

NEW ZEALAND
**EMPLOYMENT
MARKET REPORT 2024**

INDUSTRIAL

Industrial

The Market

In mid-2023, several areas of the industrial sector experienced a decline in employment activity due to the economic slowdown and uncertainty surrounding the upcoming election. Although business confidence rose after the election, by the end of the year, many employers had yet to start hiring in large numbers.

The rise in interest rates also had a negative effect on numerous industrial businesses in 2023, for example amongst those who use finance to purchase equipment and machinery. With the increase of interest rates on that finance, the additional financial pressure was passed on to customers in the form of higher prices for products and services. The general sentiment around recessionary economic conditions also influenced employers in the industrial sector, who were hesitant to hire even if they were not directly affected.

The industrial sector was also impacted by the slowdown in the building industry last year. For example, when earthworks stopped, some earthmoving firms went into receivership. If houses weren't being sold, new home builds weren't started which in turn affected drain layers, concrete companies, and others across the industrial sector.

As a result, employers were very cautious when making hiring decisions, however businesses continued to hire for in-demand roles. Meanwhile, those working in essential trades continued to find work throughout the year, unaffected by the downturn.



Downturn of business

is the primary reason **40%** of Industrial Employers decreased their workforce size in 2023

Employers

Employers were more inclined to hire temporary workers than recruit for permanent positions last year due to the uncertain economic environment. However, they were willing to offer permanent positions to candidates with suitable skills and qualifications.

Some employers began offering incentives such as sign-on bonuses, relocation packages, and extra days off to attract and retain talented employees in sectors where specific skills were hard to come by. While they couldn't offer remote or hybrid working due to the nature of the roles, they did offer flexible start and finish times to accommodate things like family commitments, study, or working around personal appointments.

Employers were cautious during the hiring process for permanent roles, aiming to find the best candidate possible. This caution often resulted in a drawn-out hiring process of up to six, or even eight, weeks which resulted in employers missing out on good candidates.

Top benefits offered by Industrial Employers



1st
Paid overtime



2nd
On-site parking



3rd
Wellbeing benefits



Industrial

Job Seekers

Last year, many job seekers were focused on growing their earning power due to the rising cost-of-living, which was having a direct impact on their household. Many candidates would only accept a job if it offered the right rate or a salary that reflected a step up. As financial pressure increased in the middle of the year, job seekers looked for ways to supplement their income, often by seeking jobs that offered extra hours, night shifts, or second jobs in addition to their day job.

Job seekers' commitment to the recruitment process was inconsistent last year. If the location wasn't suitable or the hiring process was too burdensome, candidates would simply look for other opportunities. Mindful of commuting requirements, job seekers showed little interest in relocation, and were steadfast in their decision to work close to home.

In addition to a well-paid wage, job seekers considering a job change were looking for flexibility, a good manager, and a favourable work environment. If the work environment was less than ideal, they were more likely to stay if the compensation was satisfactory. Access to a well-maintained vehicle for their use and free parking were also seen as desirable perks.

Salaries remained relatively stable last year after increasing over the previous years during the pandemic. If employers attempted to offer low wages, candidates quickly recognised this and would not accept the offer.



72%
of Industrial Job Seekers consider paid overtime as very important

The Year Ahead

The industry is starting 2024 on a positive note, and we anticipate a period of increased stability ahead with salaries expected to remain stable. However, blue-collar workers hoping for a pay increase in line with recent high inflation rates may be disappointed as many industrial businesses will only offer slight increases due to ongoing economic pressures.

Employment opportunities across the industrial sector are expected to benefit from continued and new roading and infrastructure projects this year. Since last year, employers have experienced a high volume of applications for low-skilled roles, this will continue into 2024 and employers will need to be adept at managing larger talent pools.

We expect to see mobility across industries within the industrial employment market. Training and upskilling will remain a priority for employees and employers. Recognising a candidate's ability to transfer their skills to a new industry will be important too.



95%
of Industrial Employers plan on hiring in 2024

Industrial Salary Guide

ROLE	AUCKLAND		LOWER NORTH ISLAND	
	Low	High	Low	High
Operations Manager	110	150	80	140
Logistics Manager	100	135	80	110
Warehouse Manager	95	130	80	110
Branch Manager	90	140	80	120
Team Leader/Operations Supervisor	80	95	75	90
Industrial Electrician	90	120	65	100
Electrician	75	125	65	100
Qualified Builder	95	130	65	100
Mechanical Service Person	75	95	65	100
Diesel Mechanic	79	98	65	85
Automotive Mechanic	60	85	60	85
Qualified Gardener	60	75	60	80
Gardener	55	65	50	63
Ride on Mower Operator	60	65	50	55
Machine Operator	55	70	50	65
Class 2-5 Driver	60	85	50	75
Fork Hoist Operator	55	68	50	65
General Store Person (Pick Packer & Devanner)	52	57	49	55
General Labourer	52	58	49	55
Commercial Cleaner	55	60	49	55
Cabinet Maker	70	100	55	75
Plumber	80	100	65	100

Salary range in NZD \$'000s



About Madison

Madison was established in 1998 and is part of the Accordant Group, the only New Zealand recruitment company listed on the NZX. We operate across seven key locations in Auckland, Hamilton, Tauranga, Wairarapa, Manawatū-Whanganui, Wellington and Christchurch.

