



Annual in-depth Regional Report

➤ MANAWATU-WANGANUI REGION



15 July 2008

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

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EXECUTIVE SUMMARY

Within Manawatu-Wanganui Region, a consistent urban/ rural divide can be seen. Labour market results for Palmerston North City were generally quite positive, while some of the more rural districts had some quite poor results. Manawatu-Wanganui Region had some high levels of educational attainment, focused on Wanganui District, Palmerston North City and Rangitikei District.

The youth population grew in Manawatu-Wanganui Region between 2001 and 2006, but at a rate slower than average. There was nearly 5% more youth in Manawatu-Wanganui Region in 2006 compared to 2001, less than the 13% growth in youth numbers nationally. Much of this growth was focused on Palmerston North City and Manawatu District.

The number of youth in Manawatu-Wanganui Region is projected to fall between 2006 and 2031. While the number of youth is projected to grow nationally by 12.0%, it is projected to fall by 3.5% in Manawatu-Wanganui Region. This decline is due to a decline in young people aged 15–19; the number of older youth (20–24 year olds) is actually projected to increase.

Almost half of the Manawatu-Wanganui youth lived in Palmerston North City in 2006. The concentration of youth in Palmerston North City was high, while in each of the other districts, there was a lower than average share of the population in the youth age groups.

Youth in Manawatu-Wanganui Region reported a higher rate of both European and Māori ethnicity than both the regional population and the national youth population. Ruapehu District had a particularly high share of Māori youth, while in Horowhenua District, the share of Māori in the youth population was much higher than for their total population.

Overall, Manawatu-Wanganui Region lost youth through net migration. This migration was primarily for youth aged 20–24. While there was a slight outflow of those aged 15–19, there was a large outflow of those aged 20–24, and a larger outflow of those aged 25–29. While this decline was significant, the outflow of residents was lower between 2001 and 2006 than it was in the previous five-year period.

Palmerston North City had a high proportion of the youth population living elsewhere in 2001. While Manawatu-Wanganui Region lost youth overall, it doesn't mean that there were no youth moving to the region. In 2006, 33% of Palmerston North City 20–24 year olds were in a different region in 2001, closely followed by Ruapehu District with 30%.

School leaver qualifications were above average across the region. In five of the seven districts, the share of school leavers with NCEA Level 3 and above was higher than the national average.

The rate of youth who were not in employment, education or training (NEET) was higher in Manawatu-Wanganui Region than the national average. NEET rates were highest in Wanganui and Horowhenua Districts, with particularly low rates of these youth in Palmerston North City.

The share of youth who were in study in 2006 was lower than the national rate. Only Palmerston North City had a higher than average rate of youth in study; the remaining districts had a rate considerably lower than the national average.

While Management and Commerce was the most common youth post-school qualification in the region, it was less common than in the rest of the country. Qualifications in Agriculture, Environmental and Related Studies were more common than average.

Between 2001 and 2006 in Manawatu-Wanganui, the youth labour force grew faster than the youth population, causing the labour force participation rate to rise. The rate rose because the labour force grew by more than the youth population – nationally, this rate fell. In six of the seven TAs, the labour force participation rate rose between 2001 and 2006.

The regional youth unemployment rate was similar to the national youth rate. While most of the TAs were at or below the national rate, Wanganui and Horowhenua Districts had particularly high youth unemployment rates.

Youth in the region were most commonly employed as Service and Sales Workers. This occupation was more than twice as large as the next largest (Clerks). Youth made up a third of all Service and Sales Workers employed in 2006.

A higher than average proportion of Manawatu-Wanganui Region youth were working full-time in 2006. In Ruapehu District especially, there was a very high share of full-time employment of youth. Older (20–24 years) youth in Palmerston North City had a particularly low rate of full-time employment, likely linked to the high rate of studying in the city.

Manawatu-Wanganui Region youth earned more than the youth average in 2006. Young people aged 20–24 in Manawatu-Wanganui Region earned \$1,000 more on average than youth nationally. Other than youth, all other age groups earned less than the national average.

INTRODUCTION

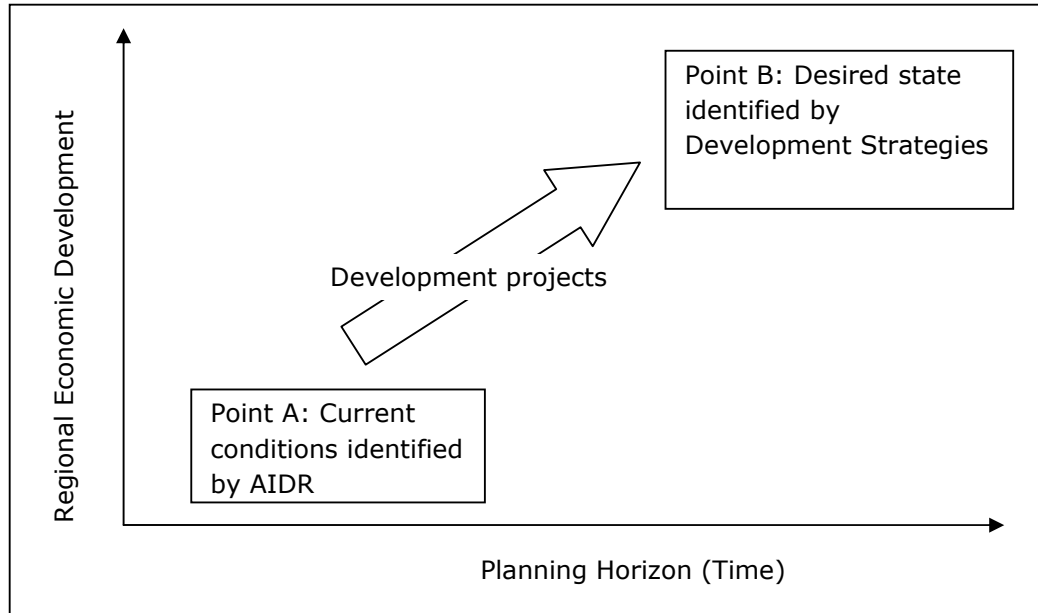
The 2008 Annual In-Depth Regional reports present an analysis of regional and sub-regional labour market characteristics, specifically focusing on youth. Much of the content of this report comes from data collected in the 2006 Population Census but is supplemented by qualitative regional information.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

A series of local labour market fora have been established to develop regional labour market strategies and to put in place initiatives to address regional labour market issues. These fora include:

- Wanganui-Ruapehu-Rangitikei Labour Market Forum
- Palmerston North-Manawatu Labour Market Forum
- Horowhenua-Kapiti Labour Market Forum.

Why choose youth?

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

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

- developing a highly skilled and well-prepared youth workforce to meet current and future workforce needs

- opening up high-quality, well-planned, 'real world' pathways into skilled employment and on-going training and learning.

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

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

Jobs for Youth – OECD New Zealand Report 2008

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

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

Definition of youth

The definition of 'youth' can differ, generally based upon age groupings. Data available to the Department of Labour (DoL) is generally disaggregated into 5-

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

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

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

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

⁶ Ibid, p3.

