



THE POWER OF PEOPLE

IN REAL ESTATE

This year, our visual theme for each of the Industry Action Plans has been developed with a Te Ao Māori context in mind.

For the Real Estate industry we lean into the symbolism of the Kauri Tree, representing solid foundations and enduring value, akin to strong real estate investments.

BUILDING A FUTURE-READY WORKFORCE AMIDST UNCERTAINTY

Future Vision

The Real Estate industry is set to embrace revolutionary changes that will not only redefine how Real Estate and Property Management operate but also elevate the experiences of clients and communities.

Imagine a world where buying or renting a property is as easy as a few clicks. The industry is pioneering fully digital property transactions, from online viewings to securing blockchain-based contracts, AI-powered customer service, and predictive analytics, making your property journey smoother and smarter. Personalisation is key.

Using cutting-edge data analytics, the industry will offer tailored property recommendations that fit your unique preferences. Virtual and augmented reality bring properties to life, allowing everyone to explore and customise your future home from anywhere in the world.

Requiring real estate salespeople and property managers to obtain qualifications will continue to have a positive impact on the industry by raising standards, protecting consumers, and promoting continuous professional development.

TACKLE THE CHALLENGES

SEIZE THE OPPORTUNITIES

About the Industry

The Real Estate contributes \$22.9 billion to the nation's economy. This industry comprises both real estate sales and property management.

After a sustained period of growth, the industry has slowed, reflecting the broader economic conditions. While the real estate market has cooled, property management has remained steady and continues to grow. However, remote working and wavering business confidence have limited demand from the commercial property sector. In addition, the rise and fall of housing prices and interest rates created some further uncertainty in the market.

Real estate salespeople and rental property managers serve distinct roles in the property market. A real estate salesperson primarily assists clients in buying and selling properties, guiding them through transactions, negotiations, and market analysis. Their focus is on facilitating property sales and purchases. Property managers see themselves as distinctly different from real estate salespeople. Property management services include finding new tenants, handling tenant turnover, marketing properties, and management property maintenance on behalf of the property owner. Industry estimates each residential property manager can manage around 100 properties.

About the workforce

There are approximately 48,700 people employed in the Real Estate industry, including the property management workforce. The industry involves professionals from various disciplines, including brokers, property managers, developers, and legal experts.

KEY

Our workforce

▶ **Number of workers**
2023

48,683



7% ↑ *Change over past 5 years (2018-2023)*

12% ↑ *Forecast change over next 5 years (2023-2028)*

▶ **Employment by Region**
2023

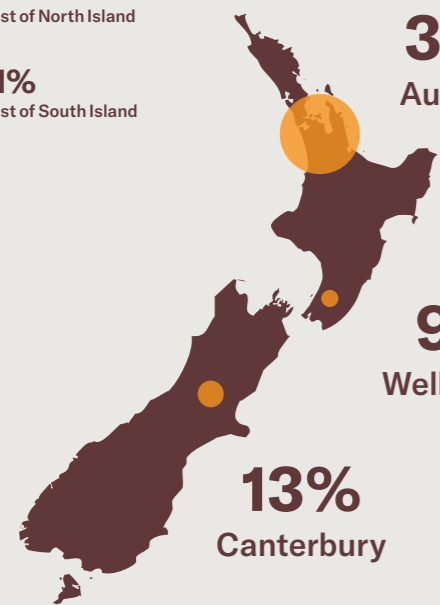
29%
Rest of North Island

11%
Rest of South Island

39%
Auckland

9%
Wellington

13%
Canterbury



▶ **Age 15 - 24 years**
2018

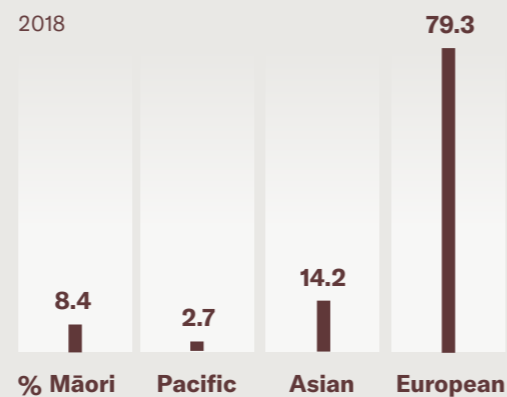
7%

▶ **Female**
2023

53%



▶ **Ethnicity**
2018



Training & Qualification



Current NZQCF Products

	Qualifications	Programmes	Enrolments 2023
Real Estate	4	22	5350
4			4860
5			415
6			75

