



Annual in-depth Regional Report

➤ AUCKLAND REGION



15 July 2008

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Department of Labour
PO Box 3705
Wellington
New Zealand
www.dol.govt.nz

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EXECUTIVE SUMMARY

Across Auckland Region, youth labour market statistics and outcomes are variable. When these variable statistics are combined, however, we often see that the labour market outcomes for Auckland Region youth in general are poorer than the New Zealand average. Young people living in Papakura District and Manukau City generally tend to have much poorer labour market outcomes than the regional and national average.

In 2006, there were nearly 200,000 young people in Auckland Region – an increase of nearly 20% since 2001. Around 35% of all young people in New Zealand in 2006 were therefore living in Auckland Region. Around one-third of all youth in Auckland Region in 2006 were living in Auckland City, with another quarter living in Manukau City.

All the districts within Auckland Region had above the New Zealand average increase in the growth of their youth populations, with the largest increases in Rodney District and Manukau City.

Analysing the youth population as a share of the total population within a TA shows that, within the TAs of Auckland Region, the concentration of youth is not particularly varied.

The ethnic diversity of youth in Auckland Region is even more diverse than for the total population of Auckland Region. Less than 50% of Auckland Region youth identify themselves as European compared with 57% across all ages in Auckland Region.

Over 26% of youth in Auckland Region identify themselves as Asian compared to 19% in the total population in Auckland Region. Young people in the Asian ethnic group were mostly concentrated in Auckland City with over 45% of young Asians in the region living in Auckland City.

The largest proportion of Māori youth in Auckland Region is in Papakura District with over a third of young people identifying themselves as Māori in the district. While more young Māori live in Manukau City where, although they only make up around 18% of the youth population, they represent just over a third of young Māori in Auckland Region. A smaller proportion of young people in Auckland Region identify themselves as Māori compared with all young people in New Zealand.

Young people in Auckland Region who identify themselves as part of the Pacific peoples ethnic group are concentrated mainly in Manukau City where they make up nearly a third of young people.

The growth in the youth population is projected to continue although at a slower rate than was seen between 2001 and 2006. Between 2006 and 2031, the youth population of Auckland Region is projected to grow by just over 1% per annum. The largest increases are expected to be in Rodney District and

Manukau City, with around 42% of the Auckland Region total youth population increase expected to be in Manukau City.

Auckland City, North Shore City and Waitakere City have all seen consistent net inflows of 15–24 year olds over the past 10 years. Both Papakura and Rodney Districts, on the other hand, have seen net outflows of 20–24 year olds over the past 10 years.

Auckland Region has a larger international youth population than the rest of New Zealand. Over 16% of the region's youth population were born overseas compared with 14% in New Zealand. Auckland City has a significantly larger proportion of recent overseas migrants aged 20–24 years compared to the national and regional average.

There were around 18,500 school leavers in Auckland Region in 2006, which was around a third of all school leavers in New Zealand that year. Generally, school leavers in Auckland Region achieve better results than the national average. Around 35% of students left school with Level 3 NCEA qualification or higher compared with the national average of 33%, and 9% of Auckland Region students left school with no qualifications compared with the national average of 11%.

There was, however, substantial variation in attainment levels across the region with 45% of young people in North Shore City leaving with a Level 3 NCEA qualification or higher compared with only 17% of young people in Papakura District.

Although a higher proportion of school leavers gain Level 3 or above qualifications and a smaller proportion leave with no qualifications, the proportion of young people in Auckland Region who are not engaged in employment, education or training (NEET) is very similar to the average rate for young people in New Zealand.

Papakura District and Manukau City have the highest proportions of young people categorised as NEET in the region. Papakura District's young persons NEET rate is the seventh highest NEET rate in New Zealand.

Auckland Region has a higher proportion of young people with bachelor degree or higher qualifications and a smaller proportion of young people with no qualifications compared to the national youth average. This regional picture does hide some variation within Auckland Region, with Auckland City having the second highest rate of bachelor degree or higher qualifications amongst youth in the country, while Franklin and Rodney Districts have rates of degree qualification attainment significantly below the national average and high levels of young people with no qualifications.

20–24 year olds in Auckland Region generally tend to have very similar patterns of post-secondary study to that of 20–24 year olds across New

Zealand. However, a higher proportion studied Management and Commerce, and Information Technology, while lower proportions studied Agriculture, Environmental and Related Studies, and Architecture and Building.

The youth labour force participation rate and the youth employment rate in Auckland Region in 2006 were below the New Zealand average youth rates, with the youth unemployment rate above the national average.

Rodney and Franklin Districts had the lowest youth unemployment rates at around 10%, with Papakura District and Manukau City having the highest youth unemployment rates at around 17%.

A higher proportion of young people in Auckland Region work in firms employing 100 or more people than the national average. 43% of 15–24 year old workers worked in firms employing 100 or more people, compared to 39% for all 15–24 year olds in New Zealand.

Around 16% of people employed in Auckland Region in 2006 were aged between 15–24 years old, and Retail Trade is the industry that the most 15–24 year olds in Auckland Region were employed. Nearly a quarter of all young people in employment were employed in Retail Trade.

The most common occupation for 15–24 year olds was Service and Sales Workers, although the Construction industry showed the largest increase in the employment of 15–24 year olds in the region between 2001 and 2006.

Overall, Auckland Region had median earnings from wages and salaries above the New Zealand average. However, earnings for those 15–24 years old in Auckland Region were actually lower than the average for 15–24 year olds in New Zealand.

INTRODUCTION

The 2008 Annual In-Depth Regional reports present an analysis of regional and sub-regional labour market characteristics, specifically focusing on youth. Much of the content of this report comes from data collected in the 2006 Population Census but is supplemented by qualitative regional information. As the 2008 reports will not generally present tables/charts previously included in the 2007 reports, the reader can refer to the 2007 reports on the Department of Labour website, see <http://dol.govt.nz/publications/lmr/archive/regional-indepth-2007/index.asp>. Summary tables showing total population and total employment are included in Appendix 2.

Purpose of the reports

The Annual In-Depth Regional reports (AIDRs) are designed to act as a benchmark for people who make strategic decisions at a regional level. These reports, first produced in 2007, present a range of high-quality data and interpretation, which describe the current labour market by regions and their constituent Territorial Authorities (TAs). The AIDRs are intended to be used in association with development strategies (including Long Term Council Community Plans, Labour Market Development Strategies and Economic Development Strategies¹) to assist decision makers to identify and achieve long-term development goals for regions. This process is outlined in Box 1. By having clear, current and reliable labour market information (provided through the AIDRs, Point A), and clear target goals (through the Development Plans, Point B), communities can develop processes to enhance labour market performance to achieve regional and community development over time.

Within Auckland Region there are a range of development strategies in place. These include:

Rodney District Council <http://www.rodney.govt.nz/services/ltccp.htm>

North Shore City Council:

http://www.northshorecity.govt.nz/business/economic-development/economic_development.htm

Waitakere City Council:

<http://www.waitakere.govt.nz/abtcnl/pp/ltccp.asp#ltccp>

Auckland City Council:

<http://www.aucklandcity.govt.nz/council/documents/focus/2006/full.asp>

Manukau City Council: <http://www.manukau.govt.nz/default.aspx?id=313>

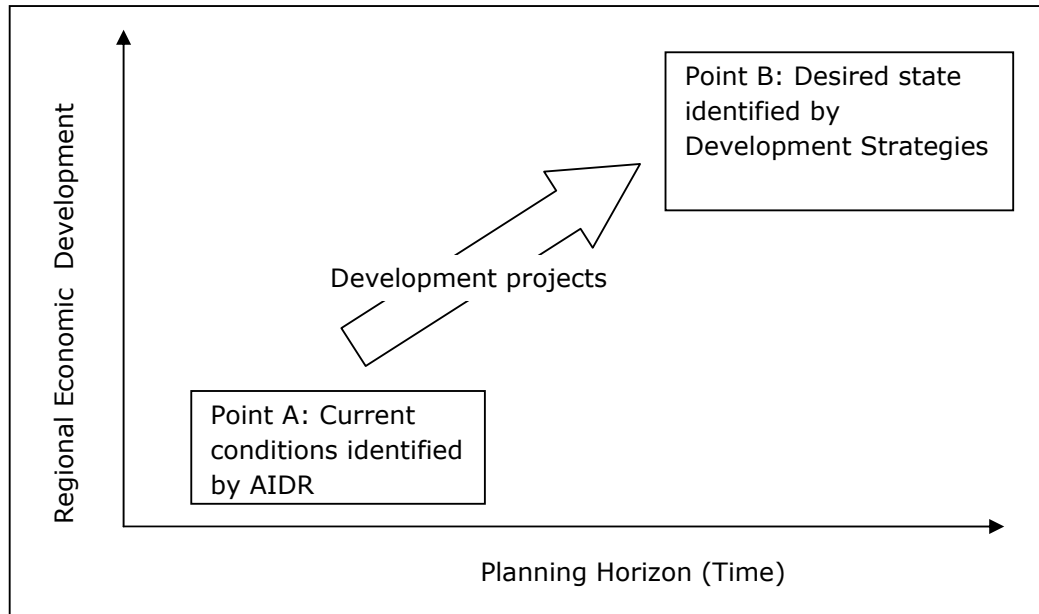
Papakura District Council: <http://www.papakura.govt.nz/ltccp2006.htm>

Franklin District Council:

<http://www.franklin.govt.nz/PlansPoliciesBylaws/CommunityPlan200616Summary/tabid/218/Default.aspx>

¹ A list of all local government Annual and Long Term Community Plans can be found on the Local Government New Zealand website – <http://access.localgovt.co.nz/LocalGovernment/CouncilPlansStrategies.htm?DocumentGroup=1>.

Box 1: Outline of role of AIDR



An example of how the development projects can be framed is the 'Buy Make Fix' approach. Inward Migration (**Buying** the skills into the region), Training (**Making** the skills within the region) and reconfiguring the industry (**Fixing** the problem by redesigning business processes or productivity improvements) are all ways in which skill shortfalls can be addressed.

An example of the application of this framework can be found in the Hauraki Labour Market Strategy – http://www.hauraki-dc.govt.nz/documents/publications/Labour_Market_Strat.pdf.

Why choose youth?

The theme of 'youth' was chosen after careful evaluation of the feedback from the 2007 AIDRs as well as comments received from stakeholders over recent months. Earlier this year, the government released a discussion document on Schools Plus. Schools Plus is the policy being developed to achieve the government goal that "All young people are in education, skills, or other structured learning, relevant to their needs and abilities, until the age of 18".

As part of Schools Plus there will be a strong focus on:

- developing a highly skilled and well-prepared youth workforce to meet current and future workforce needs; and
- opening up high quality, well-planned, 'real world' pathways into skilled employment and on-going training and learning

Schools Plus complements the Unified Skills Strategy², which focuses on the whole working-age population and aims to ensure that individuals and organisations develop and use the skills that the workplaces of the future will need. 3

Both Schools Plus and the Unified Skills Strategy also complement the Mayors Taskforce For Jobs (MTFJ) goal “that all young people under 25 years be in paid work, in training or education, or in productive activities in our communities”⁴. Additionally a recently released OECD report⁵ on young people in New Zealand highlights that, although most young people are engaged in employment, education and training, there are a number who are at risk of poor long-term life outcomes. Therefore, by making youth 2008’s theme, we intend these reports to help regional decision makers identify key challenges for their regions’ young people. We will investigate focusing future reports on other themes.

Jobs for Youth – OECD New Zealand Report 2008

The Organisation for Economic Co-operation and Development (OECD) has designed a ‘...thematic review of policies to facilitate the transition from school to work to improve the career perspectives of youth.’⁶ This review is to be conducted in 16 OECD countries between 2006 and 2009 – the New Zealand review was completed and published in early 2008. Amongst the findings of the New Zealand report were the following major recommendations for the further development of youth career perspectives:

- Improving retention rates in secondary education.
- Ensuring that tertiary education provides the skills required in the labour market and improving the quality and scope of vocational education at the tertiary level.
- Monitoring potential demand-side barriers to youth employment.
- Improving the design and coherence of the current activation strategy for disadvantaged youth⁷.

Definition of youth

The definition of ‘youth’ can differ, generally based upon age groupings. Data available to the Department of Labour (DoL) is generally split into 5-year age groups. On this basis, the definition of youth used in this report is ‘people aged 15 to 24’. This definition of ‘youth’ is consistent with international standards and those used by DoL. Those aged 15–24 are undergoing a major developmental

² See the New Zealand Skills Strategy website for further information – <http://www.skillsstrategy.govt.nz/>.

³ Opportunities for New Zealand’s Future: Realising Youth Potential – <http://www.beehive.govt.nz/speech/opportunities+new+zealand%e2%80%99s+future+realising+youth+potential>.

⁴ Mayors Taskforce for Jobs – <http://www.mayorstaskforceforjobs.co.nz>.

⁵ *Jobs for Youth: New Zealand*, OECD 2008 – http://www.oecd.org/document/32/0,3343,en_2649_201185_40045280_1_1_1_1,00.html

⁶ Ibid, p3.

⁷ Ibid, p11.

phase, with young people generally transitioning from living at home and attending school to adulthood and employment. A 15 year old generally has quite different characteristics to someone aged 24 and so, where available and appropriate, data will be presented separately for 15–19 year olds and 20–24 year olds. Data from the Census shows that 79% of all 15–19 year olds lived with their families, while the corresponding figure for 20–24 year olds was 32%. This difference has major effects on a variety of the results in this report, including migration, work and labour force participation decisions.

Data within this report is primarily based upon the residential address of the person. Analysis within this report reflects the characteristics of youth who live in that region. In the 2007 reports, data was frequently based upon the workplace address of the person. In the 2006 Population Census, some of the workplace addresses provided were incomplete, which causes difficulty in interpreting data on a workplace address basis.

The analysis of the labour market information in the AIDRs is also supported and informed by contextual knowledge of the region itself provided by staff working in the regions. This has been provided by the Department of Labour’s regionally-based Labour Market Knowledge Managers. Input from regional stakeholders is acknowledged with appreciation.

Role of the Labour Market Knowledge Managers

The Department of Labour’s Labour Market Knowledge Managers (LMKMs) work with regional partners (economic development agencies, industry and business groups, other central government agencies, educational institutions, local government, iwi, other parts of DoL present in the regions and others) to develop and implement regional labour market strategies.

LMKMs contribute:

- specialist applied and anecdotal labour market information
- strategic skills for labour market development
- knowledge of what works and what does not
- whole-of-DoL engagement (workforce policy, immigration, workplace best practice and so on)
- wider government connections.

How to contact our Labour Market Knowledge Managers

We have 16 LMKMs located around New Zealand, four of whom deal with Auckland Region. If you have any queries regarding this document, or if you wish to discuss Auckland’s labour market issues, constraints or opportunities, please contact either:

Grant Power
Email: grant.power@dol.govt.nz
Phone: 09 985 4805
Mobile: 027 437 9289

Iani Nemani
Email: iani.nemani@dol.govt.nz
Phone: 09 985 4804
Mobile: 027 279 7068

Teena Abbey
Email: teena.abbey@dol.govt.nz
Phone: 09 912 3680
Mobile: 027 478 7867

Margaret Crozier
Email: margaret.crozier@dol.govt.nz
Phone: 09 985 4803
Mobile: 027 499 6681

A contact list of all LMKMs can be viewed in Appendix 3.

Understanding the youth labour market in Auckland Region

Every region is unique, combining different histories, and differing climate, infrastructure, industry and population characteristics.

Section 1 of this report looks at:

- the supply of labour
- identifying youth population
- projections of this population in 2031.

Section 2 looks at the skills of youth in the regions including:

- education
- training
- highest qualification data.

Section 3 looks at the employment of young people, including:

- industries and occupations of their employment
- unemployment rates
- income levels.

A Data Dictionary is included at the end of this report. This dictionary gives an introduction to the different labour market information that has been used in the production of these reports.

BOUNDARIES: AUCKLAND REGION

Auckland Region covers 16,000 square kilometres, the fifth smallest region by land area in New Zealand⁸. However, the region has the largest population in New Zealand with over 1.3 million living in the region in 2006. Auckland Region includes the following Territorial Authorities (TAs): Rodney District, North Shore City, Waitakere City, Auckland City, Manukau City, Papakura District and Franklin District.

Franklin District crosses the Auckland and Waikato regional council boundaries. As the largest proportion of area in Franklin District is in Auckland Region, it has only been included in this Auckland Region report.