⁷ Ibid, p11.

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 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:

Jenny Smith
Email: jenny.smith@dol.govt.nz

Phone: 06 357 9618
Mobile: 027 448 6334

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

Understanding the youth labour market in Manawatu-Wanganui 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.

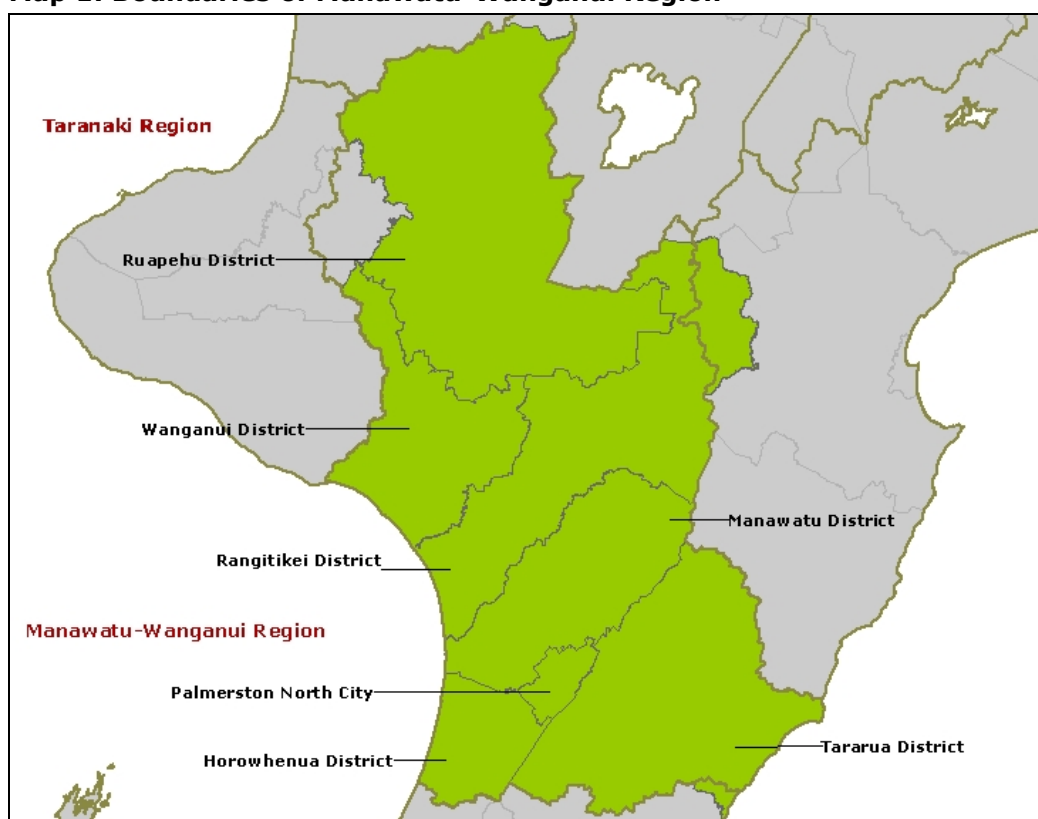
BOUNDARIES: MANAWATU-WANGANUI REGION

This report brings together a wide range of labour market information released in the past year, much of which is drawn from the 2006 Census. Labour market changes are observed over different timeframes appropriate to the analysis and depending on data availability.

Manawatu-Wanganui Region covers 25,000 square kilometres – the seventh largest region by land area in New Zealand. The regional boundary cuts across many Territorial Authorities. For the purposes of this report, the Territorial Authorities covered are Ruapehu District, Wanganui District, Rangitikei District, Manawatu District, Palmerston North City, Tararua District and Horowhenua District, as shown in Map 1.

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

Map 1: Boundaries of Manawatu-Wanganui Region



1. REGIONAL POPULATION COMPOSITION

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

1.1 Manawatu-Wanganui Region's population

The Manawatu-Wanganui Regional population grew only slightly between 2001 and 2006 (up 1%) to 222,423 residents, over a period where the national population grew by 8%. The population growth was quite diverse across the region, with Palmerston North City and Manawatu District being the only two TAs showing any substantial regional growth. Ruapehu and Wanganui Districts both lost over 500 residents between 2001 and 2006.

A summary of these patterns is available in Appendix 2.

In New Zealand, there were 571,176 people aged between 15 and 24 at the time of the 2006 Population Census, up 13% from 2001.

Contrasting the total population of Manawatu-Wanganui, the youth population grew at almost 5% between 2001 and 2006. While the growth in the region was lower than the national youth growth rate, the growth was spread across the TAs within the region. Wanganui District had 90 fewer youth in 2006 compared to 2001, while Palmerston North City and Manawatu District in particular showed growth at twice the regional rate.

Table 1: Manawatu-Wanganui 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%
Manawatu-Wanganui Region	30,753	32,223	1,470	4.8%
Ruapehu District	1,776	1,818	42	2.4%
Wanganui District	5,286	5,196	-90	-1.7%
Rangitikei District	1,728	1,824	96	5.6%
Manawatu District	3,189	3,501	312	9.8%
Palmerston North City	13,758	14,721	963	7.0%
Tararua District	1,929	2,031	102	5.3%
Horowhenua District	3,057	3,111	54	1.8%

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

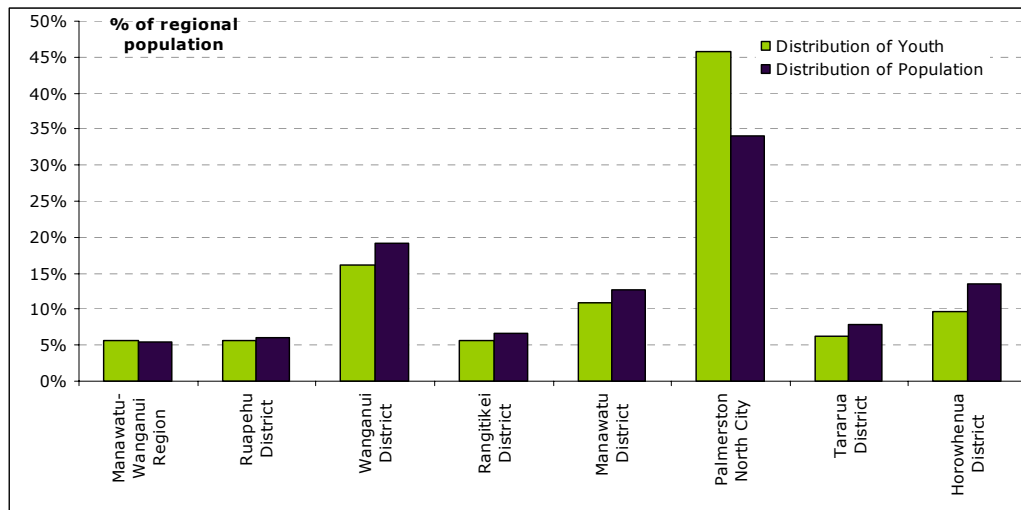
Does this pattern of population growth match what you have seen? If not, what differences have you seen? What are the implications of these changes?

