



Annual in-depth Regional Report

▼ BAY OF PLENTY REGION



15 July 2008

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EXECUTIVE SUMMARY

Across Bay of Plenty Region, youth labour market performance has been variable. When these variable TA statistics are combined, they produce regional results that were frequently below the New Zealand average. Results for Tauranga City (around 40% of the region's youth population) were generally better in terms of educational and labour market results than the regional average, while some of the smaller more rural districts (especially Kawerau and Opotiki Districts) produced weaker than average results.

The youth population in Bay of Plenty Region had a much higher than average share of Māori (38%) and a much lower than average share of Asian and Pacific peoples.

The youth population in Bay of Plenty Region grew between 2001 and 2006, at a rate slower than youth nationally. The Bay of Plenty Region youth population grew by 9.2% between 2001 and 2006, less than the 13.1% growth in national youth. Population growth was very uneven across the region. Four-fifths of the youth population growth occurred in Tauranga City (up 19.9%). Three districts (Rotorua, Kawerau and Whakatane Districts) actually declined in youth population.

The youth population is projected to grow by 15.7% in the period between 2006 and 2031, faster than the growth rate for youth nationally. Numerically, Bay of Plenty Region will have the third largest growth in youth numbers. Youth population growth is projected to be concentrated in Tauranga City (up 42.6%) and Western Bay of Plenty District (up 9.0%). Rotorua District will experience growth of only about 2% in its youth population. The three eastern districts, which tend to be smaller, more rural and predominantly Māori, are expected to have less youth in 2031 than they did in 2006.

Migration statistics show a consistent net outflow of youth from Bay of Plenty Region from 1996 to 2006, in contrast to other age groups that mostly experienced a net inflow. The population flowed into Bay of Plenty Region at ages above 25, which may suggest that, once their education phase is complete, people start to move (or return) to this region.

Bay of Plenty Region performed relatively poorly in terms of school leaver education attainment. Except for Tauranga City and Western Bay of Plenty District, all districts had an above average share of students with little or no formal attainment. Only in Tauranga City did school leavers attain NCEA Level 3 and above at rates similar to the national average.

The rate of youth who were not in employment, education or training (NEET) was higher in Bay of Plenty Region than the national average. Both 15–19 year olds and 20–24 year olds had NEET rates above the national average in all districts, except for 15–19 year olds in Tauranga City.

The proportion of youth in Bay of Plenty Region holding a post-school qualification in Engineering and Related Technologies, Food, Hospitality and Personal Services, and Agriculture, Environmental and Related Studies was relatively high, whilst a relatively low proportion were qualified in technical fields such as Natural and Physical Sciences.

Between 2001 and 2006, increasing labour force participation saw growth in the Bay of Plenty Region youth labour force exceed overall growth in the youth population. Four of the six districts in Bay of Plenty Region recorded higher labour force participation in 2006 than in 2001.

Bay of Plenty Region's youth unemployment rate of 15.7% was slightly above the national rate of 13.3%. There were small pockets of exceptionally high unemployment, with Kawerau and Opotiki Districts experiencing youth unemployment rates of 34% and 23% respectively.

Retail Trade was by far the largest employer of youth in Bay of Plenty Region in 2006, followed by Accommodation, Cafés and Restaurants, and Construction. The two industries that experienced the fastest growth in youth employment between 2001 and 2006 were Construction (up almost 100%) and Finance and Insurance (up by 49%). Trades Workers (a skilled occupation group) added the most youth workers between 2001 and 2006, with many likely to be employed in Construction.

Youth median earnings from wages and self-employment were similar to youth earnings nationally. This is positive given that, in all districts except Rotorua District, the proportion of youth in part-time work was higher than the national average.

INTRODUCTION

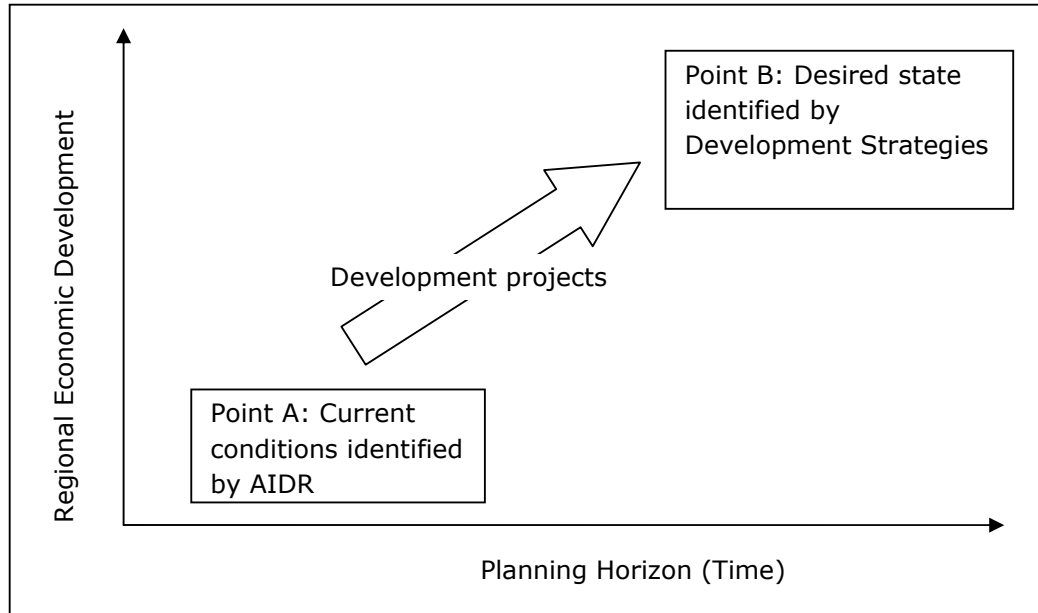
The 2008 Annual In-Depth Regional reports present an analysis of regional and sub-regional labour market characteristics, specifically focusing on youth. Much of the content of this report comes from data collected in the 2006 Population Census but is supplemented by qualitative regional information. 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.

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's 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
- 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

² For more information about the Skills Strategy, see the New Zealand Skills Strategy website – <http://www.skillsstrategy.govt.nz/>.

organisations develop and use the skills that the workplaces of the future will need³.

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 disaggregated into five-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 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

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.

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. If you have any queries regarding this document, or if you wish to discuss regional labour market issues, constraints or opportunities, please contact:

Asher Nikora
Email: asher.nikora@dol.govt.nz
Phone: 07 921 6017
Mobile: +64 27 443 1319

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

Understanding the youth labour market in Bay of Plenty 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.

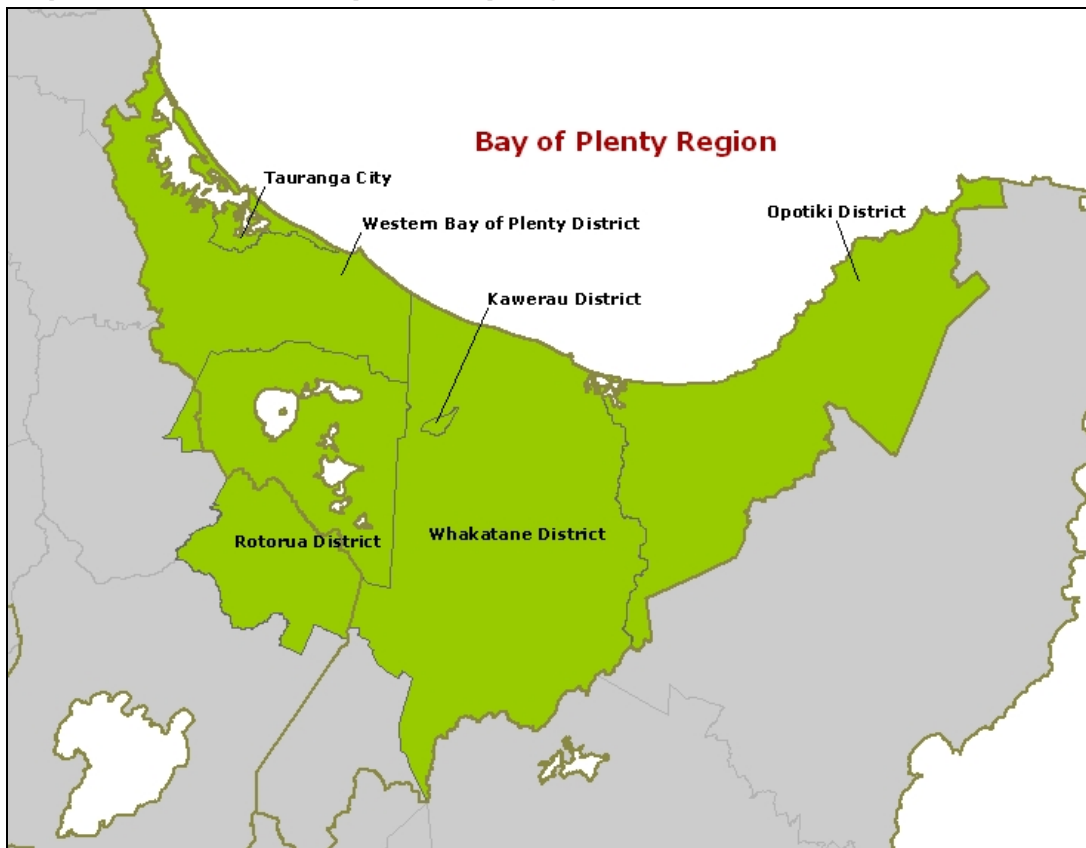
BOUNDARIES: BAY OF PLENTY REGION

Bay of Plenty Region covers 22,000 square kilometres and is the eighth largest region by land area in New Zealand. Bay of Plenty Region includes the following Territorial Authorities (TAs): Tauranga City, Rotorua District, Western Bay of Plenty District, Whakatane District, Opotiki District and Kawerau District.

The TAs listed here do not all fit neatly within the Bay of Plenty regional council boundaries. Part of Rotorua District lies within the Waikato regional council boundary, but this has been included only in this Bay of Plenty regional report. Taupo District lies partly within Waikato Region and partly within Bay of Plenty Region, but this TA has been included only in the Waikato regional report. Because of this, the population of all TAs shown will not always add up to the totals for the whole region.

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. The geographical coverage of the regional council area in terms of district boundaries is shown below.

Map 1: Boundaries of Bay of Plenty Region



1. REGIONAL POPULATION COMPOSITION

The foundation for any labour market analysis is the pool of labour that is available 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 Bay of Plenty Region's population

The Bay of Plenty Regional population grew by just under 8% in the period 2001–2006, similar to the national population growth, as shown in Appendix 2. Within Bay of Plenty Region, the fastest growing of the seven TAs was Tauranga City, with a 14 % population growth. Conversely, two TAs (Opotiki and Kawerau Districts) experienced declines in population over this period. There was a large difference in population size between the TAs. Tauranga City alone contained around 40% of the Bay of Plenty Region population, whereas Opotiki and Kawerau Districts combined accounted for barely 6% of the region's population.

In New Zealand, there were 571,176 people aged between 15 and 24 at the time of the 2006 Population Census, up 13.1% from 2001. In Bay of Plenty Region, the number of youth was 30,717. Table 1 shows that Bay of Plenty Region experienced a 9.2% increase in the youth population over this period, which was below the national growth in youth at 13.1%. The change in youth population shows considerable variation at a TA level. Above-average growth in the youth population occurred in two of the six TAs – Tauranga City (19.9%) and Western Bay of Plenty District (16.9%). Conversely, three TAs experienced an actual decline in their youth population. Opotiki District had the biggest decrease in its youth population (-2.9%), in parallel with a 2.4% decline in the total population over this period. Therefore, youth, like the older age groups, are becoming more concentrated in the western parts of this region.

