

Plantation Forestry Labour and Skills Survey Summary

June 2018

Methodology

This survey was completed online via SurveyMonkey and was in field April and May 2018.

The sample was amalgamated from a number of sources and emails sent to some specific contacts with instructions to disseminate to others in the sector.

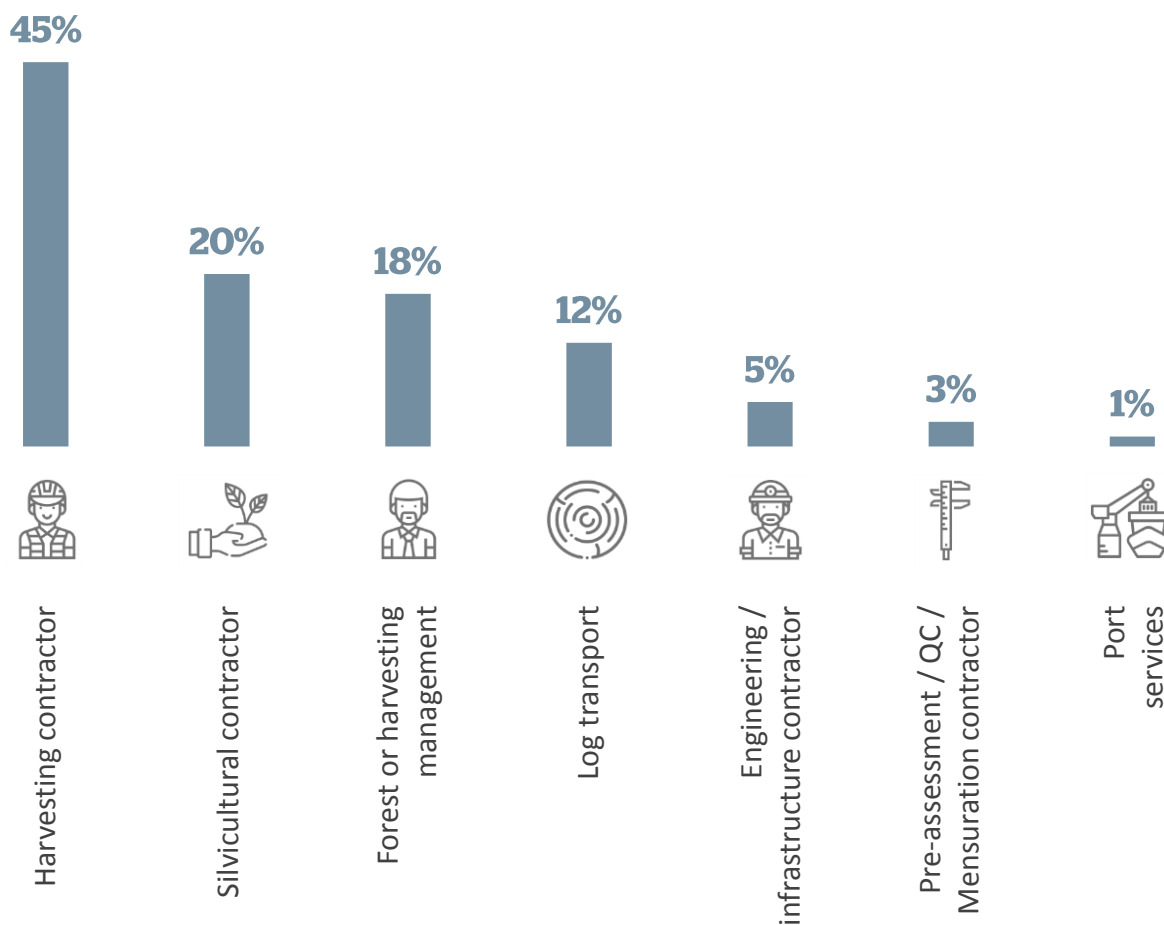
A total of 174 responses were received.

www.nzfoa.org.nz

1. How many employees does your company employ in New Zealand?



2. What are your main business activities?



3. What is the average age of your employees?

At least **ONE THIRD** of the employees mentioned in the survey are over 50 years old.