Chart 1 shows how youth were distributed across the TAs covered in this report, and contrasts this to how the total population was distributed. The most noticeable aspect of Chart 1 is that only in Palmerston North City was the distribution of youth higher than the total population of the TA. Nearly half of all youth in Manawatu-Wanganui Region resided in Palmerston North City, compared to just over a third of the total population. In each of the other TAs, there was a lower than average concentration of youth. This distribution is likely to be linked to the location of two major tertiary education providers in Palmerston North City – Massey University⁸ and UCOL⁹.

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 of Manawatu-Wanganui's TAs.

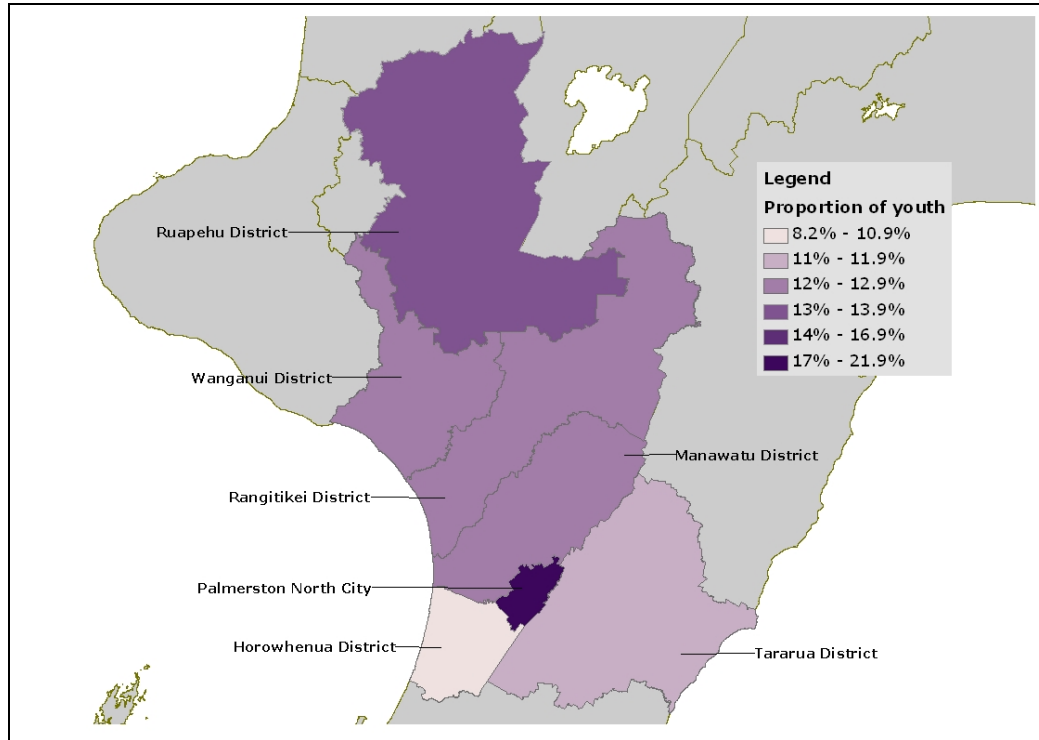
Another way of analysing the youth population is to look at the share of the total population within a TA and the region aged 15 to 24.

Regionally, the share of youth in Manawatu-Wanganui Region population was similar to the national average. In Manawatu-Wanganui Region in 2006, 14.2% of the population were youth, the corresponding national figure was 14.5%. Map 2 shows that Palmerston North and, to a lesser degree, Ruapehu District had the highest shares of youth in their resident populations. Horowhenua District had the lowest share of youth in their resident population.

⁸ <http://www.massey.ac.nz/>.

⁹ <http://www.ucol.ac.nz/main.asp?page=87>.

Map 2: Concentration of youth in Manawatu-Wanganui Region



As shown by the table in Appendix 2, the total population of Manawatu-Wanganui Region in 2006 had a higher than average share of residents reporting European ethnicity (73.0% compared to 67.6%) and Māori ethnicity (19.6% compared to 14.6%) than the national average. The higher than average shares of the two largest ethnicities were offset by lower than average shares of both Asian and Pacific peoples. Ruapehu District had a quite distinctly different ethnicity composition to the rest of the region, with a much larger Māori population and lower than average European population. Palmerston North City was the only TA to record a substantial Asian population in the region.

The youth population of both New Zealand and Manawatu-Wanganui Region showed substantial ethnicity differences from the total population. Nationally and regionally, there were fewer residents reporting European ethnicity and more reporting Māori ethnicity in 2006. The regional differences for the total population were also seen for the youth population, with a higher than average share of both European and Māori youth when compared to the national youth composition. Similar to the total regional population, there were relatively few youth residents reporting Asian and Pacific people ethnicities, with Palmerston North City again being the only district with a substantial population of Asian ethnicity youth, although still well below the national average.

Table 2: Ethnicity of youth in Manawatu-Wanganui Region in 2006

	European	Māori	Asian	Pacific Peoples	New Zealander ¹⁰	Other
New Zealand	63.0%	18.6%	14.3%	8.9%	7.5%	1.3%
Manawatu-Wanganui Region	71.6%	24.8%	6.4%	3.8%	8.4%	0.8%
Ruapehu District	61.2%	48.1%	1.9%	3.2%	7.3%	0.5%
Wanganui District	71.3%	30.5%	3.8%	3.3%	7.6%	0.3%
Rangitikei District	69.4%	34.4%	1.2%	3.1%	9.3%	0.2%
Manawatu District	77.8%	21.3%	1.9%	2.6%	10.9%	0.3%
Palmerston North City	70.9%	17.7%	10.9%	4.4%	8.3%	1.3%
Tararua District	75.2%	28.3%	2.1%	2.0%	8.1%	0.0%
Horowhenua District	72.9%	32.1%	3.0%	5.0%	7.6%	0.6%

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

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

Table 3 shows that the total population of Manawatu-Wanganui Region is projected to grow relatively slowly (up 6.1%) between 2006 and 2031, while the total national population is projected to grow by 26.4%. This slow regional growth is consistent with the 1.1% growth in the total regional population from 2001 to 2006. Again, like the change in the total population between 2001 and 2006, there is a wide variety of population changes projected at the TA level between 2006 and 2031.

Based on population projections from Statistics New Zealand, the youth population of Manawatu-Wanganui Region is expected to decline by 3.5% between 2006 and 2031. This decline is due to a decline in young people aged 15–19; the number of older youth (20–24 year olds) is actually projected to increase.

Manawatu District and Palmerston North City are the only two TAs that are projected to have any growth in the youth and total populations between 2006 and 2031. Palmerston North City currently has the largest number of youth in the region, so having a larger than average growth rate in the period to 2031 has minimised the decline in regional youth from what it otherwise would have been. The youth population of Manawatu-Wanganui Region is projected to decline by 3.5% between 2006 and 2031 while the number of youth nationally is projected to grow by 12.0%. Rangitikei District, in particular, is projected to have over 40% fewer youth in 2031 than they did in 2006, with Ruapehu District projected to have almost 30% fewer youth over the same period. These two declining youth populations are amongst the largest in New Zealand over the 2006 to 2031 period.