Table 1: Bay of Plenty Region youth population and change 2001 to 2006

	2001	2006	Change 2001–2006	
			Number	Percentage
New Zealand	505,071	571,176	66,105	13.1%
Bay of Plenty Region	28,122	30,717	2,595	9.2%
Western Bay of Plenty District	3,696	4,320	624	16.9%
Tauranga City	10,401	12,468	2,067	19.9%
Rotorua District	8,610	8,559	-51	-0.6%
Whakatane District	3,945	3,996	51	1.3%
Kawerau District	843	828	-15	-1.8%
Opotiki District	1,020	990	-30	-2.9%

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

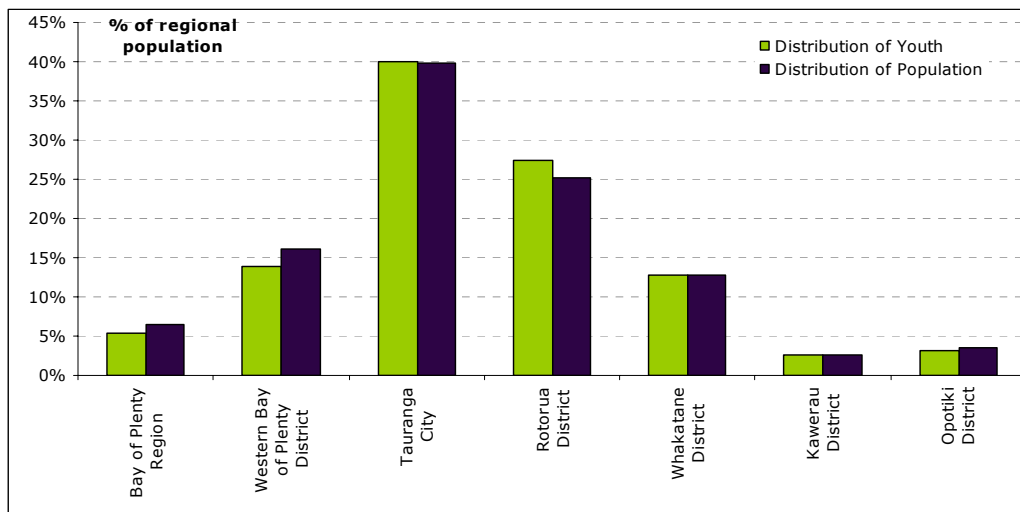
Does this pattern of population growth match what you have seen? If not, what differences have you seen? What are the implications of these changes?

Chart 1 shows the distribution of the youth population across Bay of Plenty Region compared with the distribution of the overall population. The majority of youth resided in the west and coastal areas of the region. Tauranga City had by far the largest concentration of young people in Bay of Plenty Region with around 40% of the total youth population, the same as its share of the total population. Western Bay of Plenty District had a slightly smaller share of youth relative to its population, whereas Rotorua District had a slightly higher share of youth relative to its population.

Reflecting the importance of youth to local communities, local government across New Zealand has 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 Bay of Plenty Region TAs. The regional data shows the share of national population that lived in the Bay of Plenty.

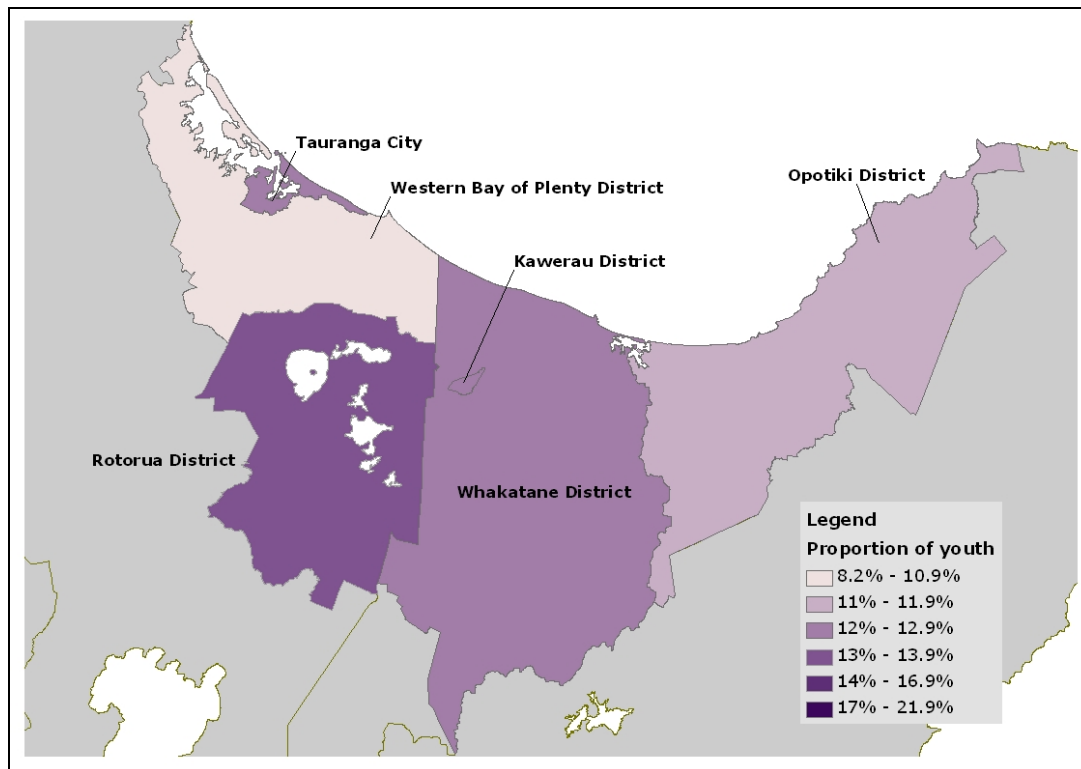
Another way of analysing the youth population is to look at the share of the total population within a TA and the region aged 15 to 24.

Chart 1 shows how the youth were spread, and Map 2 shows the proportion of each TA's population that were youth.

Map 2 shows the regions that had the highest proportion of their population aged 15–24. There is not much variation between regions in terms of their percentage who were youth. Rotorua District had the most youthful population profile (13%

of its population were aged 15–24), while Western Bay of Plenty District had the least youthful population (10% of its population were aged 15–24). This may reflect the popularity of the area for retired people living without children.

Map 2: Concentration of youth in Bay of Plenty Region



In Appendix 2, a table shows the ethnicity composition for the total population of Bay of Plenty Region and the component TAs. The table shows that the total Bay of Plenty Region had a very different ethnic structure to that of New Zealand overall. Whilst the proportion of people who identified as European was similar to the national average, Māori were twice as prevalent as they were nationally (28% compared to 15%). There were relatively few Pacific and Asian people (the third and fourth largest ethnic groups). Combined, Asian and Pacific peoples accounted for just 6% of the population in Bay of Plenty compared with around 16% nationally. People identifying themselves as Māori comprised a relatively large proportion of the population in every TA in Bay of Plenty Region, and in two TAs – Kawerau and Opotiki Districts – there were more Māori than European.

Since Māori had a younger age profile than non-Māori, the over-representation among Māori in Bay of Plenty Region was more pronounced among the youth population (Table 2). By district, the proportion of youth within Bay of Plenty Region identifying as Māori varied from 24% to 76%, compared with a national average of 19%. The share of Māori in the youth population was greatest in Kawerau District, with Opotiki District not far behind. About 76% of all young people in Kawerau District identified themselves as Māori, which was more than four times the national average (and double the Bay of Plenty Region average). Kawerau District also had the smallest proportion of youth in Bay of Plenty Region

who identified themselves as European (39%). Interestingly, in two TAs – Western Bay of Plenty District and Tauranga City – there was also an above average proportion of youth who were European.

Table 2: Ethnicity of youth in Bay of Plenty Region in 2006

	European	Māori	Asian	Pacific Peoples	New Zealander ⁸	Other
New Zealand	63.0%	18.6%	14.3%	8.9%	7.5%	1.3%
Bay of Plenty Region	64.0%	37.9%	4.2%	3.9%	7.8%	0.5%
Western Bay of Plenty District	70.0%	27.0%	4.0%	2.6%	10.3%	0.1%
Tauranga City	72.8%	24.5%	4.8%	2.7%	9.3%	0.6%
Rotorua District	57.7%	47.8%	5.2%	6.4%	6.2%	0.5%
Whakatane District	54.8%	53.8%	1.4%	3.3%	6.7%	0.2%
Kawerau District	38.9%	76.2%	1.5%	4.9%	1.5%	0.0%
Opotiki District	43.1%	72.4%	1.0%	4.3%	3.6%	0.0%

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%.

Over half the population of Bay of Plenty Region already resides in the western side of Bay of Plenty Region (Tauranga City and Western Bay of Plenty District), and we have already seen that, between 2001 and 2006, population growth in these areas was faster than the national and regional average. This difference in population growth rates between parts of Bay of Plenty Region is projected to continue. The two western TAs are expected to experience significantly above-average growth, whereas population growth is on a much slower (or even declining) rate for other TAs in the region. This means that the population is expected to become increasingly concentrated in the western portion of the region, which has important implications for the labour market. Between 2006 and 2031, the overall population of Bay of Plenty Region is projected to increase at about the same level as the national population projection.

Table 3 also shows the regional variation in population projections is mirrored in the youth population. The population of 15–24 year olds in the western side is likely to grow at a considerably faster rate than the youth population in the rest of the region. Tauranga City is the only TA in Bay of Plenty Region to have projected youth population growth above the national average. Youth population growth in Bay of Plenty Region is projected to be chiefly driven by large population growth in Tauranga City. Similar tables showing population projections independently for 15–19 and 20–24 year olds for Bay of Plenty Region and the component TAs are provided in Appendix 2.

Over the next 25 years, Bay of Plenty Region is expected to have the third largest increase in youth population of any region (after Auckland and Canterbury).

⁸ '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.

Around 80% of youth population growth in Bay of Plenty Region is projected to be concentrated in Tauranga City.

Table 3: Bay of Plenty Region 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%
Bay of Plenty Region	30,717	257,379	35,540	326,200	15.7%	26.7%
Western Bay of Plenty District	4,320	42,075	4,710	55,800	9.0%	32.6%
Tauranga City	12,468	103,632	17,780	154,800	42.6%	49.4%
Rotorua District	8,559	65,901	8,720	71,300	1.9%	8.2%
Whakatane District	3,996	33,300	3,590	34,200	-10.2%	2.7%
Kawerau District	828	6,921	470	5,390	-43.2%	-22.1%
Opotiki District	990	8,976	790	8,630	-20.2%	-3.9%

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

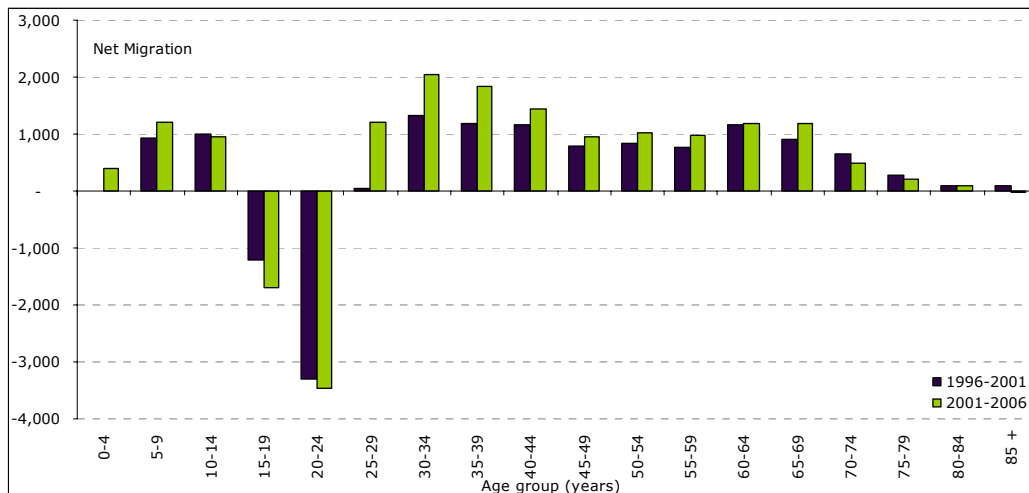
People moving to and from a region can have a large impact on the labour force characteristics of the area. This section looks at how migration (inter-regional and overseas) affected the labour supply in Bay of Plenty Region.