62%

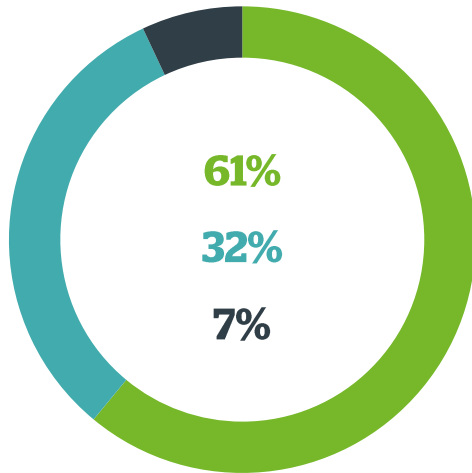


33%

5%

■ Over 50 ■ Between 20-50 ■ Under 20

4. In the past 12 months, have you had difficulty recruiting suitably skilled and qualified employees into your business?

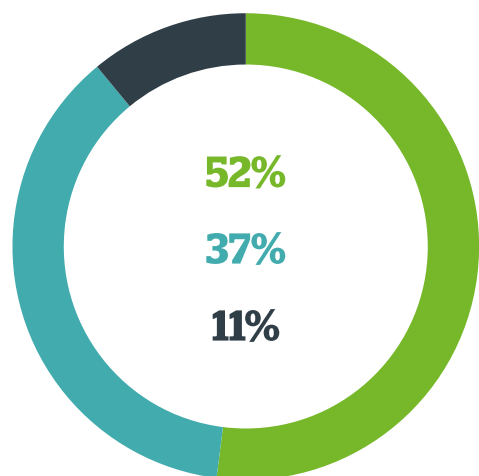


Almost **TWO THIRDS** of those that that responded have had difficulty recruiting staff.

5. Have you had difficulty engaging suitably skilled and qualified contractors in the past 12 months

(FOR FORESTRY MANAGERS/OWNERS ONLY)

ALMOST ALL respondents had some degree of difficulty at recruitment.