INFORMATION

Our businesses

▶ **Number of business** 2023 **120,873** **0.3%** ↓ *Change in Business over last year (2022-2023)*

▶ **Māori owner business** 2021



7%

▶ **Self-employment** 2023

26,470

▶ **Business size FTE per business** 2023

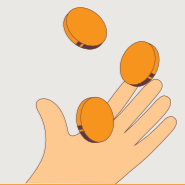
0.4

Our economy

▶ **GDP** 2023 **\$19.5bn**

▶ **GDP per FTE** 2023 **\$458,899**

▶ **Change in GDP over last year (2022-2023)** 2023 **1.2%** ↓



	2023	2018	2027	Actual change over past 5 years 2018-2023	Forecast change over next 4 years 2023-2027
Property Manager	6,119	5,225	6,972	17%	14%
Real Estate Agent	6,021	5,708	6,122	5%	2%
Real Estate Representative	4,089	4,115	3,937	-1%	-4%
Chief Executive or Managing Director	2,064	1,942	2,305	6%	12%
Sales Assistant (General)	1,868	1,978	1,895	-6%	1%

	Enrolment 2023 vs 2017	Enrolment 2023 vs 2022	Completion 2022	Completion 2022 vs 2017	Completion 2022 vs 2021
	891%	-23%	2245	2706%	-21%
			2145		
			100		
			0		

TOP OF MIND REAL ESTATE

Economic Fluctuations



▲ Fiscal policy changes in the housing domain such as ongoing high home loan interest rates, the removal of the first home grants scheme, changes to brightline tests and the restoration of interest deductibility for residential rental property, all continue to have huge impact on housing affordability, stock and the workforce required to buy, sell or manage properties.

▲ These fiscal policy changes could have an impact on the ability of first home buyers to purchase their first home. Nationwide housing activity and average house prices remain fairly subdued. The impact for the real estate agent workforce is still unclear.

Technology



▲ In New Zealand, technology plays a significant role in the real estate industry, streamlining processes and enhancing the overall experience for buyers, sellers, and agents, such as online listings and appointments, digital marketing, virtual tours and digital signings.

▲ Use of technology can mean older workers may not have the necessary skills to operate, however, they are often eager to learn and adapt. Businesses can provide training programs tailored to older workers to help them become proficient with technology tools relevant to their roles.



TOP OF MIND

Attraction and Retention



- ▲ Majority of property managers remain in favour of the Residential Property Managers Bill, despite the Government not progressing with the Bill.
- ▲ With the growth of community housing, there is a growing need for more property managers in the social housing space.

- ▲ Property managers are increasingly looking for opportunities to transition into business/franchise owners. There is an increasing ask for clear pathways to franchise ownership.

Consumer Expectations



- ▲ New Zealand's property management workforce is evolving with increased customer expectation and corresponding training standards. Technology is enhancing efficiency through digital platforms for tenant communication, maintenance tracking, and financial management. Property managers face a high level of scrutiny to manage complex tasks of balancing tenant relations, property upkeep,

and regulatory compliance. Also, meeting high expectations from tenants and owners for transparency and service quality drives industry practices. Despite challenges like rental affordability and housing shortages, the sector offers diverse career paths, emphasising skills in asset management and sustainability for continued growth and client satisfaction.

PROPERTY MANAGEMENT

Tenancy Legislation



- ▲ Changes to the tenancy laws in recent years aimed to encourage tenant rights and property standards.
- ▲ Legislation change allowing 90-day no-cause terminations has led to increased insecurity for tenants, while giving landlords more confidence. Finding the right balance between the two is challenging.

- ▲ The Tenancy Tribunal is overwhelmed, with rent arrears cases making up approximately 80% of their workload. This creates additional work for property managers, from preparation and attendance to follow-up and administrative tasks

Variation by region



- ▲ New Zealand's property rental market comprises of varying dynamics where rental prices in major cities centres like Auckland, Wellington, and Christchurch are consistently high driven by population growth and limited housing supply. Nevertheless, we are seeing more regions face ongoing rental supply pressures, creating competition and price increase.

CHANGING WORKFORCE DEMOGRAPHICS

The demographics and other characteristics of New Zealand’s population are dynamic whether that’s in terms of ethnicity, age, gender, or the experience of a disability.