Chart 2 shows net overseas and inter-regional migration (inflows less outflows) for Bay of Plenty Region over the past 10 years. Furthermore, the chart shows that Bay of Plenty Region has experienced a healthy gain in migrants (both internal and overseas) in all age groups except youth. Migrants therefore comprised a significant portion of population growth in the region as a whole. Over half of Bay of Plenty Region’s total population gain between 2001 and 2006 was through migration (a gain of 10,020 out of a net increase of 17,967 was due to migration).

It should be noted that the ethnic profile suggests relatively few migrants tended to identify themselves as Asian or Pacific peoples.

The youth age groups are the only age categories where there were net migrant outflows. This was also the case between 1996 and 2001, so there appears to be a longer-term pattern of youth exiting the region. This may be linked to the greater educational and training opportunities elsewhere (given that more youth than ever before are entering tertiary study and there are no universities in Bay of Plenty Region). Between 2001 and 2006, inflows of population resumed from age 25 onwards. One possible explanation for this change in pattern is that, once the education phase in life is complete, people start being drawn back to this region again.

Chart 2: Net migration (overseas and inter-regional) in Bay of Plenty Region by age 1996–2001 and 2001–2006



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

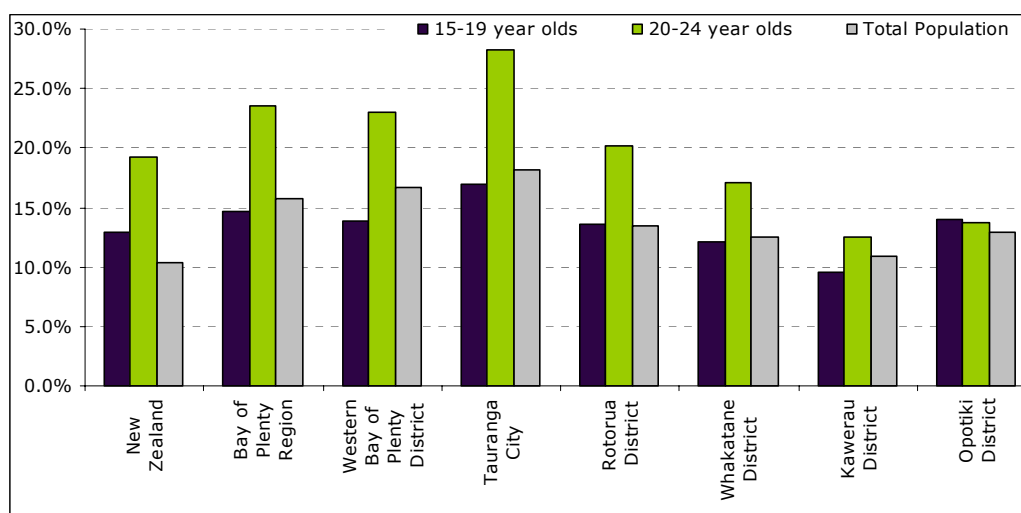
Inter-regional migrants

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 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 and Wellington, generally have a net inflow of young people.

Chart 3 shows that young people aged 20–24 tended to be more mobile than the average population in Bay of Plenty Region, whereas the 15–19 year age group showed about the same level of mobility as the overall population. This probably reflects the fact that the 15–19 year age group are more likely to be still living at home with their parents and therefore reflect broader population shifting patterns, whereas 20–24 year olds are more economically and socially independent.

Mobility levels for 20–24 year olds were highest in Tauranga City and Western Bay of Plenty District. It is interesting to see that 20–24 year olds in Opotiki and Kawerau Districts were the least mobile. However, it may reflect limited post-school study opportunities due to lower educational qualifications (for instance, Opotiki District youth had, along with Kawerau District, the lowest level of school educational attainment). This leads to more youth staying put in their local areas, though as the later data shows, they were not necessarily working.

Chart 3: Proportion of the 2006 population in Bay of Plenty Region that 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

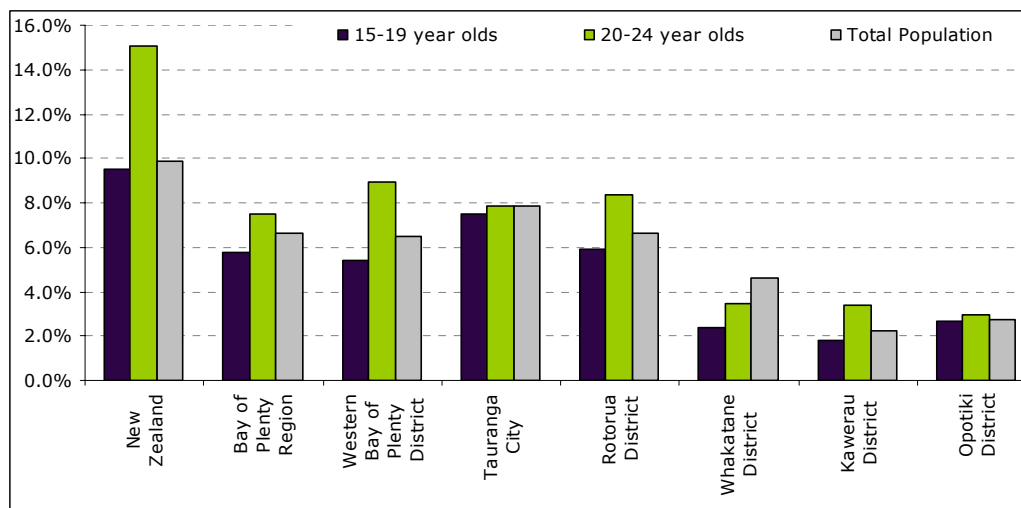
region, they frequently have different characteristics. By identifying the number and characteristics of migrant youth, an area can identify how best to make the most of this valuable resource.

Chart 4 shows that Bay of Plenty Region generally had a relatively low proportion of its people living overseas five years ago. (Note that these are not just foreign-born people, as this includes young people back from overseas travel.) Around 7% of Bay of Plenty Region’s population lived overseas in 2001 compared to just under 10% nationally. Of course, many young persons may leave and stay away (and the net outflows data shown earlier suggests this to be the case), but those who are in the region appeared to be fairly settled.

It is notable that, on average, a 15–19 year old in Kawerau District was about three times less likely to have been overseas five years earlier than the average 15–19 year old in Bay of Plenty Region. The difference was also large but not as pronounced for Kawerau District 20–24 year olds.

In general, young people in the districts of Kawerau, Opotiki and Whakatane exhibited lower mobility, especially internationally. One of the advantages to this is that these TAs have a relatively settled workforce available to draw upon within this region. Therefore, leading into the next section, investing in upskilling this group living in the east of the region is liable to have considerable dividends, provided that investment is in job skills that are in demand in the region.

Chart 4: Proportion of the 2006 population that 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 Bay of Plenty Region in 2006 and projections for youth numbers in 2031. It also showed some of the demographic and migration characteristics of youth in Bay of Plenty. 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 2008. 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 Bay of Plenty Region. 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".

"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."⁹

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."¹⁰

The schools chosen to participate in the CPaBL programme in Bay of Plenty Region in 2007-2008 include:

- Rotorua Boys' High School
- Taupo-nui-a-Tia College
- Tauranga Girls' College
- Te Puke High School
- Trident High School
- Western Heights High School
- Whakatane High School
- Katikati College
- Mt Maunganui College

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 NCEA level 3 qualifications and above are particularly mobile, and are most likely to continue in education. In areas with few/no tertiary providers, school leavers with higher qualifications are the ones most likely to leave the region. Regions or districts without a strong demand for

9 Taken from the TEC website, 19 May 2008 – <http://www.tec.govt.nz/templates/standard.aspx?id=469>.

10 Taken from the Ministry of Education website, 19 May 2008 – <http://www.minedu.govt.nz/index.cfm?layout=index&indexID=11720&indexparentid=1004>.

labour that has received this tertiary training, are less likely to see their young people return to the region in the short term.

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

In some of these regions, projects are currently in place to attract university graduates to return to their source region.

Chart 5 breaks down school leaver attainment levels according to four categories – little or no formal attainment, NCEA Level 2 or less, NCEA Level 2–3 and NCEA Level 3 and above. In results from 2006, Bay of Plenty Region had slightly lower qualification attainment than the national average.

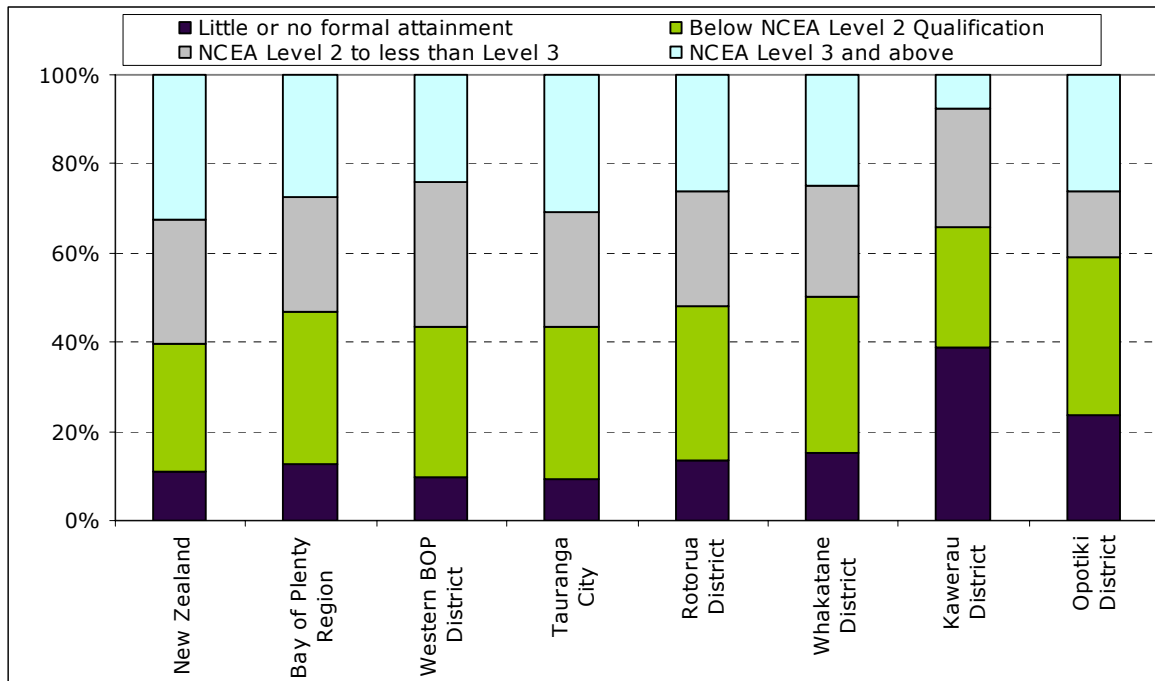
At the TA level, Tauranga City virtually mirrored the national distribution of school leaver levels of attainment. The other five TAs were all below the national average. It should be noted that little or no formal attainment means the student attained few if any subjects and basic foundation skills of literacy and numeracy. TAs varied widely in terms of achieving this basic level of school qualification. Only one in ten school leavers in Tauranga City and Western Bay of Plenty District left school with little or no formal qualifications in 2006, similar to the national average. For Kawerau District at the other extreme, four in ten students left school with little or no qualifications. The absence of these qualifications implies that these students probably will have trouble with most forms of skilled work.

