in the Wider Manawatu and in overall region.

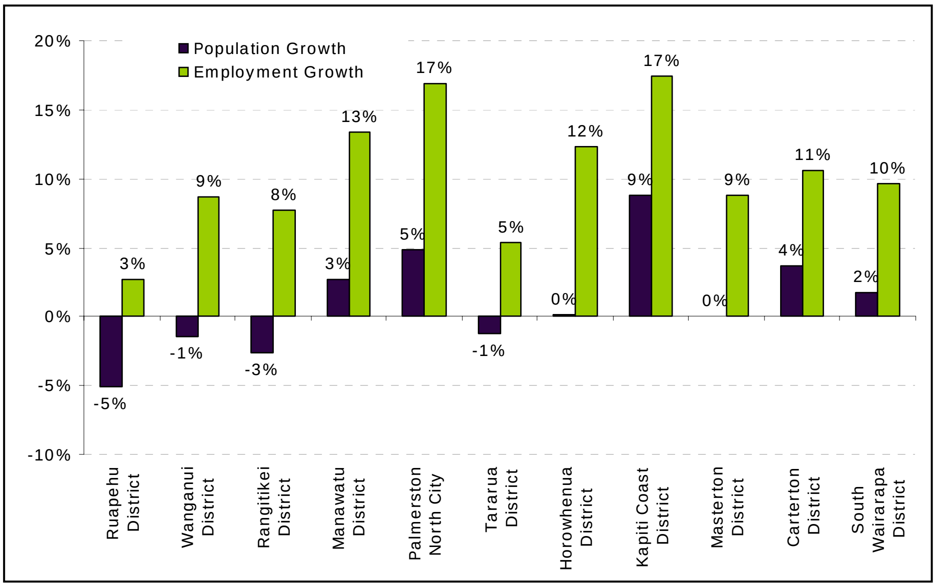
Table 13: Maori and Labour Market Participation

Maori in the Region	Employed Full Time	Employed Part Time	Unemployed	Not in the Labour Force	Work and Labour Force Status Unidentifiable
Wider Wanganui	45%	14%	8%	33%	0%
Wairarapa	47%	17%	6%	30%	0%
Wider Manawatu	49%	14%	8%	29%	0%
Total Region	47%	15%	8%	31%	0%
New Zealand	48%	14%	8%	31%	0%

Source: 2006 Census

Figure 7 shows the mismatch between employment growth and population growth across this region in terms of directional trends. With static or declining population projections this situation is likely to be exacerbated in the future unless participation can be increased, new residents can be attracted in, or young people retained.

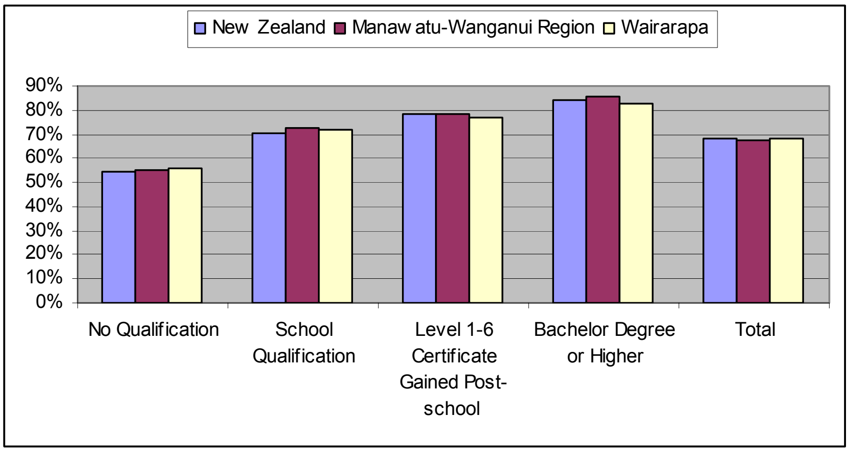
Figure 7: Employment and Population Growth 2001 to 2006



Source: Department of Labour

Figure 8 shows the importance of educational qualifications in terms of labour market participation. Where populations are growing more slowly than employment opportunities, improving qualifications could provide one strategy to increase the size of the labour force as well as improving skill levels.

Figure 8: Labour Force Participation by Qualification



Source: Department of Labour (2006)

5.1 Workforce Mobility

Table 14 from the 2001 Census shows where the workforce from each area is working by net gains and losses. Palmerston North city has a net gain of people coming into the city. The Manawatu has a third of its workforce working outside of its district, most of which would be working within Palmerston North city. There are six districts where 20% or more of their workforce is working outside of their district. Wellington is the primary destination for those in Carterton and South Wairarapa districts.

Table 14: Employed Workforce 2001

Region		Total Workforce	Workforce working within District	Workforce working outside District	% of Workforce working outside District
Wider Wanganui	South Taranaki District	12,903	12,195	708	5%
	Ruapehu District	6,393	5,748	645	10%
	Wanganui District	17,511	14,622	2,889	16%
	Rangitikei District	6,834	5,049	1,785	26%
Wider Manawatu	Manawatu District	13,266	8,862	4,404	33%
	Palmerston North City	33,495	33,798	-303	-1%
	Tararua District	8,538	6,969	1,569	18%
	Horowhenua District	11,547	9,084	2,463	21%
Wairarapa	Masterton District	10,059	8,850	1,209	12%
	Carterton District	3,264	2,481	783	24%
	South Wairarapa District	4,146	3,102	1,044	25%

Source: Department of Labour: Population Census – SNZ

5.2 Occupation

The Region overall has smaller proportions of Legislators, Administrators and Managers and Professionals than New Zealand and higher proportions of Agriculture and Fishery Workers. The Wider Wanganui area has a particularly small proportion of Legislators, Administrators and Managers and Professionals compared to New Zealand and higher proportions of Agriculture and Fishery Workers. The Wairarapa follows a similar trend to the Wider Wanganui area while the Wider Manawatu has proportions more comparable to New Zealand as a whole.

Table 15: Occupations 2006

	Legislators, Administrators and Managers	Professionals	Technicians and Associate Professionals	Clerks	Service and Sales Workers	Agriculture and Fishery Workers	Trades Workers	Plant and Machine Operators and Assemblers	Elementary Occupations	Not elsewhere included
Wider Wanganui	10%	10%	8%	8%	14%	16%	8%	11%	7%	8%
Wairarapa	12%	12%	10%	9%	14%	15%	9%	8%	6%	5%
Wider Manawatu	11%	13%	11%	10%	15%	9%	8%	8%	6%	8%
Total Region	11%	12%	10%	10%	15%	12%	8%	9%	6%	7%
New Zealand	14%	15%	12%	11%	14%	7%	8%	8%	6%	6%

Source: 2006 Census

5.2.1 Change Over Time

While nationally there have been very large increases in the highly skilled occupations the large increases have not been experienced in the total Region and even less so in the Wider Wanganui area.

Over time New Zealand has increased the Legislators, Administrators and Managers by 31%. This large increase has not been experienced within the Region and some areas have increased by only half of the national increase. Wider Wanganui increased by 14% while the Wider Manawatu increased by 22%. Professionals increased by 22% nationally but only by about half of that within the total Region (12%). Wider Wanganui increased by 6% for Professionals and 11% for Technicians and Associate Professionals while nationally there was a 26% increase for Technicians and Associate Professionals. All areas and nationally had a decrease of Agriculture and Fishery Workers.

Table 16: Percent Change over time 2001 - 2006

	Legislators, Administrators and Managers	Professionals	Technicians and Associate Professionals	Clerks	Service and Sales Workers	Agriculture and Fishery Workers	Trades Workers	Plant and Machine Operators and Assemblers	Elementary Occupations	Not elsewhere included
Wider Wanganui	14%	6%	11%	-5%	3%	-7%	12%	3%	14%	28%
Wairarapa	21%	12%	24%	3%	7%	-3%	16%	8%	6%	7%
Wider Manawatu	22%	16%	23%	-1%	8%	-4%	15%	7%	22%	68%
Total Region	20%	12%	20%	-2%	6%	-5%	14%	5%	17%	45%
New Zealand	31%	22%	26%	1%	11%	-6%	16%	4%	21%	20%

Source: 2006 Census

5.3 Skills

Labour market research was conducted in 2005[12] and 2006[13] across the region. Employers reported difficulty in accessing a mix of occupation-related skills, generic skills and personal attributes. While some skills can be integrated into training (particularly with close collaboration with employers), some are challenging for tertiary providers.

Table 17: Generic Skills Valued by Employers

Hard to teach (examples)	Easy to teach (examples)
• Respect • Attitude • Presentation • Work ethic • Punctuality	• Problem solving • Practical skills • Technical skills • Industry knowledge • Experience • Team working

Source: Labour Market Dynamics 2005 and UMR Research 2005

In general, employers were looking to fill specific positions in management, first line supervision, customer service, trades and production, and nursing. Employers considered that the reason for the difficulty was overwhelmingly a shortage of people with the right skills available for employment.

The major impacts on businesses of skill shortages included putting pressure on employees (over half), delaying new products and services, and losing business to competitors.

SUMMARY

- Employment opportunities are growing at a rate that is disproportionate to the population growth rate, although the unemployment rate remains relatively high for the Maori population compared to the unemployment rate of the general population.
- Labour participation rates are somewhat below those for New Zealand as a whole.
- Labour market participation increases as qualification levels increase.
- The workforce is highly mobile both within and without the region with only Palmerston North making a small net gain.
- Success in the labour market requires the workforce to have a mix of positive personal attributes, generic skills and specialist occupational/industry skills.
- The region has not experienced the increases of people in the highly skilled occupations that New Zealand has experienced.
- The region overall has higher proportion of agricultural and fishery workers than New Zealand as a whole.
- Shortages in some occupations are affecting business performance.

12 Labour Market Dynamics (2005). *Working in the Wairarapa region: Employers and their skill requirements*.
13 UMR Research, (2005, December). *Employer Survey*. Commissioned by UCOL.