When regional council data is shown, it is based on the actual regional council boundaries, rather than a sum of the Territorial Authorities identified above.

Map 1: Boundaries of Auckland Region



⁸ When Tasman, Nelson, Marlborough and the West Coast are amalgamated into one larger region, as is commonly done and as we have done for the 2008 AIDRs.

1. REGIONAL POPULATION COMPOSITION

The foundation for any labour market analysis is the supply of labour that is available for use within an area. Broadly speaking, the supply of labour in an area consists of a combination of people from the existing population base, migration of people from other regional councils in New Zealand, and overseas migrants.

1.1 Auckland's population

The population of Auckland Region is shown in Appendix 2. The total population grew faster than the national average between 2001 and 2006, at 12% compared with 8% nationally. In 2006, just over 1.3 million people lived in Auckland Region, and it accounted for nearly a third of the New Zealand population. The largest population in Auckland Region was concentrated in Auckland City with just over 400,000 or 31% of the regional population. Manukau City had the next largest population with a quarter of the regional population, at around 330,000 residents. The other TAs in the region are North Shore City with 206,000 residents (16% of the regional population), Waitakere City with 186,000 residents (14%), Rodney District with 90,000 residents (7%), Franklin District with 59,000 residents (5%) and Papakura District with 45,000 residents (3%).

Within the region, Rodney District experienced the fastest population growth between 2001 and 2006 (18%), followed by Manukau City (16%) and Franklin District (14%). The other districts grew by 10–11%, which was above the national average. A summary of these patterns is available in Appendix 2.

In New Zealand, there were 571,176 people aged between 15 and 24 at the time of the 2006 Population Census, up 13% from 2001. In 2006, there were nearly 200,000 young people living in Auckland Region, an increase of nearly 20% since 2001. Around 35% of all young people in New Zealand in 2006 were living in Auckland Region. All the districts within the region had above average increases in growth of their youth population over the period, with the largest increases in Rodney District and Manukau City.

Table 1: Auckland youth population and change 2001 to 2006

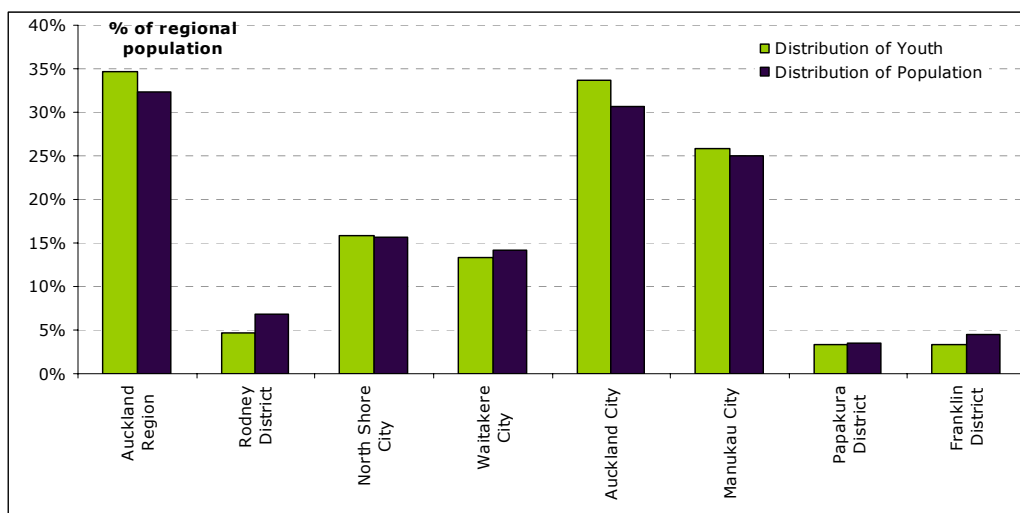
	2001	2006	Change 2001–2006	
			Number	Percentage
New Zealand	505,071	571,176	66,105	13.1%
Auckland Region	165,690	198,312	32,622	19.7%
Rodney District	7,608	9,489	1,881	24.7%
North Shore City	26,265	31,650	5,385	20.5%
Waitakere City	23,412	26,574	3,162	13.5%
Auckland City	56,199	67,254	11,055	19.7%
Manukau City	42,105	51,804	9,699	23.0%
Papakura District	5,799	6,609	810	14.0%
Franklin District	5,868	6,705	837	14.3%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Does this pattern of population growth match what you have seen? If not, what differences have you seen? What are the implications of these changes?

Chart 1 shows that, within the region, Auckland City, Manukau City and, to a lesser extent, North Shore City all have a higher share of youth than their share of the total population. In 2006, around one-third of all youth in Auckland Region lived in Auckland City and the Auckland City Council has a range of programmes in place with a specific youth focus⁹. Another 26% of Auckland Region youth lived in Manukau City. Rodney and Franklin Districts have appreciably smaller shares of youth than their share of the total regional population. Both Auckland City and Waitakere City have introduced specific youth seats on their councils, reflecting the importance of youth in these areas¹⁰. More generally, councils across New Zealand have a range of programmes underway with the aim of integrating young people into council decision making. A list of these programmes is available from the LGNZ website – <http://www.lgnz.co.nz/projects/archive/toolkit/examples/>.

Chart 1: Distribution of youth and the total population in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

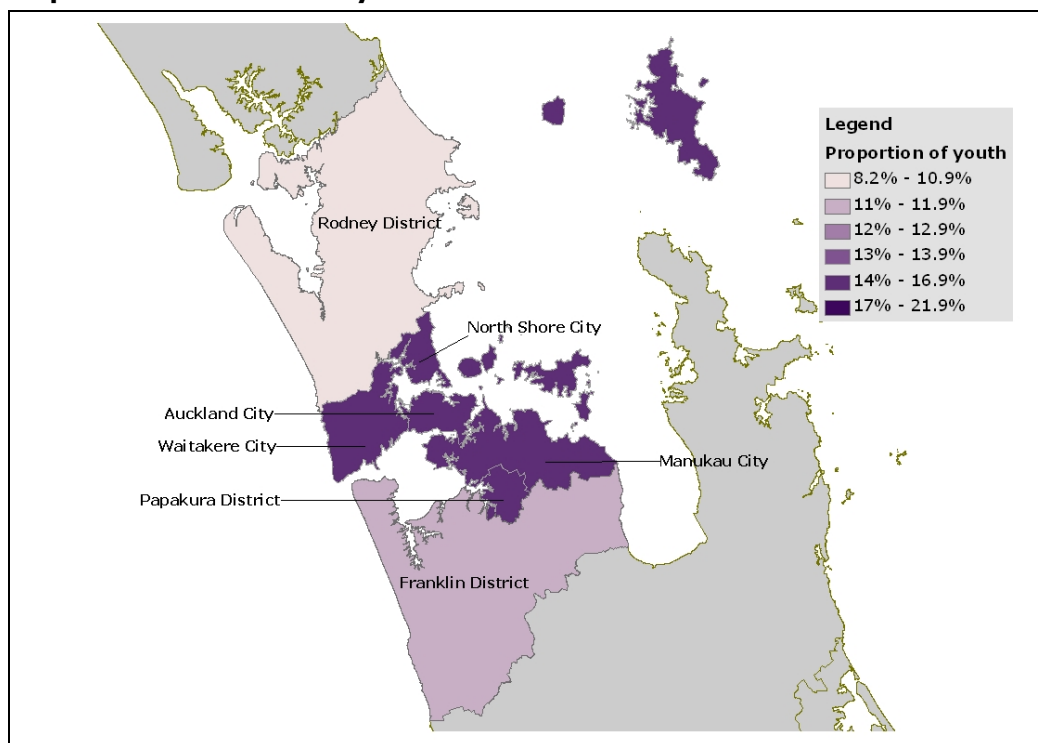
Note: This data shows the number of youth within an area divided by the number of youth in all of the Auckland TAs.

Another way of analysing the youth population is to look at the concentration of youth within each TA. As can be seen in Map 2, Rodney and Franklin Districts have the lowest proportion of youth in the population, at around 11% (as shown by the pale purple shading), with Waitakere City, Papakura District, North Shore City, Manukau City and Auckland City having a range of between 14% and 17% of their population who are aged between 15 and 24 (as shown by the dark purple shading).

9 For more information about the Auckland City Youth Programmes, see the Auckland City Council website - <http://www.aucklandcity.govt.nz/council/documents/youthaction/others.asp>.

10 For more information about these council initiatives, see <http://www.myd.govt.nz/ayv/provoke/newsletter/augustnewsletter2007.aspx>.

Map 2: Concentration of youth in Auckland



Appendix 2 shows that the Auckland Region population was relatively diverse in 2006. The report noted that the region had a higher than average share of people identifying themselves Asian and Pacific peoples but a smaller proportion identifying themselves as Māori. Table 2 shows that the ethnic diversity of youth in Auckland Region is even more diverse than for the total population of Auckland Region. Over 26% of youth in Auckland Region identify themselves as Asian compared to 19% in the total population in Auckland Region, and less than 50% of Auckland Region youth identify themselves as European compared with 57% across all ages in Auckland Region.

Across the TAs of Auckland Region, the ethnic mix of youth (and the total population¹¹) is varied. Although less than 50% of the youth in Auckland Region identify themselves as European, the proportion varies between 35% of youth in Manukau City to 82% in Rodney District. In all TAs except Rodney, the proportion of youth who identify themselves as European is less than all the total population.

A smaller proportion of young people in Auckland Region identify themselves as Māori compared with all young people in New Zealand. The largest proportion of Māori youth of the Auckland Region is in Papakura District, where over a third of young people identify themselves as Māori. This compares with around a quarter of the total population in the district. This district is, however, relatively small, and more young Māori live in Manukau City where, although they only make up around 18% of the youth population in Manukau City, they represent just over a third of young Māori in Auckland Region.

¹¹ Please see Appendix 2.

Young people in the Asian ethnic group in Auckland Region were mostly concentrated in Auckland City, where nearly 36% of young people identified themselves as part of the Asian ethnic group. This represents over 45% of young Asian people in Auckland Region. As with the total population, the proportion of people identifying themselves as Asian is relatively small in Rodney and Franklin Districts.

Young people who identify themselves as part of the Pacific peoples ethnic group are concentrated mainly in Manukau City where they make up nearly a third of young people, which is only marginally below the proportion who identified themselves as European. Significant numbers of Pacific peoples also live in Auckland City and Waitakere City.

Table 2: Ethnicity of youth in Auckland in 2006

	European	Māori	Asian	Pacific Peoples	New Zealander ¹²	Other
New Zealand	63.0%	18.6%	14.3%	8.9%	7.5%	1.3%
Auckland Region	48.9%	13.5%	26.3%	17.1%	5.3%	1.9%
Rodney District	81.8%	13.0%	4.6%	3.3%	9.5%	0.4%
North Shore City	60.5%	8.2%	27.3%	3.9%	6.6%	2.3%
Waitakere City	54.3%	16.7%	19.6%	19.0%	5.8%	2.0%
Auckland City	44.6%	9.2%	35.8%	14.5%	4.9%	2.2%
Manukau City	34.9%	17.8%	24.9%	32.0%	3.4%	1.8%
Papakura District	57.1%	33.6%	9.9%	13.3%	5.8%	1.5%
Franklin District	73.3%	20.3%	6.5%	5.2%	8.1%	0.3%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Note: This profile is based on people's own perceptions of their ethnicity. A number of people identify themselves as having multiple ethnicities, therefore, the percentages sum to more than 100%.

Table 3 shows that, within Auckland Region, the growth in the youth population is projected to continue although at a slower rate per annum than was seen between 2001 and 2006. Between 2006 and 2031, the youth population of Auckland Region is projected to grow by nearly 30% (or just over 1% per annum) compared to a 4% per annum growth between 2001 and 2006.

All TAs within Auckland Region are projected to experience an increase in the size of their youth population. The largest percentage increase is expected to be in Rodney District (although it should be noted that this is from a small base). Manukau City is also projected to have a relatively large increase in the number of youth living in the TA, with around 42% of the Auckland Region total youth population increase expected to be in this TA.

Appendix 2 includes a table showing the Auckland population projections for 15-19 and 20-24 year olds independently.

¹² 'New Zealander' was included in the Ethnicity data for the first time in the 2006 Census output. For more information, see the Glossary of Terms.

Table 3: Auckland population and population projections 2006 to 2031

	2006		2031		Percentage Change	
	15-24 Years	Total Population	15-24 Years	Total Population	15-24 Years	Total Population
New Zealand	571,176	4,027,947	639,810	5,089,470	12.0%	26.4%
Auckland Region	198,312	1,303,068	255,290	1,932,300	28.7%	48.3%
Rodney District	9,489	89,562	14,440	136,200	52.2%	52.1%
North Shore City	31,650	205,608	38,010	288,500	20.1%	40.3%
Waitakere City	26,574	186,444	36,370	271,900	36.9%	45.8%
Auckland City	67,254	404,658	74,160	582,600	10.3%	44.0%
Manukau City	51,804	328,968	75,880	526,400	46.5%	60.0%
Papakura District	6,609	45,183	9,090	63,100	37.5%	39.7%
Franklin District	6,705	58,932	9,760	86,200	45.6%	46.3%

Source: Population Projections 2007 (2006 base), Statistics New Zealand

Note: For more information about the population projections data, see the Data Dictionary.

What are the implications for regional development plans if this forecast of youth population growth occurs? Do current plans reflect these population changes? Do they need to?

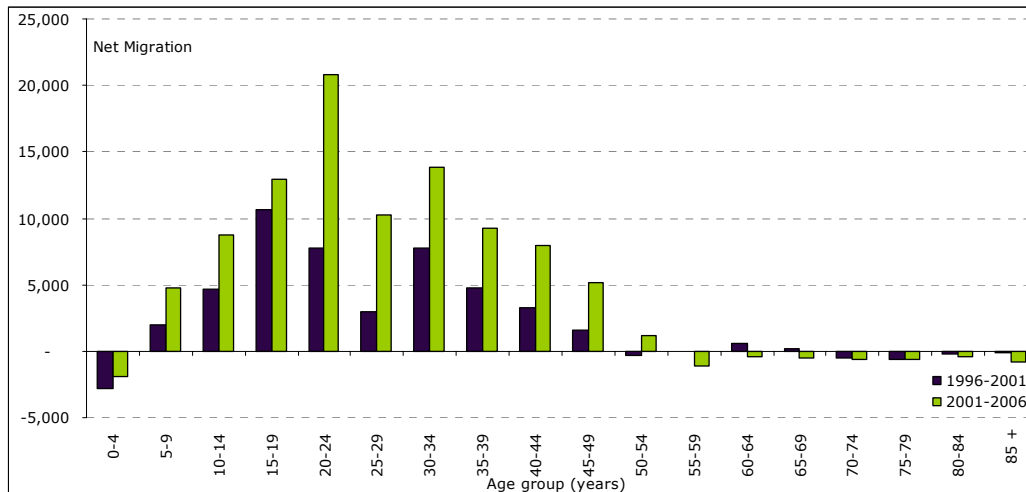
1.2 Migration

People moving to and from a region can have a large impact on the labour force characteristics of the area. This section looks at how migration (inter-regional and overseas) affects the labour supply in Auckland Region.

Chart 2 shows net overseas and inter-regional migration (inflows less outflows) for Auckland Region over the past 10 years. Over the past 10 years, Auckland Region had significant net inflows of people aged 15–24. The inflows were greater in the period 2001–06 than 1996–01. The region has also seen a substantial net inflow of people aged 25–49, and only in the eldest age groups (and youngest – 0–4 year olds) do we see a net outflow over the past 10 years, although these numbers are relatively small.

Auckland City, North Shore City and Waitakere City have all seen consistent net inflows of 15–24 year olds over the past 10 years. Both Papakura and Rodney Districts, on the other hand, have seen net outflows of 20–24 year olds over the past 10 years¹³.