The forecast population growth will continue to shape who real estate services are delivered for and by. A changing customer base means that businesses and industry need to adjust business practices and become more culturally aware to help them maximise their opportunities. This includes the language they use, greater understanding of customer preference, use of different marketing material and channels. This would also support industry to successfully attract and recruit more people into the workforce, ensure that those workers feel safe and valued within their roles, and help them to promote the customer experience and loyalty.

Each of these groups makes a unique contribution to the Service sector, and businesses will benefit from recognising this contribution and being responsive to their individual needs. With current labour shortages, developing a committed and responsive relationship with these groups will help realise the proven economic and social benefits for employers, the workforce, and the wider communities in which services are delivered.



50%
BY 2035

By 2038, more than 50%
of New Zealand’s workforce will be
Māori, Pacific, or Asian.



MĀORI

There are approximately 4,100 Māori in the real estate industry, making up around 8% of the industry overall. In addition, there is a growing number of Māori-owned real estate businesses.

Attraction into the industry

The Real Estate industry is an attractive and necessary career choice for Māori. Real estate is pivotal in Te Tiriti settlements, restoring land and fostering tino rangatiratanga (self-determination). Land ownership enables wealth creation, business opportunities and housing initiatives tailored to Māori needs.

Representation

Promote awareness of cultural obligations and the importance of leaders authentically appreciating and understanding different cultures. Educate the workforce when it comes to celebration and significance of traditional events during the year.

Relationships and connections

Connections and networks are central to Māori in the workforce. Real Estate relies on the establishing and maintaining of robust networks, maintaining a good reputation and offering good customer service. Māori are well-placed to thrive in the industry and utilise transferrable skills.



PACIFIC

There are approximately 1,300 Pacific workers in Real Estate and Property management roles, working across the motu. This represents around 3% of the Real Estate and Property Management workforce. It is important for industry to support Pacific workers currently in the workforce to develop and grow into leadership and management positions.

Cultural awareness

Pacific peoples want to work in industries where they feel represented and where there is culturally receptive support.

Encourage leadership to promote the strengths of a culturally diverse work environment. Promote the strength of religious and family values within the Pacific communities. And how this has a positive effect on the community.

Skill development Initiatives

Promote funding to support with soft skills. Encourage career progression and advancement into leadership roles.

Work-life balance

Real estate professionals often work weekends and evenings to accommodate client's schedules, making it difficult to maintain a work-life balance. This can be challenging when there is a strong expectation for many Pacific peoples to fulfill additional community commitments for beyond work. Encouraging recognition that family priorities may sometimes take precedence over work, potentially creating challenges. It is important for industry to cultivate a supportive workplace culture, that is aware of family commitments.

Managing multiple properties, dealing with difficult tenants or clients and meeting sales targets can lead to stress and burnout. It is important for industry to have tailored pastoral provision and supports in place which prevent this from happening.



DIVERSITY IN REAL ESTATE

Māori and Pacific peoples continue to be underrepresented across various aspects of the real estate sector in New Zealand, notably in salesperson roles, leadership positions, and as business owners.

This disparity can be attributed to systemic barriers, limited access to education and training opportunities, and cultural perceptions surrounding career choices. Moreover, individuals from these communities often have shorter tenures within the industry, further exacerbating the issue.

Visible role models and leaders from Māori and Pacific backgrounds within the real estate industry play a pivotal role in inspiring and encouraging more individuals from these communities to pursue careers in real estate. Their presence serves as a catalyst for change and signals to aspiring professionals that success is attainable, regardless of background.

Promoting diversity in leadership roles is crucial for creating pathways for advancement and representation within the industry.

By providing opportunities for Māori and Pacific professionals to assume leadership positions, organisations can demonstrate their commitment to diversity and create a more inclusive industry culture.

The real estate sector has a unique opportunity to diversify its workforce by cultivating inclusive workplace cultures that reflect the diversity of the communities it serves. An opportunity that aligns with a number of Government and non-government initiatives to get Māori, Pacific and other sectors of the community into home ownership.

Achieving equitable representation of Māori and Pacific peoples in the New Zealand real estate industry requires concerted efforts from industry stakeholders to create a more welcoming and representative environment for all professionals.