6. THE ECONOMY

6.1 The Wider Manawatu

The Manawatu Economic Development Strategy focuses on three priorities - integrated education, smart business and bio-industry.

- Integrated education offers courses across learning disciplines and between education institutes, business and the community.
- Smart business involves those businesses that stand out with developed systems to improve knowledge about what they do best.
- Bio-industry is the commercial and industrial application of agricultural (land and environmentally-based) research, science and technology.

When looking at total sales, GDP, employment and household income, the economic drivers are:

- **Services – 81%** - utilities, construction, retailing and wholesaling, hospitality, transport, business services, public sector, education, health, welfare, cultural and personal services
- **Manufacturing – 13%** - Food, textile, wood processing, paper, chemicals, plastics, mineral products, metal products and equipment
- **Primary Sector – 6%** - land based activity, including agriculture, fruit and horticulture, forestry, fishing and mining/quarrying.

Almost 40% of all business sales in the Manawatu region are exported outside the area to national and international markets. Leading export industries are dairy processing, wholesale trade, tertiary education, defence services, air service, retailing and meat processing. (Source: Vision Manawatu)

The Horowhenua's economic strategy looks to build on traditional strengths which include horticulture and textile manufacture. There is now a Major Regional Initiative (MRI), Design Tex, to strengthen the textile design cluster to make it more globally competitive. Other initiatives include the development of Tourism, Gateway Industrial park and encouraging more added value in the primary sector. Two critical factors going forward are internet infrastructure and education (Source: Nature Coast).

The Tararua economic development plan builds on a thriving farming sector with a third of the district workforce engaged in agriculture and the manufacturing of primary products, mainly meat. The district's crucial advantages are the soils and climate which provide the basis for primary production, and the associated service sector. The district needs around 2% growth in productivity just to maintain the current economic wealth. Most of this comes from the primary sector, which is very sensitive to commodity price fluctuations and the vagaries of the weather. Increasing the skills of its young people is an important part of Tararua's future strategy as is improving the ICT infrastructure. (Source: Tararua District Economic Development Plan 2005)

6.1.1 Employment Count

The majority of employment within the Wider Manawatu region is in Retail Trade, Health and Community Services, and Manufacturing. The Retail Trade and Health and Community Services sectors experienced limited growth rates between 2004 and 2006, while Manufacturing was static. Between 2004 and 2006 the greatest growth in employment occurred in Construction followed by the Property and Business Services sector. This is similar to New Zealand where the greatest growth occurred in Construction followed by Property and Business Services and then Government Administration and Defence.

The major decreases in employment within the Wider Manawatu region were in Education followed by Cultural and Recreational Services.

Overall, New Zealand experienced a 2.4% annual growth rate in employment between 2004 and 2006 with the region experiencing a similar growth rate of 2.1%.

Table 18: 2006 Growth in Employment Count for the Wider Manawatu[14]

Business Sector	Employment Count	% of EC Activity	Average Annual Growth in EC 2004-2006	Average annual growth rate pa
A Agriculture, Forestry and Fishing	5,320	8%	57	1.1%
B Mining	70	0%	2	2.6%
C Manufacturing	8,110	12%	3	0.0%
D Electricity, Gas and Water Supply	241	0%	-3	-1.1%
E Construction	4,540	7%	290	7.9%
F Wholesale Trade	3,520	5%	137	4.4%
G Retail Trade	9,020	13%	123	1.4%
H Accommodation, Cafes and Restaurants	3,350	5%	83	2.7%
I Transport and Storage	1,920	3%	30	1.6%
J Communication Services	557	1%	-27	-4.3%
K Finance and Insurance	1,175	2%	23	2.1%
L Property and Business Services	7,090	10%	437	7.6%
M Government Administration and Defence	4,890	7%	207	4.8%
N Education	6,520	9%	-277	-3.8%
O Health and Community Services	8,770	13%	237	2.9%
P Cultural and Recreational Services	1,270	2%	-53	-3.7%
Q Personal and Other Services	2,600	4%	80	3.4%
Total Industry	**68,963**	**100%**	**1,348**	**2.1%**

Source: Statistics New Zealand

6.1.2 Business Growth

There were decreases in the number of businesses within the Wider Manawatu region in Agriculture, Forestry and Fishing.

Overall, New Zealand experienced a 1.7% annual growth rate between 2004 and 2006 while the region experienced a 1.2% growth rate.

The growth of the distribution and warehousing sector in the region is predicted to lead to a need for training in the areas of logistics, communication, distribution, warehousing and general infrastructure. The growth of land development and property, retail and health services may also create demand for specific training areas.

6.2 Wider Wanganui

Wanganui, Rangitikei and Ruapehu together share a Major Regional Initiative (MRI) in tourism.

Wanganui District Council has developed 5 economic goals:

1. Wanganui is known as an attractive, dynamic place to live and do business.
2. Wanganui's educational, vocational and professional skill-base supports and enables strong business growth.

[14] Data for agriculture, forestry and fishing includes those directly involved in agricultural production (ANZIC classification A01).

3. Visitor experiences which capitalize on existing cultural, historical, environmental and locality assets, are grown.
4. Wanganui's infrastructure supports and enables strong rural and urban business growth.
5. Wanganui District Council is known to be a proactive organisation making business in Wanganui easy.

Primary Processing and Manufacturing are both sectors that are affected by ongoing technology advances and both sectors require considerable increases in the skill base across a variety of levels

The Rangitikei Business Development Strategy has sought to identify the strengths of the District and build on these. These strengths or "three pillars" are:

1. Intensifying agriculture
2. Downstream processing of primary production
3. Integrated tourism.

Economic activity is predominantly based on agriculture, with other key sectors being transport, property and business services, primary product processing and tourism operations and services.

Ruapehu places heavy emphasis on the visitor industry capitalizing on its beautiful environs. The regional tourism agency, Visit Ruapehu, plays an important role in this district. The primary sector (farming, forestry and horticulture) is also a major contributor.

6.2.1 Employee Count

A fifth of all employment within the Wider Wanganui region is in manufacturing. This sector was static between 2004 and 2006. Within the Wider Wanganui region between 2004 and 2006 by far the greatest growth in employment occurred in the Construction sector, followed by Accommodation, Cafes and Restaurants. This compares to New Zealand where the greatest growth occurred in Construction followed by Property and Business Services and then Government Administration and Defence.

The major decreases in employment within the Wider Wanganui region were in Education, Government Administration and Defence.

Overall, New Zealand experienced a 2.4% annual growth rate. Between 2004 and 2006 the region experienced a 0.8% growth rate in employment.

Table 19: 2006 Growth in Employment Count for the Wider Wanganui[15]

Business Sector	Employment Count	% of EC Activity	Average Annual Growth in EC 2004-2006	Average annual growth rate pa
A Agriculture, Forestry and Fishing	6,090	15%	47	0.8%
B Mining	335	1%	6	1.9%
C Manufacturing	8,250	21%	73	0.9%
D Electricity, Gas and Water Supply	116	0%	-31	-14.7%
E Construction	2,860	7%	190	8.3%
F Wholesale Trade	1,080	3%	-13	-1.2%
G Retail Trade	4,550	11%	70	1.6%
H Accommodation, Cafes and Restaurants	2,130	5%	87	4.6%
I Transport and Storage	1,030	3%	43	4.8%
J Communication Services	191	0%	5	2.8%
K Finance and Insurance	450	1%	7	1.6%
L Property and Business Services	2,230	6%	-3	-0.1%
M Government Administration and Defence	1,730	4%	-87	-4.4%
N Education	2,740	7%	-120	-3.9%
O Health and Community Services	3,830	10%	20	0.5%
P Cultural and Recreational Services	890	2%	20	2.4%
Q Personal and Other Services	1,195	3%	5	0.4%
Total Industry	**39,697**	**100%**	**319**	**0.8%**

Source: Statistics New Zealand

6.2.2 Business Growth

Agriculture, Forestry and Fishing account for the greatest number of businesses within the Wider Wanganui region. This sector also experienced the greatest decrease in the number of businesses.

There were small increases in the number of businesses within the Wider Wanganui region in Construction, and Property and Business Services.

The region experienced a 0.5% growth rate between 2004-2006 (New Zealand 1.7%).

6.3 Wairarapa

The Wairarapa participates in the wider Wellington regional strategy.

At a local level Wairarapa has developed a strategy which has, at its core, land utilisation. Six drivers of economic well-being have been identified which include:

- Irrigation,
- Innovative land use,
- Visitors,
- Infrastructure,
- Inward investment, and
- Youth and community enterprise.

An MRI has now been developed to strengthen the region's food and wine reputation internationally.

[15] Data for agriculture, forestry and fishing includes those directly involved in agricultural production (ANZIC classification A01).

6.3.1 Employment Count

The majority of employment within the Wairarapa region is in Agriculture, Forestry and Fishing followed by Retail Trade and Health and Community Services. The Construction, Accommodation, Cafes and Restaurants and Government Administration and Defence sectors experienced the greatest growth rates between 2004 and 2006 while Manufacturing declined. This compares to New Zealand where the greatest growth occurred in Construction and Property and Business Services.

The major decreases in employment within the Wairarapa region were in Education and Manufacturing.

Overall, New Zealand experienced a 2.4% annual growth rate between 2004 and 2006 whereas the region experienced 1.3%.

Table 20: 2006 Growth in Employment Count for the Wairarapa[16]

Business Sector	Employment Count	% of EC Activity	Average Annual Growth in EC 2004-2006	Average annual growth rate pa
A Agriculture, Forestry and Fishing	2900	19%	5	0.2%
B Mining	48	0%	5	16.7%
C Manufacturing	1760	12%	-47	-2.5%
D Electricity, Gas and Water Supply	15	0%	-9	-21.4%
E Construction	1040	7%	87	11.1%
F Wholesale Trade	515	3%	20	4.4%
G Retail Trade	2200	15%	33	1.6%
H Accommodation, Cafes and Restaurants	1120	7%	53	5.6%
I Transport and Storage	365	2%	-2	-0.5%
J Communication Services	62	0%	1	1.1%
K Finance and Insurance	198	1%	2	1.2%
L Property and Business Services	1130	7%	23	2.2%
M Government Administration and Defence	380	3%	18	5.6%
N Education	960	6%	-40	-3.7%
O Health and Community Services	1770	12%	33	2.0%
P Cultural and Recreational Services	270	2%	2	0.6%
Q Personal and Other Services	425	3%	3	0.8%
Total Industry	**15158**	**100%**	**189**	**1.3%**

Source: Statistics New Zealand

6.3.2 Business Growth

Agriculture, Forestry and Fishing account for the greatest number of businesses within the Wairarapa region. This sector also experienced a decrease in the number of businesses.