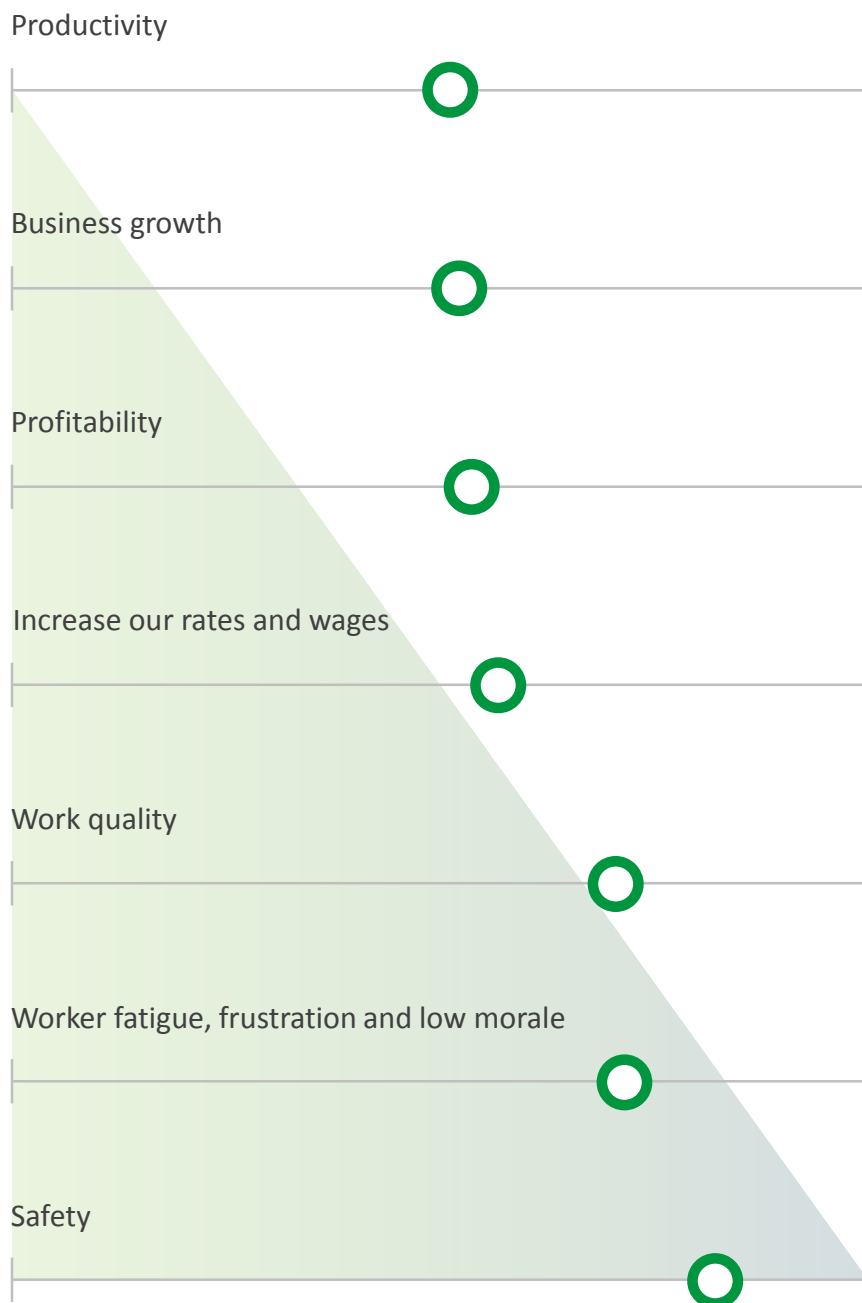


6. If you have had difficulties in recruitment, how has this impacted on your business?

MOST impact



LEAST impact



■ Weighted average

Most of the comments relating to this issue are around retention of staff.

“I recruited and trained 43 new staff in 2017 and all the 43 new staff have left their employment at a cost off \$370,000. I will not be doing this [again] next year.”

“The difficulty is not with recruitment but in retaining younger staff members, particularly if not a “local.”