¹⁰ 'New Zealander' was included in the ethnicity data for the first time in the 2006 Census output. For more information, see the Glossary of Terms.

Table 3: Manawatu-Wanganui 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%
Manawatu-Wanganui Region	32,223	222,423	31,110	235,900	-3.5%	6.1%
Ruapehu District	1,818	13,569	1,280	11,100	-29.6%	-18.2%
Wanganui District	5,196	42,639	4,160	40,400	-19.9%	-5.3%
Rangitikei District	1,824	14,712	1,010	12,100	-44.6%	-17.8%
Manawatu District	3,501	28,251	3,900	32,500	11.4%	15.0%
Palmerston North City	14,721	75,540	16,560	93,600	12.5%	23.9%
Tararua District	2,031	17,634	1,680	16,700	-17.3%	-5.3%
Horowhenua District	3,111	29,868	2,510	29,200	-19.3%	-2.2%

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?

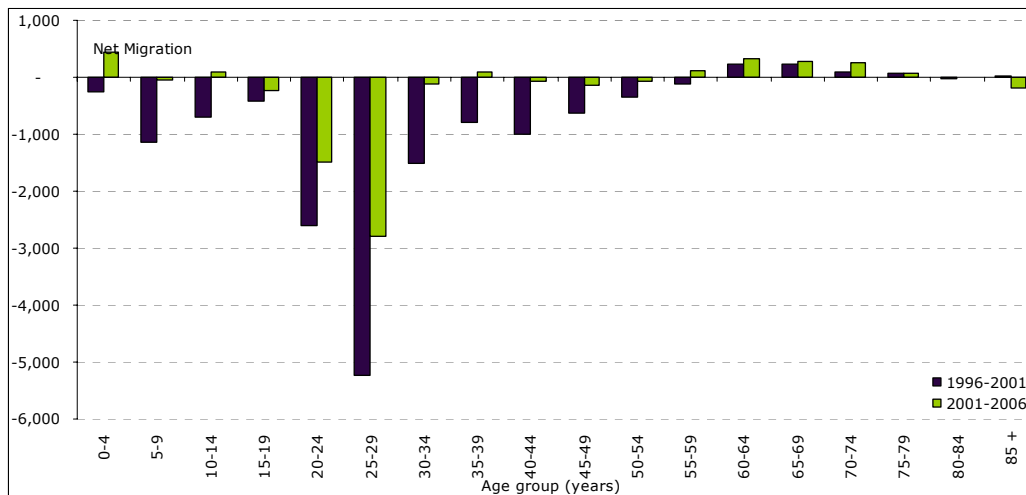
1.2 Migration

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 Manawatu-Wanganui Region.

Chart 2 shows net overseas and inter-regional migration (inflows less outflows) for Manawatu-Wanganui Region over the past 10 years. The major population outflows over the 10 years to 2006 occurred in the 20–24 and 25–29 year old age groups, with smaller declines in many of the other age groupings.

While outward migration of those aged 15–29 was still substantial between 2001 and 2006, it occurred at a markedly lower level than between 1996 and 2001¹¹.

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



Source: 1996, 2001 and 2006 Population Estimates, Statistics New Zealand

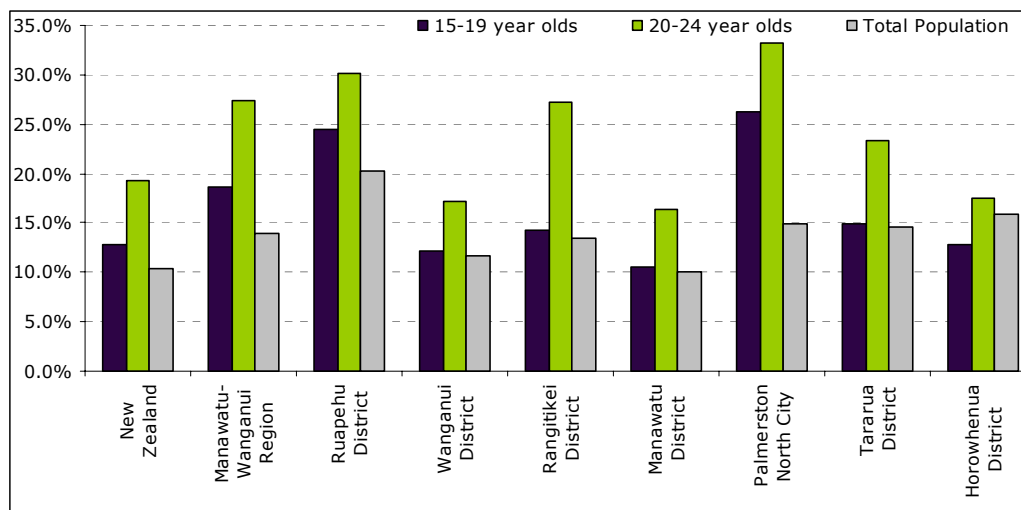
Inter-regional migrants

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.

¹¹ For more information about net migration at a Territorial Authority level, check out local population trends on the Statistics New Zealand website – <http://www.stats.govt.nz/products-and-services/Articles/local-population-trends.htm>.

While Chart 2 shows that, overall, there was a net outward migration of some age groups, it does not reflect that there was also a substantial amount of people moving into Manawatu-Wanganui Region. Chart 3 shows that 14% of the total regional population in 2006 lived in another region in 2001. Generally, the results show that youth were more mobile, showing higher than average rates of inter-regional movement between 2001 and 2006 than the total population. Palmerston North City, in particular, had a particularly high share of 20–24 year olds in 2006 that lived in another region in 2001, most likely linked to attendance at Massey University. Manawatu and Wanganui Districts showed the lowest level of inter-regional mobility between 2001 and 2006 in the Manawatu-Wanganui Region, but still recorded over 10% of their youth population being elsewhere in the country in 2001.