There were small increases in the number of businesses within the Wairarapa region in Construction and Property and Business Services.

Overall, New Zealand experienced a 1.7% annual growth rate between 2004 and 2006, the same as that of the region.

[16] Data for agriculture, forestry and fishing includes those directly involved in agricultural production (ANZIC classification A01).

SUMMARY

- The regional economies are similar to much of New Zealand in terms of the spread of employment and fields of business.
- Greatest employment growth was experienced in the Retail Trade, Health and Community Services, and Manufacturing (Manawatu).
- In Wanganui employment growth was in the Construction sector, followed by Accommodation, Cafes and Restaurants.
- Wairarapa experienced some increase in Construction, Accommodation, Cafes and Restaurants and Government Administration and Defence.
- The region has niche areas including tourism, food and wine, textiles, bio-commerce, creative industries, and the defence sector.
- Areas of decreased employment across the region included, Agriculture, Forestry and Fishing, Education, Cultural and Recreational Services and Manufacturing.

7. PARTNERS' AND STAKEHOLDERS' VIEWS

7.1 Overview

Stakeholders across the region shared a number of common concerns relating to education and training provision, particularly in addressing some of the shared characteristics relating to population size and trends. Stakeholders also emphasised the social goals achieved by access to quality education and training and lifelong learning, for example increased social participation and cohesion, individual well-being and community capability. The needs of migrant populations were highlighted in Palmerston North.

The pockets of low qualifications/low literacy/low socio-economic residents are a concern across the entire region, particularly as low population numbers mean that high levels of labour market participation are needed. This disadvantage must be addressed before the region can benefit fully from its people resource.

In general, industry stakeholders are keen to see flexible delivery options in terms of time, place and duration that support lifelong learning and career self-management. Increasingly people will be working and studying concurrently and this trend requires different models of delivery. Stakeholders considered that policy and funding changes may be needed to enable providers to respond more directly to employer and employee needs. Alongside these views are national industries that want a higher uptake of national qualifications across the country. Hospitality is one such industry that has an important presence in the region.

The stakeholders are keenly aware of the need to retain and attract working age families but fear that career limitations and rising house prices may be deterrents. The demographics indicate a need to make our own skills as a region rather than relying on importing them, using models such as apprenticeship. Changes in employer attitudes towards older workers were also seen as important, along with flexible work practices to retain them in the workforce. Moreover, given the imbalance between the employment needs of business and population trends (Figure 7), businesses need access to training centred on increasing productivity and innovation that will enable the region to make best use of the existing workforce.

The agricultural sector, and associated industries, remains an economic mainstay for the entire regional area and is also a critical contributor to the New Zealand economy. The sector is suffering from both a shortage of new entrants to the industry and a skills shortage in the existing workforce. Urbanisation and an aging workforce are exacerbating the shortages. As farms increase in size, and technology in the sector affects work practices, it is critical that this sector attracts suitable new entrants and increases the delivery of education and training to meet the new demands. Flexible delivery mechanisms are critical for this widely dispersed workforce, including the high number of self-employed in the sector needing access to training. The industry is also of the view that some of the traditional industry technology transfer systems that operated in the past no longer exist, or are not as well supported by science providers, leaving a gap in the technology transfer to industry.

The Wider Manawatu hosts an important science and research cluster comprising Massey University, a number of Crown Research Institutes (CRIs), a Bio-Commerce Centre and a cluster of associated, innovative companies. There is concern at the low uptake from school leavers of the sciences as a career to support this critical research sector, and a desire for this sector to develop a higher, more attractive profile. Stakeholders were concerned that students were starting to take a "return on investment" approach" to selecting study paths, given the size of student loans, and were looking for programmes that allowed for part-time employment to assist with living expenses and careers that offered good potential returns.

The region has a substantial health and disability sector comprising three district health boards, considerable expertise in the disability sector, a wide array of NGOs and Maori/iwi organisations providing health services, together with a substantial retirement industry. This generates a strong need for care and support workers.

This workforce is the subject of considerable attention at the national level to provide a range of work-based learning qualifications which will support the current workforce while also working to provide for future needs. Currently the level of skill is variable, turnover is high, wages are comparatively low, and the sector lacks career pathways. The ITO Careerforce[1] is concentrating on addressing this in the first instance at a national level. District Health Boards are the locus of regional support for these policies.

As at March 2008 Careerforce trainees within the region numbered over 700 across limited credit programmes and National Certificates. While this is evidence of the efforts being made in the sector, the high turnover within the sector provides an additional challenge in the drive to up-skill this workforce. The fill rate, at 65%, puts the occupation in the "moderate shortage" category, but this fill rate does not mean that those filling the vacancies possess the necessary array of skills.

The electrotechnology[2] and telecommunications[3] sectors are both significant within this region and share some areas needing development in the future. Both sectors are seeking to improve their qualification pathways and improve literacy and numeracy levels within the industry. Future developments within both industries are likely to include more emphasis on sustainability along with technologies such as wireless. Ongoing discussions between the ITO, industry and providers will be required to progress these developments.

The retail and wholesale sectors are significant for most regions, including this one. The retail sector is seeking to provide better career support for capable, and often young, workers entering managerial positions. Currently there are low levels of ongoing training within this sector. According to the ITO[4] there is limited training for the sector in the polytechnic and private training provider sectors, although there is considerable training provision by private providers for retail that sits outside the national qualifications framework. It will be a challenge for this ITO to engage with tertiary education providers to provide the necessary training provision.

The region also has a diverse tourism and recreation sector that encompasses the natural assets of the area, mountains, bush, rivers and the ocean – that contributes strongly to both economic and social well being.

The regional economy, as with much of provincial New Zealand, is driven by large numbers of small businesses. Stakeholders are keen to see business development capability and entrepreneurial skills further developed within the region. The difficulties of releasing staff from small businesses for training is widely recognised and stakeholders want more opportunities to provide work-based training and "short-burst" training that meets the needs of small and medium-sized businesses (SMEs). Alongside this need is a concern that a balance be maintained between a broad general education and specific work training in order to build a workforce that is adaptable and productive into the future.

Businesses are keenly concerned that new entrants to the labour force are lacking the basic life skills that make employment feasible (refer Table 15). This lack also poses a problem for tertiary providers for two reasons:

1. Many students now entering tertiary education also lack these life skills, and
2. These skill sets are difficult to incorporate into a tertiary programme.

Respect, presentation, work ethic, punctuality etc are skills that need to be inculcated during the formative years within the family and earlier learning. Employers are concerned that without the basic life skills even addressing literacy and numeracy can be problematic. The generic skills of problem solving, team working, industry knowledge etc can, and should, be incorporated into the way tertiary programmes are delivered. Gateway and STAR programmes are viewed positively as providing insights into industries and the work environment.

Tertiary providers are now catering for a significant number of non-traditional students and this requires different approaches to teaching and support - a situation that needs wider consideration.

Career path development assistance needs to be available easily throughout working life, (not just for school leavers) to plan for career changes and career self-management. The responsibility for providing this assistance cannot lie with only one agency and better collaboration is required. Stakeholders were concerned that NCEA studies undertaken at school did not always pathway well into tertiary study.

All regional areas emphasised the need for better and more clearly identified pathways:

- from school to tertiary study and/or work and training
- across education providers

Better collaboration across the many agencies and sectors with an interest in the outcomes of tertiary education and training including schools, councils, EDAs, government departments, ITOs and industry sectors was seen as essential to strengthen the linkages between provision and the labour market and to optimise graduate employment outcomes. Stakeholders were also, however, keenly aware of the mobility of students and workers and the impracticality of assuming that the benefits of education and training provision within the region could be captured by the region. Some provision was niche and would attract external students, and local residents will continue to take their skills elsewhere as opportunities present.

There is concern about the length of time it takes for tertiary providers to be able to respond to industry needs, and the flexibility of the funding system to provide for the nature of programmes and types of delivery needed. Industry needs can change rapidly and their expectation is that providers can respond to their timeframes.

There is a considerable loss of young people from the region. A proportion of this outflow is to be expected, but stakeholders are concerned that some loss is experienced purely because of the lack of local access to tertiary education and should like to explore the possibility of accessing at least the first year of some core degree programmes locally. Access to opportunities to build on one's education portfolio throughout life are also being sought as older residents become less mobile as work and family commitments develop. The dispersed nature of regional communities means that education and training needs to provide access locally. Transport links across the region restrict physical access to education and training that is not local.

Iwi/Māori

All hui expressed concern about the future of their young people and the need to ensure that they remained engaged with education; and that the education system, both the compulsory and tertiary sectors continued to improve their ability provide an appropriate learning environment for them. Concern was also expressed that opportunities should be available for the kaumatua to continue their learning. The community drop-in centre concept had been appreciated before funding changes led to closure.

Increased attention must be given to the needs of young Māori entering the workforce. Not only do these people represent our future, but also recent statistics indicate that many young Māori (males in particular) have not fared well in the compulsory sector. There is a need for greater engagement with iwi and wananga to ensure the needs of Māori are met appropriately and that Māori are attracted into education and training programmes.

Iwi are particularly concerned at the cost of tertiary education for Māori. Where incomes are low and and/or family commitments are high, potential Māori students are wary of taking on debt to study, particularly where the qualifications are at the lower level. Although these qualifications are essential to progress to higher learning, of themselves, they do not result in higher earnings. While the government has been targeting education progression to levels 4 and above, there is still a strong need to provide for bridging programmes to enable people to gain basic skills and qualifications, particularly at levels 1-3. Iwi consider that the cost of accessing these qualifications post-school is the major barrier to participation.