Some comments related to unsuitable candidates in the pool.

“I could employ a further ten men with ease but they are just not out there and those that are there are unsuitable due to drug or alcohol abuse and are not reliable in terms of attendance.”

Some consider low salary and lack of support from forest owners and others is a factor .

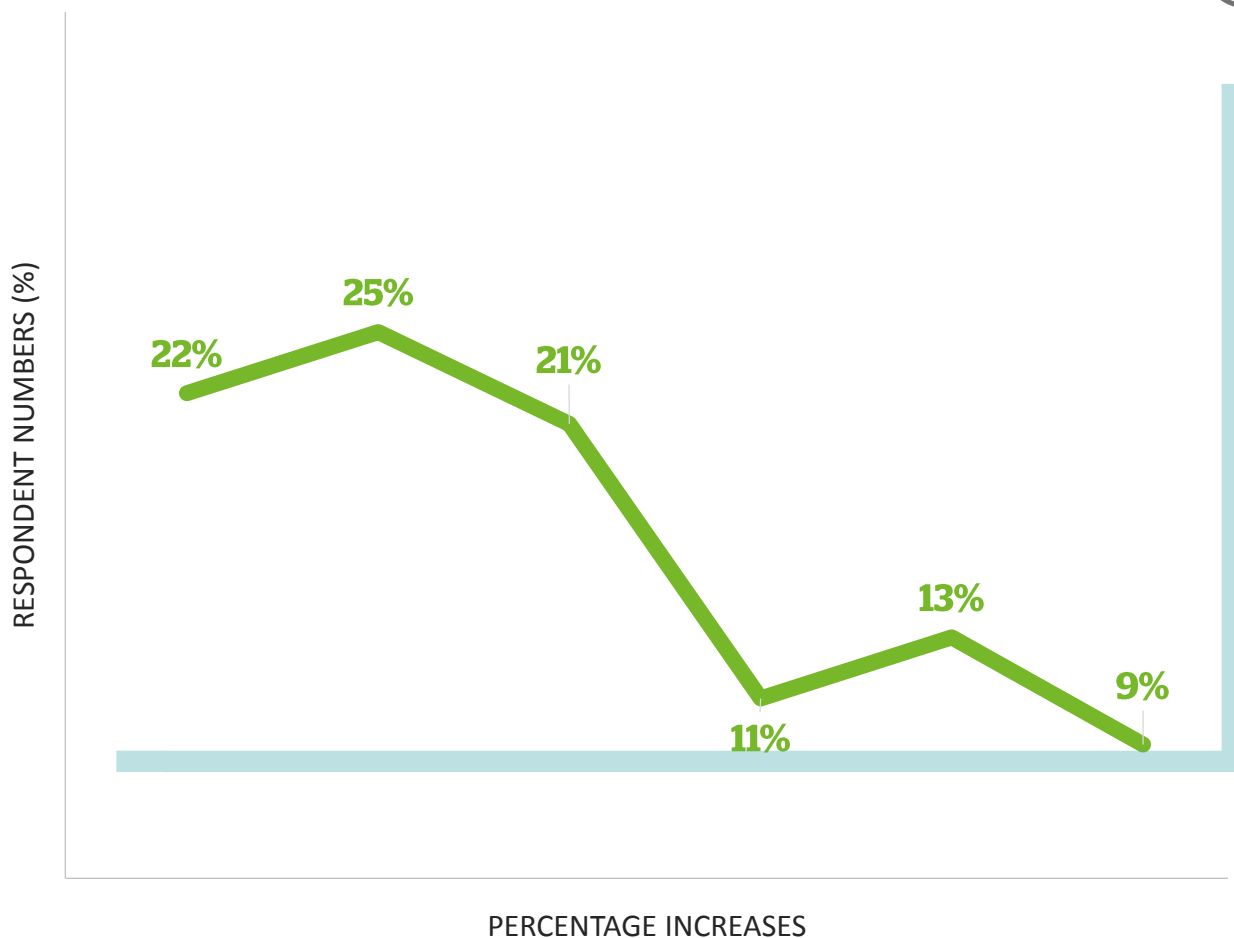
“No support for training from FOA, FICA, forest managers or government.