Chart 3: Proportion of the 2006 population in Manawatu-Wanganui Region that lived in another region in 2001



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

Overseas migrants

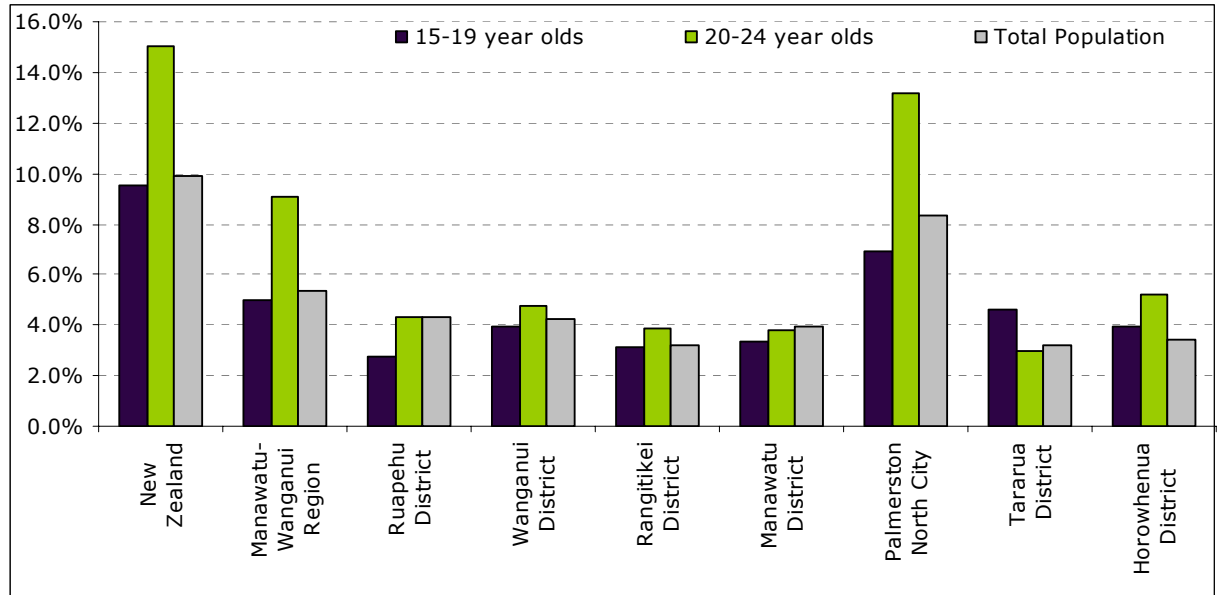
Another source of young people for a region is those who migrate into the region from overseas. Not only are these youth a valuable new resource for a region, they frequently have different characteristics. By identifying the number and characteristics of migrant youth, an area can identify how best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

Migrants made up a smaller than average share of the Manawatu-Wanganui population in 2006. The centre for migrants, as clearly shown in Chart 4, was Palmerston North City. While migrants in the other TAs made up around 4% of the population, migrants in Palmerston North City made up about 8%.

In Palmerston North City, just over 13% of youth aged 20–24 were living overseas in 2001, just below the national figure of 15%. Much of this focusing of youth migrants will be due to educational opportunities in the area, as well as employment opportunities for the migrant families.

The Palmerston North-Manawatu Labour Market forum has identified migrant attraction as a focus. Vision Manawatu and the Manawatu Chamber of Commerce hosted a stand at the Opportunities New Zealand expos in both London and Leeds in April 2008 to promote Manawatu-Wanganui Region to skilled migrants.

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 Manawatu-Wanganui Region in 2006 and projections for 2031. It also showed some of the demographic and migration characteristics of youth in Manawatu-Wanganui Region. 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 Manawatu-Wanganui 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."¹²

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."¹³

Three schools in the Manawatu-Wanganui Region are participating in CPaBL. These schools are:

- Turakina Maori Girls' College
- Taumarunui High School
- Rangitikei 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 qualifications at NCEA Level 3 and above are particularly mobile, and are most likely to continue in education. In areas with few/no tertiary providers, it is these residents that are most likely to leave and potentially not return.

The Ministry of Education has published a range of studies into the relationship between study and youth outcomes. For more information, see the Ministry of

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

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

Education website –

http://www.educationcounts.govt.nz/themes/education_and_the_labour_market.

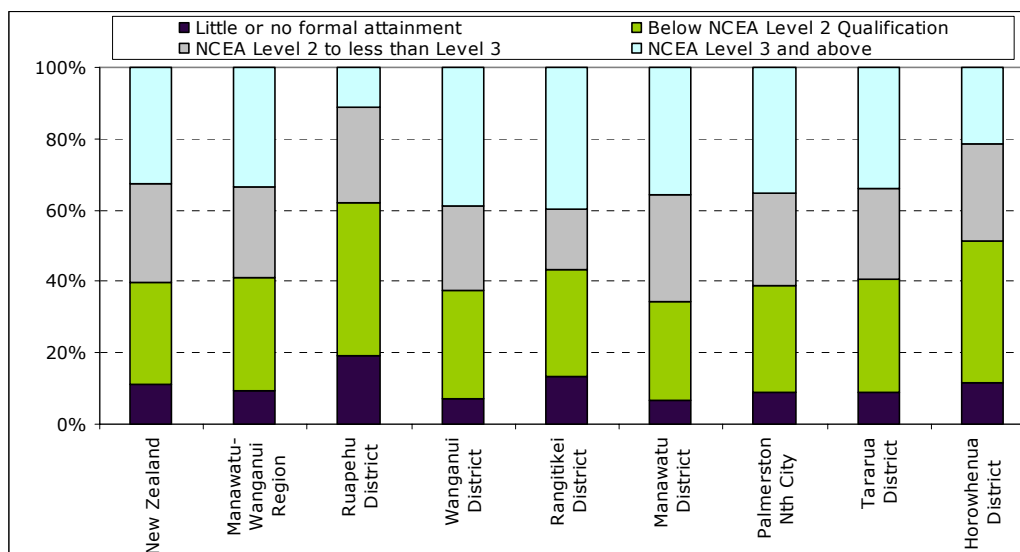
School leavers in Manawatu-Wanganui Region had a slightly higher than average share of students leaving school with NCEA Level 3 and above. Across the region, five of the seven TAs had a higher share of school leavers with this qualification than the national average. Around 9% of school leavers in the region had little or no formal qualifications in 2006, around 30% had qualifications below Level 2 NCEA, around 25% had between Level 2 and Level 3 NCEA and the remainder had Level 3 NCEA or above.

Like many of the other statistics in this report, sub-regional data shows contrasting results. Ruapehu District, in particular, had relatively poor school leaver attainment, with relatively high rates of little or no attainment and below Level 2 attainment, and correspondingly lower attainment at Level 3 NCEA and above. Horowhenua District also had relatively weak attainment data, while the remaining TAs (Wanganui District, Rangitikei District, Manawatu District, Palmerston North City and Tararua District) all had school leaver attainment rates at higher than national levels. School leaver attainment data for Rangitikei and Wanganui Districts had particularly high levels of NCEA Level 3 and above attainment – well ahead of national averages – with Rangitikei District having the ninth highest rate of NCEA Level 3 and above attainment amongst the 73 Territorial Authorities of New Zealand (although the actual numbers of students was very low).

In TAs that contain tertiary training establishments (like Palmerston North City), 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 factors outlined above are at least partially responsible for this pattern.

There were 3,224 school leavers in Manawatu-Wanganui in 2006. Palmerston North City (1,222 school leavers) and Wanganui District (702 school leavers) combined to provide 60% of the school leavers from Manawatu-Wanganui Region in 2006. These two districts had some of the better attainment levels, with substantially better than average rates of NCEA Level 3 and above attainment, and lower than average levels of little or no attainment.