It is important to re-engage those who have become disengaged from education, particularly young Māori males. Student support services need to recognise that Māori students come with their own cultural knowledge and support services must not only accommodate this Māori view but work with it to support students. Mentoring and good role models are useful ways to support Māori students. Finally, there is a need to offer education in the Māori context, not only in terms of language (bilingual learning), culture and tribal identity, but also setting, with Marae based programmes offered in partnership with tertiary providers. This is particularly important for the new generation of Māori coming through Kura and Kohanga reo.

The settlement of iwi claims within the region will provide a substantial injection of funds and lead to a range of agricultural, tourism and other business enterprises being developed. Iwi are looking to develop their capability further to develop and manage these new businesses. It is critical that iwi members return from study with sufficient cultural knowledge to allow them to operate successfully in the iwi business context as well as with a full set of mainstream qualifications. Tertiary providers need to explore how to cater for this need.

Some of the issues around Māori and tertiary education are wider than just access, learning support and relevance. It is about finding innovative ways to break dependency cycles that have become part of some communities, and it is about assisting schools to improve their performance so that young Māori leave the compulsory sector well equipped for either work or tertiary study. It is also about supporting parents so that they can assist their children to make good choices for their futures. Linkages between social development and economic development need to be in place in the planning of training needs and provision.

Finally, more communication and engagement amongst tertiary providers, iwi, community and the TEC is required to meet iwi needs and aspirations for tertiary education.

Adult and Community Education

The regional facilitation update included consultation with the ACE networks. The networks comprise a wide representation that includes foundation education providers and sector advocates.

Many of the issues for the sector were common across the networks as providers strive to address considerable skill deficits within their communities. Help for these populations needs to be intensive and include a range of basic life skills along with literacy and numeracy. Course numbers in small communities are likely to be small at times to provide needed opportunities and this reality needs to be recognised. Many learners require individually tailored programmes.

The funding system provides difficulties for some providers who were looking to the new funding framework for assistance. There is disappointment that implementation has been delayed. Furthermore, increasing numbers of government agencies are now involved in foundation/community education which impacts on the time required to gain funding, and risks inefficiency.

In some areas the networks consider that a formal training needs analysis is required to more accurately pinpoint need, but there is agreement that it is difficult to provide a range of opportunities to rural populations.

Sourcing tutors provides an ongoing challenge for networks and restricts provision. There is continued demand for recreational type education alongside the foundation education. The predominance of women in the sector both as tutors and as learners remains. Attracting male, Māori and Pasifika populations remains a challenge for the sector.

Bridging programmes such as Gateway that combine work experience and education are considered more valuable than work experience on its own for some people and some occupations.

SUMMARY

Stakeholders want:

- Flexible delivery to respond to industry needs for in-work and short-burst training.
- Initiatives to provide opportunities for the workforce to up-skill from literacy through to higher, specialised skills.
- Recognition and support provided for non-traditional students accessing tertiary for education and training, with particular regards to the needs of Maori students.
- More collaboration among providers and between providers and key stakeholders and investigation of how the strengths of the wananga and other tertiary providers can be combined to provide better learning opportunities for students.
- Strengthened relationships between secondary schools, tertiary providers and employers to improve the transition from school to work and/or tertiary study.
- Better local access to higher learning opportunities.
- Increased ability for providers to respond quickly to employer needs.
- Ongoing support for major industry sectors within the region.
- Government to address the major cost barriers to achieving a first level 1-3 qualification post-secondary.

8. THE PROVISION

8.1 Provision Data[17]

A descriptive analysis of broad level provision data provides a very good start in beginning to look at how tertiary education provision might broadly align with tertiary education need within a region. However, care should be taken in interpreting the data to avoid drawing conclusions that are potentially misleading.

This is principally because:

- The relationship between tertiary education need and tertiary education provision is complex and affected by many factors that are difficult to quantify.
- The provision data used has been collected for administrative and funding purposes and not for the purpose of specifying tertiary education need.
- A regional-level analysis exacerbates the limitations above because of the smaller numbers involved and the lack of a national-level context.

The analysis that follows has taken these factors into account. The data has been used to describe some general characteristics of tertiary education provision in recent years and, where possible, make some preliminary observations on its relevance. Further examination of the data would be required before definitive observations could be made.

8.1.1 Provision by Provider Type

It is important to note that provision within a region will reflect a mix of local provision supporting local residents and businesses, and provision that attracts students from further afield and supports national businesses and industries. It is also important to note that provision reflects both industry demand and the interests of students in selecting programmes of study.

Overall provision, as measured by the number of EFTS, has fallen significantly across the region between 2004 and 2007. The decrease was 26% in comparison to the national decrease of 11%. Within the region the polytechnic sector has experienced a decrease of EFTS between 2004 and 2007 of 36%, Private Training Establishments (PTEs) decreased their EFTS by just under 1%, universities decreased by 20%, and wananga by 45%.

Within the Wider Manawatu area the total EFTS provided fell by 28%. The decreases were spread across the university, ITP and wananga sub-sectors.

[17] The caveats were provided by the Tertiary Education Commission.

Table 21: EFTS for Wider Manawatu

Provider Type	Wider Manawatu 2004	Wider Manawatu 2007	Region 2004	Region 2007	New Zealand 2004	New Zealand 2007
University (inc Col. of Ed.)	6,622	5,287	6,629	5,287	135,455	127,999
Polytechnic	4,311	2,778	6,384	4,058	96,245	82,133
Private Provider	1,327	1,217	1,538	1,551	38,810	37,452
Wananga	2,960	1,612	2,963	1,623	34,698	22,443
OTEP	3	54	389	751	1,926	3,444
Total	**15,223**	**10,949**	**17,902**	**13,270**	**307,136**	**273,471**

Source: TEC 2007

Within the Wider Wanganui area the total EFTS provided fell by 29%. Provision from polytechnic EFTS almost halved over this period.

Table 22: EFTS for Wider Wanganui

Provider Type	Wider Wanganui 2004	Wider Wanganui 2007	Region 2004	Region 2007	New Zealand 2004	New Zealand 2007
University (inc Col. of Ed.)	0	0	6,629	5,287	135,455	127,999
Polytechnic	1,628	975	6,384	4,058	96,245	82,133
Private Provider	124	305	1,538	1,551	38,810	37,452
Wananga	59	10	2,963	1,623	34,698	22,443
OTEP	1	1	389	751	1,926	3,444
Total	**1,812**	**1,291**	**17,902**	**13,270**	**307,136**	**273,471**

Source: TEC 2007

Within the Wairarapa area the total EFTS provision rose by 15%. Although there was a 35% drop in EFTS from the polytechnic sub-sector, this was offset by an 81% increase in EFTS from Other Tertiary Education Providers (OTEPs).

Table 23: EFTS for Wairarapa

Provider Type	Wairarapa 2004	Wairarapa 2007	Region 2004	Region 2007	New Zealand 2004	New Zealand 2007
University (inc Col. of Ed.)	7	0	6,629	5,287	135,455	127,999
Polytechnic	473	306	6,384	4,058	96,245	82,133
Private Provider	7	29	1,538	1,551	38,810	37,452
Wananga	0	0	2,963	1,623	34,698	22,443
OTEP	385	696	389	751	1,926	3,444
Total	**872**	**1,031**	**17,902**	**13,270**	**307,136**	**273,471**

Source: TEC 2007

Table 24: Tertiary Education Delivered in the Region, EFTS, 2004 and 2007

	Domestic Full Fee Paying Student	Full Fee Paying Foreign Student	I.T.O. Off Job Training	Foreign Affairs and Trade sponsored	Ministry of Health	S.T.A.R. Funded Student	Other	Student Component Funding	Training Opportunities (Skill NZ)	Youth Training (Skill NZ)	All
Sub-region						**2004**					
Manawatu wider area	17	2,092	130	27	7	51	16	12,651	98	131	15,221
Wairarapa wider area	17	2	4	0	0	77	0	708	34	31	873
Wanganui wider area	22	141	30	0	0	27	0	1438	60	90	1,808
Total UCOL Region	**57**	**2,234**	**164**	**27**	**7**	**155**	**16**	**14,797**	**191**	**252**	**17,902**
Sub-region						**2007**					
Manawatu wider area	6	1,204	135	31	10	73	4	9,183	175	129	10,949
Wairarapa wider area	0	2	31	0	0	57	0	910	7	24	1,031
Wanganui wider area	1	79	74	0	0	34	26	950	57	70	1,291
Total UCOL Region	**7**	**1,285**	**240**	**31**	**10**	**164**	**30**	**11,043**	**239**	**223**	**13,270**

Source: TEC 2007

Funding from full fee paying foreign students and from the Student Component Fund (SCF) were both significantly lower in 2007 than in 2004. The areas of growth were in ITO off-job training and Training Opportunities.

8.1.2 Provision by Level and Classification

Approximately 41% of all tertiary education provision in the region is currently at Level 4 Certificate or below. Nationally the proportion is 38%. Within the region the existing 49% of provision at Level 5-7 Diploma and Bachelors level is in comparison to the national proportion of 54%.