However, we have provided our own training, with impact on downtime and production lasting up to six months. Training offered elsewhere is low quality.”

7. How much have wage / salary rates increased for your business over the past 12 months?

The average wage increase is

10.1%



1-5%

6-10%

11-15%

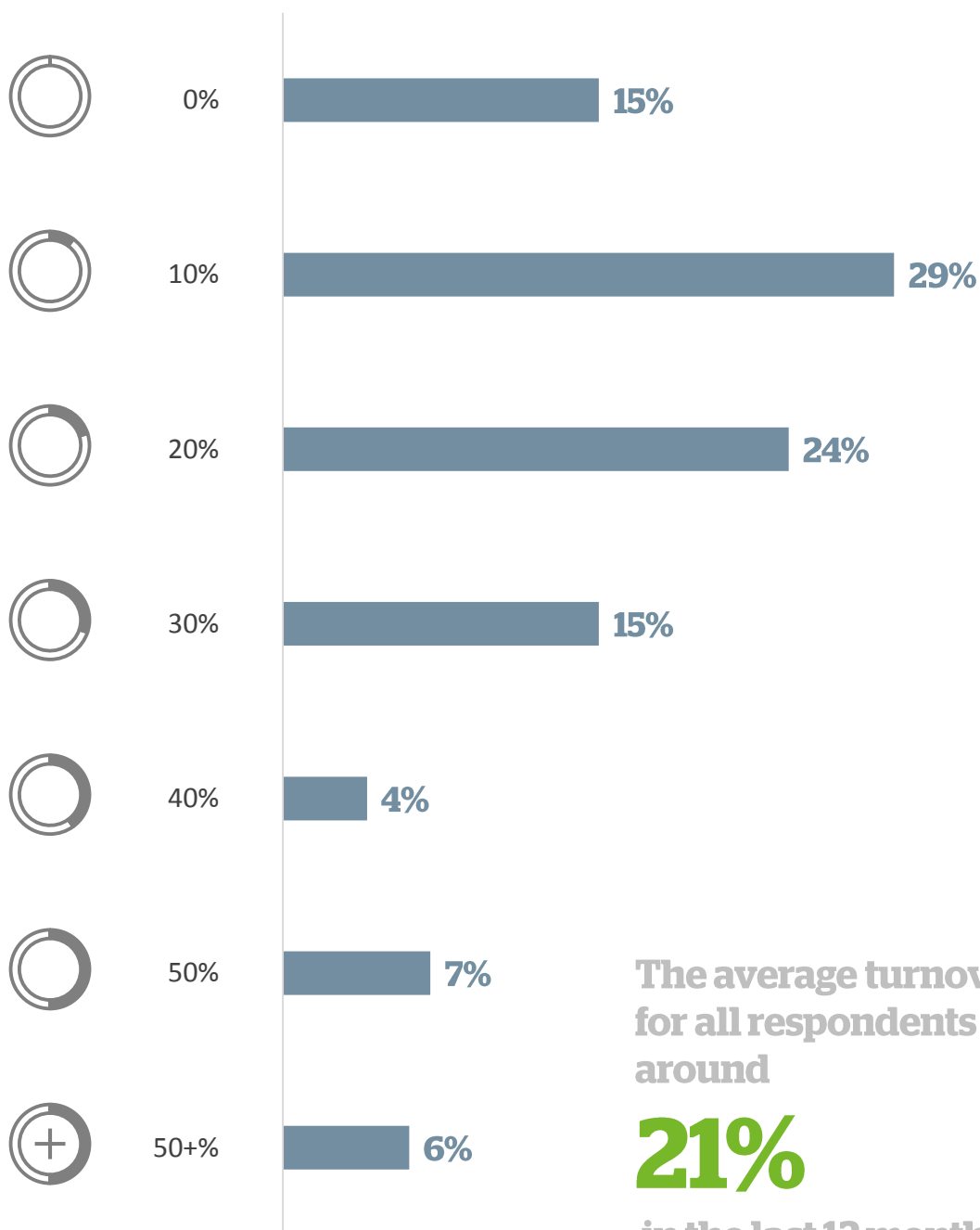
16-20%

20+%

No increase



8. What percentage of your workforce has been with you for less than 12 months?



The average turnover for all respondents is around

21%

in the last 12 months.

9. How do you see demand for the services you offer changing over the next three years?



At least three-quarters of respondents feel demand will **INCREASE.**

■ Increase significantly
 ■ Increase a bit
 ■ No change
 ■ Reduce a bit
 ■ Reduce significantly

Comments relating to an increase in demand cite a number of factors. An increase in harvest volume is a strong driver, coupled with an increase in competition for skilled workers.

This is compounded by government initiatives.

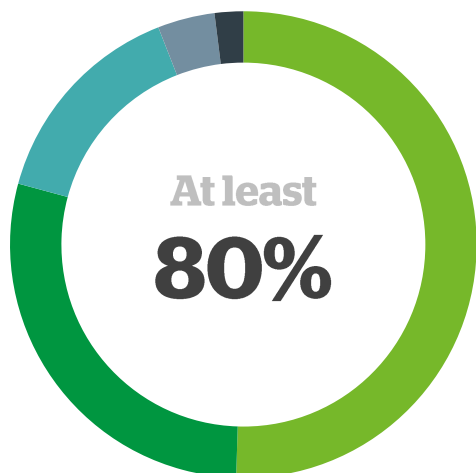
“As more wood comes on stream, more contractors start up and poach the existing skilled work force we have. The more wood, the more we need more workers.”

“New government policies.”

“Increasing logging volume nationally.”

“This year I have had to turn work away due to the lack of suitable staff. I see this trend continuing.”

10. How do you see skill shortages changing over the next three years?



feel that skills shortages will be **WORSE** over the next three years.

■ About the same
 ■ A bit improved
 ■ Much improved

The main reasons respondents give for this are:



More compliance and regulations



More work (increased volume and demand for silviculture)

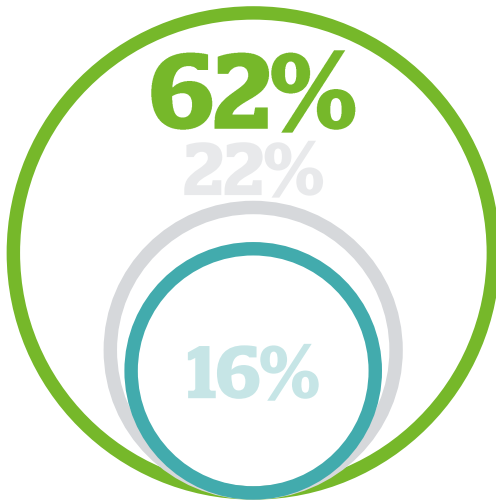


An aging workforce and increasing demand for young workers to come into the industry.



Lack of pathways and training for entering the industry.

11. Do you support access to immigrant workers for the forestry sector?



There is wide support for the industry to have/retain access to immigrant workers.

■ Yes ■ No ■ I have no view either way

Those who **SUPPORT** access to immigrant labour regard New Zealand as not being able to supply a sufficient workforce.

Those who **DO NOT** feel immigrant labour is important want the industry and government to focus on training and upskilling young people from New Zealand.

“It’s pretty much how the world works. As countries get more prosperous they rely on immigrant labour to do the less desirable tasks.”

“We should be upskilling our younger generation.”