Chart 2: Net migration (overseas and inter-regional) in Auckland by age 1996–2001 and 2001–2006



Source: 1996, 2001 and 2006 Census of Population and Dwellings, Statistics New Zealand

Inter-regional migrants

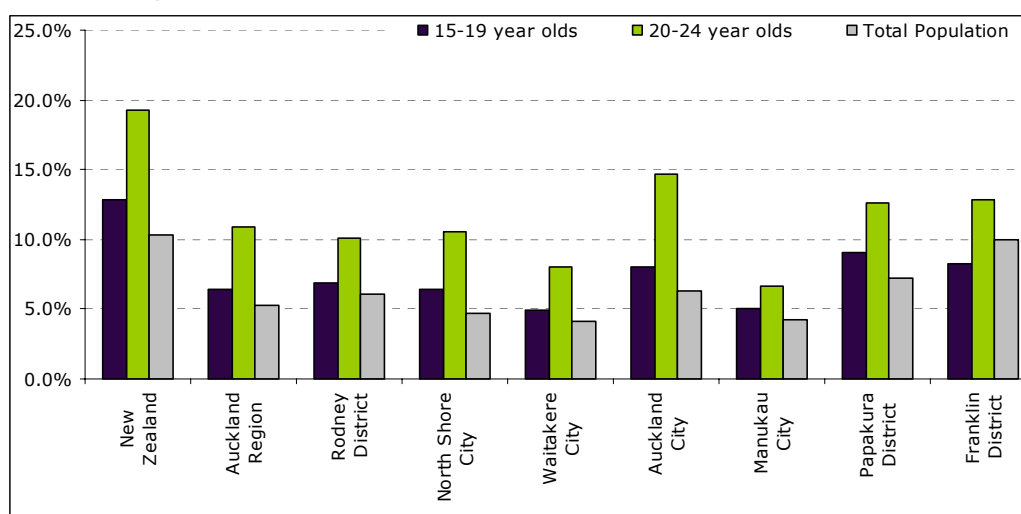
One source of labour supply is people moving to the region from other regions of New Zealand. Young people tend to be highly mobile and are more likely to migrate for work or study than older people. Young people can move regions for a

¹³ For more information about net migration at a Territorial Authority level, check out Local Population Trends on the Statistics New Zealand website – <http://www.stats.govt.nz/products-and-services/Articles/local-population-trends.htm> .

range of reasons, such as to seek employment and education or for family reasons. Regions that are largely urban and offer a range of educational opportunities, such as Auckland, generally have a net inflow of young people.

In 2006, youth who migrated into Auckland over the previous five years made up 9% of the Auckland youth population compared to 5% of the total Auckland regional population. Chart 3 shows that the proportion of inter-regional migrants aged 20–24 years in Auckland City was noticeably higher than the regional average. Similarly, the proportion of inter-regional migrants aged 15–19 years was significantly higher than the regional average in Papakura and Franklin Districts and Auckland City.

Chart 3: Proportion of the 2006 population in Auckland who lived in another region in 2001



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Overseas migrants

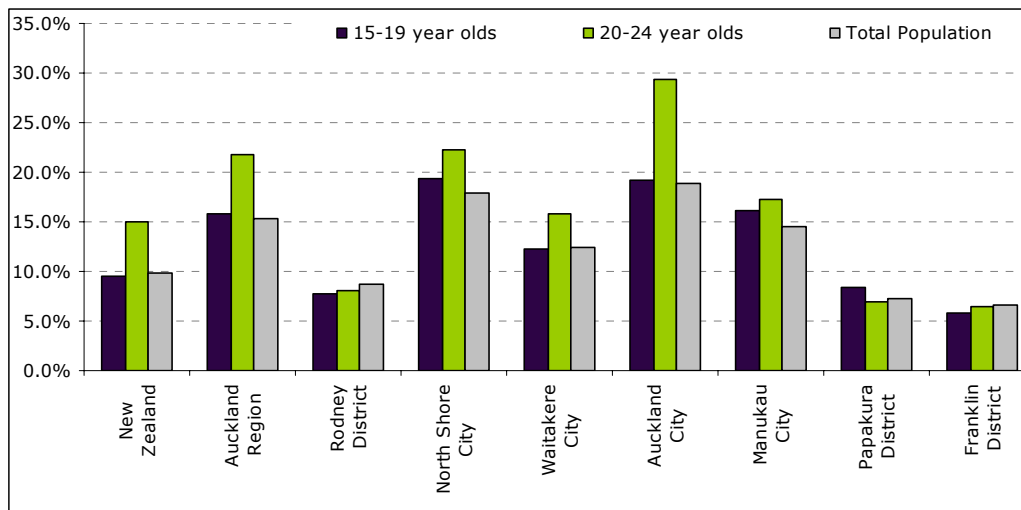
Another source of young people for a region is those who migrate into the region from overseas. Not only are these young people a valuable new resource for a region, they frequently have different characteristics. By identifying the number and characteristics of migrant youth, an area can identify how best to make the most of this valuable resource.

Auckland Region has a larger number of youth who were born overseas than the rest of New Zealand. Over 16% of the region’s youth population were born overseas compared with 14% in New Zealand. Within Auckland Region, Auckland City has the largest youth population who were born overseas at 19%. Auckland City and North Shore City are the only districts where the share of overseas migrant youth exceeds the overall share of migrants within the TA population.

Chart 4 shows that, in 2006, a larger than average proportion of the population in Auckland Region was overseas in 2001. The three biggest TAs in Auckland Region (North Shore City, Auckland City and Manukau City) had a greater proportion of recent overseas migrants compared to the national average. The three smallest TAs (Rodney, Papakura and Franklin Districts) had a smaller proportion. Auckland

City had a significantly larger proportion of recent overseas migrants aged 20–24 years compared to the national and regional average.

Chart 4: Proportion of the 2006 population who lived overseas in 2001



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Does this pattern of inter-regional and international migration match your understanding of what is happening? Are there any active policies in place to address this pattern? If so, how have these policies been chosen?

2. EDUCATIONAL QUALIFICATIONS AND TRAINING

Section 1 looked at the total number of youth within Auckland Region in 2006 and projections for 2031. It also showed some of the demographic and migration characteristics of youth in Auckland. While the absolute number of youth in the population is important in evaluating labour markets, it does not provide a complete picture. As important as the volume is the level of skills young people have attained – the topic of analysis in this section.

By identifying which skills are available within a region, it can be determined whether those available are sufficient to meet employer demands. Where skill levels are not sufficient, interventions may be needed.

The development of skills in New Zealand is a core requirement for the New Zealand economy to continue to compete internationally. The New Zealand Skills Strategy was launched in April 2008¹⁴. The strategy "...propose(s) to prioritise work in the following areas:

- Literacy and numeracy
- Building firm capability
- Skills supply and demand
- Young workers."

The "...priorities are designed to help us reach our goals:

Goal 1: Use and retain skills in the workplace

Goal 2: Increase the quality of demand from employers and workers.

Goal 3: Create a more responsive education and training system.

Goal 4: A unified approach to defining, valuing and measuring skills."

A workforce with a greater range of skills, experience and knowledge can contribute more effectively to lifting the value of all forms of work. Possession of qualifications means someone has been through a formal learning process. The sorts of skills acquired may include improved literacy and numeracy as well as softer skills such as team-work and working to deadlines. All these skills tend to make employees more productive and, hence, more valuable to employers.

There is no single measure of skills availability, although there are a range of measures that indicate areas of skill shortages (or otherwise) in a region. Section 2.1 reviews these measures to show the skills of youth available within Auckland. Section 2.2 looks at the study and labour force status of youth, with a particular focus on youth who are not in employment, education or training (NEET). Section 2.3 looks at the highest qualifications held by youth as well as the subject area (or field of study) of this qualification.

2.1 School-based qualifications

Information on the qualifications achieved by school leavers is important in identifying both current skills and indicating the level of skills likely to be available in the future. Data made available by the Ministry of Education shows the qualification levels of school leavers. This data shows the proportions of school leavers with little or no qualifications, partial qualifications and those leaving school with NCEA Level 3 and above.

While at school, in addition to core study, the Gateway programme "...offers senior secondary students structured workplace learning across more than 50 industries and hundreds of businesses around New Zealand".

In Rodney District, the Gateway scheme is being supported by the Rodney Economic Development Trust to aid co-ordination. For more information, see the Biz Rodney website – <http://www.bizrodney.com/gateway.htm>.

"Students pursue individual learning programmes, which allow them to gain new skills and knowledge in a workplace in their local community. The learning is hands-on and practical. Students are assessed in the workplace for unit and achievement standards, which contribute to the National Certificate of Educational Achievement (NCEA), as well as industry specific qualifications."¹⁵

In addition to the Gateway programme, the Ministry of Education runs the Creating Pathways and Building Lives (CPaBL) programme. "Creating Pathways and Building Lives (CPaBL) is an initiative for building a school-wide approach to career education, to take place in 100 secondary schools nationwide during the 2007 and 2008 school years. Based on evidence from the successful Designing Careers pilot, the aim of CPaBL is to embed sustainable systems and practices that allow effective careers advice to occur, via a whole-school approach."¹⁶

People leaving school with little or no qualifications can, of course, still find employment, although these jobs are likely to be in lower-skilled occupations. These people are also more likely to demand further education and training from regional education providers. School leavers with partial qualifications are also likely to be a group that seeks post-school training, especially in trades occupations. School leavers with qualifications at NCEA Level 3 and above are particularly mobile, and are most likely to continue in education. In areas with few/no tertiary providers, it is these residents that are most likely to leave and potentially not return. .

The Ministry of Education have published a range of studies into the relationship between study and youth outcomes. For more information, see the Ministry of Education website, here - http://www.educationcounts.govt.nz/themes/education_and_the_labour_market.

15 Taken from the TEC website, 19 May 2008 –

<http://www.tec.govt.nz/templates/standard.aspx?id=469>.

16 Taken from the Ministry of Education website 19/05/2008 –

<http://www.minedu.govt.nz/index.cfm?layout=index&indexID=11720&indexparentid=1004>.

There were around 18,500 school leavers in Auckland Region in 2006. This was around a third of all school leavers in New Zealand in 2006. In 2006, 34% of school leavers in Auckland Region were in Auckland City with another 24% in Manukau City. Rodney, Papakura and Franklin Districts each had around 4% of the school leavers each in 2006.

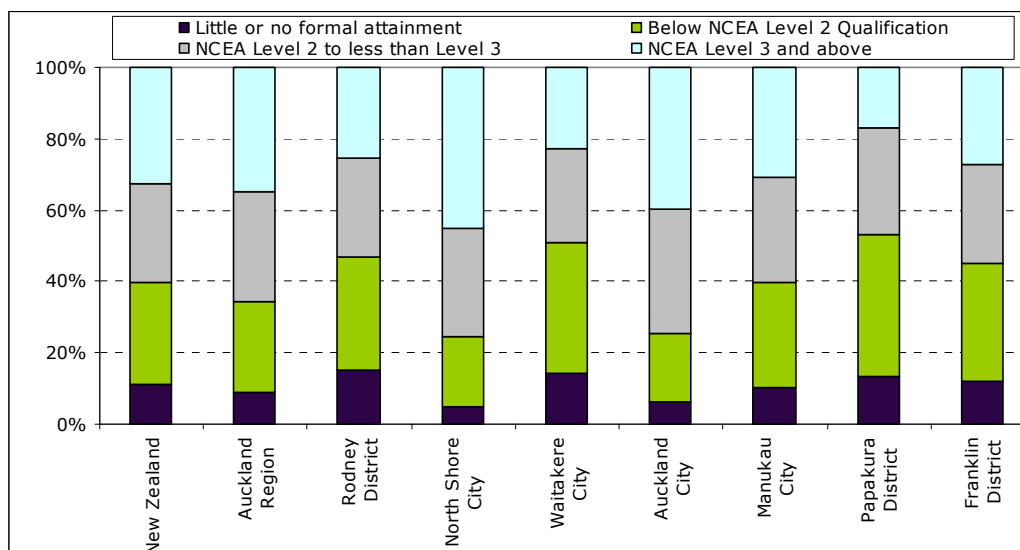
Within Auckland, and across New Zealand, the majority of school leavers in 2006 left school with Level 1 and Level 2 NCEA qualifications (see Chart 5). These categories include school leavers with more than no qualifications but less than a Level 3 NCEA qualification. Around 35% of Auckland students in 2006 left school with a Level 3 NCEA qualification or higher compared with the national average of 33%, and 9% of Auckland students left school with no qualifications compared with the national average of 11%. There was, however, substantial variation across the region, with 45% of students in North Shore City leaving with a Level 3 NCEA qualification or higher (third highest proportion of students achieving Level 3 NCEA qualification or higher in New Zealand) compared with only 17% of students in Papakura District. In Rodney District, the proportion of students leaving with no qualifications was 15% compared with only 5% of North Shore City students (fifth lowest proportion of students leaving with no qualifications in New Zealand).

In TAs and regions that contain tertiary training establishments (such as Auckland), the relative familiarity of school students with these facilities may increase the likelihood that the school students would want to attend and therefore gain higher qualifications. It is also likely that these students will tend to live in the areas where occupations requiring such qualifications are more prevalent or more in use. Throughout New Zealand, TAs and regions with universities had a higher than average share of school leavers with higher school leaver qualifications. It is reasonable to assume that the factors outlined above are at least partially responsible for this pattern.

The Youth Development partnership fund, administered by the Ministry of Youth Development, works with local councils to help achieve positive social, economic and wellbeing outcomes for young people by developing work and learning skills. One of only 16 projects from across the country that received funding is the Rodney District Council Project 300. This project was granted \$64,475 from the Fund¹⁷. Project 300 is a direct response to 2005 Ministry of Education figures that showed that 296 students aged between 15 and 19 left Rodney's colleges with less than a Level 1 NCEA qualification – this accounts for almost 40% of Rodney college leavers, giving Rodney the third highest percentage of students leaving college with no formal qualification in Auckland Region.

¹⁷ For more information, see the Biz Rodney website – <http://www.bizrodney.com/documents/Project%20300.pdf>.

Chart 5: School leavers in Auckland in 2006



Source: School Leaver Statistics 2006, Ministry of Education

What is your view of the TA-based school leaver statistics – do local school leavers need higher qualifications? Are the school leaver qualification results adequate for youth in Auckland Region and the employers in the region? Are there any projects in place with school leavers to ease transition into the workforce and/or into further education?

2.2 Study and labour force status

While the qualifications of school leavers are an important variable, the ongoing levels of training are a better indicator of the skills most immediately available to employers in a region. Young people can be working, in education, doing a mixture of both or doing neither. This analysis identifies, at a TA level, the labour force status of young people in Auckland.

The quality of youth transitions into the labour force is a topic receiving much attention both in New Zealand and internationally. Recently the government released the Schools Plus strategy¹⁸. Amongst other targets, it includes the requirement for all young people up to the age of 18 to be in some form of recognised training whether or not they are also in employment. This programme will be targeting young people who are not in education or employment as well as those solely in employment. These groups are shown in Charts 7 and 8.

Because of the importance of this transitional phase, the Ministry of Social Development has developed the Youth Transition Services programme. "Youth Transition Services (YTS) assists young people as they transition from school to further education, training, work or other activities that contribute to their long-term independence and wellbeing. YTS works with local providers giving support

18 <http://www.beehive.govt.nz/release/significant+benefits+schools+plus>.

to young people through further education, training or other activities. Each Youth Transition Services provider has experience in working with young people and helping them make good choices for the future."¹⁹

The core objectives of the YTS are to support 'at-risk' young people (15–17 year olds) to undertake education, training, employment or other activities that contribute to their long term economic independence and wellbeing. The Youth Transition Programme is aimed at supporting at-risk school leavers into employment. This intervention is expected to give at-risk school leavers personalised attention, relevant information, mentoring and guidance as they are positioned on a training and employment pathway.

Other Auckland-based Ministry of Social Development supported initiatives that either directly target young people or can include young people as part of the client group include:

- Youth Mentoring – The Village Community Services Trust Board
- Preparation for Modern Apprenticeships
- Pacific Wave In Work Support
- Pathways to Arts and Cultural Employment
- Be Your Own Boss
- Youth Mentoring – Affirming Works – The Tupu'anga Programme
- Foundation Learning Pool– Intensive Foundation Learning²⁰.

Additionally, a series of employment expos – called The Pathways to Employment – are run each year in Auckland, and has the backing of a number of agencies throughout the region, including AucklandPlus. The Pathways to Employment expos are run four times each year, and bring together students and prospective employers in an informative and structured environment.

"The Pathways to Employment initiative is an Auckland-wide youth transition project connecting senior schools students with employers in trades and industry," says project lead Stewart Thompson. "For businesses, it is a chance to connect with a pool of future employees who, based on the subjects they are already taking, have already shown as interest in the trades, sciences or technology areas."²¹

Over recent years, the share of young people in New Zealand who are not engaged in employment, education or training (generally referred to as NEET) has been monitored as an indicator of youth engagement in training and employment. Those youth who are categorised as NEET are disengaged from both formal learning and work, and as such, are considered to be missing the opportunity to develop their potential at an age that heavily influences future outcomes.