Table 25: 2007 Provision by Region

NZSCED	Community Education	Levels 1-3 Certificates	Level 4 Certificates	Levels 5-7 Diploma	Bachelors	Post Grad	All
Agriculture, Environmental & Related Studies	0%	59%	7%	5%	24%	5%	1,374
Architecture & Building	0%	7%	92%	0%	1%	0%	261
Creative Arts	1%	4%	20%	5%	62%	6%	884
Education	0%	1%	5%	17%	75%	3%	610
Engineering and Related Technologies	0%	35%	9%	4%	19%	32%	1,143
Food, Hospitality and Personal Services	0%	72%	17%	11%	0%	0%	431
Health	0%	9%	1%	6%	80%	4%	1,658
Information Technology	0%	53%	12%	6%	27%	2%	441
Management & Commerce	8%	16%	20%	20%	32%	4%	2,242
Mixed Fields Programmes e.g. Employment, General Education, Social Skills	2%	32%	7%	3%	22%	34%	1,322
Natural and Physical Sciences	0%	0%	0%	5%	79%	16%	744
Society and Culture inc Sport & Rec.	0%	35%	18%	15%	28%	4%	2,162
Total	**2%**	**26%**	**13%**	**10%**	**39%**	**10%**	**13,270**

Source: TEC 2007

Table 26: 2007 Provision by New Zealand

NZSCED	Community Education	Levels 1-3 Certificates	Level 4 Certificates	Levels 5-7 Diploma	Bachelors	Post Grad	All
Agriculture, Environmental & Related Studies	0%	60%	22%	5%	10%	3%	10,215
Architecture & Building	0%	25%	36%	15%	23%	1%	9,273
Creative Arts	0%	5%	11%	23%	56%	4%	17,512
Education	1%	5%	2%	27%	58%	7%	17,503
Engineering and Related Technologies	1%	42%	8%	12%	22%	15%	19,672
Food, Hospitality and Personal Services	0%	41%	33%	21%	4%	0%	8,816
Health	0%	7%	6%	12%	64%	11%	20,719
Information Technology	0%	45%	4%	25%	23%	2%	9,254
Management & Commerce	1%	21%	12%	15%	45%	6%	58,269
Mixed Fields Programmes e.g. Employment, General Education, Social Skills	12%	46%	6%	7%	13%	17%	24,991
Natural and Physical Sciences	0%	2%	0%	2%	82%	15%	16,633
Society and Culture inc Sport & Rec.	1%	26%	11%	10%	44%	8%	60,614
Total	**2%**	**25%**	**11%**	**13%**	**41%**	**8%**	**273,471**

Source: TEC 2007

There is uneven access to tertiary education and training across the region. For instance:

- Approximately 62% of all tertiary education provision in the Wider Wanganui area is currently at Level 4 Certificate or below. Nationally the proportion is 38%. Within the Wider Wanganui area the provision at Level 5-7 Diploma and Bachelors level is 35% in comparison to the national proportion of 54%.

- Approximately 87% of all tertiary education provision in the Wairarapa area is currently at Level 4 Certificate or below. Nationally the proportion is 38%. Within the Wairarapa area the provision at Level 5-7 Diploma and Bachelors level is only 13% in comparison to the national proportion of 54%.

- Approximately 34% of all tertiary education provision in the Wider Manawatu area is currently at Level 4 Certificate or below. Nationally the proportion is 38%. Within the Wider Manawatu area the provision at Level 5-7 Diploma and Bachelors level is the same as the national proportion of 54%.

8.1.3 Changes in Provision NZSCED

The decrease in EFTS provision in the region in the period between 2004 and 2007 has been largely in the categories of Management & Commerce (-2,476) and Society and Culture including Sport and Recreation (-1,692). The greatest increases have been in Agriculture, Environmental & Related Studies (129) and Architecture and Building (126).

Nationally the decreases in EFTS provision have been mainly in Management & Commerce, Mixed Fields, Society & Culture and Education. Large increases have been in Agriculture. Architecture and Building and Engineering and Related Technologies.

Table 27: Changes in Provisions

NZSCED	Region 2004	Region 2007	Difference	% change	New Zealand 2004	New Zealand 2007	Difference	% change
Unknown	0	0	0	0%	250	0	-	-
Agriculture, Environmental & Related Studies	1,245	1,374	129	10%	8,196	10,215	2,019	20%
Architecture & Building	135	261	126	93%	6,537	9,273	2,736	42%
Creative Arts	927	884	-43	-5%	17,459	17,512	53	0%
Education	766	610	-156	-20%	22,256	17,503	-4,753	-21%
Engineering and Related Technologies	1,168	1,143	-25	-2%	17,568	19,672	2,104	12%
Food, Hospitality and Personal Services	489	431	-58	-12%	7,883	8,816	933	12%
Health	1,590	1,658	68	4%	19,774	20,719	945	5%
Information Technology	520	441	-79	-15%	12,178	9,254	-2,924	-24%
Management & Commerce	4,718	2,242	-2,476	-52%	70,228	58,269	-11,959	-17%
Mixed Fields Programmes e.g. Employment, General Education, Social Skills	1,696	1,322	-374	-22%	45,508	24,991	-20,517	-45%
Natural and Physical Sciences	794	744	-50	-6%	16,948	16,663	-285	-2%
Society and Culture inc Sport & Rec.	3,854	2,162	-1,692	-44%	62,351	60,614	-1,737	-3%
Total	**17,902**	**13,270**	**-4,632**	**-19%**	**307,136**	**273,471**	**-69,665**	**-23%**

Source: TEC 2007

For Wider Wanganui, the significant areas of increase included Agriculture, Environmental and Related Studies and Education. The areas of greater decrease included Management and Commerce and Creative Arts.

The significant areas of increase in the Wairarapa included Architecture and Building and Health. Commerce experienced the greatest decrease of EFTS.

The largest decreases in the Wider Manawatu were in Management and Commerce, Society and Culture (including Sport and Recreation) and Mixed Fields Programmes.

8.1.4 Provision by Ethnicity

Table 28 below shows the EFTS for each area, the total region and New Zealand, by ethnicity. The total region has greater proportions of Europeans and Māori but smaller proportions of Pacific Islanders and Asians in its population. International students are in the same proportion regionally as they are nationally, but are concentrated in Palmerston North.

Within the Wider Wanganui area there are greater proportions of Europeans and Māori and smaller proportions of Pacific Islanders and Asians. Māori EFTS constitute almost a third of students (Māori are 25% of the population), while nationally they are 17% of EFTS.

Within the Wairarapa area EFTS are almost exclusively European, Māori and Pacific Islander. Europeans constitute 78% of EFTS compared with 55% nationally. Māori are still a greater proportion at 19% (Māori are 15% of the population) than nationally with 17% of EFTS.

Within the Wider Manawatu area there are greater proportions of European (61%) and Māori (21%) students and smaller proportions of Pacific Islanders and Asians. Māori comprise 17% of the population.

Unfortunately data indicating the level of study has not been provided by ethnicity. National trends and regional provision overall, however, would strongly suggest that Māori study is predominantly at levels 1-3.

Table 28: Provision by Ethnicity

	European	Māori	Pacific Islands	Asian
Wider Wanganui	64%	28%	2%	5%
Wairarapa	78%	19%	2%	1%
Wider Manawatu	61%	21%	3%	14%
Total Region	63%	22%	3%	12%
New Zealand	55%	17%	7%	20%

Source: TEC 2007

8.1.5 Provision by Age

Table 29 shows that the region has more students in the 18-19 age group than nationally and slightly fewer in the 20-24 age group. Otherwise the region has a very similar age structure of students to the national situation.

The Wider Wanganui area has a much greater proportion of 15-19 year old students than nationally with 32% compared with 24% nationally. It has a correspondingly lower proportion of students in the 20-24 and 25-39 age groups than nationally (26% compared to 32%, and 22% compared to 25% respectively).

The Wairarapa area is characterised by high proportions of young students and older students. It has a much greater proportion of 15-19 year old students than nationally and the region as a whole with 31% compared with 24% nationally. It has a much lower proportion of students in the 20-24 age group with only 11% in this group compared to nationally with 32%. It has greater proportions in the older age groups with 28% in the 25-39 compared to 25% nationally and 30% in the 40+ age group compared with 19% nationally.

The Wider Manawatu area is closer to the national picture but with a greater proportion of 15-19 age group students (27%) than nationally (24%).

Table 29: Students by Age Group

Region	Age Group					
	<18	18 - 19	20 -24	25 – 39	40+	Missing
Wider Wanganui	15%	17%	26%	22%	21%	0%
Wairarapa	20%	11%	11%	28%	30%	0%
Wider Manawatu	5%	22%	32%	24%	18%	0%
Total Region	7%	21%	30%	24%	19%	0%
New Zealand	5%	19%	32%	25%	19%	0%

Source: TEC 2007

8.2 School Leaver Participation Rate

Within the region there were 46 secondary schools with a total school roll of 20,322 in 2007. There were 4,134 school leavers in 2006. Of those school leavers in 2006, 1,645 went on to study at a tertiary organisation somewhere in New Zealand in 2007. That is a participation rate of 40% which is lower than the national rate of 52% for the 2007 year. Between 2005 and 2007 there has been a small decrease in the participation rate from 44% to 40%. Since 2004 the numbers of school leavers for the whole of the region has increased by 4% while the numbers of those students going on to tertiary study has decreased by 4%. This figure does not include those who go on to industry training.

Table 30: Participation Rates for Secondary School Students from the Region

Areas	2004 School Leavers	2005 First Year Tertiary Students	Participation Rate	2005 School Leavers	2006 First Year Tertiary Students	Participation Rate	2006 School Leavers	2007 First Year Tertiary Students	Participation Rate
Wider Wanganui area	1,125	478	42%	1,136	399	35%	1,059	415	39%
Wairarapa area	590	401	68%	568	242	43%	615	306	50%
Wider Manawatu area	2,152	853	40%	2,242	894	40%	2,159	924	43%
Total for Region	3,974	1,732	44%	3,946	1,535	39%	4,134	1,645	40%

Source: MOE Data

8.2.1 Secondary School Leaver Destinations

Table 31 below shows the region's secondary school leavers and their destinations for tertiary study. The data is based on students who studied at a school within the region prior to going to tertiary study. The destination is based on the local authority where the tertiary provider's head office is situated. The secondary schools include a number of boarding establishments.

The table shows that the majority of local secondary school students had chosen to study somewhere within the region between 2000 and 2004. The proportion had dipped slightly between 2002 and 2003 but was still around 50%. In two out of the previous three years just under half of students who studied did so within the region.

