



Aviation & Airport Services WORKFORCE ACTION PLAN

A shared roadmap to develop the workforce

The Service sector is fundamental to New Zealand and New Zealanders. The future of the Service sector is exciting and has people at its centre.

Ringa Hora has worked with people from across industry to develop a shared roadmap to transform the Service sector workforce from its current state to the future that we aspire to.

The Workforce Development Plan looks across the Service sector and sets out the major factors shaping the sector and an overarching vision for the future.

Against that context, this Action Plan focuses on the characteristics and dynamics of the Aviation & Airport Services industry and its workforce. It describes what the future could look like for this workforce, the current challenges faced by the industry, and sets out the actions we can take to tackle this wero | challenge.



Future Vision for Aviation & Airport Services Industry

Ringa Hora's Service Sector Workforce Development Plan is based on four aho | strands. Each of these aho will strengthen the workforce, but when woven together, as a taura whiri | rope, we can achieve real transformation of the workforce:

- Māori succeeding as Māori
- Attracting and retaining the future workforce
- Developing broad skills for the future
- Creating mana-uplifting jobs and opportunities.

The Aho and actions outlined in this plan will support Aviation & Airport Services in delivering critical contributions to the domestic economy.

The industry provides vital connections for businesses, workers and communities to move people and goods around the motu and overseas. Keeping our skies safe and secure supports travel, tourism and various other businesses, as well as helping our diverse communities to connect with others.

There has been a rapid increase in demand for air travel following COVID-19. This demand can be met by ensuring the industry attracts and retains the right people with the skills and experience needed to deliver on required aviation regulations and practices.



About the Industry

The Aviation & Airport industry is made up of businesses involved in aircraft manufacturing and repair, airport operations, and air transport services.

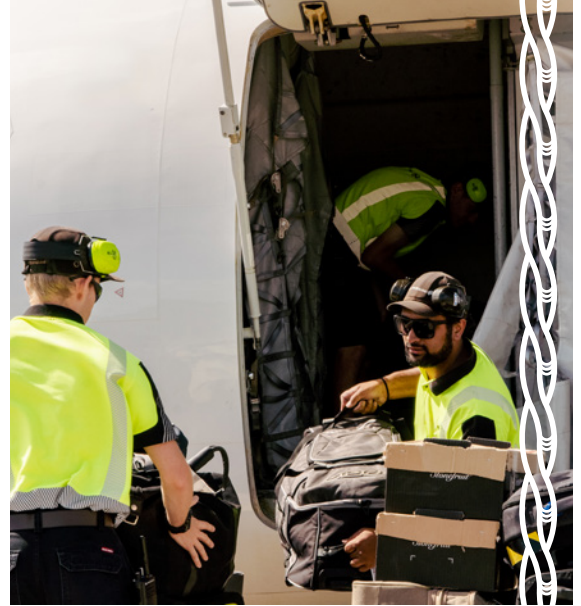
The Aviation & Airport industry contributes \$2.1B to the nation's GDP and has wide ranging social and environmental impacts. The industry enables the success of other industries; for instance, airports are a major gateway for welcoming tourists to Aotearoa.

Work in this industry occurs across the motu and beyond. For example Airways is responsible for keeping 30 million square kilometres of airspace safe, including operating 19 air traffic control towers and two radar centres across the North and South Islands.¹ There are pockets of concentrated regional activity, including in Marlborough where the Regional Skills Leadership Group has a focus on the aerospace industry.

¹ Airways. (2023). About Airways: Safe skies today and tomorrow

Top of mind

To help us get to the future state, we need to understand and tackle the challenges that the Aviation & Airport Services industry faces, while also seizing the opportunities that already exist or are on the horizon. We've heard that the following factors are having a significant impact on the Aviation & Airport Services industry, including its approach to, and expectations of, workforce development.



Re-building industry and workforce capacity after COVID-19 contractions

The impact of COVID-19 and its subsequent recovery have not been experienced evenly across the industry. While passenger movement remained low until the full re-opening of borders in mid-2022, the freight industry had been considered an essential service and had already returned to 90% of pre-COVID-19 levels by December 2020.² Many businesses are still in survival mode and working through immediate challenges. This includes facing increasing costs across all aspects of business, including the price of jet fuel increasing by 80% in the past three years, from (USD) \$1.88 per gallon in 2019 to \$3.37 in 2022.³

Ensuring vocational education and training is fit for purpose and accessible

Filling critical capability gaps will require pathways through education to be accessible, flexible and adaptable. For example, aeronautical engineering needs to respond to and actively lead innovation through technology, such as, composites and Remotely Piloted Aircraft Systems. Removing cost barriers to entry will help encourage employers and workers to engage in training, especially flight training which is particularly costly for both the provider and the ākonga | learner.