"Not all young people who experience a period of inactivity are at risk of adverse outcomes. However those who are inactive for prolonged periods of time have a

19 <http://www.winz.govt.nz/get-assistance/youth-transition-services.html>.

20 Comes from a stocktake of programmes delivered in the Auckland region with a broad focus on addressing labour market development issues - prepared by Auckland Plus, April 2008

21 <http://www.aucklandplus.com/subsites/aplus/news-and-events/e-newsletters/march-2008.cfm>

heightened risk of poor outcomes, including: lower earnings; greater reliance on social assistance; and higher rates of unemployment, criminal offending, substance abuse, teenage fertility, suicide, homelessness and mental or physical ill health.²²

The NEET measure has had a particular focus within the Mayors Taskforce For Jobs²³ (MTFJ) programmes. The MTFJ has a target "...that all young people under 25 years be in paid work, in training or education, or in productive activities in our communities..."²⁴.

NEET can be calculated from both the Population Census and from the Household Labour Force Survey (HLFS). Results from these two sources can vary. For more information about these differences, refer to the Data Dictionary.

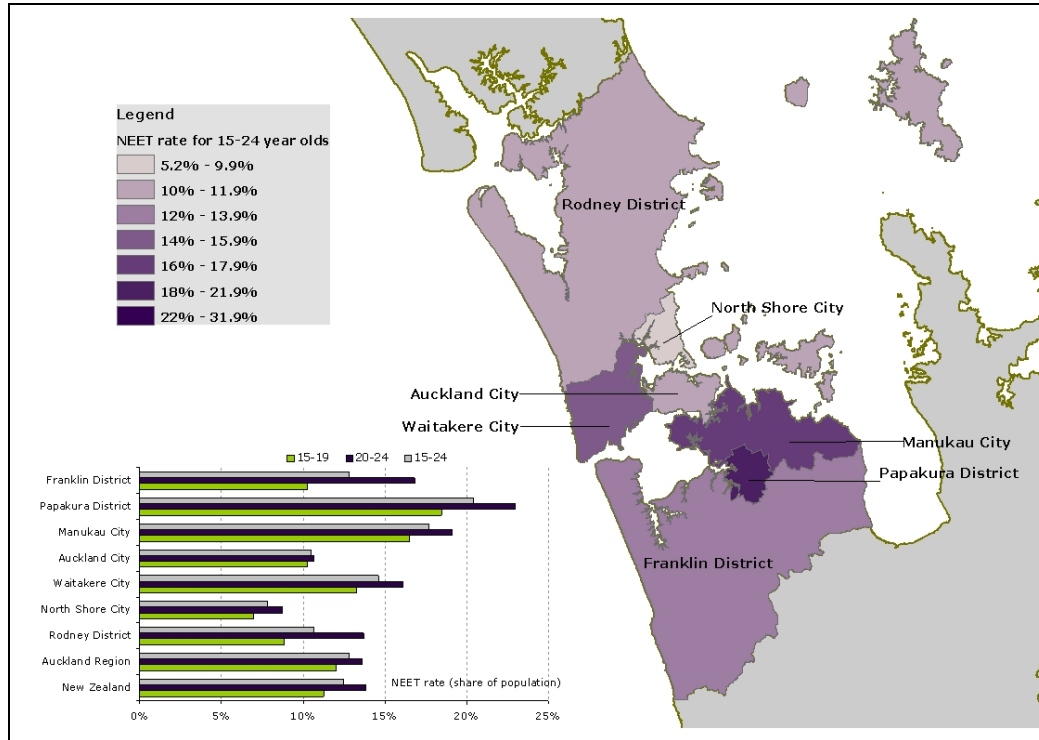
Data for Auckland Region shows that the proportion of youth who are NEET (12.8%) is very similar to the national average of 12.5% (see the grey bar in Chart 6), although the proportion of the younger cohort of this group who are not engaged in employment, education or training is slightly higher than for the cohort across New Zealand. While data for Auckland is quite similar to the national average, an interesting pattern can be seen when comparing the different districts of Auckland (see Charts 6–8). The darkest purple shading in Chart 6 identifies that the NEET rates of young people in Auckland are highest in Papakura District at 20.4%. This is the seventh highest youth NEET rate across New Zealand. Chart 6 also shows that Manukau City also had relatively high NEET rates.

22 Youth Transitions Report Series 2003 – Executive Summary, *Key Findings on Youth Transitions*, Ministry of Social Development, p3.

23 See the Majors Taskforce For Jobs website – <http://www.mayorstaskforceforjobs.co.nz>.

24 http://www.mayorstaskforceforjobs.co.nz/background/mtfj_objectives.php.

Chart 6: NEET rates for youth in Auckland in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

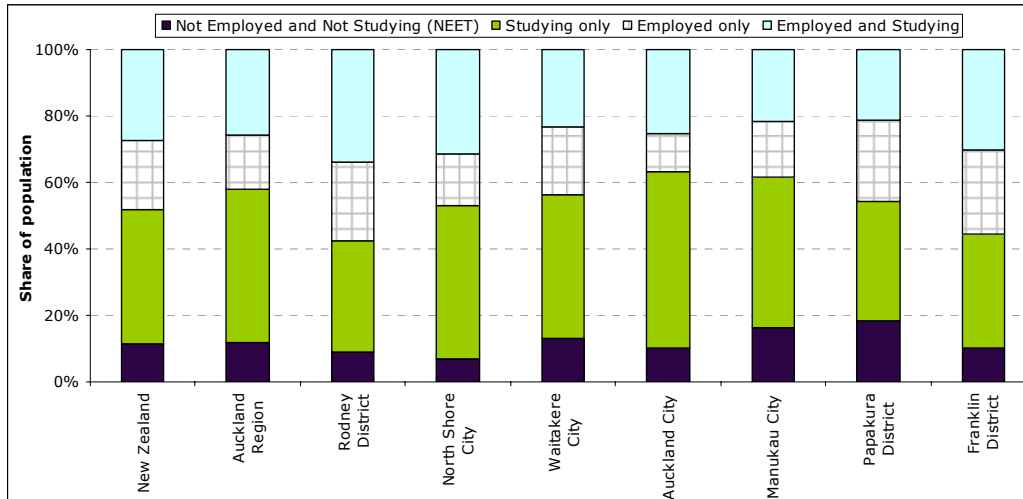
Chart 7 and Chart 8 show the study and labour force status of youth, disaggregated into two age groups. As can be seen from a comparison of the two charts, there are major differences between the labour force status of those aged 15–19 and those aged 20–24.

As shown by Chart 7, 11.2% of 15–19 year olds in New Zealand in 2006 were categorised as NEET, with around another 40% in study. Half of all people aged 15–19 are working either with or without studying. As discussed above, the proportion of 15–19 year olds in Auckland who are NEET is slightly higher than the average for New Zealand (12% compared with 11%). The proportion of 15–19 studying only is also higher at 46%, with the remaining 42% working with or without studying. Papakura District and Manukau City have the highest proportions of 15–19 year olds categorised as NEET in the region. In Auckland City, 53% of 15–19 year olds are only studying. In Rodney and Franklin Districts, over 56% of 15–19 year olds are working with or without studying, compared with between 37–38% in Auckland City and Manukau City.

Chart 8 shows that a much higher proportion of people aged 20–24, compared with 15–19 year olds, in both New Zealand and Auckland Region are categorised as NEET, with a much smaller proportion only studying. Much of this difference is due to the requirement for people aged 15–17 to be enrolled in school. Nationally and across Auckland Region, around half of 20–24 year olds are in work and not studying (see hatched bar segments in Chart 8). The remaining categories are less consistent. In North Shore City and Auckland City, around a quarter of 20–24 year olds were in employment and studying in 2006, compared with 14% in

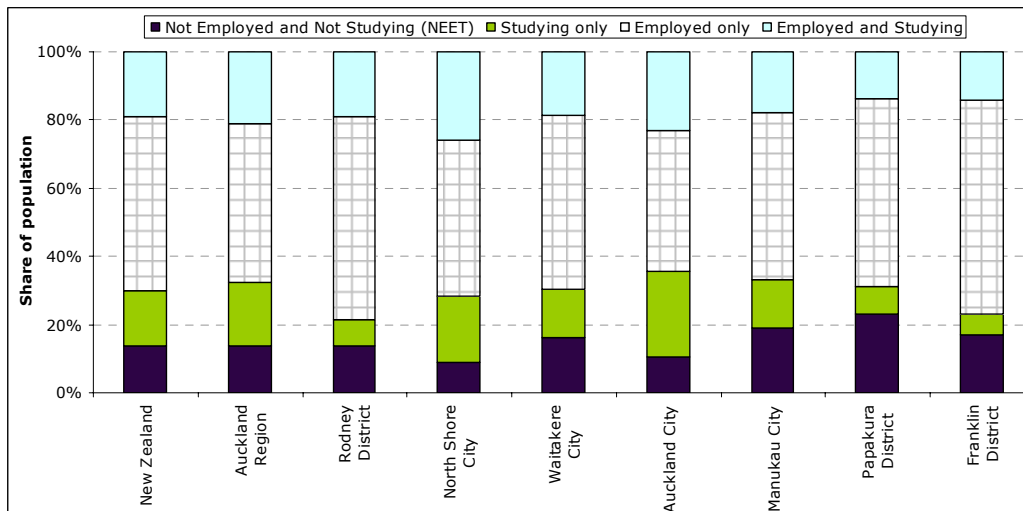
Papakura and Franklin Districts. A similar pattern was seen for 20–24 year olds solely studying, with North Shore and Auckland cities having a much higher rate than the Papakura or Franklin districts.

Chart 7: Study and labour force status of 15–19 year olds in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Chart 8: Study and labour force status of 20–24 year olds in 2006



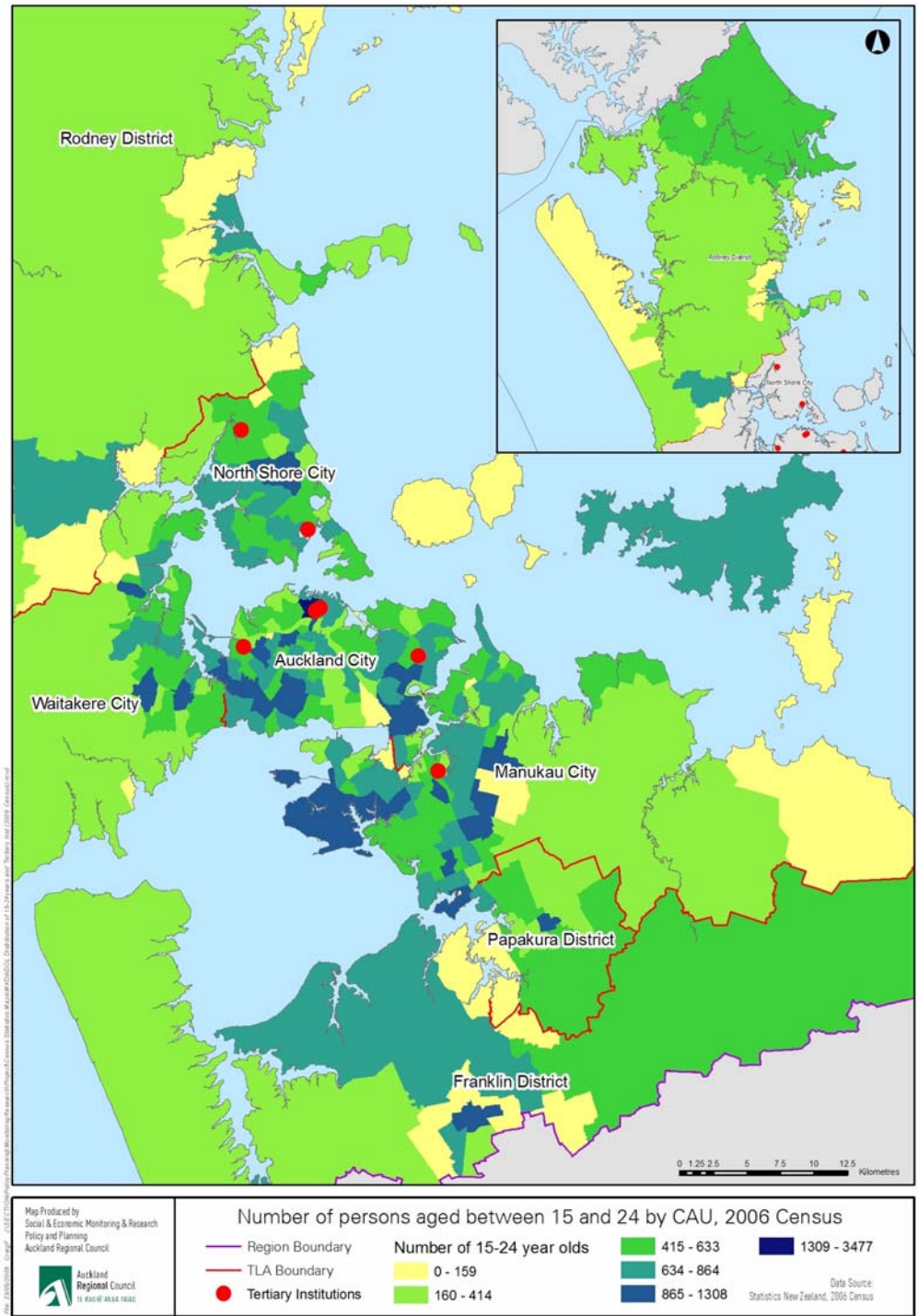
Source: 2006 Census of Population and Dwellings, Statistics New Zealand

It is important to note that results from the Census frequently differ from similar analysis conducted using data from the Household Labour Force Survey (HLFS). For more information about these differences, refer to the Data Dictionary.

Employment and education status differ considerably by ethnic group in New Zealand. Nationally, Māori and Pacific youth are much more likely than European and Asian youth to not be engaged in education or employment. 20% of Pacific peoples aged 15–17 are not engaged in education or employment compared to 18% of Māori, 8% of Europeans and 7% of Asians. Rates of those not engaged in

education or employment increase substantially by age for both Māori and Pacific youth but remain relatively stable for European and Asian youth.

Map 3: Population Density and Tertiary Education Providers in Auckland Region



Source: Social and Economic Monitoring and Research, Auckland Regional Council

Map 3 illustrates two key features of the Auckland region. The first is the distribution of the population aged 15-24 across the region. The second feature is the location of the universities and polytechnic institutions in the Auckland region. It is appropriate to note that tertiary institutions draw a significant proportion of their students from this age group. The tertiary institutions shown in the map are:

- Massey University – Albany Campus, Albany, North Shore City
- Auckland University of Technology (AUT) – Akoranga Campus, Northcote, North Shore City
- Unitec Institute of Technology (Unitec) – Henderson Campus, Waitakere City
- Auckland University, Main Campus, Auckland Central, Auckland City
- Auckland University, Tamaki Campus, Tamaki, Auckland City
- Manukau Institute of Technology (MIT), Otara Campus, Otara, Manukau City

It is helpful to read the map in conjunction with the figures detailed in Table 3. The map shows the level of youth population density is reasonably high in the central North Shore area, in selected areas of Waitakere City, central and southwestern areas of Auckland City and the western and central areas of Manukau City and selected areas in Papakura and Franklin districts.

Density, population growth issues and access to tertiary level education facilities are particularly significant for the Counties-Manukau area. The population figures from Table 3 show the youth population for Manukau at 51,804 represents 26.1% of the youth population for the Auckland region in 2006 and is projected to grow to 75,880 (29.7% of the regional youth population) by 2031. Once the youth populations for Papakura and Franklin districts are included the population of southern Auckland increases to 65,118 (32.8%) and 94,730 (37.1%) respectively. However, the MIT is the only tertiary campus operating in the Counties Manukau area. This raises the issue about the extent to which young people resident in the Counties Manukau area will be able to access appropriate training and education services now and into the future. If MIT does not offer courses sought by Counties Manukau based students, they will need to travel to access those courses. The requirement to travel is particularly significant for those students resident in Papakura District and Franklin District areas as neither of these areas have a tertiary facility at either university or polytechnic levels.