Table 31: Study Within or Outside Region by School Leavers

Total Region	2000	2002	2004	2005	2006	2007	Change 2000-2007	
							Number	%
Studying within region	1,079	1,169	1,049	814	783	785	-294	-27%
Studying outside of region	775	924	1,018	912	751	857	82	11%
Total	1,854	2,093	2,067	1,726	1,534	1,645	-212	-11%
% Studying within region	58%	56%	51%	47%	51%	48%		

Source: MOE

It would be interesting to test if changes to the student loans scheme, such as increased access to living allowances and removing the interest component, has influenced student choices pertaining to study destination. Moreover, recent research carried out by the Ministry of Education[18] indicates that geographical distance from a campus influences a decision to travel further for study – that is, once travel is required for more remote students, the decision is more likely to lead the student to select an out-of-region study destination. Students from lower decile schools are also likely to travel greater distances to study.

8.3 Industry Trainees and Modern Apprenticeships

8.3.1 Industry Trainees

Industry Trainees (which include Modern Apprenticeships) as at December 2007 numbered just over 10,000 within the whole region. There were over 4,000 in the Wider Wanganui area, just under 5,000 in the Wider Manawatu Area, and just under 1,200 in the Wairarapa Area. Throughout the Region men dominate, with 71% male trainees and around 29% women.

[18] Scott Ussher, (2006). *What Makes a Student Travel for Tertiary Study*? Ministry of Education.

Table 32: Industry Trainees from the Region 2007

		Industry Trainees 2007		
		Female	Male	Total
Wider Wanganui Area	South Taranaki District	25%	75%	1,179
	Ruapehu District	21%	79%	1,078
	Wanganui District	31%	69%	1,495
	Rangitikei District	30%	70%	566
	Total	**27%**	**73%**	**4,318**
Wider Manawatu Area	Manawatu District	22%	78%	1,131
	Palmerston North City	35%	65%	2,436
	Tararua District	21%	79%	698
	Horowhenua District	34%	66%	594
	Total	**30%**	**70%**	**4,859**
Wairarapa Area	Masterton District	29%	71%	912
	Carterton District	37%	63%	96
	South Wairarapa District	24%	76%	168
	Total	**29%**	**71%**	**1,176**
	Total Region	**29%**	**71%**	**10,353**
New Zealand		28%	72%	130,205

Source: TEC as at December 31
Modern Apprentices are included in the tables on Industry Trainees.

In terms of ethnicity of industry trainees, the region has higher proportions of Europeans and Māori than New Zealand and lower proportions of other ethnic groups.

Table 33: Industry Trainees from the Region by Ethnicity 2007

		Industry Trainees 2007					
		European/ Pakeha	Māori	Pacific Peoples	Other	Not Stated	Grand Total
Wider Wanganui Area	South Taranaki District	71%	21%	1%	3%	4%	1,179
	Ruapehu District	47%	30%	2%	3%	18%	1,078
	Wanganui District	56%	32%	3%	3%	5%	1,495
	Rangitikei District	67%	24%	0%	4%	4%	566
	Total	**59%**	**27%**	**2%**	**3%**	**8%**	**4,318**
Wider Manawatu Area	Manawatu District	71%	20%	2%	4%	3%	1,131
	Palmerston North City	70%	16%	3%	4%	6%	2,436
	Tararua District	65%	27%	2%	3%	5%	698
	Horowhenua District	70%	20%	2%	3%	5%	594
	Total	**70%**	**19%**	**3%**	**4%**	**5%**	**4,859**
Wairarapa Area	Masterton District	69%	19%	3%	3%	6%	912
	Carterton District	77%	15%	5%	1%	2%	96
	South Wairarapa District	80%	13%	2%	2%	2%	168
	Total	**71%**	**17%**	**3%**	**3%**	**5%**	**1,176**
	Total Region	**68%**	**22%**	**2%**	**3%**	**5%**	**10,353**
New Zealand		63%	18%	6%	8%	5%	130,205

Source: TEC as at December 31
Modern Apprentices are included in the tables on Industry Trainees.

Within the region the three largest areas of industry trainees are within the NZITO[19] (1,495), Agriculture ITO (955) and Community Support Services ITO (756). The table in Appendix 2

19 NZITO is the training organisation for the Dairy Manufacturing, Meat Processing and Leather Manufacture industries.

also compares the number of industry trainees under each ITO for the Region with New Zealand. This shows that notable differences (4% or more) are apparent for only 3 ITOs. The region has proportionally more industry trainees with the Agriculture ITO (9.2%) than New Zealand (4.9%), the Public Service ITO (7.2%) than New Zealand (2.3%), and much larger proportions with the NZITO (14.4%) compared to New Zealand with 7.5%. On the other hand, the region has proportionally less industry trainees with COMPETENZ (6.3%) compared to New Zealand with 10.3%.

Appendix 3 provides the detail of all ITOs within the region compared to New Zealand over time. Within the total Region there has been an increase of approximately 2,000 industry trainees between 2004 and 2007, or 27.5%. This is a slightly greater increase than New Zealand which increased for the same period by 25.3%.

8.3.2 Modern Apprenticeships

Modern Apprenticeships as at December 2007 numbered well over 700 within the whole region. There were 302 in the Wider Wanganui area, 377 in the Wider Manawatu Area and around 106 in the Wairarapa Area. Throughout the region, and including New Zealand, men are overwhelming dominant with 88% male trainees and around 12% women.

Table 34: Modern Apprentices from the Region 2007

		Modern Apprentices 2007		
		Female	**Male**	**Total**
Wider Wanganui Area	South Taranaki District	9%	91%	111
	Ruapehu District	33%	67%	51
	Wanganui District	10%	90%	94
	Rangitikei District	11%	89%	46
	Total	**14%**	**86%**	**302**
Wider Manawatu Area	Manawatu District	15%	85%	87
	Palmerston North City	10%	90%	190
	Tararua District	3%	95%	60
	Horowhenua District	15%	85%	40
	Total	**11%**	**89%**	**377**
Wairarapa Area	Masterton District	4%	96%	71
	Carterton District	11%	89%	9
	South Wairarapa District	23%	77%	26
	Total	**1%**	**99%**	**106**
	Total Region	**12%**	**88%**	**785**
New Zealand		10%	90%	10,850

Source: TEC as at December 31

It is interesting to compare Modern Apprentices with Industry Trainees (of which Modern Apprentices are included). Modern Apprentices are much more likely to be European and less likely to be Māori than Industry Trainees within the Wider Manawatu.

Table 35: Modern Apprentices from the Region by Ethnicity 2007

		Modern Apprentices 2007					
		European Pakeha	Māori	Pacific Peoples	Other	Not Stated	Grand Total
Wider Wanganui Area	South Taranaki District	80%	18%	0%	2%	0%	111
	Ruapehu District	45%	51%	2%	0%	2%	51
	Wanganui District	82%	15%	0%	3%	0%	94
	Rangitikei District	61%	37%	0%	2%	0%	46
	Total	**72%**	**25%**	**1%**	**2%**	**0%**	**302**
Wider Manawatu Area	Manawatu District	84%	10%	1%	2%	2%	87
	Palmerston North City	86%	8%	0%	4%	2%	190
	Tararua District	83%	10%	0%	5%	2%	60
	Horowhenua District	85%	15%	0%	0%	0%	40
	Total	**85%**	**9%**	**1%**	**3%**	**2%**	**377**
Wairarapa Area	Masterton District	77%	14%	1%	3%	5%	71
	Carterton District	89%	11%	0%	0%	0%	9
	South Wairarapa District	85%	12%	0%	4%	0%	26
	Total	**78%**	**16%**	**1%**	**1%**	**3%**	**106**
Total Region		**79%**	**16%**	**1%**	**3%**	**1%**	**785**
New Zealand		76%	16%	3%	2%	3%	10,850

Source: TEC as at December 31

Within the region the three largest industries training modern apprentices are Engineering (122), Agriculture (117) and Motor Engineering (105).

Appendix 4 compares the number of modern apprentices within each industry for the region with New Zealand. This shows that notable differences (5% or more) are apparent for only 2 industries. The region has proportionally more modern apprentices within the Agriculture industry (14.9%) than New Zealand (6.4%) and lower proportions within the Building and Construction industry (7.4%) compared to New Zealand with 14.9%.

Within the total Region there has been an increase of 283 modern apprentices between 2004 and 2007 or 56%. This is a greater increase than New Zealand which increased for the same period by 49%. The only industries within the region to experience a significant decrease in modern apprentices over this time period were Contracting with a 17% decrease and Furniture with a 67% decrease. Nationally, the industries that experienced a significantly greater increase than the region proportionately were the Hospitality, Joinery, Plumbing, Public Sector and Retail industries. The region had more industries that experienced significantly greater increases than New Zealand proportionately. They were Agriculture, Electrotechnology, Horticulture and Motor engineering.

SUMMARY

- The region overall has more students in the 15-19 age group and fewer 20-24.
- All regions have higher proportions of Māori students than present in the total population.
- EFTS have fallen in the region by 26% since 2004 compared to 11% for New Zealand as a whole.
- PTEs have experienced least decrease in provision since 2004.
- The greatest decreases have been in Management and Commerce and Society and Culture (including Sport and Recreation).
- Increases have predominated in Agriculture and Environment and Related Studies, and Architecture and Building.
- The region has 44% of all tertiary education provision at level 4 and below compared to New Zealand with 38%. Wider Wanganui and Wairarapa have 62% and 87% respectively at these levels.

- School leaver participation in tertiary education (SCF funded) has declined since 2002 and is lower than for New Zealand as a whole.
- Greater proportions of school leavers from secondary schools within the region are choosing to study outside the region.
- Māori are well represented as industry trainees but are significantly under represented in modern apprenticeships.
- Industry trainees within the region are predominantly within the primary sector.
- Industry trainees have experienced a comparatively large increase in the region between 2004 and 2007.
- The region has proportionally more modern apprentices in agricultural and fewer in building and construction than New Zealand as a whole.

9. NEEDS, GAPS, PRIORITIES

9.1 General

It is not possible to identify precise gaps in provision from the data supplied however it is clear that the regional population has low qualifications compared to the New Zealand average and that furthermore, encouraging many of these people into tertiary study will be difficult as they are unlikely to view themselves as candidates for further study. Considerable support for both students and providers would be needed to achieve an improvement.