The international student market is important to the on-going viability of flight training schools who also train domestic students. However, recent immigration changes (such as, work rights and residency pathways) may mean New Zealand is less attractive. These issues are at the interface of immigration and education policy settings, alongside the needs of people and workplaces, and requires attention to ensure the different perspectives and needs are understood.

Attracting people to the industry and retaining existing talent

Aviation & Airport Services has an ageing workforce, and a relatively limited flow of workers into the industry via the vocational education system. There have been particularly sharp decreases in the number of enrolments in flight attendant and ground staff qualifications in the wake of the pandemic. Overall, these flows into the Aviation & Airport industry may signal an untapped opportunity for attracting more rangatahi, but also showcase the importance of efforts to attract and support a wider range of people to transition into a new industry.

Talent attraction will be an ongoing problem if retention rates do not improve. Of people who joined the industry in 2015, only 60% remained after the first year, and 22% after five years. In contrast, some parts of the workforce are very loyal. For example, 73% of the aircraft manufacturing and repair workforce has only had one employer. We do not know the full reasons for these different dynamics, although can see that this is an ageing workforce which presents natural limits on retention (over half is older than 45, and 7% aged over 65).

² Ministry of Transport (2020) Government support for the transport sector
Beehive (2022) Next stage of airfreight scheme keeps critical freight flowing

³ U.S. Energy Information Administration U.S. Gulf Coast Kerosene-Type Jet Fuel Spot Price FOB (Dollars per Gallon)

About the Workforce

There are approximately 14,400 people working in the Aviation & Airport industry. There are an exciting range of work opportunities, whether that's on the ground or in the air, such as: logistics, refuelling, dispatching centres, doing weight and balance checks, air traffic control, baggage handlers, check-in staff, flight attendants, pilots, and engineers who manufacture and maintain aircraft.

For the industry to successfully navigate the future changes there is a need to preserve long-held skills, while also being adaptable to advanced digital and automated technology.

New Zealand's workforce is increasingly diverse. The industry will not be able to meet the growing demand for skills without actively increasing diversity in all roles within the industry. In addition, only 41% of the Aviation workforce are women. This drops to as low as 15% in aircraft manufacturing and repair. Increasing diversity makes businesses more attractive to potential kaimahi and customers, as well as creating economic and social benefits for employers, the workforce, and the wider community.⁴

Using workforce participation data as a starting point shows there is work to be done in the Aviation & Airport Services industry to realise the aspirations and potential of Māori, Pacific peoples, and tāngata whaikaha | disabled people:

8% of the workforce identify as **MĀORI**

This industry has a relatively low proportion of Māori in the industry. The concentration of Māori within the Aviation & Airport industry has historically been centred in lower-paying roles, such as ground crew and baggage handlers, with a low representation in traditionally high-paying roles, such as air traffic controllers, pilots and engineers. The industry needs to build cultural competency within the workforce to retain diverse talent, support Māori and promote an environment where Māori feel reflected.

11% of the workforce identify as **PACIFIC PEOPLES**

There are a large number of Pacific peoples in the Aviation & Airport Services industry, particularly in ground crew and baggage handler roles. Auckland is not only a 'hub' for the Pacific population but also for employment opportunities in the Aviation & Airport industry given the sizeable scale of Auckland Airport operations.⁵ Front line workers in aviation represent a pool of potential employees for higher skilled roles within the industry if pathways can be created.

1.7% of the workforce identify as **TĀNGATA WHAIKAHA**

Tāngata whaikaha includes physical, mental, intellectual, or sensory impairments which can impact a person's life to varying degrees and in different ways. The industry is taking some steps towards providing responsive services for tāngata whaikaha | disabled people as customers, such as many airports using the Hidden Disability Sunflower lanyard programme.⁶ However, businesses do not necessarily recruit or attract those same people to work in the sector.