This growth pattern is mirrored to some extent in the North Western area (Rodney, North Shore, Waitakere) where the youth population is projected to grow from 67,713 (34.1% of the regional youth population) in 2006 to 88,820 (34.8%) in 2031. However, youth in these areas arguably have greater access to tertiary level education services with three campuses located in the area. However, youth resident in Rodney, as for youth in Papakura and Franklin, face significant travel requirements to access campuses closest to Rodney at Unitec in Waitakere City, AUT in Northcote and Massey University at Albany.

Is the rate of young people not in employment, education or training a significant issue in your area? If so, what projects are underway to address it? Are local projects targeted at the younger age group (15–19 years) or the older cohort (20–24 years)?

2.3 Highest qualifications

The highest qualification gained is another indicator of the skills available in the labour market. The highest qualification data for young people is subject to change, as many of these people are still in training. This means that, over time the highest qualification is likely to increase, moving from the Total School²⁵ category in Table 4 and into higher qualifications. Although this data cannot be readily compared to the total population because youth qualifications are still being attained, interesting differences for youth can be observed within each region and compared to the national average. A table summarising highest qualification levels of the working age population in Auckland Region is provided in Appendix 2.

Auckland Region has a higher proportion of young people with bachelor degree or higher qualifications and a smaller proportion of young people with no qualifications compared to the national youth average. Auckland City has levels of bachelor degree or higher qualifications amongst youth significantly above the national and regional average (indeed it has the second highest rate of bachelor degree or higher qualifications amongst youth in the country), North Shore City has the third highest rate of bachelor degree or higher qualification attainment amongst youth in the country. In contrast, Franklin and Rodney Districts both have particularly low rates of degree qualification attainment and high levels of young people with no qualifications.

Table 4: Highest Qualification of youth in Auckland in 2006

	No Qualification	Total School	Total Post-School (Vocational)	Total Bachelor Degree or Higher
New Zealand	17.0%	54.6%	17.8%	10.7%
Auckland Region	13.2%	54.7%	17.9%	14.1%
Rodney District	19.3%	57.8%	16.9%	5.9%
North Shore City	9.2%	59.2%	17.0%	14.6%
Waitakere City	16.9%	56.0%	18.3%	8.8%
Auckland City	8.2%	51.7%	17.1%	23.1%
Manukau City	17.2%	54.8%	19.3%	8.7%
Papakura District	22.7%	50.6%	19.6%	7.0%
Franklin District	22.7%	54.7%	17.1%	5.6%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

The subject area of study (generally referred to as 'field of study') for youth is another important indicator of the skills recently made available or soon to be added to a labour market and indicates the discipline in which qualifications have been achieved. Population Census data shows the field of study of youth who have entered post-secondary study and allows a comparison to be made of studying patterns of youth in Auckland against the studying patterns of youth in

²⁵ For more information about the contents of these categories, please see the Glossary of Terms.

New Zealand in general. In 2006, 58.5% of 20–24 year olds nationally had no post-school qualifications as measured by the Population Census in 2006. Table 5 shows the distribution of qualificationz gathering by 20–24 year olds who have reported a post-school qualification. Data for 15–19 year olds is excluded from the table as they are far less likely to have participated in post-school study.

20–24 year olds in Auckland Region tend to have very similar patterns of post-secondary study to that of 20–24 year olds across New Zealand. It can be seen, however, that a higher proportion studied Management and Commerce, and Information Technology, while lower proportions studied Agriculture, Environmental and Related Studies, and Architecture and Building.

The distribution of qualifications reflects the nature of education provided by local providers as well as the preferences of young people for particular employment opportunities. Regional facilitation as required by the Tertiary Education Commission, and improved labour market information tools soon to be made available by the Department of Labour, are intended to more closely match supply and demand of qualifications. The recently released Unified Skills Strategy will address the ongoing training required by employees during their working lives. In particular, the improvement of literacy, language and numeracy skills is a priority for government action.

Table 5: Distribution of post-school qualifications of 20–24 year olds in 2006

	Proportion of each field of study for 20–24 year olds	
	Auckland Region	New Zealand
Natural and Physical Sciences	4.9%	4.8%
Information Technology	8.9%	7.3%
Engineering and Related Technologies	11.1%	11.4%
Architecture and Building	3.6%	4.8%
Agriculture, Environmental and Related Studies	0.9%	3.2%
Health	6.0%	6.2%
Education	4.1%	5.1%
Management and Commerce	29.0%	23.6%
Society and Culture	12.8%	14.3%
Creative Arts	11.8%	10.6%
Food, Hospitality and Personal Services	6.9%	8.7%
Total	100.0%	100.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Does the highest qualification and field of study data for young people in the region match what is needed by industry? If not, where are the mismatches, and what is being done to better align qualifications with industry needs?

3. LABOUR MARKET OUTCOMES

In the previous section, we outlined the skill development of youth in Auckland Region. This section looks at the labour market outcomes for youth in Auckland Region.

Section 3.1 looks at the rate of labour force participation for youth as well as identifying causes for the change in participation over time. Section 3.2 identifies the industries and occupations in which youth are employed, as well as how this has changed over time. It also looks at the size of businesses that youth are employed in and how the pattern of full-time and part-time employment changes for youth. Section 3.3 looks at youth unemployment across the region, and Section 3.4 looks at the income of youth.

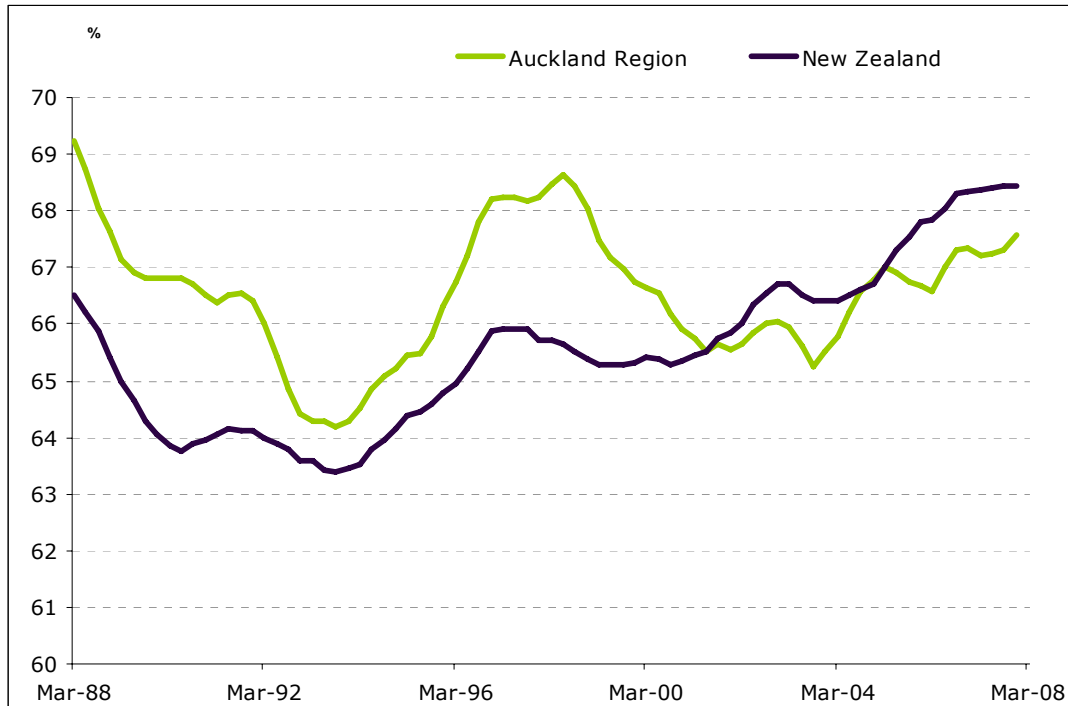
3.1 Labour force participation

The labour force participation rate is the proportion of the working-age population (people 15 years old and above) who are willing to work, are working or are actively looking for work, i.e. engaged in the labour force. As it is common for many 15–24 year olds to be involved either in school education or further education, the participation rate for this age group tends to be lower than for other age groups. Over the past decade, there has been a national trend towards lower participation among 15–24 year olds as increasing proportions engage in further study. This is positive over the longer term as those furthering their education are investing in skills to bring to the labour market in future.

The annual average labour force participation rate for all ages in Auckland Region was above the New Zealand average until around mid 2001 and has generally been slightly below ever since (see Chart 9), and at March 2008, it stood at 68.1% compared to the national average of 68.4%.

For information about the latest labour force participation rate in Auckland Region, check out the Joint MSD/DoL Quarterly Regional Reports – <http://www.dol.govt.nz/publications/lmr/regional/joint/Auckland.pdf>.

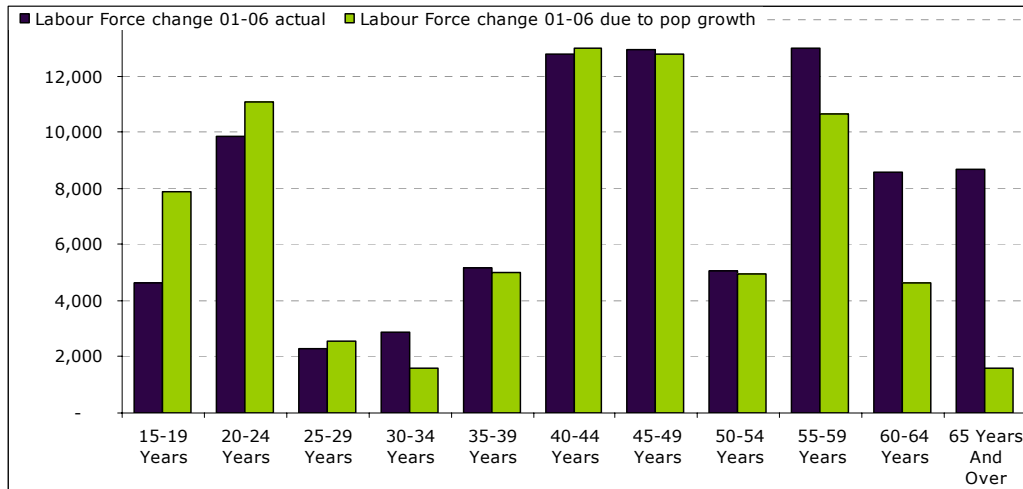
Chart 9: Labour force participation rate for the working-age population from 1988 to 2008 (12-month moving average)



Source: Household Labour Force Survey, Statistics New Zealand

Chart 10 shows the change in the actual number of people in the labour force between 2001 and 2006 and the influence that population growth and participation ages has had. Where the two bars for each age group are at different levels, the difference is caused by a change in the rate of labour force participation. Chart 10 shows a clear drop in labour force participation amongst both 15–19 year olds and 20–24 year olds. For both age groups, the growth in the population was greater than the growth in the labour force. For this to occur, it means that these youth were, on average, participating less in the labour force. This difference is most noticeable for 15–19 year olds, where the population grew by almost twice as much as the labour force. While not the subject of this report, Chart 10 shows that the growth in the Auckland labour force participation rate (seen in Chart 9) was in no small measure due to older people participating in the labour force more.

Chart 10: Labour force change in Auckland



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Table 6 shows how changes in the youth population and youth labour force combine to determine the youth participation rate. As can be seen from Table 6, if the youth labour force increases at a rate greater than the youth population (see Franklin District as an example), the participation rate increases. Conversely, if the youth population grew faster than the labour force, the participation rate fell (see Papakura District as an example).

The youth participation rate for Auckland Region in 2006 was below the New Zealand average for youth. A number of TAs within the region did, however, have youth participation rates significantly above the national and Auckland Region average for youth (for example Rodney and Franklin Districts), while Manukau City and Auckland City had the lowest rates within Auckland Region.

Table 6: Change in the regional youth labour force 2001 to 2006

	Change in 15–24 year olds (2001–2006) ²⁶	Participation rate (%)		Change in the 15–24 year old labour force population (2001–2006)
		2001	2006	
New Zealand	11.9%	66.7%	66.4%	11.4%
Auckland Region	18.2%	65.0%	62.6%	14.0%
Rodney District	26.5%	72.0%	71.0%	24.7%
North Shore City	20.3%	68.1%	65.7%	15.9%
Waitakere City	11.8%	67.5%	64.4%	6.7%
Auckland City	17.1%	62.5%	60.4%	13.1%
Manukau City	21.3%	62.7%	60.2%	16.4%
Papakura District	13.4%	68.0%	65.0%	8.4%
Franklin District	15.8%	70.0%	70.7%	17.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

²⁶ Note that the change between 2001 and 2006 shown here will differ from that shown in Table 1. In Table 6, the calculation excludes any people who did not define their labour force status.

What is your view of the level of the participation rate – do you think it should be lower as long as the people are engaged in education and furthering their skill development?

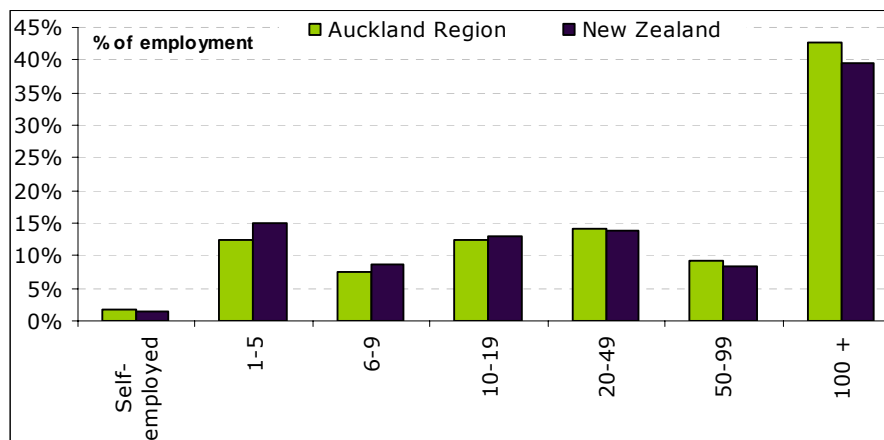
3.2 Employment

Employment by businesses size

This section looks at the proportion of young people working in varying sizes of businesses in the regional economy (in terms of the number of people they employ). By looking at employment disaggregated by business size we can identify important characteristics. For example, if youth are heavily clustered in large businesses then one-off closures can cause significant numbers to be potentially unemployed. Conversely employment in major businesses may have more funding available for formalised training opportunities for staff than small businesses. The OECD report that "...employees from small and medium enterprises (SMEs) are less likely to participate in training programmes than employees in large enterprise (OECD 2003, 2005, 2006a)."²⁷.

The pattern of those aged 15–24 in Auckland Region was fairly similar to the general picture for those employed in Auckland Region. A slightly higher proportion of young people work in firms employing 100 or more people. Chart 11 shows that 34% of employees aged 15–24 worked in businesses that employed fewer than 20 people (below the average for all 15–24 year olds in New Zealand at 38%), while 43% of 15–24 year old workers worked in firms employing 100 or more people (above the average for all 15–24 year olds in New Zealand at 39%). These proportions have remained relatively stable since 2000.

Chart 11: Share of employment (15–24 years) in Auckland and New Zealand by business size in 2006



Source: Linked Employer-Employee Dataset (annual tables), Statistics New Zealand, 2006 tax year

²⁷ See "Leveraging Training and Skills Development in SME's", 52nd Session, 9-10 June 2008, OECD, Paris.

While the Auckland regional profile is very consistent with the national profile, more variation in business size can be seen at a TA level (see Table 7). In Manukau City and Papakura District in 2006, around 48% of youth in employment worked in businesses employing 100 people or more. This compared with Franklin and Rodney Districts, where the proportion of youth employed in firms employing more than 100 people was nearer 30%. In Franklin and Rodney Districts, there was a higher than average share of youth employed in small businesses.

Table 7: Employment (15–24 year olds) by business size in 2006

	Self-employed	1–5	6–9	10–19	20–49	50–99	100 +
New Zealand	1.5%	14.9%	8.7%	13.0%	14.0%	8.5%	39.4%
Auckland Region	1.7%	12.4%	7.6%	12.3%	14.2%	9.1%	42.6%
Rodney District	3.4%	19.2%	10.5%	14.2%	15.0%	6.9%	30.9%
North Shore City	1.8%	12.4%	8.3%	13.1%	14.3%	8.4%	41.7%
Waitakere City	2.1%	12.8%	7.7%	12.4%	12.5%	8.6%	43.9%
Auckland City	1.6%	12.4%	7.7%	12.7%	15.0%	9.5%	41.1%
Manukau City	1.2%	10.3%	6.4%	10.6%	13.0%	9.9%	48.5%
Papakura District	1.2%	10.6%	6.2%	10.9%	13.5%	9.8%	47.7%
Franklin District	1.9%	18.8%	10.9%	15.2%	14.7%	7.9%	30.6%

Source: Linked Employer-Employee Dataset (unpublished annual tables), Statistics New Zealand, 2006 tax year

Number of jobs held

Across New Zealand, around 6% of 15–24 year olds had more than one job²⁸ in 2006. This was slightly above the proportion for all age groups, which stood at 5%. The proportion of 15–24 year olds in Auckland with more than one job was identical to the national average. Because of this similarity, the data is not presented here.