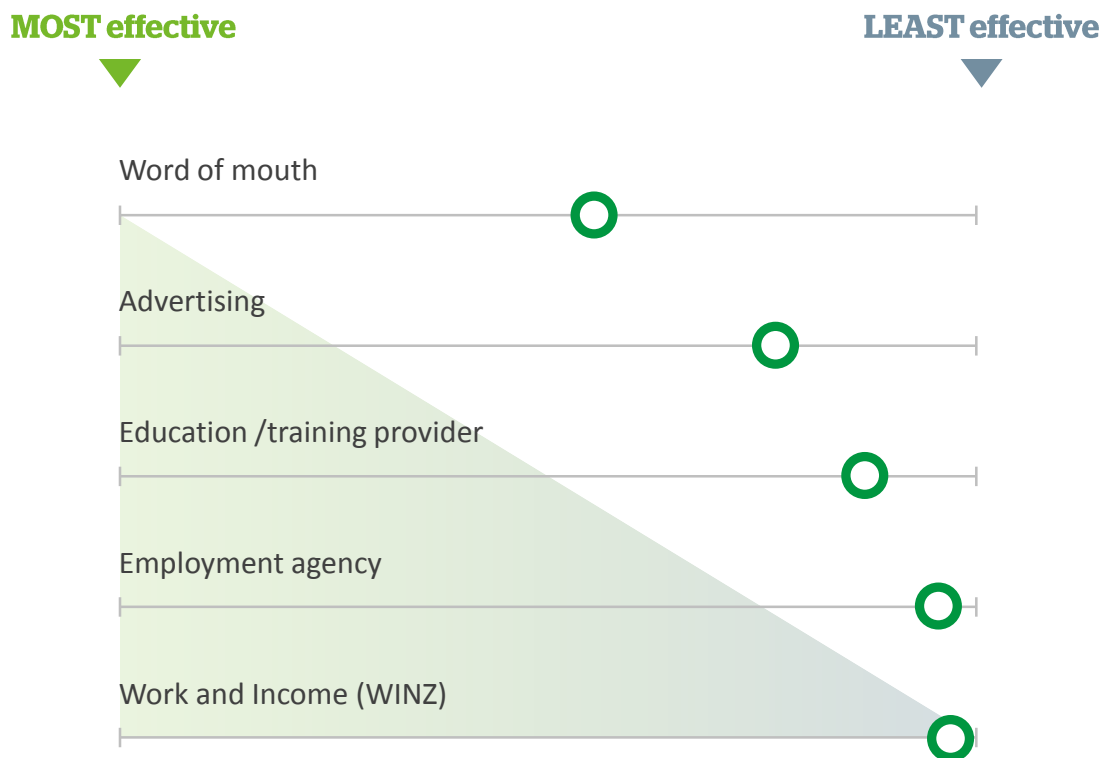
“They often have a better attitude to work than young New Zealanders.”

“New Zealand has enough unemployed people whom need jobs first, before importing workers. New Zealand needs to train their own people how to work.”

“Local population is not prepared to work, however some Pacific Island immigrants that are in the population are very productive and dedicated workers. In the professional ranks there are people from Canada (for example) that are well skilled and looking for opportunities elsewhere.”

“We need to do more to help New Zealanders. The easy answer is just to import labour. Let’s work on a permanent solution for our country by working with the unemployed and youth. This will help solve the heavy social and educational issues we currently face.”

12. How effective have the following been in supplying new workers?



Respondents consider **word of mouth** to be the most effective means of recruiting staff.

Word of mouth
(MOST EFFECTIVE)



“All workers come from word of mouth or from within the industry.”

“Our own workers bring their own families to the job.”

“Over the years we have had gateway students that have led to full time employment.”