⁴ Diversity Works Why Diversity and Workplace Diversity Case Model

⁵ Auckland Airport (2022) About Auckland Airport

Auckland Council (2023) The Auckland Plan 2050: Pacific Auckland

⁶ Aviation Security Service. (2023). Hidden disabilities sunflower scheme

AVIATION & AIRPORT SERVICES

References:

1. Workforce demographic, businesses, and economy data is from Infometrics and relates to 2022 unless noted
2. Pipeline data is from the Integrated Data Infrastructure (IDI) and relates to 2022. The results are not official statistics. They have been created for research purposes from IDI, which is carefully managed by Stats NZ.
3. Education and training data is from TEC administrative data and relates to 2022.
4. Industry data is from IBIS World.

WORKFORCE



1. Number of workers

The total workforce in Aviation and Airport Services is about 1% of the NZ total workforce.

Workforce change

The workforce in Aviation and Airport Services is beginning to show signs of recovery, but in 2022 was still 30% below its pre-COVID peak of early 2020.

2. Participation of rangatahi (aged 15 -24)

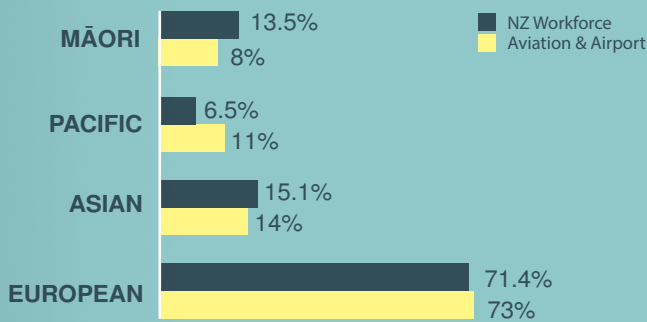
11%

The percentage of rangatahi in Aviation & Airport Services is lower than the 14% in the NZ workforce.

3. Participation of wāhine



4. Ethnicity



5. Tāngata whaikaha

1.7%

This is compared to 3.1% of tāngata whaikaha in the wider New Zealand workforce.

6. Average annual income

\$87,900

The average annual income in Aviation and Airport Services is much higher than New Zealand's \$65,800

7. Average annual income growth (2011-2022)

2.2%pa

8. Workforce by Region



54%
Auckland



7%
Wellington



19%
Canterbury



PIPELINE

1,750

1. New entrants

Approximately 59% enter from working in other industries, 14% from tertiary training, 4% direct from secondary school, and 12% from overseas.

7,615

2. Leavers

Approximately 73% of leavers are industry changers, 3% are going overseas, 2% are going to tertiary.

60%

3. Retention - 1 year (12 months)

60% of new Aviation and Airport workers are retained after 1 year, which is higher than the 50% across Ringa Hora sectors.

22%

4. Retention - 5 years (60 months)

22% of people stay in Aviation and Airport services for more than 60 months, which is 10% higher than Ringa Hora industry retention.

BUSINESSES



1. Number of businesses

The number of businesses in Aviation and Airport Services has fluctuated slightly from year to year but has remained around 900 businesses for the past 5 years.

2. Māori-owned business

Approximately 3% of businesses are Māori owned in 2022.



ECONOMY

\$2.1 Billion

In 2022, Aviation and Airport Services contributed \$2.1 billion to NZ's Gross Domestic Product (GDP).

INDUSTRY



-2.20%

1. International travel to New Zealand



1.60%

2. Domestic tourist visitor days



-1.90%

3. Demand from airlines

EDUCATION AND TRAINING



1. Number of Learners

Pilots (level 5 and 6) 2022
340

Flight Attendants (level 4) 2022
100

Grounds staff
475

2. Proportion of workers with no post-school qualifications

30%



Aviation & Airport Services

Transformational change in the Service sector workforce will take time but to achieve that change we need to start taking action now. The following plan includes the key areas of focus, medium term actions and short-term initiatives. These initiatives and actions can be thought of as individual threads that weave together to achieve workforce transformation.