Chart 5: School leavers in Manawatu-Wanganui 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 youth in Manawatu-Wanganui Region and the employers in the region? Are there any projects in place with school leavers to ease transition into the workforce and/or into further education?

2.2 Study and labour force status

While the qualifications of school leavers is 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 Manawatu-Wanganui 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 strategy¹⁴. Amongst other targets, it includes the requirement for all young people up to the age of 18 to be in some form of recognised training, whether or not they are also in employment. This programme will be targeting young people who are not in education or employment as well as those solely in employment. These groups are shown in Charts 7 and 8.

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

¹⁴ <http://www.beehive.govt.nz/release/significant+benefits+schools+plus>.

to young people through further education, training or other activities. Each Youth Transition Services provider has experience in working with young people and helping them make good choices for the future."¹⁵

Tools for Schools is a programme in Palmerston North City that is designed to encourage young people to undertake trade and applied technology training and education. This programme was originally developed as part of the Mayors Task Force For Jobs programme. The vision statement for Tools for Schools is "to give young people from 14 to 25 years of age the tools to make informed decisions on work and employment opportunities"¹⁶.

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

"Not all young people who experience a period of inactivity are at risk of adverse outcomes. However, those who are inactive for prolonged periods of time have a 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."¹⁷

The NEET measure has had a particular focus within the Mayors Taskforce For Jobs¹⁸ (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..."¹⁹

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

In 2006, there was a 13.0% rate of NEET youth in Manawatu-Wanganui, only slightly above the national youth rate of 12.5%. Chart 6 shows that Horowhenua and Wanganui Districts had the highest rates of youth not in employment, education or training (NEET) in 2006. These rates were well in excess of both national average and regional NEET rates for both younger (15–19 year olds) and older (20–24 year olds) youth. Contrasting these weak results, Palmerston North

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

16 Taken from the Vision Manawatu website, 28/05/2008 – <http://www.visionmanawatu.org.nz/42.html>.

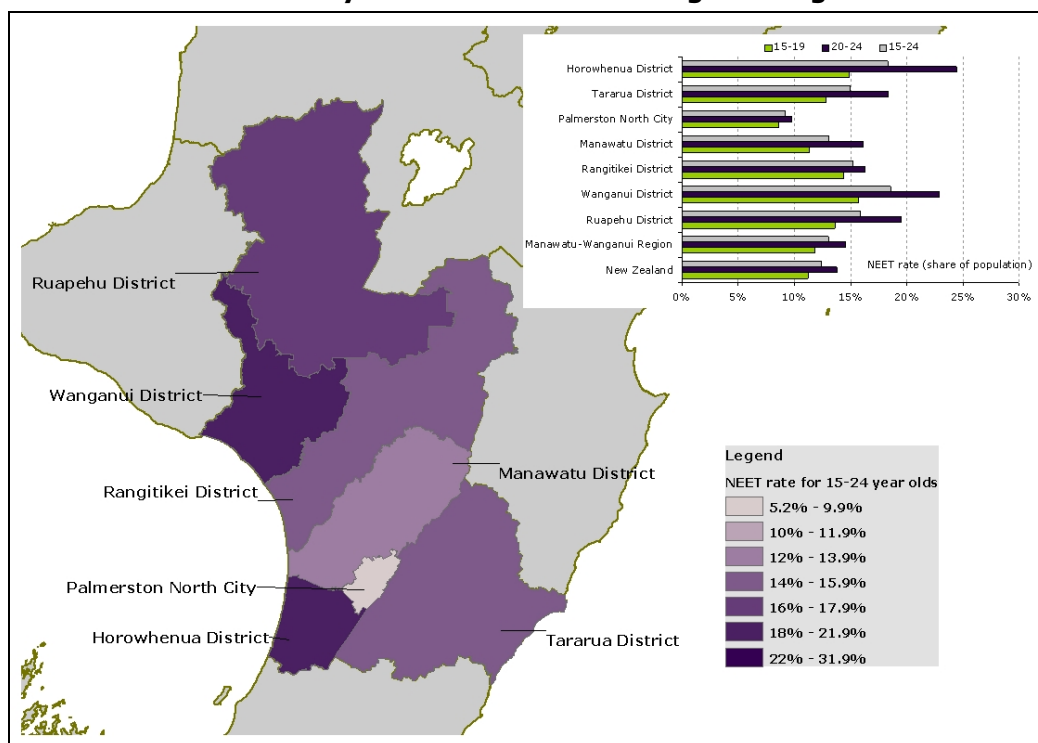
17 Youth Transitions Report Series 2003 – Executive Summary, *Key Findings on Youth Transitions*, Ministry of Social Development, p3.

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

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

City (the largest location for youth) had particularly good results, with a NEET rate substantially below the national rate for younger and older youth.

Chart 6: NEET rates for youth in Manawatu-Wanganui Region in 2006



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

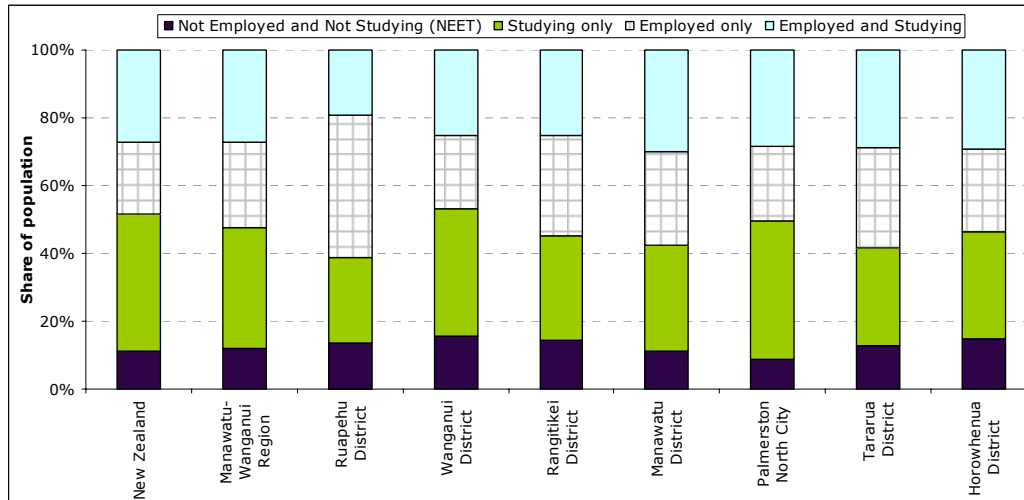
Chart 7 and Chart 8 show the study and labour force status of youth, split into two age groups. As can be seen from a comparison of the two charts, there were major differences between the labour force status of those aged 15–19 and those aged 20–24. Younger youth (those aged 15–19) tended to have lower rates of NEET (the bottom section of each chart) than older youth, as much of the younger grouping are legally required to be at school. Older youth had a much higher rate of employment only (the grey hatched areas of the charts) and a smaller rate of studying only.

As can be seen from Chart 7, other than Ruapehu District, the TAs within the region and the region itself had a fairly similar composition to the national average for youth aged 15–19. Ruapehu District had a much higher proportion of 15–19 year olds in employment only, and lower than average rates of 15–19 year olds in study only, or in study and employment.