INDUSTRY PRODUCTIVITY

Productivity in business means being able to do more, with fewer people. Businesses with high productivity are more resilient, able to adapt to changes more easily and promote growth and innovation. We have already observed rapid uptake of technology in real estate, and it is expected the trend will continue. The opportunity is to create a seamless experience for customers in response to their needs.

Technology in Real Estate and Property Management

Technology can significantly boost productivity in the real estate and property management industry in New Zealand through various means. By leveraging these technologies, real estate and property management businesses in New Zealand can enhance productivity, improve customer experiences, and streamline their operations.

- ▲ **Property Listings and Marketing:** Online Platforms on websites and apps like TradeMe Property, Realestate.co.nz, and OneRoof allow for extensive property listings, reaching a larger audience quickly.
- ▲ **Virtual Tours:** 360-degree virtual tours and augmented reality (AR) provide potential buyers or renters with immersive property experiences without physical visits.
- ▲ **Automated Communication:** Automated email marketing and follow-ups ensure timely communication with clients, improving engagement and conversion rates.

- ▲ **Maintenance Tracking:** Digital platforms help log maintenance requests, scheduling repairs, and tracking progress, enhancing efficiency.
- ▲ **Automation:** Direct debit systems and online payment gateways facilitate seamless rent and fee collection. In addition, automated and self-executing contracts simplify the buying, selling, and leasing processes.
- ▲ **Data Analytics:** Data analytics tools provide market insights. These tools provide insights into market trends, property values, and investment opportunities, aiding in informed decision-making.
- ▲ **Regulation Updates:** Automated alerts and updates on changes in property laws and regulations help businesses stay compliant.
- ▲ **Smart Home technology:** Technology such as smart locks, thermostats, and security systems enhance property appeal and management efficiency. Similarly smart energy solutions help monitor and reduce energy consumption, promoting sustainability and cost savings.

Productivity is built on decades of investment – in skills, knowledge, technology, and relationships.

ACTION

Putting this into action for the Real Estate industry

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
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 understand and act on Māori perspectives of success. ▲ The vocational education system is shaped by a Mātauranga Māori lens. 	<ul style="list-style-type: none"> ▲ Enhance the availability and use of high-quality information about the Service sector ▲ Increase participation of Māori, Pacific People, Tāngata Whaikaha, and other groups. ▲ Promote the industry widely to a diverse range of potential ākonga and kaimahi. ▲ Organisations involved in workforce development work collaboratively and have well-defined roles.
Initiatives What we can do to get there Service sector initiatives	<ul style="list-style-type: none"> ▲ Establish and grow the Māori Service Sector Forum. (joint effort between Ringa Hora and Industry) ▲ Ohu Ahumahi collaboration (Rōpū Kaitakawaenga) to build relationships with iwi and hapū to better understand Māori aspirations. (led by Ringa Hora) ▲ Te Kāhui Mātauranga Māori to provide Mātauranga Māori lens to Ringa Hora product design and quality assurance approaches. (Joint Ringa Hora and Industry) 	<ul style="list-style-type: none"> ▲ Undertake the Future Workforce project that aims to understand work, skills and training in New Zealand in 2040. (Ringa Hora) ▲ Amplify efforts to grow the participation of specific groups, such as Pasifika Navigators of Tomorrow or Jobs for Mums. (led by Industry) ▲ Promote the use of Te Mata Raraunga, a collection of vocational education and workforce data. (led by Ringa Hora)
Real Estate Specific initiatives	<ul style="list-style-type: none"> ▲ Industry and WDC's to showcase successful Māori businesses/ role models in the industry to further attract Māori to the sector. ▲ Increase mentoring and networking opportunities, especially for Māori. Ensure that mentoring opportunities are culturally appropriate. 	<ul style="list-style-type: none"> ▲ Create targeted events, information, and services to increase exposure for different people and places, such as careers expo's/ events. ▲ Develop content about a range of jobs for the TEC Careers Services to use in its products and services, such as the current website and its planned successor, Tahatū. ▲ Employers participate in the Inspiring the Futures programme with local schools. ▲ Industry to showcase successful businesses role models in the industry to attract priority groups. ▲ Explore alternative models for entry into the sector to attract a more diverse workforce that better reflects the communities they serve.