It should be noted that many students who miss out at school can upskill later in life. Many tertiary institutions in Bay of Plenty Region offer basic level courses for mature students. However, the provision of this education may be costly in terms of duplicating resources to provide what was available but unused at school level.

In TAs with tertiary training establishments, 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 with universities had a higher than average share of school leavers with higher school leaver qualifications. It is reasonable to assume that the lack of such tertiary institutions in Bay of Plenty Region is at least partially responsible for this pattern.

The number of school leavers in Bay of Plenty Region in 2006 was 3,700, of whom around 40% were in Tauranga City, 28% in Rotorua District and 16% in Whakatane District.

Chart 5: School leavers in Bay of Plenty Region in 2006



Source: School Leaver Statistics, 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 the young in Bay of Plenty and the employers in the region? Are there any projects in place with school leavers to ease transition into the workforce?

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 Bay of Plenty Region.

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 strategy¹¹. 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

¹¹ <http://www.beehive.govt.nz/release/significant+benefits+schools+plus>.

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 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."¹²

There is one Youth Transitions Service office available in this region, based in Rotorua.

Qualitative feedback from Bay of Plenty Region indicates some of the reasons for low levels of educational attainment in parts of Bay of Plenty Region, including:

- rural isolation
- transport challenges
- inter-generational unemployment
- single parent family challenges
- a low wage economy.

There are a number of initiatives happening in Bay of Plenty Region that seek to realise youth potential, including:

- INSTEP – run by economic development agency Priority One
- Career NetWork – a work-based training programme (Rotorua)
- Employment Choices Programme
- Launchpad Scholarship Programme
- Mayors Taskforce For Jobs project (Eastern Bay of Plenty).

These are only a sample of many youth programmes that seek to develop and enhance youth capacity and capability in Bay of Plenty Region.

A key element of these youth initiatives is a partnership approach with various stakeholders to provide tailored packages to meet their unique requirements.

Industry and Schools Training and Enterprise Partnership – INSTEP

The INSTEP programme (established in 2001) is an initiative developed by Priority One – Western Bay of Plenty Region's economic development organisation. The INSTEP programme provides valuable links between business and education and provides examples of successful business practice within Western Bay of Plenty Region to local secondary school students, their teachers, parents and principals. Its aim is to increase students', teachers', principals' and parents' understanding of "business" and how it relates to economic growth, the value and relevance of education and future employment opportunities within Western Bay of Plenty Region.

It does this by creating partnerships through identifying opportunities, building relevant networks, and facilitating and managing a flexible mentoring programme for students that enables them to make informed career decisions for the future.

¹² <http://www.winz.govt.nz/get-assistance/youth-transition-services.html>.

These are some of the main outcomes of the programme:

- Students are more motivated to achieve their career goals and consider local career opportunities.
- Current local skills gaps are identified, and planning for future skill needs is clearly communicated.
- Key competencies, attitudes, qualifications and career pathways necessary to achieve future success are clearly communicated.
- The relevance to what is learned in school is reinforced and future networks are formed.

For more information, see www.priorityone.co.nz.

Career NetWork

Career NetWork is a private training establishment (PTE) that provides work-based training in areas such as tourism and hospitality at a foundational skill level (NZQA Levels 1–3). This organisation is therefore involved in assisting young people who have attained relatively low levels of qualifications. It is the largest PTE in Rotorua, which, in turn is one of the main centres of youth in the Bay of Plenty. Career NetWork training programmes are generally geared towards skills related to general, entry-level employment covering areas such as job search skills, employment rights and responsibilities, interpersonal communications, and literacy and numeracy.

Career NetWork takes all clients through a comprehensive career planning process. The career plan identifies skill gaps related to the area of appropriate employment. If these skills can be delivered through existing training programmes at Career NetWork, then the relevant upskilling is provided. If Career NetWork can't provide the relevant training, then clients are directed to other tertiary training providers where they can get the skills they require.

There are two full-time work brokers on the staff who are an important part of the career planning process. Their role is to understand the young person's career aspirations and skill level, and to then find a company that fits these.

A number of key elements are important in achieving appropriate training and employment outcomes. Firstly, it is the quality of the career assessments and planning conducted at the beginning of the process. Flexibility is another key factor in delivering training needs to meet a client base with diverse needs, though there is a common core of skills required. Career NetWork also works closely with local industry in running its training programmes.

For more information, see www.careernetwork.co.nz.

Employment Choices Programme

Employment Choices Programme is a partnership initiative between the Ministry of Social Development (MSD), Rotorua Chamber of Commerce and employers to get youth into work. Prospective clients from MSD offices can make an appointment to be interviewed for the programme. The programme aims to help people rediscover forgotten skills, attributes and talents; gain an insight into the

occupation and industry they want to work in; build a great CV; practise interview techniques and strategies; and increase confidence, motivation and self esteem.

For more information, contact choice@rotchamber.co.nz.

Launchpad Scholarship Programme

The Ministry of Social Development (MSD) recognises that there is a need for a well-organised pathway that connects education with work and ongoing skill formation.

The aims of the Launchpad Scholarship Programme include:

- to create meaningful employment for school leavers who may
- otherwise experience difficulty finding employment
- to encourage a commitment to life-long learning through the provision of free part-time tertiary study for the scholarship period
- to influence employer attitudes and build responsibility for providing opportunities for school leavers
- to identify trends and issues related to the employment and ongoing skill development of school leavers.

The target group are young people aged 15–19 years, from the Tauranga area, identified as being at risk of becoming unemployed or underemployed, particularly those who are children of existing clients of the MSD. A key feature of the programme is that direct links with the business sector are established. External support is critical to high retention rates.

For more information, contact lynne.harre006@msd.govt.nz.

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. However, the NEET measure may include some young people involved in other activities that could contribute to their wellbeing, or who are 'in between' activities for a short period of time (for example, recently returned from overseas on holiday from work or study).

"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 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."¹³

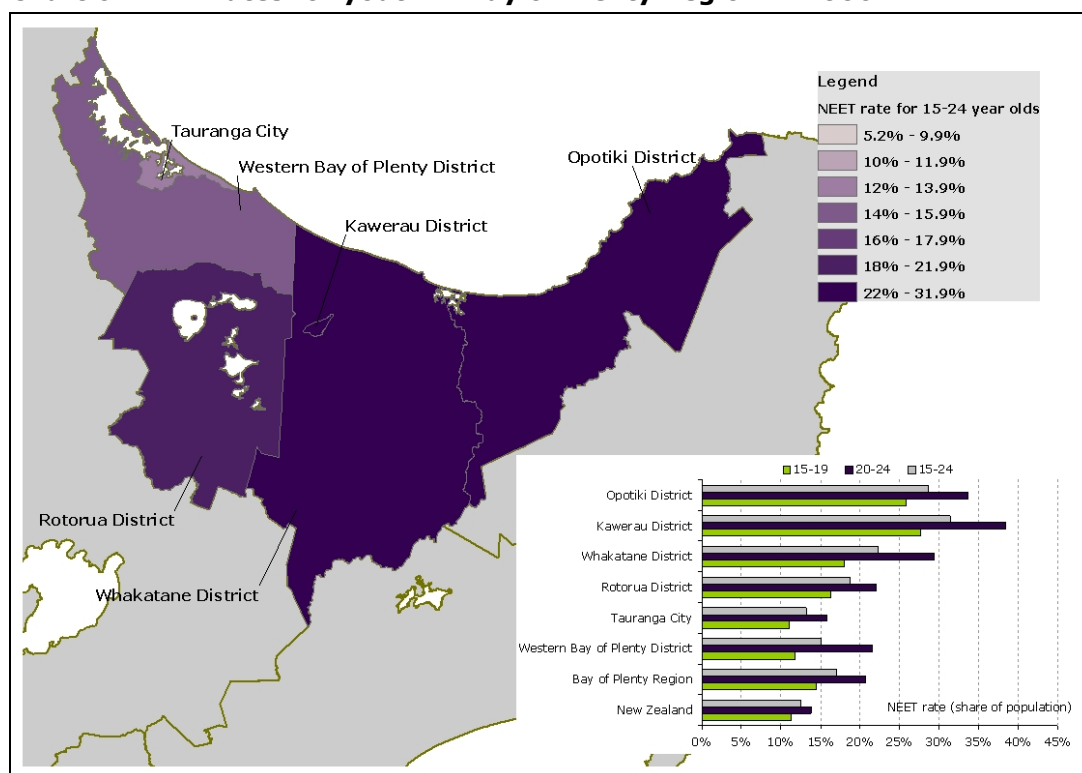
13 Youth Transitions Report Series 2003 – Executive Summary, *Key Findings on Youth Transitions*, Ministry of Social Development, p3.

The NEET measure has had a particular focus within the Mayors Taskforce For Jobs¹⁴ (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..."¹⁵.

The rate of youth who were not in employment, education or training (NEET) is higher in Bay of Plenty Region than the national average. This means the region experienced a relatively high share of youth who were disengaged from education or work. An above-average NEET rate was evident across all six TAs in Bay of Plenty Region. Chart 6 shows that only one TA (Tauranga City) more or less resembled the New Zealand profile for youth not in work, education or training, although even in this TA, youth had a NEET rate about one percentage point above the national average. The other TAs showed a progressively higher NEET rate, with the three eastern regions (Kawerau, Opotiki and Whakatane Districts) again showing the poorest results. Kawerau and Opotiki Districts had the two highest youth NEET rates in New Zealand at the 2006 Census while Whakatane District had the fifth highest youth NEET rate.

Given the high percentage of students who leave school without any qualifications, particularly in eastern districts, a low level of NEET is a particularly important goal to achieve, as an above-average share of recent school leavers are likely to require upskilling.

Chart 6: NEET rates for youth in Bay of Plenty Region in 2006



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

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

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

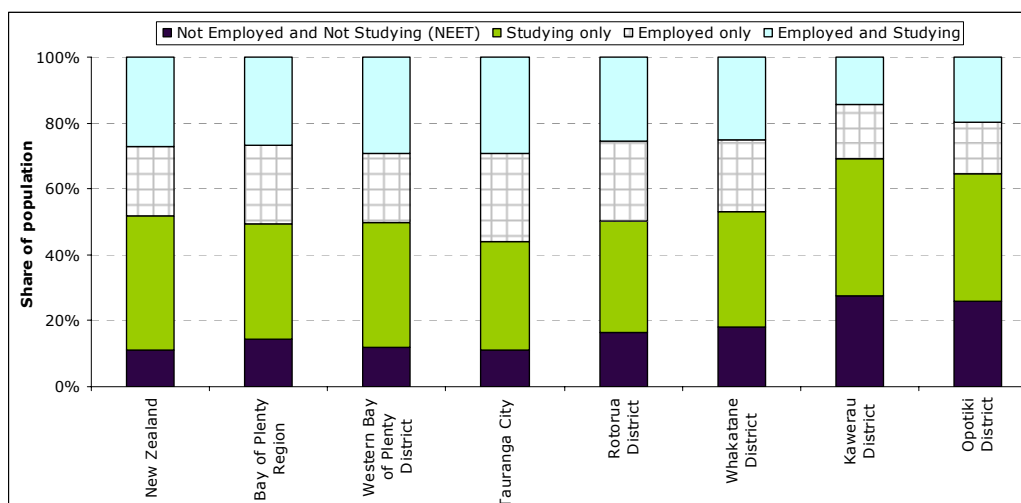
Chart 7 and Chart 8 show the study and labour force status of youth, disaggregated into two age groups. As can be seen from a comparison of the two charts, there were major differences between the labour force status of those aged 15–19 and those aged 20–24.

Chart 7 shows that, nationally, around 10% of 15–19 year olds were categorised as NEET, with around another 40% in study. Half of all people aged 15–19 were working either with or without studying.