Chart 8 shows that the study and labour force status of 20–24 year olds in Manawatu-Wanganui Region was also quite similar to national rates. Data for Palmerston North City stands out for higher than average rates of both studying only, and employment and study – another reflection of the education focus of the TA. The high NEET rates for Wanganui and Horowhenua Districts are also clearly shown, with both districts having NEET rates well above national and

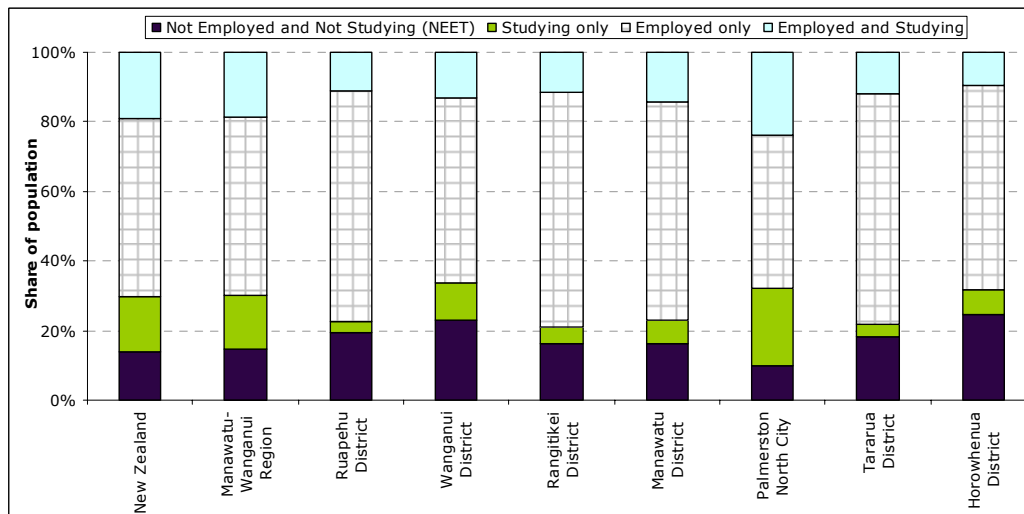
regional averages for 20–24 year olds. The highest rates of ‘employment only’ were seen in the more rural districts of the region. While young people not involved in education or training is not ideal, it is important to remember that the bulk of this region’s youth resided in Palmerston North City and Wanganui District, where study rates were higher.

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 School²⁰ 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.

Regionally, Table 4 shows that more youth held little or no qualifications than the national average, more held school-based qualifications, and fewer held vocational training or degrees than the national average.

Across the region, many of the TAs had a much larger share of youth with little or no qualifications, with only Palmerston North City's low share keeping the regional rate similar to the national rate. Horowhenua and Rangitikei Districts had rates of no qualifications at almost double the national rate. Table 4 shows some similar patterns to Chart 5 – higher qualifications held in Palmerston North City with relatively lower qualifications held in some of the more rural TAs.

²⁰ For more information about the contents of these categories, please see the Glossary of Terms.

Table 4: Highest qualification of youth in Manawatu-Wanganui 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%
Manawatu-Wanganui Region	19.9%	56.8%	16.2%	7.1%
Ruapehu District	25.5%	56.9%	13.6%	4.0%
Wanganui District	22.2%	56.9%	16.8%	4.1%
Rangitikei District	27.7%	48.9%	18.7%	4.7%
Manawatu District	24.0%	55.4%	16.1%	4.5%
Palmerston North City	13.5%	59.5%	16.6%	10.5%
Tararua District	25.9%	54.3%	15.2%	4.6%
Horowhenua District	29.8%	51.8%	15.3%	3.1%

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 Manawatu-Wanganui 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 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.

Table 5 shows that, while Management and Commerce was the most popular field of study both nationally and regionally, the share of 20–24 year olds in Manawatu-Wanganui Region with this field of study was much lower than the national rate. A similar story is true for the second largest field of study – Society and Culture – although to a much lesser degree. Manawatu-Wanganui Region had a much larger share of 20–24 year olds with an Agriculture, Environmental and Related Studies qualification than the national average, as well as Health and Education qualifications.

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.

Anecdotal feedback from the region suggests that the spread of qualifications matches those needed and that the more important issue is the retention of those skills within the region. The retention issue, clearly identified in Chart 2, is a focus within local strategies.

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

	Proportion of each field of study for 20–24 year olds	
	Manawatu-Wanganui Region	New Zealand
Natural and Physical Sciences	6.1%	4.8%
Information Technology	5.3%	7.3%
Engineering and Related Technologies	12.7%	11.4%
Architecture and Building	4.8%	4.8%
Agriculture, Environmental and Related Studies	7.3%	3.2%
Health	7.7%	6.2%
Education	6.5%	5.1%
Management and Commerce	15.9%	23.6%
Society and Culture	13.7%	14.3%
Creative Arts	9.5%	10.6%
Food, Hospitality and Personal Services	10.4%	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 Manawatu-Wanganui Region. This section looks at the labour market outcomes for youth in Manawatu-Wanganui 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.

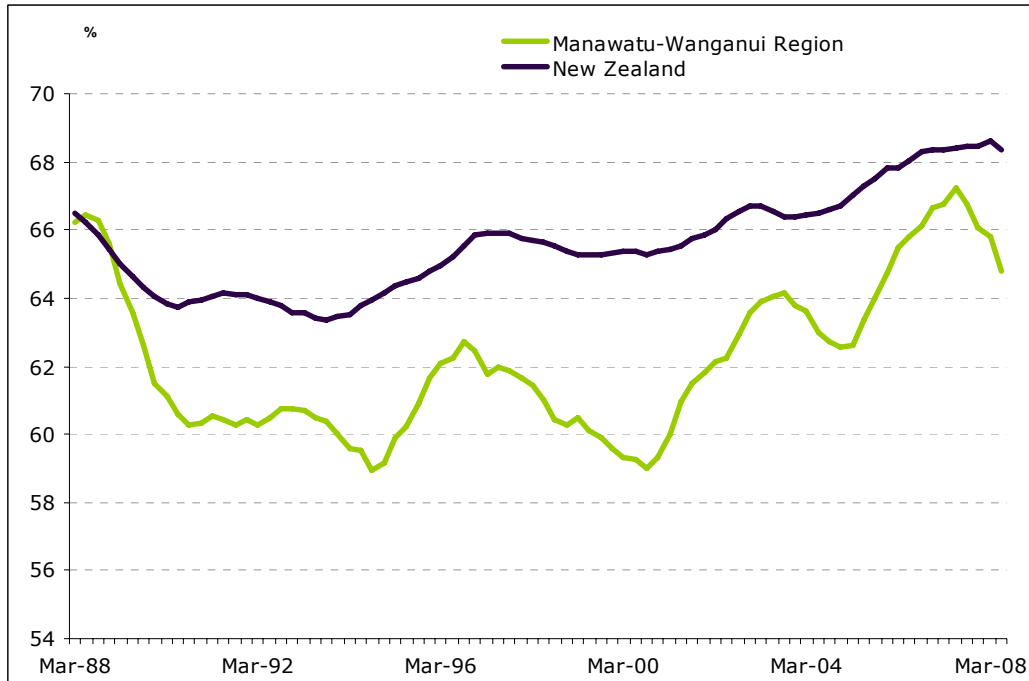
3.1 Labour force participation

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

The labour force participation rate for the working-age population of Manawatu-Wanganui Region has been consistently lower than the national average rate since the beginning of the HLFS in 1986. The regional participation rate appears to have experienced the same periods of participation growth as the nation overall between 1996 and 2003, although at a much larger scale. Additionally, the rate of labour force participation has moved closer to the national rate, especially since 2004. Contrasting this convergence is a pattern appearing in the data since March 2007 where the participation rate in Manawatu-Wanganui Region appears to be declining away from the national average. Over time, this pattern will become clearer.