Employment by industry and occupations

This section looks at the number of young people working across the various industries and in occupations in Auckland Region and the changes that have occurred since 2001. This shows in which industries and occupations 15–24 year old employees were mainly employed and identifies the way that youth employment is changing across the different industries and occupations.

The Property and Business Services Industry is the largest employer of the working age population of Auckland – the only region where this is the case. Between 2001 and 2006, this large industry increased its employment by a third. Retail trade and manufacturing are the next largest industries, with retail employment growing strongly and manufacturing employment virtually static.

The Construction industry showed the largest increase in the employment of youth (excluding industries with low levels of 15–24 year old employees), with an increase of 56% between 2001 and 2006. Property and Business services showed the next highest increase at around 30%. Both these industries showed the largest percentage increase in youth employment across New Zealand, with the percentage of Construction workers aged 15–24 increasing by over 75% over the period, and the percentage of youth employed in Property and Business Services increasing by a quarter.

While youth employment in retail trade and accommodation, cafes and restaurants is consistently high across New Zealand and in Auckland region, the majority of youth employment in these two industries was part time. Contrasting this, youth employed in Property & Business Services were almost entirely working full time in 2006.

A detailed version of Table 8 showing industry employment for 15-19 and 20-24 year olds residing in Auckland Region is provided in Appendix 2. A table showing youth industry employment nationally is also provided in Appendix 2.

28 Source: Linked Employer-Employee Dataset (unpublished annual tables), Statistics New Zealand.

Table 8: Industry employment of those living in Auckland Region in 2006, and change from 2001

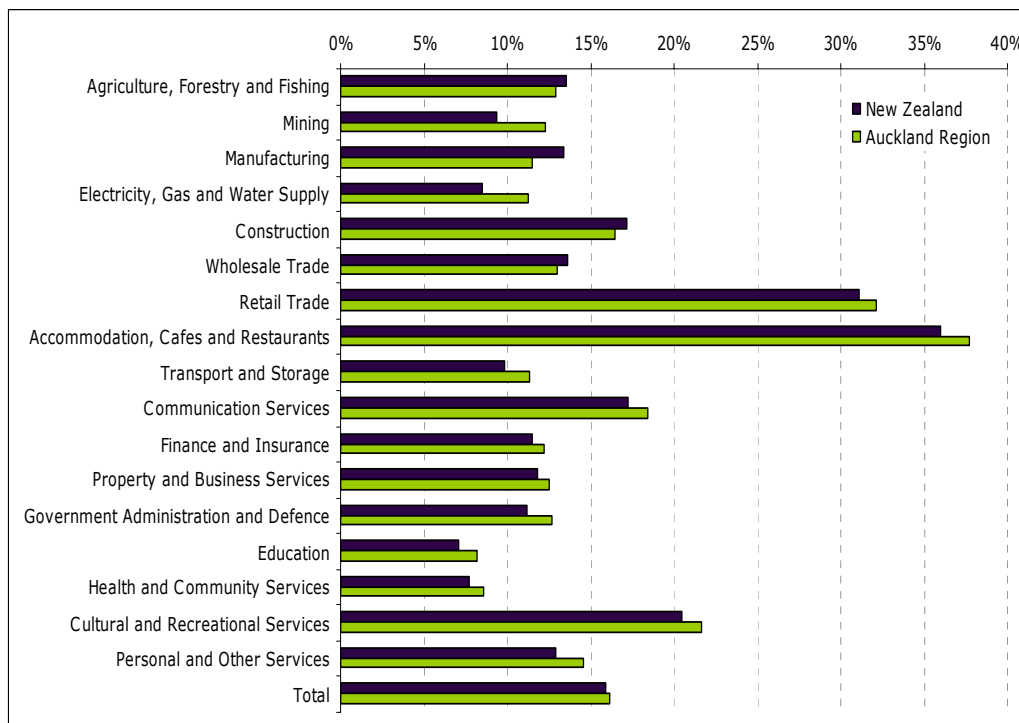
	2006		Change since 2001	
	15–24 Years	15 Years and Over	15–24 Years	15 Years and Over
Agriculture, Forestry and Fishing	1,230	9,534	-6.6%	-3.2%
Mining	51	414	142.9%	-12.7%
Manufacturing	8,529	74,328	-1.0%	0.6%
Electricity, Gas and Water Supply	162	1,434	12.5%	-0.6%
Construction	7,353	44,721	55.6%	32.2%
Wholesale Trade	6,267	48,240	12.1%	8.3%
Retail Trade	23,469	73,011	20.0%	16.5%
Accommodation, Cafes and Restaurants	9,525	25,275	11.6%	17.5%
Transport and Storage	3,144	27,798	12.1%	15.7%
Communication Services	1,953	10,593	17.1%	15.0%
Finance and Insurance	3,462	28,314	18.6%	32.7%
Property and Business Services	12,900	102,891	29.2%	32.0%
Government Administration and Defence	1,914	15,144	1.9%	10.6%
Education	3,585	43,695	16.4%	16.4%
Health and Community Services	3,843	44,622	19.7%	18.6%
Cultural and Recreational Services	4,122	19,050	26.5%	29.0%
Personal and Other Services	3,444	23,610	14.7%	19.5%
Not Elsewhere Included	6,318	35,163	17.5%	18.4%
Total	101,271	627,834	18.2%	17.6%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Around 16% of people employed in Auckland in 2006 were aged between 15–24 years old, marginally greater than their 15% share of the regional population. Retail Trade is the industry that the most 15–24 year olds in Auckland were employed in, with nearly a quarter of all young people in employment employed in that industry. The next three industries that had the largest shares of 15–24 year olds were Property and Business Services, Accommodation, Cafés and Restaurants, and Manufacturing. Nearly 57% of all 15–24 year olds worked in one of these top four industries.

The distribution of 15–24 year olds employed across industries in Auckland Region was very similar to the pattern for New Zealand as a whole for youth (see Chart 12). Over 30% of all those employed in the Accommodation, Cafés and Restaurants, and Retail Trade industries in the Auckland Region in 2006 were 15–24 year olds. Only the Electricity, Gas and Water Supply and mining industries (particularly small industries in the region) had appreciably larger proportion of 15–24 year olds working in it than the national average.

Chart 12: Youth share of industries in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

The most common occupation for 15–24 year olds was Service and Sales Workers, as might be expected with nearly 25% of 15–24 year olds employed in the Retail Trade industry. Table 9 shows that the only occupations to show a decline in numbers of 15–24 year olds working in them between 2001 and 2006 in Auckland were Clerks, and Agriculture and Fishery Workers. Nationally, the number of young Agriculture and Fishery Workers declined by 12.5% over the period, while Clerks increased by 1% over the period. Legislators, Administrators and Managers, and Technicians and Associate Professionals showed the largest increases over the period in Auckland Region, at 49% and 47% respectively, which were higher increases than for the total population in Auckland Region. Legislators, Administrators and Managers had the largest increase nationally for young workers, but at 51%, it can be seen that the increases in Auckland Region were smaller than the increases nationally.

A detailed version of Table 9 showing employment by occupation for 15-19 and 20-24 year olds residing in Auckland Region is provided in Appendix 2. A table showing youth employment by occupation nationally is also provided in Appendix 2.

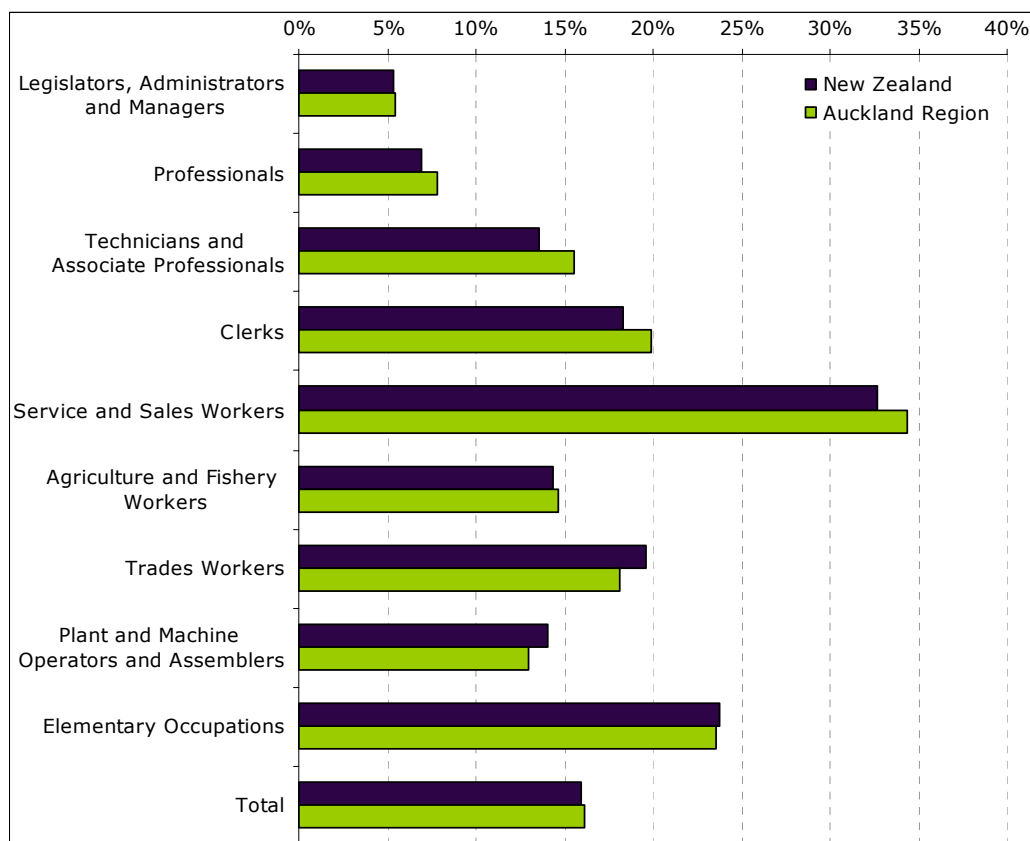
Table 9: Employment by age and occupation in Auckland in 2006

	2006		Change from 2001	
	15–24 Years	15 Years and Over	15–24 Years	15 Years and Over
Legislators, Administrators and Managers	5,832	106,380	48.7%	32.9%
Professionals	8,112	103,119	24.5%	26.3%
Technicians and Associate Professionals	13,827	88,935	46.9%	29.6%
Clerks	15,510	77,913	-1.1%	-0.7%
Service and Sales Workers	27,201	79,203	12.6%	13.5%
Agriculture and Fishery Workers	1,782	12,171	-8.0%	-3.2%
Trades Workers	9,372	51,672	28.6%	10.2%
Plant and Machine Operators and Assemblers	5,124	39,408	7.6%	4.2%
Elementary Occupations	8,250	35,022	25.9%	23.6%
Not Elsewhere Included	6,258	34,011	14.5%	14.6%
Total	101,271	627,834	18.2%	17.6%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Chart 13 shows the proportion of each occupation's employees that were aged 15–24 in 2006. For example, 18% of Trades Workers in Auckland were aged 15–24. The distribution of 15–24 year olds by occupation in Auckland Region was also very similar to the pattern for New Zealand as a whole for youth (see Chart 13). In Technicians and Associate Professionals, Clerks, Professionals, and Service and Sales Workers occupations, Auckland Region had a noticeably larger proportion of 15–24 year olds working in them than the national average.

Chart 13 Youth share of occupations in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Do the occupations of youth data match your experience? Do you think the pattern of employment could be improved – would intervention help? Are there any current interventions in place in Auckland Region?

One of the ways in which employment patterns of youth vary from that of the working-age population is the rate at which young people work in part-time employment. This characteristic is also one that changes markedly between 15–19 year olds and 20–24 year olds, as shown in Table 10. For young people aged 15–19 in Auckland, part-time employment accounted for around 60% of all employment (slightly above the national average for this age group). This appears to be driven by the particularly high rates of part-time employment in Auckland City and North Shore City for this age cohort. With young people currently required to be in education until the age of 16, the low incidence of full-time employment is expected. This links in with the industry and occupation data above, which shows employment tends to be in areas with a high incidence of part-time employment (such as Retail Trade, and Accommodation, Cafés and Restaurants).

The pattern of 20–24 year olds is quite different. In this age group, in Auckland Region, full-time employment accounted for around 75% of all employment (slightly below the national average for this age group). For 20–24 year olds, much of the formal training is completed, and young people are moving into the

workforce. It can be seen from Table 10 that the share of full-time employment for 20–24 year olds in Auckland Region is smaller than for the working-age population in Auckland Region. This appears to be because of the relatively low rates of full-time employment for 20–24 year olds in Auckland City and North Shore City, which would tend to be lower because of the number of young people in higher education in those TAs.

Table 10: Employment status by age in Auckland

	15–19 Years		20–24 Years		15 Years and Over	
	Percentage working full-time	Percentage working part-time	Percentage working full-time	Percentage working part-time	Percentage working full-time	Percentage working part-time
New Zealand	44.5%	55.5%	76.7%	23.3%	77.1%	22.9%
Auckland Region	40.8%	59.2%	74.4%	25.6%	78.9%	21.1%
Rodney District	44.8%	55.2%	80.7%	19.3%	75.5%	24.5%
North Shore City	35.5%	64.5%	71.7%	28.3%	77.3%	22.7%
Waitakere City	46.8%	53.2%	77.2%	22.8%	79.5%	20.5%
Auckland City	33.5%	66.5%	70.4%	29.6%	79.2%	20.8%
Manukau City	44.4%	55.6%	77.8%	22.2%	80.0%	20.0%
Papakura District	50.4%	49.6%	84.5%	15.5%	80.4%	19.6%
Franklin District	50.1%	49.9%	84.3%	15.7%	78.9%	21.1%

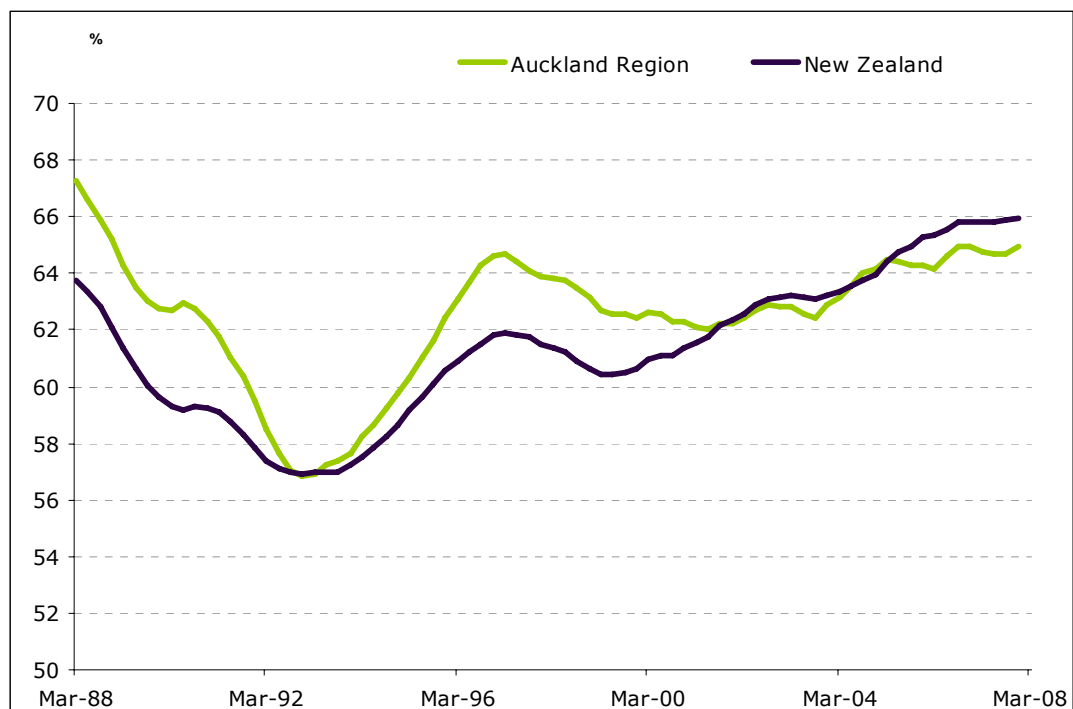
Source: 2006 Census of Population and Dwellings, Statistics New Zealand

What is driving the pattern of full-time/part-time youth employment in your region? Do you believe this pattern has changed/will change over time? Is this a good thing?