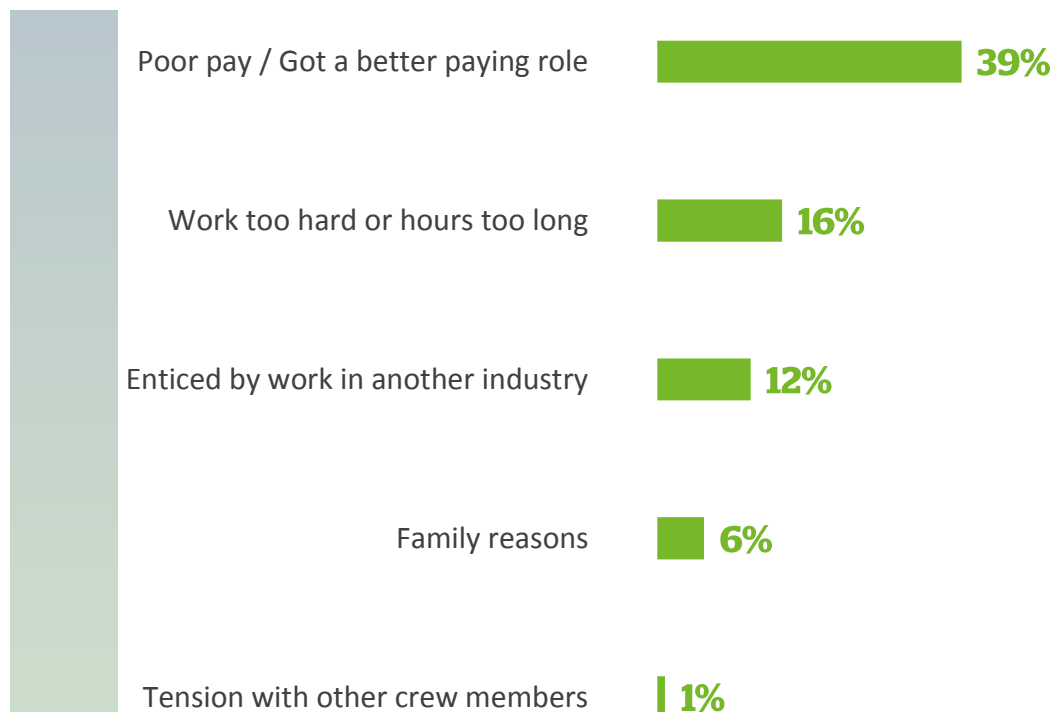


Work and Income
(LEAST EFFECTIVE)

“Often WINZ referred people with no related forestry skills, none referred directly from school. Great to see the apprenticeship scheme now.”

“Unsuitable prospects referred. Not fit and not keen. Most cannot pass the pre-employment drug test.”

13. What is the most common reason employees tell you for leaving?



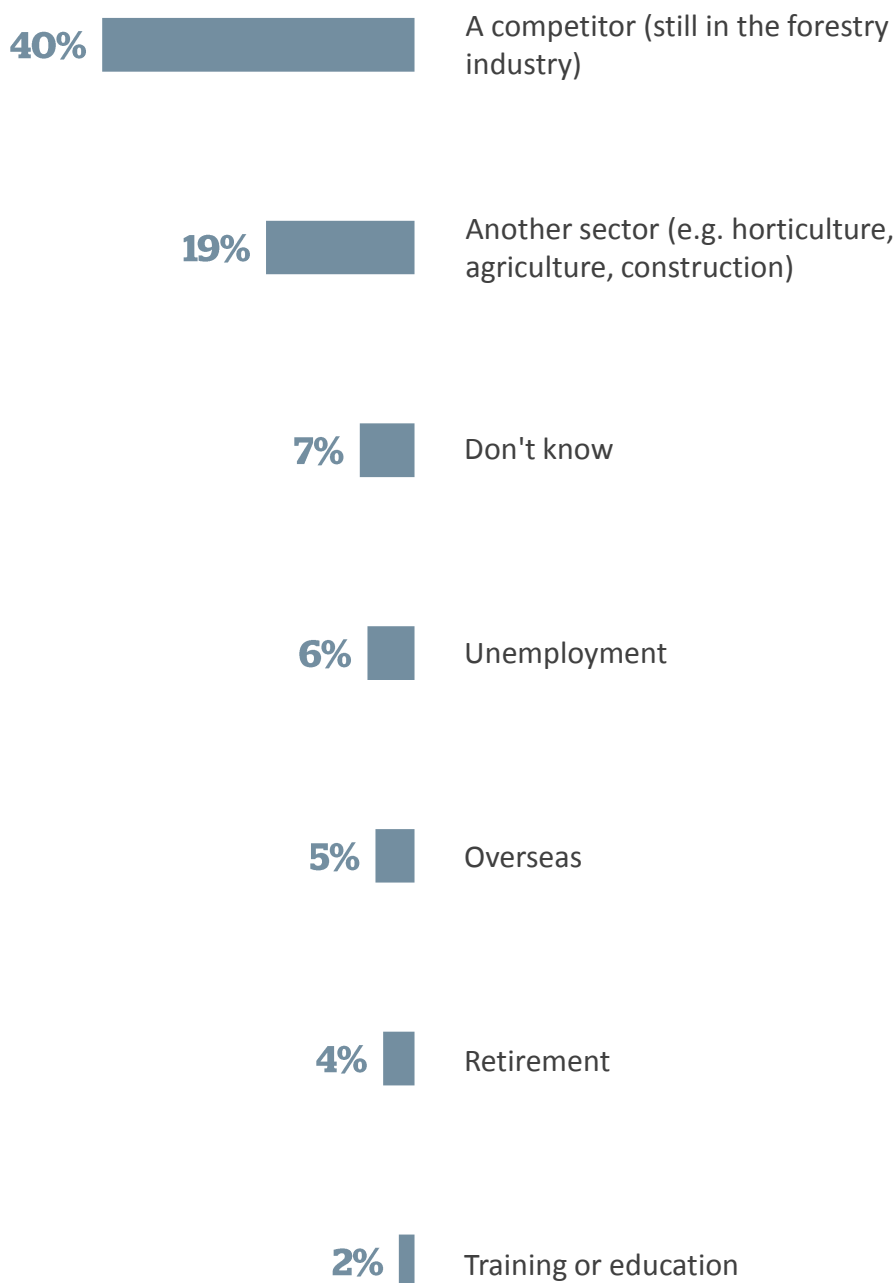
Better pay is the most cited reason for employees leaving their employer.