	Māori succeeding as Māori	Attracting and retaining the future workforce	Developing broad skills for the future	Creating mana-uplifting jobs and opportunities
Actions: Where we would like to be	<ul style="list-style-type: none"> Māori business and workforces have opportunities to connect. The Service sector and vocational education system understands and acts on Māori views of success. The vocational education system is shaped by a Mātauranga Māori lens. 	<ul style="list-style-type: none"> Improve the availability and use of high-quality information about Service sector businesses and workforce Improve participation of Māori, Pacific peoples, tāngata whaikaha, and other population groups. Industry is visible and promoted to a wide range of potential ākonga and kaimahi. Roles and responsibilities of system level players are understood and have arrangements in place to work well together. 	<ul style="list-style-type: none"> Vocational education and training is flexible and adaptable to current and emerging industry requirements. Workforces and businesses are well prepared to adapt and innovate. Investment decisions are transparent and based on high quality advice. 	<ul style="list-style-type: none"> Workplaces are accessible and attractive to the current and future workforce. The workforce is recognised, valued, and safe. The workforce and businesses move through the cycle of employment (recruitment, on-boarding, retention, and progression) in ways that suit them. The range of roles is articulated and available. Learning and skills development supports upwards and lateral progression.
Initiatives: What we can do to get there Service Sector Initiatives	<ul style="list-style-type: none"> R I Establish and grow the Māori Service Sector Forum. R Ohu Ahumahi collaboration (Rōpū Kaitakawaenga) to build relationships with iwi and hapū to better understand Māori aspirations. R I Te Kāhui Mātauranga Māori to provide Mātauranga Māori lens to Ringa Hora product design and quality assurance approaches. 	<ul style="list-style-type: none"> R Undertake the Future Workforce project that aims to understand work, skills and training in New Zealand in 2040. I Amplify work that aims to grow participation of particular groups such as Pasifika Navigators of Tomorrow or Jobs for Mums. R Promote the use of Te Mata Raraunga, a collection of vocational education and workforce data. 	<ul style="list-style-type: none"> R Create a package of short, sharp, stackable credentials that meet industry need through Waihangatia te Āmua Ao Shaping the Future of Service Skills project. R I Amplify work that supports people to learn about broad skills for the Service sector, such as MBIE's Digital Boost initiative. 	<ul style="list-style-type: none"> R Develop an 'employer hub' that shares resources, information, and case studies of Service sector excellence – targeted at SMEs. I Amplify approaches that improve diversity, equity and inclusion, such as Diversity Works NZ, Disabled Persons Assembly Information Exchange resources for employers, and Rainbow Tick.
Aviation and Airport specific initiatives Who is leading the initiative R = Ringa Hora I = Industry	<ul style="list-style-type: none"> I Build off the success of Tauranga Aero Club and Priority One's Māori and Pacific Aviation Expo event to create and support more tailored opportunities for increasing access for Māori. 	<ul style="list-style-type: none"> R I Build the Workforce Information Platform (a detailed workforce supply and demand tool) and use this information to identify solutions to capacity and capability gaps. I Amplify work to increase female participation in all roles in the industry such as NZ Defence Force's Schools to Skies programme. R I Develop Ringa Hora to this action also content about a range of jobs for the TEC Careers Services to use in its products such as the current <i>careers.govt.nz</i> website and the planned successor, Tahatū. I Increase participation in the Inspiring the Futures programme with local schools. R I Map the organisations involved in Aviation & Airport Services and their roles and responsibilities, to increase communication and strengthen relationships. R I Give effect to the workforce development objectives within: <ul style="list-style-type: none"> Te Rautaki Ātea-ā-rangi o Aotearoa 2023-2030 Aotearoa New Zealand Aerospace Strategy, Te Mahere Ohumahi ā-Rohe o Te Taihuhu o Te Waka-a-Māui Marlborough Regional Workforce Plan 2023. 	<ul style="list-style-type: none"> R I Identify consistencies across applicable licence, regulatory requirements, and qualifications, and explore efficiencies for ākonga learners to obtain relevant skills, knowledge, and experience. R I Collaborative work between industry, government agencies, and Ringa Hora to: <ul style="list-style-type: none"> improve the transparency about vocational education and training funding policy settings (such as Student Loan caps) and how they are operationalised, ensure high quality information is available to inform Government policy and investment decisions. I Expand mentoring opportunities for kaimahi staff to connect and share knowledge. 	<ul style="list-style-type: none"> R I Improve the transparency of career pathways by mapping job roles to education, regulatory, licencing, or other relevant requirements. R I Identify and act on opportunities in qualification and workplace settings to facilitate alternative career pathways, such as career instructors. R Highlight the contribution and value of a range of Aviation & Airport roles, including baggage handlers and ground crew.



RINGA HORA

Services

Workforce Development Council

How to get involved

- ▣ Partner with us on workforce initiatives
- ▣ Tell us what is working and what isn't
- ▣ Report to us on workforce actions progress
- ▣ Engage with us
- ▣ Use the products or initiatives listed in the sector workforce plan

Visit our website or contact us to find out more, receive updates and invitations to industry events.

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