What We Do

Madison works across almost all industry sectors, with clients that range from small start-ups to global blue-chip corporates, large public sector and not-for-profit organisations. Our track record includes full-service recruitment covering temporary, permanent and contractor needs across the following sectors:

- Accounting, Banking, Finance and Insurance
- Business Support and Administration
- Business Transformation, Programme and Project Management
- Contact Centre and Customer Service
- Engineering
- Government and Policy
- Human Resources and Recruitment
- Industrial
- Marketing and Communications
- Procurement and Supply Chain
- Project and Volume
- Property and Construction
- Sales and Relationship Management

Within these disciplines, we recruit for the full range of positions from entry-level through to executive appointments. Depending on our clients' needs, our recruiters will deliver an end-to-end solution or unbundle the recruitment process to supplement the expertise and resources you have in your organisation.

How We Do It

Because we have a broad focus, but we are staffed by specialist recruitment professionals, we're able to offer the combined benefits of breadth, reach and personalised, expert service. Collaboration, sharing, building a real relationship and true partnerships are what set us apart. Not only do we understand New Zealand, but we have been specifically built and grown for this market.

Support & Partnership

We offer specialist consulting services to support our client organisations' talent lifecycles. Some of the key services we deliver via workshop, training or coaching include:

- Talent development
- Assessment centre design
- Outplacement services
- Psychometric profiling & skills testing
- High performance profiling

The Accordant Group

Delivering recruitment, resourcing and people solutions across New Zealand

Madison is part of the Accordant Group, which is the only staffing provider listed on the NZX. The Group comprises five businesses: Absolute IT, AWF, Hobson Leavy, JacksonStone & Partners and Madison Recruitment. Accordant Group's capability spans all levels and aspects of commercial and industrial recruitment services, including permanent roles, temporary assignments and contractor placements. In addition to this, in 2019 Accordant established The Work Collective, a social employment initiative.

To find out more, visit accordant.nz

Absolute IT is a specialist agency that operates solely in the tech and digital market, recruiting permanent and contract IT professionals.

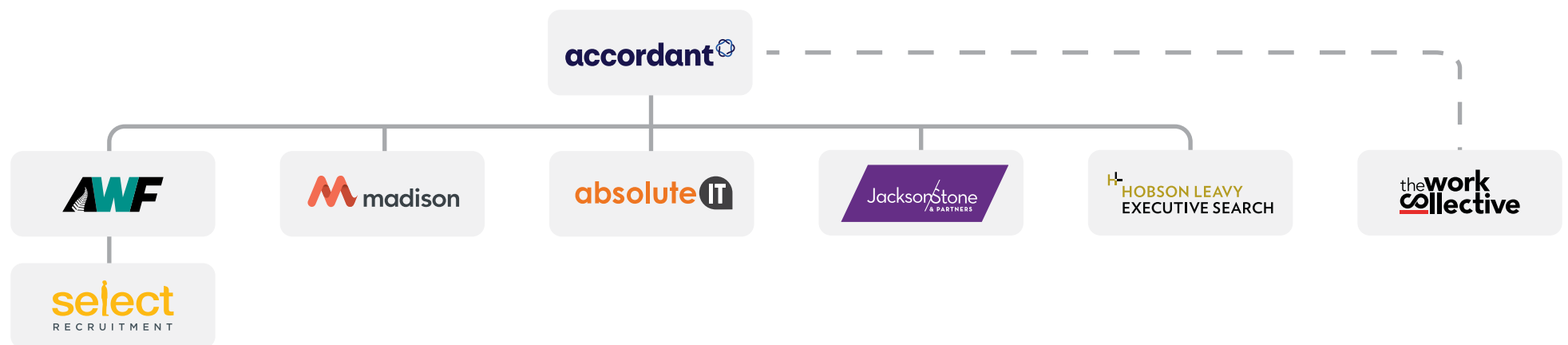
AWF provides labour hire and recruitment services from 21 branches across the country including Select Recruitment in Dunedin.

Hobson Leavy is a retained executive search firm with an extensive track record in both the public and private sectors, successfully appointing some of New Zealand's most senior leaders at Board, CEO and Executive level.

JacksonStone & Partners is one of the most experienced executive search, recruitment and contracting agencies in New Zealand, covering all disciplines up to chief executive and board appointments across the private, public and not-for-profit sectors.

Madison recruits temporary, contract and permanent staff for a broad range of clients and industries in the commercial and government sectors.

The Work Collective, our social employment initiative is supported by each of our businesses and focuses on helping people with barriers to employment find meaningful work opportunities.



AUCKLAND

09 303 4455

Level 6, 51 Shortland Street,
Auckland CBD, Auckland

AUCKLAND SOUTH EAST

09 271 1152

Level 1, Building 5,
The Crossing, 60 Highbrook Drive,
East Tamaki, Auckland

HAMILTON

07 839 5660

Level 5, 127 Alexandra Street,
Hamilton

TAURANGA

07 834 0834

By appointment only

WAIRARAPA

06 370 2400

By appointment only

WELLINGTON

04 499 8055

Level 9, Cnr Customhouse Quay &
Johnston Street, Wellington

CHRISTCHURCH

03 366 6226

Floor 4, 77 Hereford Street,
Christchurch

madison.co.nz

To find out more about Madison and our services,
you can visit our website or call us on **0508 MADISON**.

For queries about this report, please contact **Christian Brown** (Chief Operating Officer) on **09 303 4455**.