The employment rate²⁹ is an important indicator of the economic welfare of the country. Work leads to higher income, which, over time, can bring financial independence and a better standard of living and associated social benefits for the individual and wider community. While the employment rate reflects the number of jobs, there are other things to consider, such as the quality and sustainability of jobs. Rising employment is one of the clearest indications that the labour market is working successfully. Over time, as labour shortages increase and participation and employment rates stabilise, labour productivity improvements become increasingly important.

The annual average employment rate in Auckland Region was generally above the national average until June 2001. From that point, it tracked the New Zealand average relatively closely. It has, however, been slightly below the national average since the beginning of 2005, and at March 2008, stood at 65.5% compared to the national average of 65.9%. The time series for the employment rate in Auckland is presented in Chart 14.

Chart 14: Employment rate of the working-age Population from 1988 to 2008 (12-month moving average)³⁰



²⁹ the proportion of the working-age population that is employed

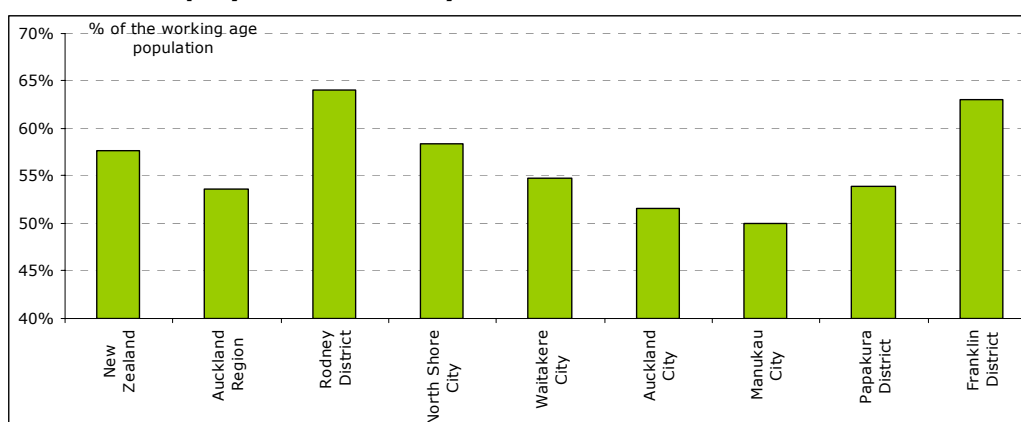
³⁰ Employment rates from the Household Labour Force Survey and Population Census differ. This is a result of the different scope and coverage of the two surveys. For more information, see the Data Dictionary.

Source: Household Labour Force Survey, Statistics New Zealand

Chart 15 shows that the youth employment rate in Auckland Region in 2006 was also below the New Zealand average for youth, though there was some notable variation throughout the region. The youth employment rate in Manukau City of 50.0% was the lowest in the region, and the fifth lowest rate across New Zealand. Rodney District had the highest youth employment rate in the region at 64.1%. Unsurprisingly, this follows a similar pattern to the youth labour force participation rate. The TAs with relatively high NEET rates in the region also tend to be those with lower employment rates.

The youth employment rate actually stayed the same for Auckland Region between 2001 and 2006 at 53.7%. This compared with an increase from 55.2% to 57.6% youth employment across New Zealand between 2001 and 2006. Franklin District had the largest increase in their youth employment rate, while Papakura District, North Shore City, Waitakere City and Auckland City all had slight falls in their youth employment rates over the period.

Chart 15: Employment rates of youth in Auckland in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

3.3 Unemployment

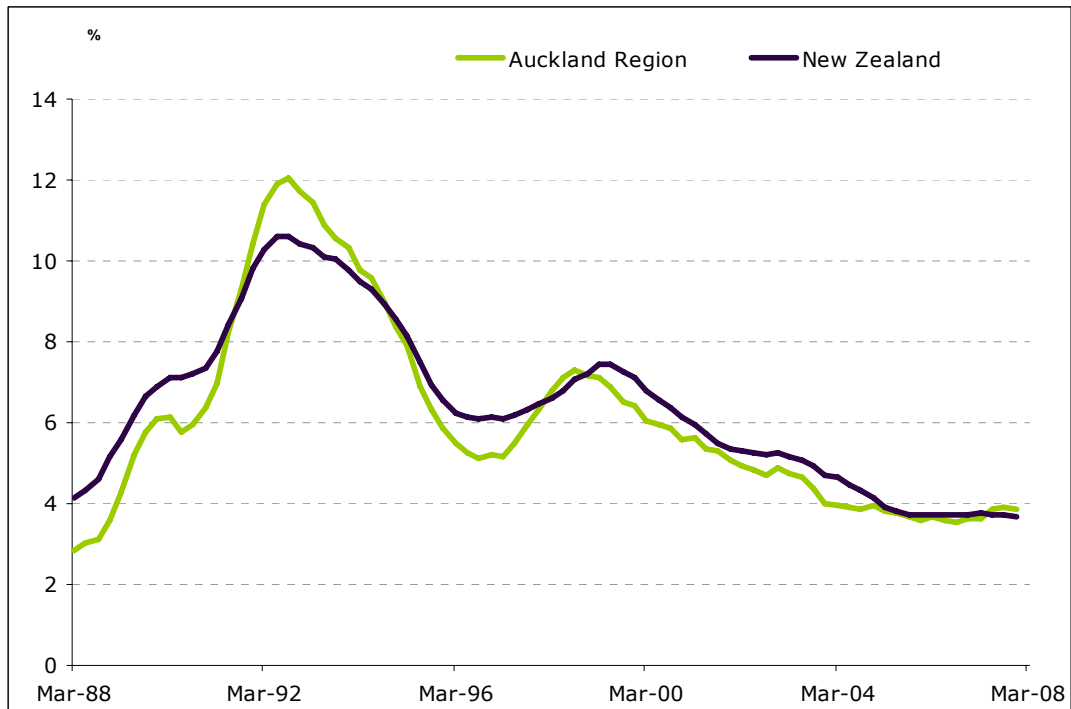
The Unemployment rate is the proportion of the labour force that is unemployed. To be counted as unemployed, a person must be without a paid job, be available for work and have actively sought work in the past four weeks or have a new job to start within the next four weeks. Unemployment has a major influence on many decisions facing young people.

For a significant proportion of the time presented in Chart 16, the unemployment rate of Auckland Region was below the rate for New Zealand. However, in more recent times, the rate of unemployment in the region has crept up above the national average, and in the year to March 2008, Auckland Region unemployment rate was 3.8% compared with 3.6% for New Zealand as a whole.

Unemployment affects the rate at which young people learn work skills such as timeliness, team work and so on that are needed throughout a person's working

life. This makes unemployment of youth perhaps even more negative than for the overall population.

Chart 16: Unemployment rate of the working-age population from 1988 to 2008 (12-month moving average)

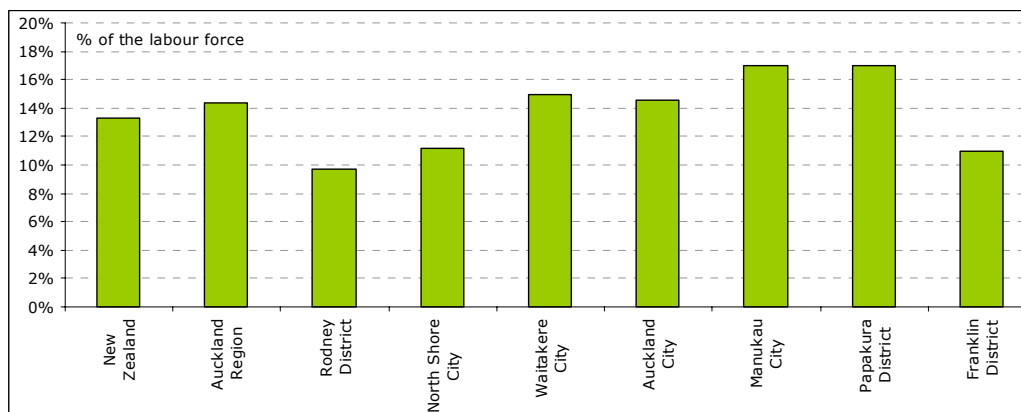


Source: Household Labour Force Survey, Statistics New Zealand

Chart 17 shows that the youth unemployment rate in Auckland Region was slightly above the New Zealand average for youth in 2006. Rodney and Franklin Districts and North Shore City had the lowest youth unemployment rates in the region. Papakura District and Manukau City had the highest youth unemployment rates in the region, at around 17%, and the highest NEET rates in the region. These youth unemployment rates mean these districts have some of the highest youth unemployment rates in the country.

The overall youth unemployment rate in Auckland fell by 3.0 percentage points between 2001 and 2006, which was less than the 4.0 percentage point fall that occurred across New Zealand for those aged 15–24. Franklin District showed the largest fall from 15.4% to 10.9% (4.4 percentage points) across the period, while North Shore City had the smallest fall from 13.3% to 11.1% (2.2 percentage points).

Chart 17: Unemployment rates of youth in Auckland in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Around 31% of all those who receive unemployment benefits in New Zealand (5,807 people in March 2008) live in Auckland Region. Of those unemployment beneficiaries in Auckland, around 21% are under the age of 24.

For information about the latest unemployment rate in Auckland Region, check out the Joint MSD/DoL Quarterly Regional Reports – <http://www.dol.govt.nz/publications/lmr/regional/joint/Auckland.pdf>.

Does the unemployment pattern match what you have seen in the region? If not, why not? What do you think is likely to happen to youth unemployment in the next few years?

3.4 Earnings

Earnings (and, to a smaller extent, total income) are influenced by both the labour market conditions and the productivity of workers. Wages (and earnings) are the result of interactions between employers and workers and are influenced by such things as the skills and experience the workers possess and the value that workers add. It should be noted that low skill jobs generally tend to have low median hourly earnings while high skills jobs generally have higher median earnings.

Across New Zealand a slightly higher proportion of youth receive some income³¹ from income-tested benefits than other groups, whilst those receiving income from self-employment is significantly lower than the New Zealand average. Looking at data for Auckland Region's 15–24 year olds shows that the only difference with the average for 15–24 year olds in New Zealand was that Auckland youth were slightly less likely to receive a benefit³².

31 It is important to recognise that income can be influenced by other things than salaries and wages. For many people, rental or investment income can contribute a significant share of their income. It is likely that youth are likely to earn less from these other income sources than the rest of the population.

32 The data is based in 15–24 year olds who provided their income in the 2006 Population Census.

As reported in the 2007 AIDR, the median hourly wage rate within Auckland Region has been consistently above the national average (and, along with Wellington, the only regions to be above the national average).

From the Population Census, over 40% of all 15–24 year olds employed in New Zealand had income of \$5,000 or less in 2006, while nearly 30% had income between \$5,000 and \$20,000, and nearly 30% had income over \$20,000³³. Compared to the national youth average, significantly more young people in Auckland had very low incomes (\$5,000 or less), relatively less earned between \$5,000 and \$20,000, and about the same earned over \$20,000.

The Linked Employer-Employee Dataset (LEED) captures data on income from salaries and wages, which shows marked differences by age. Overall, young people tend to have significantly lower incomes than the rest of the working-age population, influenced in part by the high share of part-time youth employment described in Section 3.1. Other reasons for lower than average earnings are:

- less time on average in the job
- less seniority
- lower workplace skills.

Further information on low youth earnings can be found in the OECD Youth report³⁴, including findings that youth:

- stay in their early post-education jobs for a much shorter tenure
- have a particularly high turnover in jobs
- have 'entry' jobs that have little relationship to training.

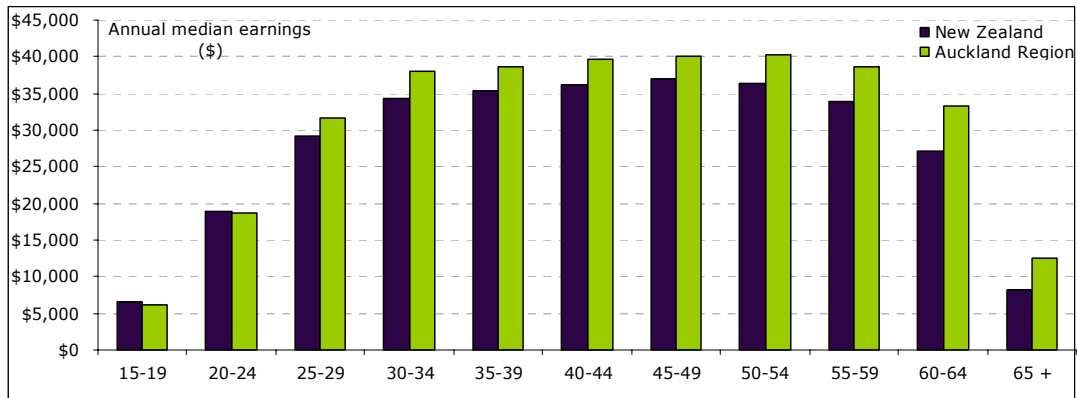
Chart 18 compares Auckland and national annual median earnings from wages and salaries by age group. Overall, Auckland Region had median earnings from wages and salaries above the New Zealand average. However, looking at annual median earnings for different age groupings shows that those 15–24 years old in Auckland Region actually had lower earnings than the average for 15–24 year olds in New Zealand³⁵. This low rate of earnings is likely to be strongly linked to earlier results seen in Chart 7 and 8 and Table 10. Chart 7 and 8 showed a higher than average share of regional youth engaged in study compared with work, and Table 10 showed that those engaged in work in Auckland having a lower rate of full time employment than the national youth average. Both of these factors are likely to reduce the average earnings of youth.

33 The data is based in 15–24 year olds who provided their income in the 2006 Population Census.

34 *Jobs for Youth – New Zealand*, 2008, p54 and p59.

35 Due to confidentiality issues, Statistics NZ are unable to provide median annual earnings by TA.

Chart 18: Annual median earnings from wages and salaries by age (5-year grouping) for the 2006 tax year



Source: Linked Employer-Employee Dataset, Statistics New Zealand

What is driving the pattern of earnings for youth in your region? What are the impacts for youth? Is this likely to have any impact on migration patterns? Is the pattern of earnings likely to change over the next few years?

GLOSSARY OF TERMS

Employment: The number of people in work for one hour or more per week.

Employment rate: The proportion of the working-age population that is employed.

Ethnicity: Ethnic group or groups that people identify with or feel they belong to. Ethnicity is a measure of cultural affiliation, as opposed to race, ancestry, nationality or citizenship. Ethnicity is self-assigned, and people can belong to more than one ethnic group.

As part of the 2006 Census, the ethnicity of 'New Zealander' appeared first as a standard output. In 2006, 11.1% of respondents listed New Zealander as one of their ethnicities. In previous Censuses, responses identifying New Zealander as the only ethnicity were coded within the New Zealand European category.

Statistics New Zealand are currently analysing the characteristics of respondents who classify themselves as a New Zealander. Initial analysis suggests that people who list their ethnicity as New Zealander are more likely to be aged between 30–59, and more likely to be male than female.

Highest qualification: Combines highest secondary school qualification and post-school qualification to derive a single highest qualification by category of attainment for people aged 15 years and over. Qualifications are registered at one of ten levels, with the level depending on the complexity of the skills and knowledge that are being recognised. Level 1 qualifications are the least complex and are open-ended downward to capture all learning. Level 10 is the most complex. The levels do not equate to 'years spent learning' but reflect the content of the qualification. A brief description of the contents of the qualifications is:

- Level 1 to 3: senior secondary school learning (NCEA), foundation skills and introductory trades training
- Level 3 to 4: initial trade certificates
- Level 5 to 7: advanced trades, technical and business qualifications
- Level 7 and above: graduate and post-graduate qualifications.

Table 8 includes the four categories:

- No Qualification – this includes people with little or no qualifications obtained
- Total School –this includes people whose highest qualification was gained while attending school
- Total Post-School (Vocational) – this includes people whose highest qualification was gained from a post-school non-university establishment
- Total Bachelor Degree or Higher – this includes people whose highest qualification was a bachelor degree or higher.