But a number of reasons are common, including moving away from the region, or struggling with the long hours and hard working conditions.

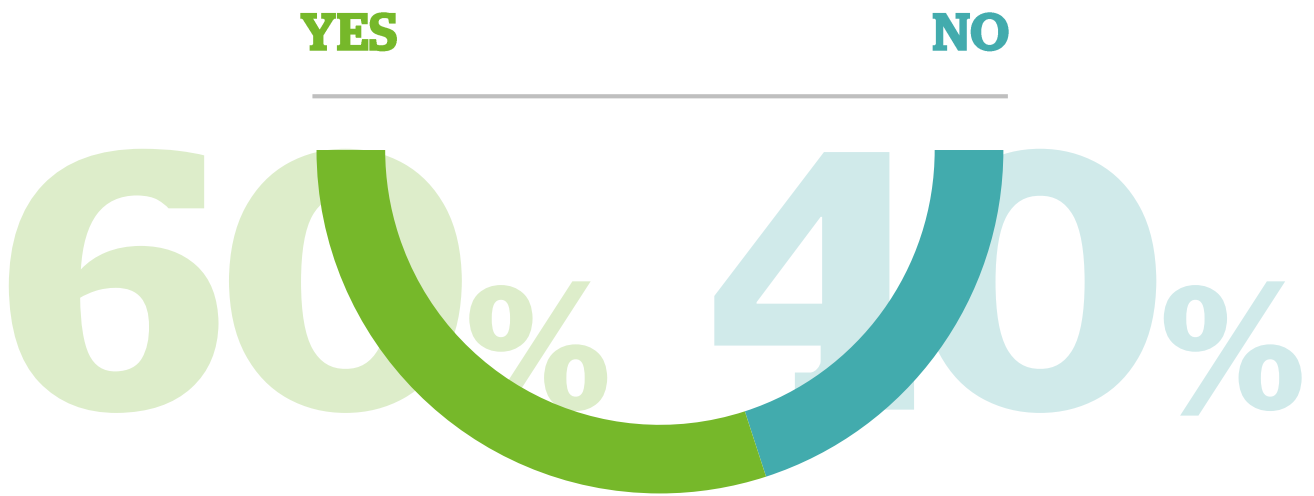
“Employees poached by other contractors offering better pay and working conditions.”

“All our people are career loggers, usually leaving for promotion or more money.”

14. For the last person who left your organisation, where did they go?



15. Do you feel there are sufficient organisations or people available to train your employees?



Those who feel training is **adequate feel that part of the responsibility for training is their business' responsibility.**

Those who feel training is **not adequate feel the industry has neglected the problem for a number of years and that capacity issues are apparent.**

“Sufficient training organisations but course availability in the regions can be a constraint. Often if a course can be delivered we need to have the numbers to support it. Also within our contractor workforce, smaller contractors not having the staff capacity to free up staff time for training.”

“We try and try to get our guys trained in certain units but all too often, our pleas fall on deaf ears. The industry definitely needs more trainers out there.”

“Only a shortage if people aren't prepared to put the time and effort into training guys.”

“Getting the trainers to come on site to assist with new employees is non existent. And there are no machinery training classes that we know of.”

“Our industry has known of these challenges for at least 15 years and has failed to do anything tangible to address them. NZFOA needs to shoulder a large part of the responsibility for this.”

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Or visit www.nzfoa.org.nz for general information on the forestry sector.

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