



NZ Employment Market Report 2021

Industrial

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The Market

As the country moved into a nationwide lockdown in late March 2020, many organisations were compelled to implement a range of social distancing requirements throughout the various alert levels, and we saw recruitment decrease across the sector as organisations faced an uncertain future.

As the year progressed, New Zealand became more comfortable with new and modified working environments. The impacts of international travel restrictions, low interest rates and first home buyers active in the market meant home improvement, retail and non-retail spending significantly increased. This contributed to an uplift in business confidence. As a result, there was a significant upsurge in organisations looking for experienced talent, and this trend has carried on through 2021 - further driven by the continuation of New Zealand's Construction boom.

We noted a rise in the need for permanent employees to work alongside temporary employees, who are more common in many organisations across this sector, due to the increase in workload. Employers' willingness to hire permanent employees was seen as a positive step towards a robust post-pandemic recovery.

With a huge national drive to "support local" over the past year, and with many individuals looking at local alternatives as opposed to internationally sourced products and materials, there was a sharp increase in online shopping, impacting growth in the areas of manufacturing and distribution. This also meant that the sector saw a boost in the need for skilled professionals.

Already facing pre-pandemic talent shortages, and now with the added pressure of migrant skill shortages, many organisations struggled to find the right candidates.

- ROLES IN DEMAND -



- Class 2-5 Drivers
- F-endorsed Fork Hoist Drivers
- Machine Operators
- Electricians

Employers

Employers generally favour industry experience, appropriate sector licences, as well as a good attitude. With an increase in workload, many organisations looked for reliable candidates who require minimal training and can 'hit the ground running'.

Employers have found it increasingly difficult to fill lower-level temp and contract opportunities. In the past, these jobs have been filled by the backpacker community, but with travel restrictions in place, this talent pool has significantly reduced.

This has put pressure on businesses who are facing a sharp increase in the need for these professionals to support increased business activity, but have little or no available candidates to fill them.

Although salaries in this space have generally remained the same, many businesses are willing to pay more for the right candidate, with some even offering sign-on bonuses. In saying that, salaries did increase notably for general Storeperson roles since the beginning of the pandemic, due to the heightened demand for Warehousing and Logistics professionals. Several organisations have also chosen to increase salaries in appreciation of the extra work and pressure their employees have been under – a move that has boosted loyalty and productivity for the business.

Candidates

On average, candidates have a tenure of two to three years in this space. The demand for stability and job security is high. Candidates need to be reassured about the stability of an organisation before they feel comfortable making a move. We have also noticed more candidates voluntarily move out of Auckland due to the cost of living and house prices, which in turn is creating more pressure on the Auckland employment market.

Candidates had realistic salary expectations, however, in Auckland we have seen that expectation increase with the ever-rising cost of living. Moving ahead, we expect salaries to increase slightly given the market is candidate short, and we anticipate it staying this way for the foreseeable future.

Industrial Salary Guide

2020/21 RANGE IN NZD \$'000S

ROLE	AUCKLAND	
	Low	High
Operations Manager	95	140
Logistics Manager	87	135
Warehouse Manager	77	110
Branch Manager	66	95
Team Leader / Operations Supervisor	56	85
Industrial Electrician	80	110
Qualified Builder	82	120
Mechanical Fitter	56	72
Qualified Gardener	47	55
Gardener	45	47
Machine Operator	46	60
Class 2 – 5 Driver	47	62
Forkhoist Operator	45	52
Ride on Mower Operator	47	55
General Storeperson (Pick Packers & Devanners)	44	47
Commercial Cleaner	43	45
General Labourer	43	45

- MADISON RECOMMENDS -

Businesses should be prepared to meet market rates for salaries. Not offering market rates or above to attract the right talent may be detrimental to an organisation's growth strategy.