Chart 8 shows that, in comparison, a higher proportion of 20–24 year olds were categorised as NEET, and a much smaller proportion were in the study only group. Much of this difference is due to the requirement for people aged 15–17 to be enrolled in school. Among 20–24 year olds in Bay of Plenty Region, the proportion in work and not studying was slightly higher than average (see hatched bar segments in Chart 8). Conversely, Bay of Plenty Region had a lower proportion in this age group engaged solely in studying or in combination with employment. Relatively few tertiary institutions in the area is one likely explanation here, with many youth who wish to pursue higher education moving away from Bay of Plenty Region.

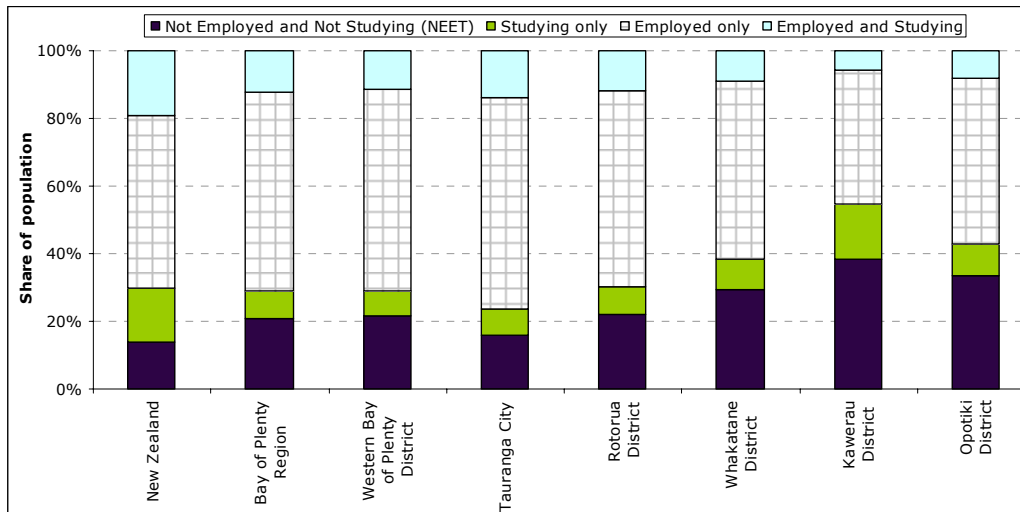
Across the TAs of Bay of Plenty Region, there was considerable variation in the rate at which 20–24 year olds were solely engaged in employment. The share of youth that were only working was highest in Tauranga City at 62%, and lowest in Kawerau District at 40%. Whakatane, Kawerau and Opotiki Districts all showed NEET rates for 20-24 year olds well above the regional and national average, as noted earlier, and a reasonable proportion in 'work only' as well as a fairly low proportion studying only. This suggests a possible pool of youth in these regions that might be able to usefully take up work-based study options.

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 differed considerably by ethnic group in New Zealand. Nationally, Māori and Pacific youth were much more likely than European and Asian youth to not be engaged in education or employment. 20% of Pacific peoples aged 15–17 were 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 increased substantially by age for both Māori and Pacific youth but remained relatively stable for European and Asian youth.

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 School¹⁶ 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

¹⁶ For more information about the contents of these categories, please see the Glossary of Terms.

qualification levels of the working age population in Bay of Plenty Region is provided in Appendix 2.

Across the whole region, the proportion of youth with no qualifications was higher than the national average. The two small eastern TAs (Kawerau and Opotiki Districts) again showed the lowest level of educational attainment. In Opotiki District, only 15.9% of youth had any post-school qualification, compared with an average across Bay of Plenty Region of 26.8% and a New Zealand-wide average of 28.5%.

Note that the different age structure of the youth population may slightly explain some of these figures. For instance, 58% of Western Bay of Plenty District's youth were aged under 20 (and therefore less likely to have completed post-school qualifications) compared with only 47% aged under 20 in Tauranga City.

The large number attaining low educational achievement has been noted earlier and suggests there is perhaps scope for more post-school educational training to be conducted, especially in the eastern areas.

Table 4: Highest qualification of youth in Bay of Plenty Region 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%
Bay of Plenty Region	22.2%	51.0%	21.2%	5.6%
Western Bay of Plenty District	24.4%	53.7%	18.4%	3.5%
Tauranga City	19.9%	49.7%	23.3%	7.1%
Rotorua District	23.8%	50.4%	20.6%	5.1%
Whakatane District	22.3%	54.5%	19.1%	4.2%
Kawerau District	29.5%	54.5%	14.8%	1.1%
Opotiki District	31.0%	48.3%	19.0%	1.7%

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 Bay of Plenty Region against the studying patterns of youth in New Zealand in general. Nationally, 58.5% of 20–24 year olds had no post-school qualifications as measured by the Population Census in 2006. Table 5 shows the distribution of qualification 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.

As shown in Table 5, 20–24 year olds in Bay of Plenty Region tended to have slightly different patterns of post-secondary study to that of 20–24 year olds across New Zealand. In two fields, Engineering and Related Technologies, and Food, Hospitality and Personal Services, the proportions were much higher than

for the whole country. These results are encouraging in that they suggest some alignment of study to areas where there are greater work opportunities in Bay of Plenty Region. For instance, wood and paper and agricultural services are two industries that employ a relatively high proportion of Bay of Plenty Region residents, so we would expect a relatively high number to have studied Agriculture, Environmental and Related Studies, and Engineering and Related Technologies.

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	
	Bay of Plenty Region	New Zealand
Natural and Physical Sciences	2.8%	4.8%
Information Technology	5.3%	7.3%
Engineering and Related Technologies	16.6%	11.4%
Architecture and Building	6.6%	4.8%
Agriculture, Environmental and Related Studies	5.5%	3.2%
Health	6.0%	6.2%
Education	6.7%	5.1%
Management and Commerce	19.0%	23.6%
Society and Culture	11.6%	14.3%
Creative Arts	7.4%	10.6%
Food, Hospitality and Personal Services	12.5%	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 Bay of Plenty Region. This section looks at the labour market outcomes for youth in Bay of Plenty 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.

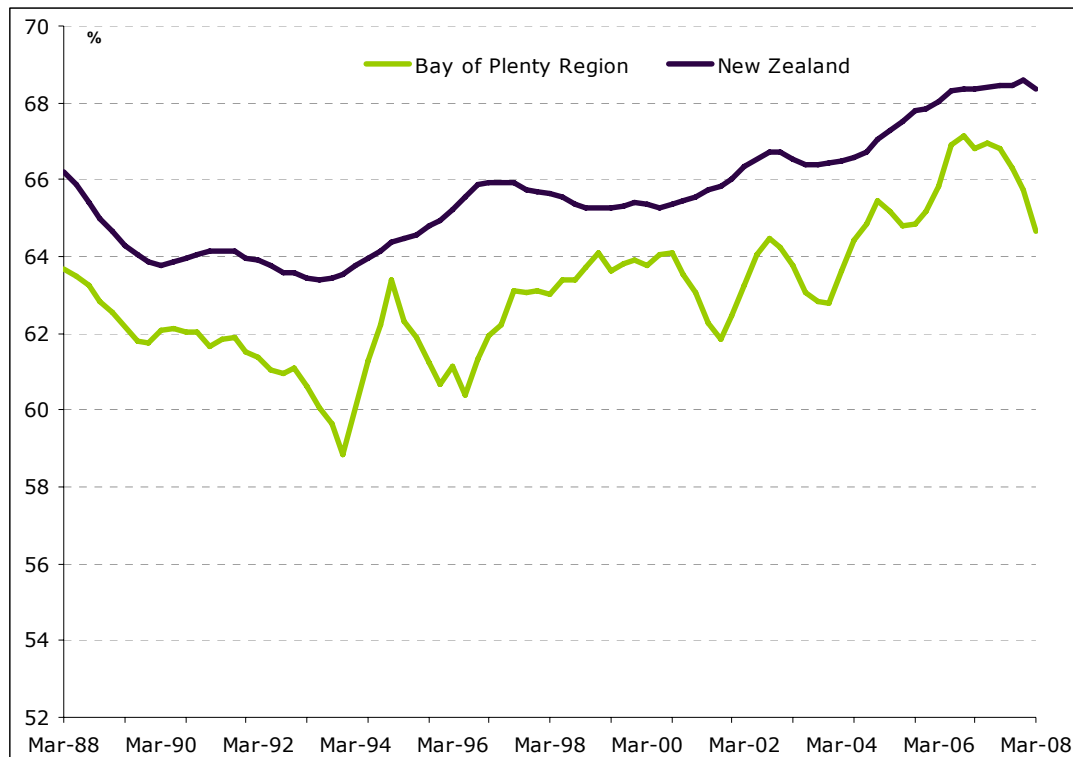
3.1 Labour force participation

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.

Chart 9 shows that Bay of Plenty Region had consistently lower rates of labour force participation than the national average. This is likely to be due to the older than average population in Bay of Plenty Region. With a relatively high rate of retirement in the region, the labour force participation rate should be expected to be lower than average. In the year ended March 2008, the participation rate in Bay of Plenty Region was 64.7%, 3.7 percentage points lower than the national average for the same period (68.4%).

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

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 identifies how many people entered or left each age band due to population change and changes in the participation rate.

This graph therefore is an important guide for the reader to understand:

- a. the change in numbers in each age group in a region
- b. whether that change was driven by population growth or by more people participating in the labour market.

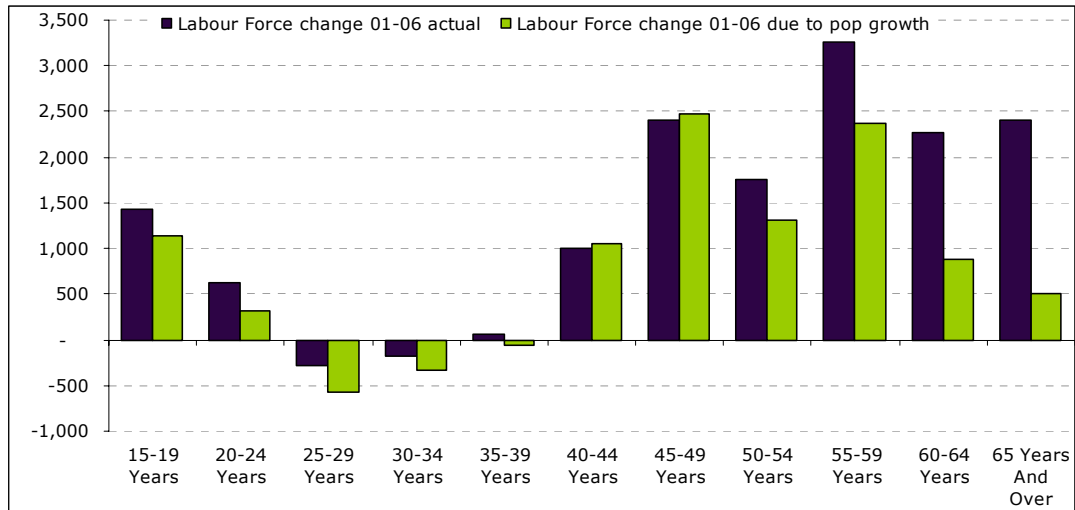
The green bar shows how much the underlying population has changed in each age group between 2001 and 2006¹⁷, and the purple bar shows the actual change in the size of the labour force. The difference between the purple and the green bars represents the effect of participation changes. While the population grew between 2001 and 2006, the labour force grew very strongly due to a big increase in participation, on top of steady population growth.