Hours worked per week: Total number of hours usually worked in employment per week by the working-age population.

Income: Before-tax income from a range of sources such as labour, entrepreneurial skills and assets, and transfers received. Tax credits and money received by borrowing, making withdrawals from savings and receiving repayments of loan principal are excluded.

Industry: The type of activity undertaken by the organisation, enterprise or business within which a person aged 15 years and over is employed. Based on a classification managed by Statistics New Zealand.

Industry mix: The expected growth in employment in a particular industry calculated using the national growth rate for that industry.

Labour demand: People who employers are willing to have work for them, the number of hours they want them to work and the skills and attributes employers desire from these people to perform their jobs.

Labour force: The labour force consists of members of the working-age population who are classified as employed or unemployed (people in the labour force).

Labour force participation rate: The proportion of the working-age population who are either employed or unemployed. The terms 'labour force participation rate' and 'participation rate' are often used interchangeably. The adjusted labour force participation rate is a hypothetical rate showing what the regional labour force participation is likely to be if the age and gender structure of the region was the same as the national average.

Labour supply: People that make themselves available for work, and the attributes and skills these people bring to the workplace.

Not in the labour force: Any person in the working-age population who is neither employed nor unemployed. This includes, for example, retired people, students and people at home with children.

Occupation: A set of jobs that require the performance of similar or identical tasks, and collected for employed people aged 15 years and over. Based on a classification managed by Statistics New Zealand.

Population: Unless explicitly stated, 'population' in this report refers to the usually resident population of an area.

School leaver attainment: Highest qualification held by school leavers.

Statistics New Zealand (SNZ): New Zealand's national statistical office.

Unemployment: The number of people in the working-age population who are without a paid job, are available for work and have actively sought work in the past four weeks or have a new job to start within the next four weeks.

Unemployment rate: The number of unemployed people expressed as a percentage of the labour force.

Wage and salary earnings: Earnings received for paid employment that is undertaken. Earnings consist of wages and salaries, back pay, commissions, allowances, bonuses (regular and non-regular), gratuities (tips), fees, piece rates, retainers, honoraria and paid leave.

Worker replacement rate: The worker replacement rate measures the proportion of workers that change job independent of job availability. The rate is calculated by taking the rate at which employment changes occur (the worker turnover rate) and subtracting the rate at which jobs change.

Working-age population: Usually resident population aged 15 years and over.

DATA DICTIONARY

Census of Population and Dwellings 1996, 2001, 2006

Conducted by Statistics New Zealand, the Census of Population and Dwellings is the primary source of information on the size, composition, distribution and economic activities of the population. Census data is used for analysing trends, planning public services and allocating public funds in the areas of health, housing, transport, education, income, and law and order. The Census is run every five years. The Census data used in this report is for the years 1996, 2001 and 2006.

Because of the 'full coverage' nature of the Population Census, data for small areas such as TAs can be analysed. Data provided by Statistics New Zealand has been rounded to Base 3, as well as having some results suppressed. For the purposes of this report, any data that has been suppressed has been considered as equal to zero. The impact of this treatment is unlikely to be significant.

Household Labour Force Survey

Produced by Statistics New Zealand, the Household Labour Force Survey (HLFS) collects information relating to the employed, the unemployed and those not in the labour force who comprise New Zealand's working-age (15 years and over) population. It provides a regular, timely and comprehensive portrayal of New Zealand's labour force and Statistics New Zealand's official employment measure. The HLFS is produced quarterly and available from the December quarter 1985.

Differences between the Household Labour Force Survey and the Population Census

The HLFS and the Census of Population both produce estimates of labour force statistics such as unemployment, participation and NEET. Because these two sources are gathered differently, they can produce different estimates. The HLFS is the official measure of labour market information for New Zealand.

The biggest difference in the context of youth engagement is that, in the Census, youth that are acting as caregivers cannot be separated from others who are not engaged in employment or education. This difference, as well as the general differences, leads to higher rates of youth not engaged in employment or education (NEET) in the Census.

Within the Annual In-Depth Regional reports, Population Census calculations of labour market variables have been used in many instances, as estimates from this source are more robust for small areas, especially at the Territorial Authority level.

Department of Labour analysis tools

The Department of Labour has developed a series of online, labour market 'tools'. The tools are interactive, updatable and based on the latest official statistics. They enable the user to select a particular industry, occupation or region and

compare information with other sectors, regions or the national average. The four labour market analysis tools currently available are:

- Key information tool
- Occupational indicators
- Regional industry snapshot
- Regional industry trends
- Jobs and tertiary education indicator.

These tools are stored on the Department of Labour website – <http://www.dol.govt.nz/services/LMI/tools/index.asp>.

Linked Employer-Employee Dataset (LEED)

Produced by Statistics New Zealand, annual statistics produced from the Linked Employer-Employee Dataset (LEED) measure labour market dynamics, providing an insight into the operation of New Zealand's labour market and its relationship to business performance. LEED uses existing administrative data drawn from the Inland Revenue Department (IRD), together with business data from Statistics New Zealand's Business Frame (BF).

National and subnational population projections

Population projections are estimates of the size and composition of the population at a future date. Projections are available for the total New Zealand population, local and regional populations, various ethnic populations, families and households, and the labour force. A number of alternative series are produced in each set of projections. These use different combinations of appropriate assumptions about future fertility, mortality, net migration, inter-ethnic mobility, living arrangement type and labour force participation patterns of the population. Projections are updated every two to three years.

The data used in this report is the Subnational Population Projection 2006-base to 2031. These projections have as a base the estimated resident population of each area at 30 June 2006.

School leavers data

Produced by the Ministry of Education, the monitoring of the highest attainment of school leavers is based on the annual 1st March survey of secondary and composite schools. These statistics include all full-time regular students, full-time adult students and special education class students who left school during the period 1 March 2005–28 February 2006, to go on to further education, training, the workforce or other activities.

Unemployment

There are a number of differences between people counted as 'officially unemployed' (measured in the Household Labour Force survey) and counts of people receiving the MSD Unemployment Benefit (UB recipients). These differences mean that the two measures of unemployment are not comparable although they tend to move in the same direction over time. The Household Labour Force Survey (HLFS) measure of unemployment is the official measure, follows consistent rules and is internationally comparable. The count of UB

recipients is an administrative measure and is affected by administration procedures and adjustments (such as changes in work-testing rules).

The officially unemployed are people aged 15 years and older who:

- are without any paid work and without unpaid work in a relative's business
- have actively sought work in the previous four weeks (i.e. done more than check newspaper advertisements)
- are available to take up work
- had a new job to start within the next four weeks.

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APPENDIX 2: POPULATION SUMMARY STATISTICS

The following tables provide additional context for the youth labour market in Auckland Region.

Total population of New Zealand, Auckland Region and relevant Territorial Authorities

	2006	Change from 2001	
		Number	Percentage
New Zealand	4,027,947	290,661	7.8%
Auckland Region	1,303,068	144,177	12.4%
Rodney District	89,562	13,380	17.6%
North Shore City	205,608	20,787	11.2%
Waitakere City	186,444	17,694	10.5%
Auckland City	404,658	36,924	10.0%
Manukau City	328,968	45,771	16.2%
Papakura District	45,183	4,518	11.1%
Franklin District	58,932	7,263	14.1%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Auckland population and population projections 2006 to 2031

	2006		2031		Percentage Change	
	15-19	20-24	15-19	20-24	15-19	20-24
	Years	Years	Years	Years	Years	Years
New Zealand	300,198	270,978	316,400	323,410	5.4%	19.3%
Auckland Region	99,330	98,982	123,950	131,340	24.8%	32.7%
Rodney District	5,946	3,543	7,840	6,600	31.9%	86.3%
North Shore City	15,966	15,684	19,050	18,960	19.3%	20.9%
Waitakere City	14,178	12,396	17,910	18,460	26.3%	48.9%
Auckland City	28,374	38,880	32,340	41,820	14.0%	7.6%
Manukau City	28,131	23,673	38,270	37,610	36.0%	58.9%
Papakura District	3,732	2,877	4,610	4,480	23.5%	55.7%
Franklin District	4,062	2,643	5,260	4,500	29.5%	70.3%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Ethnicity of Auckland residents in 2006

	Population Composition (%) in 2006					
	European	Māori	Asian	Pacific Peoples	New Zealander	Other
New Zealand	67.6%	14.6%	9.2%	6.9%	11.1%	0.9%
Auckland Region	56.5%	11.1%	18.9%	14.4%	8.0%	1.6%
Rodney District	81.8%	8.7%	3.1%	2.1%	12.8%	0.4%
North Shore City	67.5%	6.3%	18.6%	3.3%	9.8%	1.9%
Waitakere City	59.0%	13.1%	16.2%	15.3%	8.3%	1.6%
Auckland City	54.4%	7.8%	24.4%	13.1%	7.5%	1.8%
Manukau City	40.5%	15.3%	21.5%	27.9%	5.4%	1.5%
Papakura District	61.2%	26.5%	8.2%	10.2%	8.8%	1.2%
Franklin District	74.6%	15.4%	5.1%	3.6%	11.4%	0.3%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Highest qualification of the working-age population in Auckland in 2006

	No Qualification	Total School	Total Post-School (Vocational)	Total Bachelor Degree or Higher
New Zealand	18.7%	34.8%	27.2%	19.4%
Auckland Region	14.4%	35.5%	25.6%	24.4%
Rodney District	17.6%	37.1%	30.8%	14.5%
North Shore City	9.7%	36.9%	26.8%	26.6%
Waitakere City	17.9%	37.4%	26.8%	18.0%
Auckland City	9.5%	31.7%	22.5%	36.2%
Manukau City	19.8%	38.0%	25.8%	16.4%
Papakura District	24.4%	36.3%	27.9%	11.4%
Franklin District	22.2%	36.6%	29.2%	11.9%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Industry employment of people living in Auckland for 15–19 and 20–24 year olds in 2006, and change from 2001

	2006		Change since 2001	
	15–19 Years	20–24 Years	15–19 Years	20–24 Years
Agriculture, Forestry and Fishing	588	642	-14.0%	1.4%
Mining	15	36	150.0%	140.0%
Manufacturing	2,727	5,802	-5.4%	1.2%
Electricity, Gas and Water Supply	30	132	0.0%	15.8%
Construction	2,757	4,596	73.1%	46.7%
Wholesale Trade	1,848	4,419	22.2%	8.4%
Retail Trade	12,810	10,659	13.8%	28.4%
Accommodation, Cafes and Restaurants	4,596	4,929	-0.1%	25.1%
Transport and Storage	804	2,340	14.0%	11.4%
Communication Services	612	1,341	10.9%	20.2%
Finance and Insurance	606	2,856	15.4%	19.3%
Property and Business Services	3,165	9,735	25.0%	30.6%
Government Administration and Defence	429	1,485	31.2%	-4.3%
Education	837	2,748	19.2%	15.5%
Health and Community Services	1,068	2,775	15.2%	21.6%
Cultural and Recreational Services	1,710	2,412	39.0%	18.9%
Personal and Other Services	1,272	2,172	5.0%	21.3%
Not Elsewhere Included	3,015	3,303	23.3%	12.7%
Total	38,895	62,376	15.3%	20.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Industry employment of people living in New Zealand in 2006, and change from 2001

	2006		Change since 2001	
	15-24 Years	15 Years and Over	15-24 Years	15 Years and Over
Agriculture, Forestry and Fishing	18,651	137,808	-11.2%	-3.5%
Mining	390	4,152	94.0%	23.7%
Manufacturing	30,315	226,152	2.0%	1.0%
Electricity, Gas and Water Supply	516	6,093	-5.0%	2.0%
Construction	25,299	147,549	76.4%	42.0%
Wholesale Trade	14,679	107,664	14.9%	8.3%
Retail Trade	74,067	238,107	15.9%	14.3%
Accommodation, Cafes and Restaurants	34,023	94,587	19.7%	17.7%
Transport and Storage	7,386	75,249	11.4%	13.2%
Communication Services	4,203	24,333	1.3%	5.1%
Finance and Insurance	7,386	64,134	21.0%	23.5%
Property and Business Services	29,907	253,734	26.1%	30.4%
Government Administration and Defence	7,476	67,098	13.1%	12.5%
Education	9,870	139,134	7.7%	9.9%
Health and Community Services	12,480	161,127	15.5%	14.6%
Cultural and Recreational Services	10,587	51,666	18.9%	25.2%
Personal and Other Services	9,819	76,077	10.9%	18.3%
Not Elsewhere Included	19,410	111,111	28.1%	22.3%
Total	316,455	1,985,778	16.8%	15.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Employment by age and occupation in Auckland for 15-19 and 20-24 year olds in 2006

	2006		Change from 2001	
	15-19 Years	20-24 Years	15-19 Years	20-24 Years
Legislators, Administrators and Managers	984	4,848	56.2%	47.3%
Professionals	807	7,305	30.0%	23.9%
Technicians and Associate Professionals	3,462	10,365	88.9%	36.8%
Clerks	5,856	9,654	-3.6%	0.4%
Service and Sales Workers	14,208	12,993	6.9%	19.5%
Agriculture and Fishery Workers	885	897	-11.7%	-4.2%
Trades Workers	3,474	5,898	40.9%	22.3%
Plant and Machine Operators and Assemblers	1,980	3,144	16.2%	2.7%
Elementary Occupations	4,251	3,999	17.4%	36.3%
Not Elsewhere Included	2,985	3,273	20.2%	9.8%
Total	38,895	62,376	15.3%	20.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Employment by age and occupation in New Zealand in 2006

	2006		Change from 2001	
	15-24 Years	15 Years and Over	15-24 Years	15 Years and Over
Legislators, Administrators and Managers	15,087	283,257	51.1%	30.9%
Professionals	20,292	292,101	21.3%	21.9%
Technicians and Associate Professionals	32,610	240,081	41.3%	25.9%
Clerks	39,981	218,061	1.2%	0.7%
Service and Sales Workers	87,933	269,232	12.0%	11.0%
Agriculture and Fishery Workers	18,564	129,654	-12.5%	-5.7%
Trades Workers	32,883	168,135	45.1%	15.7%
Plant and Machine Operators and Assemblers	21,072	150,324	9.1%	4.4%
Elementary Occupations	28,998	122,220	19.3%	21.4%
Not Elsewhere Included	19,041	112,710	21.6%	19.6%
Total	316,458	1,985,778	16.8%	15.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

APPENDIX 3: REGIONAL LABOUR MARKET KNOWLEDGE MANAGERS CONTACT DETAILS

Region	Name	Direct Dial	Mobile	Email
Northland	Ken Kawiti	09 438 0769	027 281 1942	ken.kawiti@dol.govt.nz
Auckland	Teena Abbey	09 912 3680	027 478 7867	teena.abbey@dol.govt.nz
	Margaret Crozier	09 985 4803	027 499 6681	margaret.crozier@dol.govt.nz
	Grant Power	09 985 4805	027 437 9289	grant.power@dol.govt.nz
	Iani Nemani	09 985 4804	027 279 7068	iani.nemani@dol.govt.nz
Waikato	Brendon Gardner	07 959 3440	027 444 5805	brendon.gardner@dol.govt.nz
Bay of Plenty	Asher Nikora	07 9216017	027 443 1319	asher.nikora@dol.govt.nz
East Coast	George Rarere	06 835 0396	027 214 6134	george.rarere@dol.govt.nz
	Chrissie Hape	06 835 9756	027 491 0172	chrissie.hape@dol.govt.nz
Taranaki, Wanganui	Sheree Long	06 759 9410	027 273 8354	sheree.long@dol.govt.nz
Manawatu, Tararua*	Jenny Smith	06 357 9618	027 448 6334	jenny.smith@dol.govt.nz
Wellington*	Mike Styles	04 802 4835	027 208 5193	michael.styles@dol.govt.nz
Nelson/ Tasman, Marlborough, West Coast	Peter Hall	03 989 6772	027 222 0689	peter.hall@dol.govt.nz
Canterbury	Claire Bryant	03 964 6340	027 444 2337	claire.bryant@dol.govt.nz
	Rachel Burgess	03 964 6341	027 240 9777	rachel.burgess@dol.govt.nz
Otago, Southland	Paul Crack	03 479 2138	027 222 4520	paul.crack@dol.govt.nz

* Jenny Smith is also the contact for the Districts of the greater Wellington Region on sub-regional labour market development issues.