Developing broad skills for the future	Creating mana-uplifting jobs and opportunities
<ul style="list-style-type: none"> ▲ Vocational education and training are flexible and adaptable to industry needs. ▲ 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 range of roles is articulated and available. ▲ Learning and skills development support both upward and lateral progression.
<ul style="list-style-type: none"> ▲ Create a package of short, sharp, stackable credentials through Waihangatia te Āmua Ao Shaping the Future of Service Skills project. (led by Ringa Hora) ▲ Amplify efforts that support learning broad skills for the service sector, such as MBIE's Digital Boost initiative (joint effort between Ringa Hora and Industry). 	<ul style="list-style-type: none"> ▲ Develop an 'employer hub' that shares resources, information, and case studies of Service sector excellence – Targeted at SMEs. (led by Ringa Hora) ▲ Amplify approaches that improve diversity, equity and inclusion, such as Diversity Works, Living Wage, and Rainbow Tick. (led by Industry)
<ul style="list-style-type: none"> ▲ Collaborative work between industry, government agencies, and Ringa Hora to: <ol style="list-style-type: none"> improve the transparency about vocational education and training funding, ensure high quality information is available to inform Government policy and investment decisions. ▲ Increase provision of digital literacy training for older workforce. ▲ Ensure Residential Property Managers are registered, trained and licenced in accordance with new regulations, and have skills to meet the needs of the increasingly diverse range of property models, including social housing. 	<ul style="list-style-type: none"> ▲ Improve transparency of pathways by mapping job roles to education, regulatory, licensing, or other relevant requirements. ▲ Identify and act on opportunities in qualification and workplace settings to facilitate alternative career pathways, such as the transition from residential property management to real estate agent and vice versa.

PROGRESS

Real Estate Workforce Action Plan

What has been delivered in the last 12 months

<p>Industry and WDC's to showcase successful Māori businesses/ role models in the industry to further attract Māori to the sector.</p>	<p>In February 2023, Ringa Hora worked with industry to re-launch a marketing project called Service100 to (a) Bring mana back to Service sector to highlight industry future through storytelling (b) Grow brand awareness to highlight what Ringa Hora can offer to industry (c) Grow engagement so we can channel voices from our sector into the vocational education system. Marketing material has been created to celebrate Ani Armstrong- Property Manager of the Year 2023 in Career.govt.nz</p>
<p>Increase mentoring and networking opportunities, especially for Māori. Ensure that mentoring opportunities are culturally appropriate.</p>	<p>Ongoing networking opportunities for participants at Conferences - however Māori participation at these events are low.</p>
<p>Create targeted events, information, and services to increase exposure for different people and places, such as careers expo's/ events</p>	<p>Multiple events have been created to support communities into their first home and accessing Kainga Ora. This provided authentic opportunities for Pacific and Māori to see role models succeeding in Real Estate supporting their community.</p>
<p>Develop content about a range of jobs for the TEC Careers Services to use in its products and services, such as the current website and its planned successor, Tahatū</p>	<p>Ringa Hora went out to industry for feedback on multiple roles within the Real Estate sector. To understand if this is a good representation of their role and what else can be included. This information will help form as part of the Tahatū pilot. Ringa Hora sought feedback from the industry on multiple roles within the financial and advisory sector to understand if these roles are well-represented and what else can be included. This information will help form part of the Tahatū pilot.</p> <p>The Tahatū pilot project will gradually increase over the following months.</p>
<p>Industry to showcase successful businesses/ role models in the industry to attract priority groups.</p>	<p>Selected Industry practitioners have been selected. Follow up with Ivan Wongkee as another Real Estate Salesperson. Fred Ofa also identified as featured industry person in Property Management.</p>

What will be delivered in the next 18 months

Who is responsible?

<p>Connect with Marketing team to identify and continue to highlight Māori in Real Estate and Rental Services.</p>	<p>Joint Ringa Hora and Industry</p>
<p>Networking opportunities at conferences. Potential Pacific and Māori network for Real Estate and Property Management.</p>	<p>Industry</p>
<p>Continuation of events to support communities into their homes will provide authentic opportunities for Pacific and Māori role models to their communities.</p> <p>Marketing pieces featuring local people in Real Estate, Property Management and Rental Services. Look at promoting these same people in their old schools etc.</p>	<p>Industry</p>
<p>Tahatū will help all New Zealanders make decisions about what kind of work they would like to do. We have designed it to help those who do know what career they want and to offer tools for people who aren't quite sure and need a bit of inspiration.</p> <p>Tahatū connects NCEA school subjects, qualifications and careers. It will show the most common ways others have taken to get to that career or job. Tahatū brings this information together for the first time in one place.</p> <p>The change we are seeing in property managers moving to own their own property management franchises/businesses rather than moving to real estate salespeople - especially for Māori and Pacific workers. The key skills and drive for property managers call on people that love managing properties and engaging with people overtime. Real estate salespeople are more driven by short term contact with customers and financial property sales.</p>	<p>Joint Ringa Hora and Industry</p>
<p>Follow up on 2023 actions and continue featuring successful role models for underrepresented communities.</p>	<p>Industry</p>