Chart 10 shows the changes among age groups in the Bay of Plenty Region labour force. The labour force aged 15–24 experienced population growth and some growth in participation as well. The age bands 25–40 all decreased or remained the same, despite a slight increase in the participation rates in these age groups. Growth in the participation rate will have to be even greater if the region wants to prevent a decrease in the workforce in this age band. The labour force grew in all

¹⁷ This is done by holding the 2001 Census participation rate constant.

age bands above 40. In the age groups above 60, this growth was mainly due to more people participating in the labour force.

Chart 10: Labour force change in Bay of Plenty Region



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

Table 6 shows how changes in the youth population and youth labour force combined to determine the youth participation rate. As can be seen from Table 6, if the youth labour force increased at a rate faster than the youth population, the participation rate increased. Conversely, if the youth population grew faster than the labour force, the participation rate fell.

Table 6 shows that, while there was an increase in the New Zealand youth population, there was a fall in the proportion participating in the labour force; therefore, the growth in the youth labour force was less than the population increase. However, in Bay of Plenty Region (as identified in Chart 10), the youth labour force growth exceeded growth in the youth population, due to higher participation rates. Broken down by TA, we can see this was mainly as a result of the largest TAs (Tauranga City, and Western Bay of Plenty and Rotorua Districts) increasing their youth participation rates. The smaller TAs showed static or declining participation rates. This reflects growing opportunities and perhaps greater upskilling occurring in Rotorua District and the western areas, in contrast to more limited opportunities and lower educational attainment in the eastern TAs.

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

	Change in 15–24 year olds 2001–2006 ¹⁸	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%
Bay of Plenty Region	8.5%	66.9%	68.6%	11.3%
Western Bay of Plenty District	15.8%	64.2%	67.0%	20.8%
Tauranga City	19.9%	71.3%	73.5%	23.7%
Rotorua District	-1.7%	66.7%	68.1%	0.4%
Whakatane District	-0.4%	64.0%	63.1%	-1.8%
Kawerau District	-0.7%	52.9%	53.0%	-0.7%
Opotiki District	-4.6%	59.5%	55.6%	-10.8%

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

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 business size

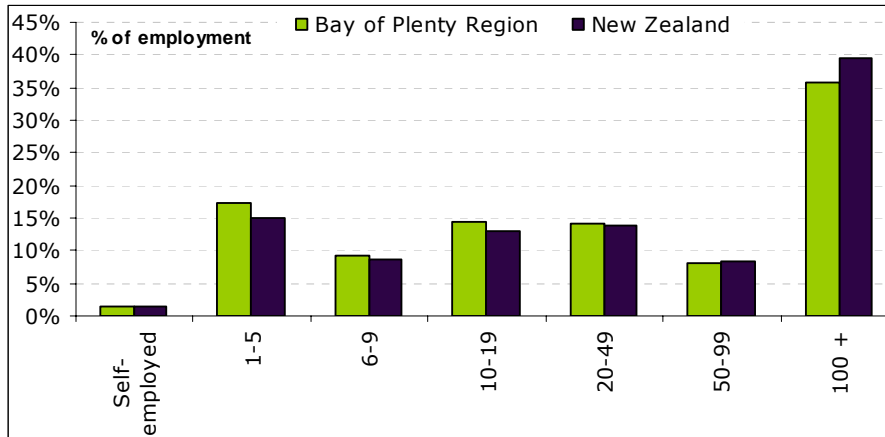
This section looks at the proportion of young people working in varying sizes of businesses in the regional economy (in terms of the number of people they employ). By looking at employment disaggregated by business size, we can identify important characteristics. For example, if youth are heavily clustered in large businesses, 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."¹⁹

Bay of Plenty Region showed a lower percentage of youth were employed in businesses with over 100 employees. This may reflect the smaller business sizes in this area compared to those in the main urban centres.

¹⁸ The population change shown here is different to that in Table 1. Data is excluded from this table where respondents have not provided a work and labour force status.

¹⁹ See "Leveraging Training and Skills Development in SMEs", 52nd Session, 9-10 June 2008, OECD, Paris.

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



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

Table 7 shows considerable variation in youth employment by business size category. This variation probably reflects the different mix of industries in these TAs. For instance, the relatively high percentage of youth employed in large businesses (100+) in Kawerau and Rotorua Districts probably reflects the large pulp and paper industries that dominate employment in these areas.

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%
Bay of Plenty Region	1.3%	17.2%	9.4%	14.3%	14.1%	8.1%	35.6%
Western Bay of Plenty District	1.7%	20.1%	10.7%	14.9%	12.7%	7.6%	32.3%
Tauranga City	1.1%	17.2%	9.4%	14.7%	14.3%	7.7%	35.6%
Rotorua District	1.3%	14.3%	8.6%	13.4%	14.2%	8.9%	39.4%
Whakatane District	1.5%	20.0%	8.5%	13.5%	13.8%	7.3%	35.5%
Kawerau District	0.0%	11.7%	4.4%	11.8%	17.5%	15.7%	39.0%
Opotiki District	1.1%	19.3%	10.7%	21.2%	11.2%	8.3%	28.2%

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 job²⁰ in 2006. This was slightly above the proportion for all age groups, which stood at 5%.

Employment by industry and occupations

This section looks at the number of young people working across the various industries and in occupations in Bay of Plenty 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 changing prevalence of employment in different industries and occupations.

The industries in Bay of Plenty Region that were the largest employers of youth were Retail Trade (28% of youth employment), followed by Accommodation, Cafés and Restaurants, Construction, and Manufacturing. These industries also provided considerable employment for older age groups as well, with the exception of Retail Trade, which tended to have a much younger age profile. The industries in Bay of Plenty Region that grew fastest in terms of youth employment between 2001 and 2006 were Construction (up by almost 100%), and Finance and Insurance (up by 49%). In both cases, youth employment growth greatly exceeded overall employment growth.

One of the largest industries in terms of employment in Bay of Plenty Region was Health and Community Services, and with a rapid growth in the retirement age population in the 'sun belt' areas of this region, this industry is projected to expand greatly in coming years. There was a relatively low number of youth employed in this sector. This may reflect the higher level of qualifications needed in this industry (unlike, say, Construction, where relatively low-skilled entry-level opportunities have been widespread in the recent building 'boom').

While youth employment in Retail Trade, and Accommodation, Cafés and Restaurants was consistently high across New Zealand and in Bay of Plenty Region, the majority of youth employment in these two industries was part-time. In contrast youth employed in Construction and Manufacturing, 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 Bay of Plenty Region is provided in Appendix 2.

²⁰ Source: Linked Employer-Employee Dataset (unpublished annual tables), Statistics New Zealand.

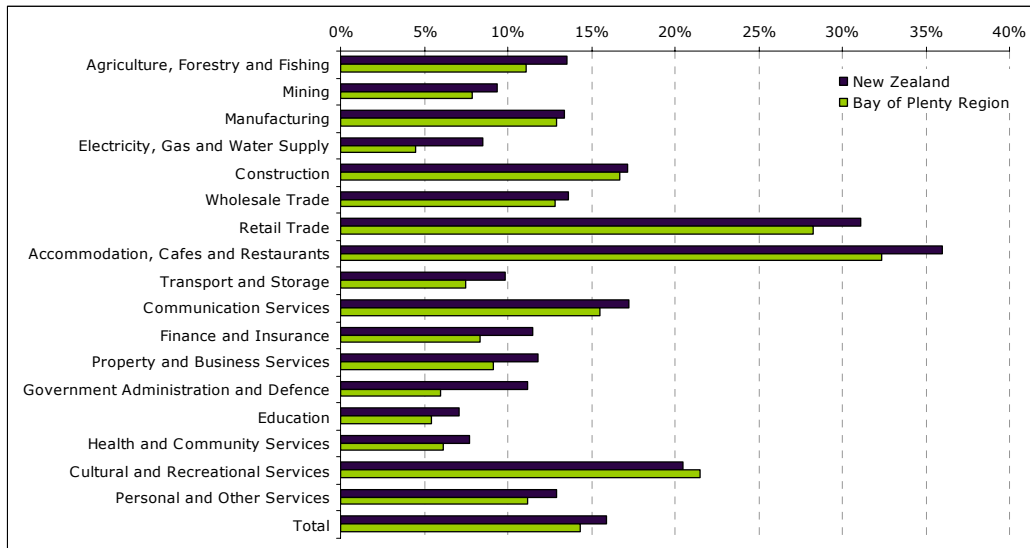
Table 8: Industry employment of those living in Bay of Plenty Region in 2006, and change from 2001

	2006		Change since 2001	
	15–24 Years	15 Years and Over	15–24 Years	15 Years and Over
Agriculture, Forestry and Fishing	1,188	10,728	-8.5%	-1.7%
Mining	12	153	-20.0%	27.5%
Manufacturing	1,722	13,305	0.2%	2.8%
Electricity, Gas and Water Supply	15	333	-16.7%	26.1%
Construction	1,794	10,770	99.3%	51.3%
Wholesale Trade	687	5,355	25.8%	10.2%
Retail Trade	4,371	15,465	14.8%	16.5%
Accommodation, Cafés and Restaurants	1,905	5,892	17.6%	16.6%
Transport and Storage	330	4,407	13.4%	11.4%
Communication Services	138	888	-8.0%	1.7%
Finance and Insurance	210	2,505	48.9%	28.7%
Property and Business Services	1,140	12,492	28.4%	39.9%
Government Administration and Defence	165	2,763	14.6%	10.6%
Education	456	8,394	4.1%	12.8%
Health and Community Services	663	10,731	12.8%	17.1%
Cultural and Recreational Services	555	2,586	14.9%	25.5%
Personal and Other Services	495	4,422	14.6%	22.0%
Not Elsewhere Included	1,191	7,281	52.7%	27.4%
Total	17,022	118,470	19.5%	17.6%

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

Generally, Chart 12 shows that Bay of Plenty Region youth were slightly under-represented across most industry groups compared to youth across New Zealand. They were over-represented in one area – Cultural and Recreational Services. Although not a large employer overall, this industry is growing relatively rapidly and includes a diverse range of areas such as film, libraries, museums and sports organisations.

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 over 30% of 15–24 year olds employed in the Retail Trade industry. Table 9 shows that the only occupation to show a decline in numbers of 15–24 year olds working in it between 2001 and 2006 was Agriculture, Forestry and Fishing. Occupation growth for youth was large for Trades Workers, relative to overall employment growth in Bay of Plenty Region. Youth employment in this occupation grew by almost 50% over the past five years. There are widespread shortages in Trades Workers across New Zealand, and this suggests that Bay of Plenty Region employers and training organisations have been very effective in bringing back apprentices to try and fill the gaps. As a result of rapid growth in youth employment, Trades Workers are an important group for youth – 18% of Bay of Plenty Region youth were employed in trades.

A detailed version of Table 9 showing employment by occupation for 15–19 and 20–24 year olds residing in Bay of Plenty Region is provided in Appendix 2.