In looking at national, compared to regional, provision it does appear that the region offers comparatively few programmes at levels 5 and 6 compared to the New Zealand average. Again, just looking at national provision, there appear to be gaps regionally in Agriculture, Architecture and Building, Engineering, Food and Hospitality, and Information Technology. Whether there is demand for levels 5 and 6 in these fields has not been established. Notwithstanding the level of provision the high proportion of the population with no or low qualifications would suggest that there is considerable work to be done before students can progress to levels to levels 5 and 6 in significant numbers.

There are obvious gaps in terms of literacy, numeracy and digital literacy that affect labour market participation and are likely to affect productivity. Although schools are being required to focus more attention on those within the compulsory system, many of the low-skilled are of working age and other approaches will be needed to target and engage them.

Areas that previously were open to low skilled employees, such as manufacturing, are now requiring machine operators with the ability to work with increasingly sophisticated equipment. Moreover, employers tell us that flatter structures in many industries mean that employees are expected to demonstrate a wider range of skills.

The significant move to service industries means that personal and people skills are becoming essential.

Many areas of the region do not have access to degree level education and have access to only a limited range of sub-degree programmes. This is a major barrier to many who would choose to develop their skills but who are (for family, work or financial reasons), geographically immobile. People are a valuable resource to this region and it is critical that people can develop to their full potential. Given the population trends it is also important that people can study within the region.

The table in Appendix 1 sets out some more specific needs and gaps that have been highlighted during the process of the regional facilitation.

9.2 Priorities

The priorities identified during the process are set out below. These priorities are not ranked in order of importance as the ranking may differ in the different regions.

Priority 1.
Explore innovative and sustainable ways to facilitate access to education and training for all educationally disadvantaged populations, and advocate for improved ICT coverage within the region to support access options.

Priority 2.
Develop career services that are appropriate for both school students and the current workforce that include up-to-date career and qualification information and that include the

region's niche careers. Continue to build initiatives that enable students to experience an industry or an occupation first hand.

Priority 3.
Increase the provision of literacy, numeracy and language training for those already in the workforce and design the provision to fit within the context and needs of the working environment.

Priority 4.
Education and training providers work with iwi, the Māori community and with schools to address the education and training needs of Māori. Investigate how the strengths of the wananga and other tertiary providers can be combined to provide better learning opportunities for students.

Priority 5.
Work with the TEC, employers, Councils, EDAs, ITOs, Work and Income and other providers to ensure a range of core education and training provision is available to meet the needs of local businesses while planning for the specialist skills that will be needed to further develop the niche industries. Provision to include an increased capability to meet the demand for both flexible delivery and "short-burst" learning.

Priority 6.
Investigate the need for increased provision at levels 5 and 6 to provide for industry needs in both core and niche areas and examine areas where there do not appear to be adequate pathways from levels three and four.

Priority 7.
Identify and map the pathways of provision available to regional and local populations and ensure that adequate learner support is available to both guide and support learning along this pathway so that students are encouraged to develop to their full potential.

Priority 8.
Encourage our younger people and students to develop and focus their skills into the areas of regional excellence and to become leaders in these fields.

Priority 9
Work with the TEC to discuss how future funding might:

- *Reduce the cost barrier to gaining a first qualification at levels 1-3 post-secondary,*
- *Recognise the costs of providing community and adult education and reduce the complexity and duplication of the various funding streams.*

Priority 10
Investigate how to provide the capacity within the Adult and Community Education sector to carry out a thorough needs analysis, including with populations that are currently under-represented.

10. NEXT STEPS

These next steps are aimed primarily at tertiary education and training providers although progress will be impossible without the engagement and commitment of other key stakeholders.

1. The first step for many providers will be to develop their Investment Plans in negotiation with the TEC. Their individual contributions to the needs, gaps and priorities will be included in these documents.

2. Tertiary providers in each regional area will need to work together to explore the best way to move the regional facilitation model forward. This may include selecting those needs, gaps and priorities that are most critical to their areas and that they wish to advance.

3. Key stakeholders and tertiary providers will need to agree on mechanisms to continue engaging on tertiary education training needs and on a process for continuing to develop the Regional Statement of needs.

APPENDIX 1: Needs and Gaps Relating to Tertiary Provision in the Region

NEEDS AND GAPS RELATING TO TERTIARY PROVISION IN THE REGION		
Issues	**Context**	**Needs/Gaps**
Workforce		
Employers are experiencing shortages of people with basic work skills.	The region has a high proportion of people with no or low qualifications.	• Programmes developed to improve literacy and numeracy in the existing workforce. • Work with compulsory sector to ensure school leavers enter the labour market with essential skills. • Continue provision of Gateway and STAR programmes.
The region experiences lower than average labour market participation, and employment opportunities are increasing faster than population growth.	Labour market participation improves as qualifications and skills increase.	• Local access to lifelong learning opportunities increased through flexible delivery.
Sectors		
The primary sector is experiencing both a skill and new entrant shortage.	Increasing urbanisation means fewer people are drawn to rural life, the workforce is aging and technology is changing farming practices.	• Higher profile for rural careers. • Increased training provision at all levels. • Flexible delivery for dispersed learners. • Access to training for farmers who are self-employed.
The manufacturing sector is seeking first line supervisory skills, trades and production staff.	Manufacturing remains a mainstay of the regional economy and technology advances have changed work practices and responsibilities.	• Encourage increased uptake of first line supervision. • Continue to push trades training. • Investigate the need for further advanced technical provision.
The health sector lacks a trained carer workforce.	The population is aging and requiring an increasing care workforce. The care workforce has been poorly paid and experienced high churn. Future demand requires a more stable, better trained workforce.	• Increase the training opportunities for the healthcare workforce. • Provide training within the work place as far as possible. • Recognise training in the wage rates.
The business sector is seeking management skills and customer service skills.	Businesses are unable to attract staff with management skills although provision is available within the region. This constrains growth. As the service sector grows there is an increasing need for customer service skills. Many businesses are small and releasing staff is difficult.	• Increase awareness of management opportunities to increase uptake. • Review provision of management training to enable those in work to be able to access it. • Provide customer service training that is accessible in the work place.

NEEDS AND GAPS RELATING TO TERTIARY PROVISION IN THE REGION

Issues	Context	Needs/Gaps
Demographics		
The population is aging and is static or shrinking and those in the key work and study brackets are predicted to decrease.	The region has not attracted significant numbers of internal migrants so must make the most of its human resource. Moreover, employers will need to take a wider view of future employees.	• Provide local access to a range of training opportunities so that people can upgrade their skills as needed. • Encourage employers to recognise and support employee development. • Provide opportunities for older workers to re-train that may include acknowledging current skills and experience. • Ensure overseas migrants are integrated into the workforce as soon as possible.
Increasing proportion of the young are Māori.	Around a third of those in the 0-14 age groups are Māori and Māori have suffered significant education disadvantage, particularly Māori males. Participation has increased but at lower levels.	• Develop programmes to assist the transition from school to work and study. • Develop ways to attract Māori students to tertiary study by better meeting their needs. • Develop approaches that assist/encourage Māori students to pathway to higher levels. • Actively support more Māori into Modern Apprenticeships.
Qualifications		
Residents have significantly lower qualifications than NZ as a whole, Maori in particular.	Many of the young have traditionally left the region to study and may not return or may delay their return. Those remaining find cost a major barrier to accessing tertiary education at the lower levels.	• Explore ways to offer bridges and pathways to qualifications valued by employers • Reduce the cost barriers to study at levels 1-3.
Both employers and employees value “short-burst” learning delivered in the workplace.	It is currently difficult to provide this style of learning with TEC funding.	• Investigate approaches that provide for modular learning within a certificate qualification.
Some national industries prefer nationally consistent qualifications.	There are a wide variety of qualifications on offer, some which were developed at the behest of employers.	• Ensure that people can access national qualifications locally and that there are pathways to these.
Provision		
Employers value generic skills in their employees.	Generic skills such as problem solving, communication and team work are not always explicit within qualifications.	• Providers review approaches to education and training to ensure the generic skills are explicitly included in all courses at a level appropriate to the course.
The region is a mixed economy that requires a range of core skills and qualifications with some specialist niche	Although some regional communities are small compared to major urban areas the local businesses reflect the usual range of activities and need a range of skills to drive	• Continue to provide a range of core provision to underpin local regional needs • Develop niche provision to underpin developing regional strengths such as health, textiles, food and wine, science/research and defence.

NEEDS AND GAPS RELATING TO TERTIARY PROVISION IN THE REGION		
Issues	**Context**	**Needs/Gaps**
areas.	them. Each community has its own particular niche.	
Provision needs to be accessible to those who wish to undertake it.	The region and its businesses are dispersed across a wide geographic area and many students are working.	• Ensure a range of flexible delivery options are available for learners.
Advances in technology and leaner business practices require more highly skilled employees.	Although participation has increased there is a preponderance of study at levels 1-3 and comparatively little at levels 5-7.	• Explore ways to pathway students to higher levels of learning.
Effectiveness and Efficiency		
Many employers and students are unaware of education and training opportunities in the region and it can be difficult to pathway from one qualification to another.	The region has a wide range of education and training providers and it is difficult to find out what is on offer and where the pathways are.	• Investigate mapping provision within the region by field and level. • Explore ways of identifying pathways for learners that are easy to access and well supported.
There is a lack of information about the link between study programmes and career opportunities for both school students and older workers.	Although schools do provide careers advice the resources that they have to work with are limited. Careers services have developed a web-based approach that provides useful information for those who wish to access advice this way but research indicates that students need advice from an early age and at different stages (including mid-career). Advice needs to be current and students prefer talking to those with direct experience.	• Investigate a multi agency approach that includes industry and employers to ensure access to current career and study planning advice in a range of formats.
There is not always good understanding between industries, employers and providers regarding each others needs and constraints.	Industries are represented by sector bodies and 41 ITOs which many not have a regional perspective in terms of workforce development. Employers are faced with the immediacy of today's business needs and providers must mediate between demand for skilled labour and the interests of students.	• Develop ways to ensure ongoing engagement is taking place to ensure better planning and more relevant education and training outcomes.
Education and training provides opportunities for both personal and economic transformation.	There is a wide range of agencies operating within the Region, each of whom have an interest in and contribution to make in their area of training, labour market participation, business development and regional development. The best outcomes will result when these linkages are strong.	• Review networks and mechanisms within the region to provide for wider engagement with a tertiary focus to ensure that agencies are able to participate effectively.