<p>Explore alternative models for entry into the sector to attract a more diverse workforce that better reflects the communities they serve</p>	<p>Career changers have reported the ease in being able to upskill into the Real Estate Industry, however, to ensure financial stability, practitioners often juggle multiple employment until Real Estate income has elevated.</p>
<p>Collaborative work between industry, government agencies, and Ringa Hora to</p> <ul style="list-style-type: none"> a. improve the transparency about vocational education and training funding b. ensure high quality information is available to inform Government policy and investment decisions. 	<p>There are fortnightly connect meetings with REINZ and Real Estate Authority to discuss any industry developments and how these organisations can work together on key strategic challenges.</p>
<p>Ensure Residential Property Managers are registered, trained and licenced in accordance with new regulations.</p>	<p>This has been put on hold after first reading in parliament (during the consultation period) and we look to see some movement in mid-2024.</p>
<p>Improve transparency of pathways by mapping job roles to education, regulatory, licencing, or other relevant requirements</p>	<p>Ringa Hora are connected with Real Estate Authority and REINZ to ensure mapping of roles were in line with NZ practice.</p>
<p>Identify and act on opportunities in qualification and workplace settings to facilitate alternative career pathways, such as the transition from residential property management to real estate agent and vice versa.</p>	<p>Ringa Hora went out to industry for feedback on multiple roles within the Real Estate sector. To understand if this is a good representation of their role and what else can be included. This information will help form as part of the Tahatū pilot. Ringa Hora sought feedback from the industry on multiple roles within the financial and advisory sector to understand if these roles are well-represented and what else can be included. This information will help form part of the Tahatū pilot.</p> <p>The Tahatū pilot project will gradually increase over the following months.</p> <p>The Tertiary Education Commission (TEC) have updated the Tahatū interactive careers website including real estate to provide a personalised experience to help people figure out what kind of work they might like to do, and how they can get there. Tahatū was released as a pilot to a small number of secondary schools on 2 April 2024. You can read more about our plans for this at Tahatū pilot.</p>

<p>Real Estate seen as a role that attracts the right people generally except for Pacific and Māori. Those who are Pacific and Māori have expressed interest to do things differently and are more protective of doing this together including disengagement from generic conferences etc. Potential to support Pacific/Māori networks in Real Estate and Property Management.</p> <p>Require more authentic opportunities for successful Pacific and Māori to be seen as successful role models in the industry who are open to mentoring those new to the industry</p>	<p>Joint Ringa Hora and Industry</p>
	<p>Ringa Hora</p>
<p>Businesses are responsible for ensuring compliance with any regulations. Ringa Hora to stay connected with Industry to identify any challenges experienced and support any gaps.</p>	<p>Joint Ringa Hora and Industry</p>
<p>Work with Government agencies/industry/stakeholders to ensure these pathways are accurate and up to date on Careers NZ website. Currently Website refers to Real Estate agents and this terminology needs to be changed to Sales Person. Various income brackets should be visible to see how much you can earn as you move up to Principal owner.</p>	<p>Ringa Hora</p>
<p>Tahatū will help all New Zealanders make decisions about what kind of work they would like to do. We have designed it to help those who do know what career they want and to offer tools for people who aren't quite sure and need a bit of inspiration.</p> <p>Tahatū connects NCEA school subjects, qualifications and careers. It will show the most common ways others have taken to get to that career or job. Tahatū brings this information together for the first time in one place.</p> <p>The change we are seeing in property managers moving to own their own property management franchises/businesses rather than moving to real estate salespeople - especially for Māori and Pacific workers. The key skills and drive for property managers call on people that love managing properties and engaging with people overtime. Real estate salespeople are more driven by short term contact with customers and financial property sales.</p> <p>Ringa Hora's Hidden gems project highlights and showcases the career and qualification pathways of people in the real estate industry.</p>	<p>Ringa Hora</p>



RINGA HORA
Services
Workforce Development Council