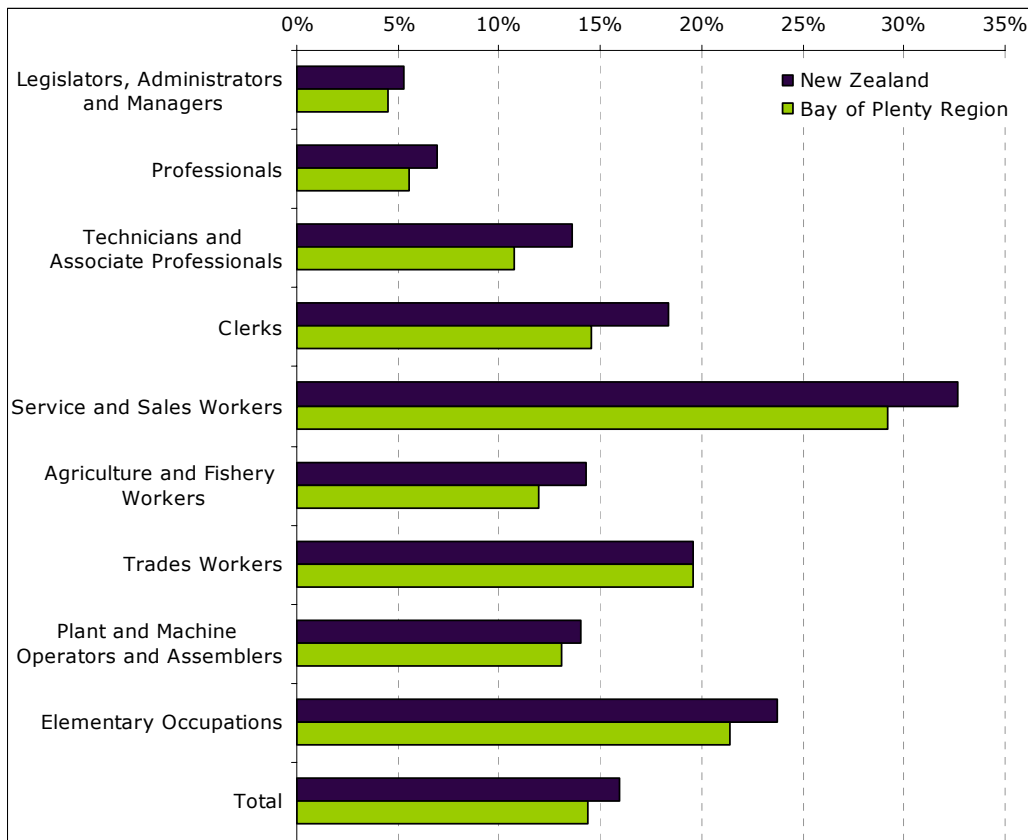
Table 9: Employment by age and occupation in Bay of Plenty Region in 2006

	2006		Change from 2001	
	15-24 Years	15 Years and Over	15-24 Years	15 Years and Over
Legislators, Administrators and Managers	747	16,431	74.1%	40.3%
Professionals	831	15,075	29.4%	24.9%
Technicians and Associate Professionals	1,362	12,651	53.9%	31.2%
Clerks	1,722	11,829	6.9%	7.9%
Service and Sales Workers	4,824	16,536	9.3%	12.3%
Agriculture and Fishery Workers	1,161	9,720	-11.8%	-6.9%
Trades Workers	2,283	11,673	49.8%	19.2%
Plant and Machine Operators and Assemblers	1,254	9,588	10.6%	9.7%
Elementary Occupations	1,725	8,073	17.1%	17.9%
Not Elsewhere Included	1,119	6,885	36.1%	18.5%
Total	17,022	118,470	19.5%	17.6%

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

Generally, Chart 13 shows that youth employment in Bay of Plenty Region reflected overall youth employment distribution across New Zealand. Bay of Plenty Region youth were generally slightly under-represented across most occupations compared to youth across New Zealand. The exception was Trades Workers, where youth share in the region was very similar to the national average. Overall, Bay of Plenty Region (and national) youth were most commonly employed as Service and Sales Workers (such as sales assistants).

Chart 13: Proportion of youth in each broad occupation 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 Bay of Plenty 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, part-time employment accounted for around half of all employment. With young people currently required to be in education until the age of 16, the low incidence of full-time employment is expected.

The pattern for 20–24 year olds was quite different. In this age group, three-quarters worked full-time (which reflects the pattern of the overall working-age population). For 20–24 year olds, much of the formal training is completed and they are moving into careers.

It can be seen from Table 10 that 20–24 year olds in Bay of Plenty Region were more likely to work full-time than they were nationally (84% compared with 77%) while the proportion of 15–19 year olds working full-time in this region was close to the national average.

Across all TAs in Bay of Plenty Region, the proportion of 15–24 year olds in full-time employment was above the national average in 2006. In this respect, Bay of Plenty Region youth population differed from the overall population in the region, which had a relatively small proportion of all its workforce working full-time (75.9% compared with 77.1%).

Table 10: Employment status by age in Bay of Plenty Region

	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%
Bay of Plenty Region	46.7%	53.3%	84.3%	15.7%	75.9%	24.1%
Western Bay of Plenty District	43.8%	56.2%	85.8%	14.2%	75.0%	25.0%
Tauranga City	47.3%	52.7%	84.8%	15.2%	75.7%	24.3%
Rotorua District	48.2%	51.8%	83.5%	16.5%	77.5%	22.5%
Whakatane District	45.7%	54.3%	84.0%	16.0%	75.3%	24.7%
Kawerau District	46.2%	53.8%	81.4%	18.6%	75.0%	25.0%
Opotiki District	45.7%	54.3%	81.3%	18.8%	73.6%	26.4%

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

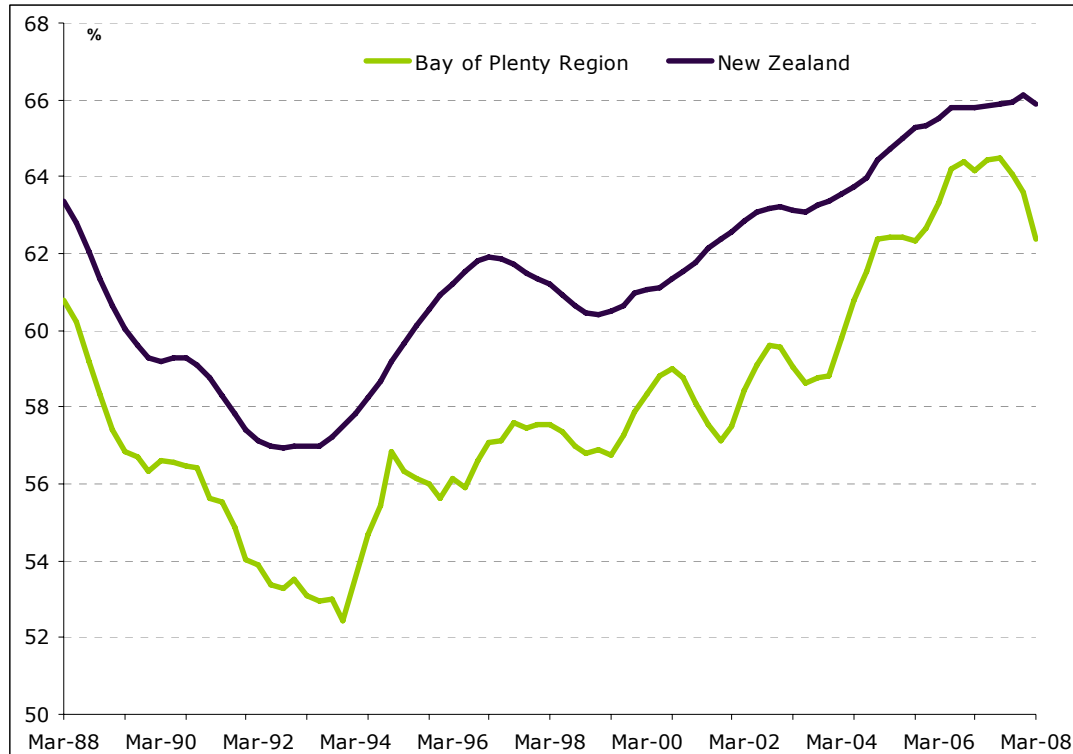
What is driving the pattern of full-time/part-time youth employment in your region? Do you believe this pattern has changed/will change over time? Is this a good thing?

The employment rate²¹ 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.

Chart 14 shows that the employment rate for Bay of Plenty Region has been consistently below the national average since the HLFs began in the mid-late 1980s. As with Chart 9, much of this is likely to be due to Bay of Plenty Region's older than average population. Given that the working-age population has no upper age limit and a higher than average share of Bay of Plenty Region's population are retired and therefore not in employment, a lower than average employment rate should be expected.

²¹ The proportion of the working-age population that is employed.

Chart 14: Employment rate of the working-age population from 1988 to 2008 (12-month moving average)²²



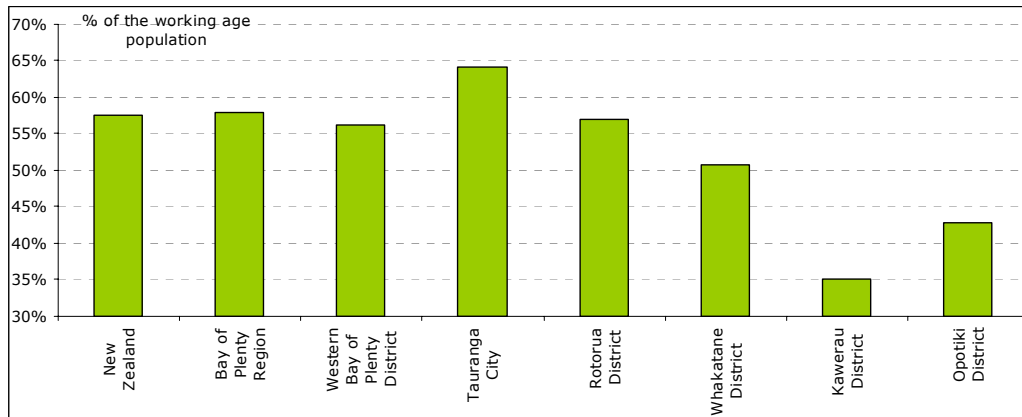
Source: Household Labour Force Survey, Statistics New Zealand

Census 2006 data shows the proportion of youth who were working in Bay of Plenty Region (57.8%) was similar to the national average (57.6%). However, Chart 15 shows that considerable variation in youth employment rates occurred by TA. Unsurprisingly, this follows a similar pattern to the youth labour force participation rate. Tauranga City had an above-average youth employment rate, with two other western districts showing a rate similar to the national average. Whakatane District had a youth employment rate at just above 50.8%, whilst Opotiki and Kawerau Districts had rates of 42.8% and 35.2% respectively. These districts are the ones showing lower educational attainment and a relatively high NEET rate as shown in earlier tables.

Less than half of the youth in the three eastern TAs were engaged in any form of paid work. Employment rates for youth grew across the region since 2001. The regional youth rate for Bay of Plenty Region grew from a rate below the national average in 2001 to more or less equal the national rate in 2006. Within the region, Tauranga City showed the largest growth in its youth employment rate, growing by 7.3 percentage points. Again, the east of the region showed less growth, with the employment rate growing by between 1.3 and 3.2 percentage points in these three districts.

²² 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.