NEEDS AND GAPS RELATING TO TERTIARY PROVISION IN THE REGION		
Issues	**Context**	**Needs/Gaps**
Seeking funding streams is time-consuming for ACE providers.	The new funding framework has not yet been implemented and many other government agencies are also now participating in the sector.	• A clear simple funding framework is needed for all ACE provision that recognises the costs of provision.

APPENDIX 2: Industry Trainees 2007 by Regions

	Industry Trainees 2007						
	Wider Wanganui	Wider Manawatu	Wairarapa	Total Region		New Zealand	
				Number	%	Number	%
Agriculture ITO	465	307	183	955	9.2%	6,359	4.9%
Apparel & Textile	39	103	22	164	1.6%	1,227	0.9%
Aviation (ATTTO)	49	43	14	106	1.0%	3,104	2.4%
Boating Industries Training	4	24	0	28	0.3%	526	0.4%
Building and construction (BCITO)	164	351	104	619	6.0%	8,779	6.7%
Building services contractors (BSCITO)	0	2	2	4	0.0%	1,027	0.8%
Community support services (CSSITO)	254	419	83	756	7.3%	8,078	6.2%
COMPETENZ	333	216	108	657	6.3%	13,382	10.3%
Electricity supply (ESITO)	37	61	8	106	1.0%	2,228	1.7%
Electrotechnology (ETITO)	310	257	59	626	6.0%	9,387	7.2%
Equine ITO	8	13	0	21	0.2%	232	0.2%
Extractives (EXITO)	136	103	5	244	2.4%	4,600	3.5%
Fire and rescue (FRSITO)	66	89	7	162	1.6%	1,546	1.2%
Flooring ITO	7	37	12	56	0.5%	534	0.4%
Forestry (FITEC)	527	151	213	891	8.6%	12,731	9.8%
Furniture (FITO)	0	0	0	0	0.0%	0	0.0%
Hairdressers ITO	42	92	17	151	1.5%	1,525	1.2%
Horticulture ITO	17	37	31	85	0.8%	2,231	1.7%
Hospitality Standards Institute	150	406	57	613	5.9%	11,085	8.5%
Infratrain New Zealand	23	182	30	235	2.3%	2,429	1.9%
Joinery ITO	16	37	8	61	0.6%	817	0.6%
Local Government New Zealand	8	53	4	65	0.6%	530	0.4%
Motor (MITO)	106	203	31	340	3.3%	4,300	3.3%
NZITO	900	571	24	1,495	14.4%	9,810	7.5%
Opportunity Training	5	14	0	19	0.2%	843	0.6%
Painting and Decorating ITO	18	51	4	73	0.7%	929	0.7%
Pharmacy ITO	1	2	1	4	0.0%	68	0.1%
Plastic and materials processing (PAMPITO)	6	34	0	40	0.4%	834	0.6%
Plumbers ITO	59	90	36	185	1.8%	1,697	1.3%
Printing and Allied Industries	0	25	0	25	0.2%	552	0.4%
Public sector (PSTO)	444	292	13	749	7.2%	2,981	2.3%
Retail ITO	14	185	10	209	2.0%	1,617	1.2%
Retail Meat ITO	3	16	5	24	0.2%	419	0.3%
Seafood (SITO)	2	20	21	43	0.4%	2,764	2.1%
Sport, Fitness and Rec ITO	73	79	48	200	1.9%	2,743	2.1%
Sports Turf ITO	7	17	2	26	0.3%	399	0.3%
Te Kaiawhina	22	18	12	52	0.5%	586	0.5%
Tranzqual ITO	3	259	2	264	2.5%	7,306	5.6%
Total	**4,318**	**4,859**	**1,176**	**10,353**	**100.0%**	**130,205**	**100.0%**

Source: TEC as at December 31
Modern Apprentices are included in the tables on Industry Trainees.

APPENDIX 3: Industry Trainees % Change 2004 - 2007

Industry	Industry Trainees 2004-2007					
	Total Region			New Zealand		
	2004	2007	% Change	2004	2006	% Change
Agriculture ITO	882	955	8.3%	6,062	6,359	4.9%
Apparel & Textile	124	164	32.3%	1,111	1,227	10.4%
Aviation (ATTTO)	52	106	103.8%	2,218	3,104	39.9%
Boating Industries Training	3	28	833.3%	497	526	5.8%
Building and construction (BCITO)	448	619	38.2%	6,220	8,779	41.1%
Building service contractors (BSCITO)	7	4	-42.9%	78	1,027	1216.7%
Community support services (CSSITO)	701	756	7.8%	4,896	8,078	65.0%
COMPETENZ	356	657	84.6%	11,595	13,382	15.4%
Electricity supply (ESITO)	184	106	-42.4%	2,878	2,228	-22.6%
Electrotechnology (ETITO)	546	626	14.6%	7,212	9,387	30.2%
Equine ITO	22	21	-4.5%	208	232	11.5%
Extractives (EXITO)	101	244	141.6%	2,723	4,600	68.9%
Fire and rescue (FRSITO)	69	162	134.8%	842	1,546	83.6%
Flooring ITO	54	56	3.7%	425	534	25.6%
Forestry (FITEC)	1,016	891	-12.3%	13,126	12,731	-3.0%
Furniture (FITO)	24	0	-100.0%	581	0	-100.0%
Hairdressers ITO	114	151	32.5%	1,331	1,525	14.6%
Horticulture ITO	92	85	-7.6%	1,480	2,231	50.7%
Hospitality Standards Institute	292	613	109.9%	5,814	11,085	90.7%
Infratrain New Zealand	149	235	57.7%	1,641	2,429	48.0%
Joinery ITO	60	61	1.7%	709	817	15.2%
Local Government New Zealand	55	65	18.2%	393	530	34.9%
Motor (MITO)	345	340	-1.4%	3,901	4,300	10.2%
NZITO	1,572	1,495	-4.9%	8,210	9,810	19.5%
Opportunity Training	9	19	111.1%	662	843	27.3%
Painting and Decorating ITO	59	73	23.7%	661	929	40.5%
Pharmacy ITO	0	4	-	83	68	-18.1%
Plastic and materials processing (PAMPITO)	13	40	207.7%	724	834	15.2%
Plumbers ITO	103	185	79.6%	1,314	1,697	29.1%
Printing and Allied Industries	19	25	31.6%	509	552	8.4%
Public sector (PSTO)	220	749	240.4%	1,903	2,981	56.6%
Retail ITO	92	209	127.2%	1,138	1,617	42.1%
Retail Meat ITO	30	24	-20.0%	391	419	7.2%
Seafood (SITO)	16	43	168.7%	2,432	2,764	13.6%
Sport, Fitness and Rec ITO	122	200	63.9%	2,387	2,743	14.9%
Sports Turf ITO	16	26	62.5%	352	399	13.3%
Te Kaiawhina	48	52	8.3%	601	586	-2.5%
Tranzqual ITO	92	264	187.0%	4,662	7,306	56.7%
Total	**8,117**	**10,353**	**27.5%**	**102,270**	**130,205**	**27.3%**

Source: TEC as at December 31

Modern Apprentices are included in the tables on Industry Trainees.

APPENDIX 4: Modern Apprentices from the Region by Industry 2007

Industry	Modern Apprentices 2007						
	Wider Wanganui	Wider Manawatu	Wairarapa	Total Region		New Zealand	
				Number	%	Number	%
Aeronautical engineering	2	3	1	6	0.8%	87	0.8%
Agriculture	66	36	15	117	14.9%	690	6.4%
Aluminium joinery (architectural)	0	0	0	0	0.0%	3	0.0%
Baking	2	5	4	11	1.4%	126	1.2%
Boat building	1	3	0	4	0.5%	316	2.9%
Building & construction	12	42	4	58	7.4%	1,618	14.9%
Contracting	0	5	10	15	1.9%	197	1.8%
Dairy manufacturing	2	0	0	2	0.3%	7	0.1%
Electricity supply	7	15	0	22	2.8%	428	3.9%
Electrotechnology	18	20	6	44	5.6%	728	6.7%
Engineering	61	59	2	122	15.5%	1,536	14.2%
Extractives	0	4	0	4	0.5%	26	0.2%
Flooring	4	19	3	26	3.3%	235	2.2%
Food processing	10	4	2	16	2.0%	75	0.7%
Forest industries	27	13	13	53	6.8%	358	3.3%
Furniture	2	1	0	3	0.4%	72	0.7%
Hairdressing	1	3	0	5	0.6%	42	0.4%
Horticulture	2	8	19	31	3.9%	742	6.8%
Hospitality	3	13	6	26	3.3%	370	3.4%
Joinery	6	10	4	20	2.5%	244	2.2%
Motor engineering	22	60	9	105	13.4%	1,459	13.4%
Painting & decorating	3	4	0	8	1.0%	180	1.7%
Plastics	3	1	0	4	0.5%	40	0.4%
Plumbing	8	15	6	32	4.1%	320	2.9%
Printing	0	7	0	7	0.9%	160	1.5%
Public sector	1	5	1	11	1.4%	164	1.5%
Retail	5	12	1	19	2.4%	142	1.3%
Road transport	0	4	0	5	0.6%	291	2.7%
Seafood	0	0	0	0	0.0%	4	0.0%
Sports turf	0	4	0	4	0.5%	99	0.9%
Tourism	2	2	0	5	0.6%	91	0.8%
Total	302	377	106	785	100.0%	10,850	100.0%

Source: TEC as at December 31