Chart 15: Employment rates of youth in Bay of Plenty Region in 2006



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

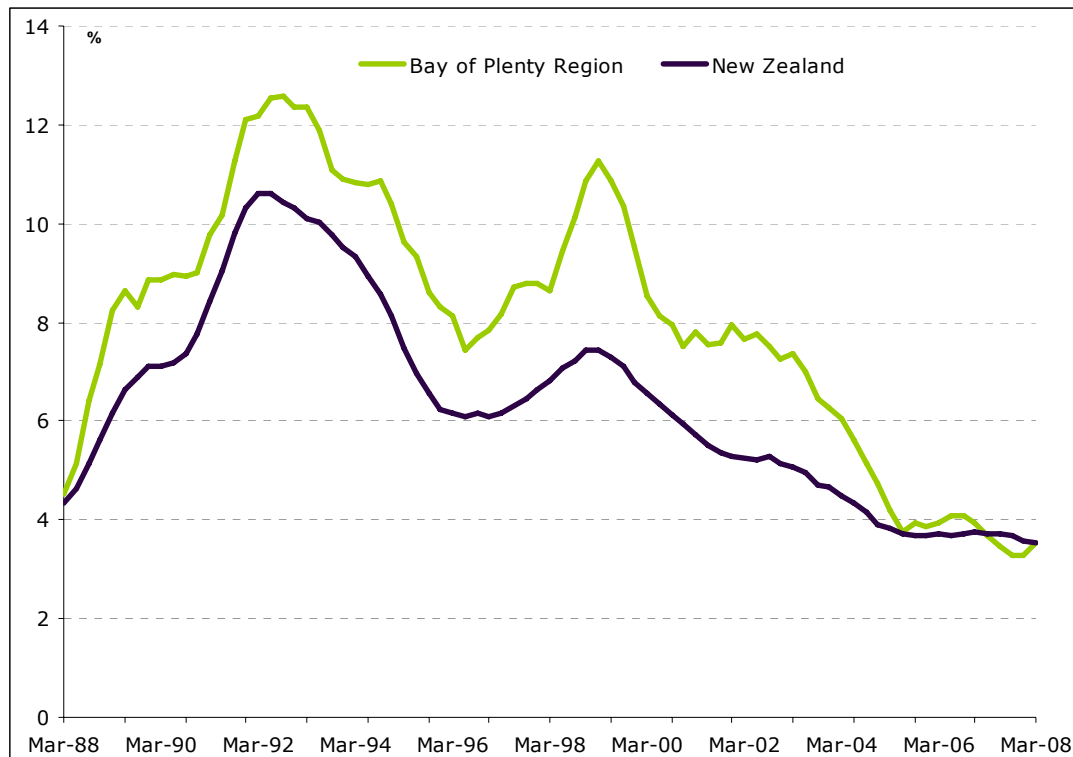
3.3 Unemployment

The unemployment rate is the proportion of the working-age population who are 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.

The annual average unemployment rate in Bay of Plenty Region has declined since the early 1990s, and the unemployment rate has, since December 2004, been very similar to the New Zealand average. Chart 16 shows that people of all ages in Bay of Plenty Region are now no more likely to be unemployed than people on average across New Zealand. This is in contrast to the pattern of the previous 18 years.

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)

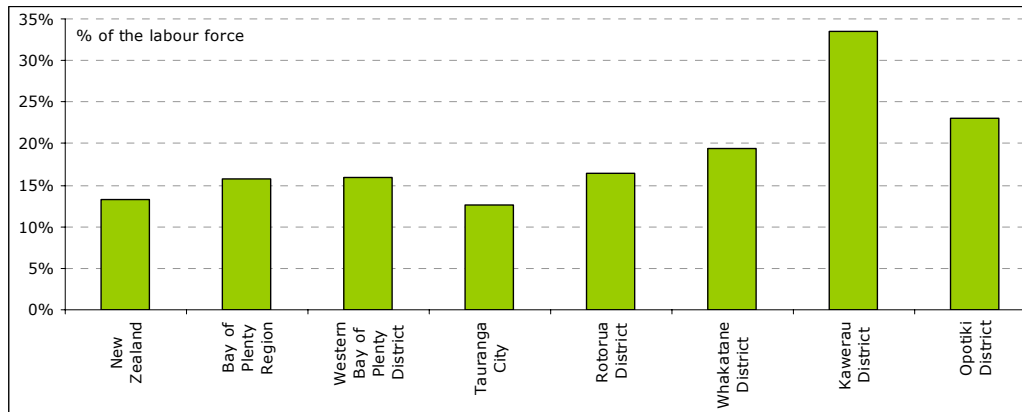


Source: Household Labour Force Survey, Statistics New Zealand

Chart 17 (based on Census 2006) shows that Bay of Plenty Region’s youth unemployment rate of 15.7% was slightly above the national rate of 13.3%. A particularly high youth unemployment rate occurred in Kawerau District (well over 30%), followed by Opotiki District with a 25% unemployment rate.

Between 2001 and 2006, the youth unemployment rate for Bay of Plenty Region fell by almost 2 percentage points more than the national average. The largest decline in the rate was seen for Tauranga City, falling by 7.4 percentage points. While the eastern districts of the Bay of Plenty have some of the weaker results in this report, these districts had the next three largest reductions in unemployment rates – a strong result. While the declines in the east were large, the 2006 rates were still high. The high unemployment rates need to be considered in relation to the low actual numbers in these two districts. Less than 5% of unemployed Bay of Plenty Region youth in 2006 were from Kawerau District (144 out of 3,168), and the number of unemployed youth was even lower in Opotiki District (120).

Chart 17: Unemployment rate of youth in Bay of Plenty Region in 2006



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

Around 6% of all those who received unemployment benefits in New Zealand (19,034 people in March 2008) lived in Bay of Plenty Region. Of those unemployment beneficiaries in Bay of Plenty Region, around 19% were under the age of 24.

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

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 received some income²³ from income-tested benefits than other groups, whilst those receiving income from self-employment was significantly lower than the New Zealand average. Looking at data for Bay of Plenty Region's 15–24 year olds shows that the only difference with the average for 15–24 year olds in New Zealand was that Bay of Plenty Region youth were slightly more likely to receive an income tested benefit.

²³ 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.

As reported in the 2007 AIDR, the median hourly wage rate within Bay of Plenty Region has been consistently below the national average (although it must be remembered that only Wellington and Auckland tend to have higher than the national median wage rates) and that Bay of Plenty Region's rate was around 95% of the national average.

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:

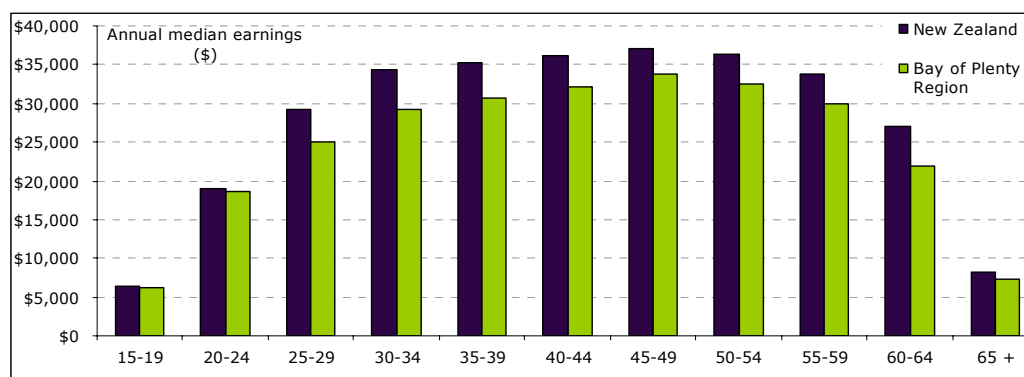
- less time on average in the job
- less seniority
- lower workplace skills.

Further information on low youth earnings can be found in the OECD Youth report²⁴, 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 shows that median youth earnings in Bay of Plenty Region²⁵ were well below earnings in older age groups up to the age of 64, for reasons discussed above. Youth earnings in Bay of Plenty Region were relatively the same as youth earnings nationally, which is in contrast to older age groups, where earnings tended to be below the national average. This suggests that Bay of Plenty Region youth hourly rates may be better than average, given they tend to work fewer hours.

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



Source: Linked Employer-Employee Dataset, Statistics New Zealand

²⁴ *Jobs for Youth – New Zealand*, 2008, p54 and p59.

²⁵ This is the median of all youth who reported earnings in the reference period.

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? What's driving the trends in earnings for youth?

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 has analysed the characteristics of respondents who classify themselves as a New Zealander. Their 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. The complete report is available from the Statistics New Zealand website - <http://www.stats.govt.nz/analytical-reports/Profile+of+New+Zealander+responses+ethnicity+question+2006+Census.htm>.

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.

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 employment, education or training (NEET): Generally used in relation to youth. Identifies the group who are unengaged with either work or training. NEET data is generally expressed as a rate of the youth population.

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.

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 Bay of Plenty Region.

Total population of New Zealand, Bay of Plenty Region and relevant Territorial Authorities

	2006	Change from 2001	
		Number	Percentage
New Zealand	4,027,947	290,661	7.8%
Bay of Plenty Region	257,379	17,967	7.5%
Western Bay of Plenty District	42,075	3,843	10.1%
Tauranga City	103,632	12,726	14.0%
Rotorua District	65,901	1,428	2.2%
Whakatane District	33,300	486	1.5%
Kawerau District	6,921	-54	-0.8%
Opotiki District	8,976	-225	-2.4%

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

Bay of Plenty Region 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%
Bay of Plenty Region	18,117	12,600	19,150	16,390	5.7%	30.1%
Western Bay of Plenty District	2,862	1,458	2,820	1,890	-1.5%	29.6%
Tauranga City	6,852	5,616	9,220	8,560	34.6%	52.4%
Rotorua District	4,983	3,576	4,640	4,080	-6.9%	14.1%
Whakatane District	2,511	1,485	2,010	1,580	-20.0%	6.4%
Kawerau District	543	285	270	200	-50.3%	-29.8%
Opotiki District	633	357	470	320	-25.8%	-10.4%

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

Ethnicity of Bay of Plenty Region 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%
Bay of Plenty Region	67.1%	27.5%	3.2%	2.6%	12.2%	0.3%
Western Bay of Plenty District	72.8%	17.4%	2.5%	1.8%	14.9%	0.2%
Tauranga City	74.5%	16.5%	3.4%	1.8%	13.7%	0.4%
Rotorua District	60.9%	36.4%	4.4%	4.5%	10.7%	0.5%
Whakatane District	58.4%	42.2%	1.6%	2.2%	10.2%	0.3%
Kawerau District	47.4%	61.1%	1.8%	3.8%	5.5%	0.0%
Opotiki District	47.9%	59.3%	0.9%	2.5%	8.2%	0.2%

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

Highest qualification of the working-age population in Bay of Plenty Region 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%
Bay of Plenty Region	21.8%	33.9%	31.3%	12.9%
Western Bay of Plenty District	23.0%	34.5%	31.5%	11.1%
Tauranga City	19.4%	34.6%	31.8%	14.1%
Rotorua District	22.3%	33.6%	30.5%	13.6%
Whakatane District	23.3%	32.6%	31.9%	12.2%
Kawerau District	33.0%	31.4%	30.4%	5.3%
Opotiki District	32.1%	31.9%	27.2%	8.8%

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

Industry employment of people living in Bay of Plenty Region 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	603	585	-8.2%	-8.9%
Mining	3	9	-50.0%	0.0%
Manufacturing	684	1,038	1.8%	-0.9%
Electricity, Gas and Water Supply	6	9	0.0%	-25.0%
Construction	759	1,035	132.1%	80.6%
Wholesale Trade	288	399	29.7%	23.1%
Retail Trade	2,829	1,542	13.5%	17.4%
Accommodation, Cafés and Restaurants	1,143	762	23.3%	10.0%
Transport and Storage	105	225	34.6%	5.6%
Communication Services	90	48	-14.3%	6.7%
Finance and Insurance	60	150	122.2%	31.6%
Property and Business Services	435	705	36.8%	23.7%
Government Administration and Defence	42	123	55.6%	5.1%
Education	141	315	30.6%	-4.5%
Health and Community Services	252	411	27.3%	5.4%
Cultural and Recreational Services	285	270	20.3%	9.8%
Personal and Other Services	201	294	15.5%	14.0%
Not Elsewhere Included	675	516	51.0%	55.0%
Total	8,592	8,430	22.3%	16.8%

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, Cafés 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 Bay of Plenty Region 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	174	573	93.3%	69.0%
Professionals	141	690	80.8%	22.3%
Technicians and Associate Professionals	495	867	89.7%	38.9%
Clerks	909	813	13.1%	0.7%
Service and Sales Workers	3,102	1,722	11.9%	4.9%
Agriculture and Fishery Workers	603	558	-11.8%	-11.8%
Trades Workers	903	1,380	64.5%	41.5%
Plant and Machine Operators and Assemblers	513	741	26.7%	1.6%
Elementary Occupations	1,095	630	19.7%	12.9%
Not Elsewhere Included	660	459	41.0%	29.7%
Total	8,592	8,430	22.2%	16.8%

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

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