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

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

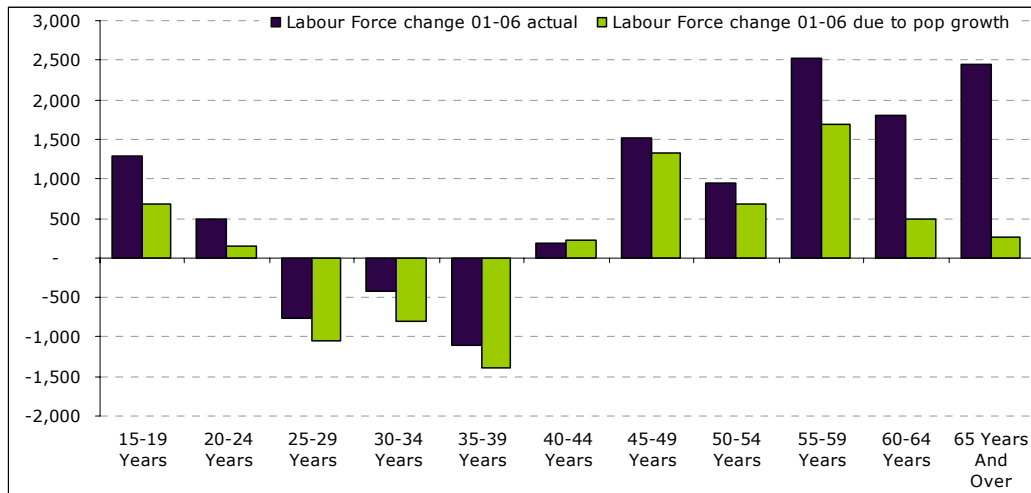


Source: Household Labour Force Survey, Statistics New Zealand

Chart 10 shows the change in the actual number of people in the labour force between 2001 and 2006 and the influence that population growth and participation ages has had. Where the two bars for each age group are at different levels, the difference is caused by a change in the rate of labour force participation. It can be seen that the increase in the number of 15–19 year olds in the labour force over the period was actually more than would be expected when looking at the overall increase in numbers of 15–19 year olds in Manawatu-Wanganui Region (the purple bar is bigger than the green bar). For 15–19 year olds, an increased labour force participation rate caused the small growth in population to translate to a larger growth in the labour force. For 20–24 year olds, a similar pattern occurred, with only a small population growth being turned into a larger labour force change by an increased rate of labour force participation. It is notable that, over the period, the number of 25–39 year olds in Manawatu-Wanganui Region labour force decreased.

While not the subject of this report, Chart 10 shows that the growth in Manawatu-Wanganui Region labour force participation rate (seen in Chart 9) was caused by older people participating in the labour force more.

Chart 10: Labour force change in Manawatu-Wanganui Region



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

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

The labour force participation rate of youth in Manawatu-Wanganui Region has grown strongly between 2001 and 2006, as the growth in the population has been exceeded by the growth in the youth labour force. With the exception of Wanganui District, each of the districts of Manawatu-Wanganui Region had a higher youth labour force participation rate than the national average in 2006. Wanganui District had a combination of both a declining youth population and declining labour force participation, making it unique in this sense in this region.

Palmerston North City and Manawatu District were the two TAs with the largest increase in participation rates, driven by the large excess in labour force over population.

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

	Change in 15–24 year olds (2001–2006) ²¹	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%
Manawatu-Wanganui Region	4.5%	65.8%	68.6%	9.0%
Ruapehu District	0.0%	69.4%	71.8%	3.5%
Wanganui District	-1.1%	65.0%	64.9%	-1.3%
Rangitikei District	3.2%	67.3%	70.2%	7.7%
Manawatu District	10.7%	69.1%	72.4%	16.0%
Palmerston North City	6.5%	63.9%	68.1%	13.6%
Tararua District	5.4%	69.3%	71.9%	9.4%
Horowhenua District	1.5%	67.6%	68.8%	3.3%

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."²²

There were very few differences in the size of businesses that youth were employed in for Manawatu-Wanganui Region compared with New Zealand overall. In Manawatu-Wanganui, 39% of youth were employed in businesses that had 100 or more staff, with the next largest employer of youth being businesses with between 1 and 5 employees.

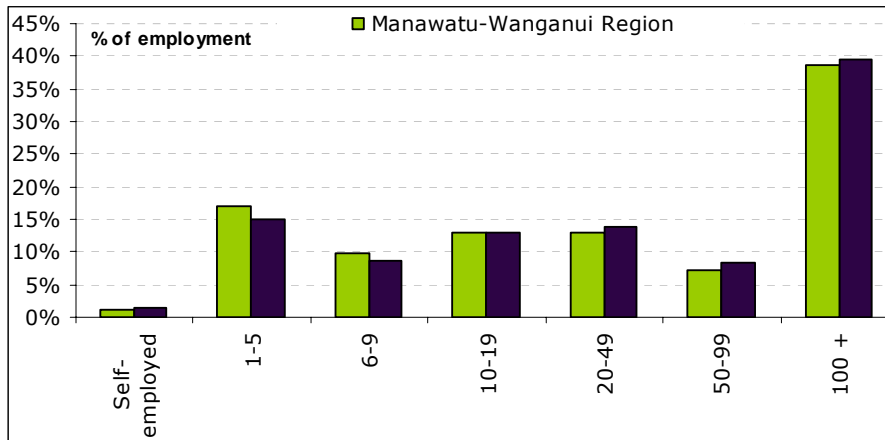
Not only is data for Manawatu-Wanganui Region youth similar to national average, it is also similar to the distribution of all Manawatu-Wanganui Region employment. The main difference between the two Manawatu-Wanganui Region

²¹ 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.

²² See "Leveraging Training and Skills Development in SMEs", 52nd Session, 9–10 June 2008, OECD, Paris.

datasets is that the total population had a much larger share of self employment (7% compared to 1% for youth).

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



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

While the national and regional youth employment data (as shown in Chart 11) is quite similar, within Manawatu-Wanganui Region there were quite a wide variety of employment compositions. The largest employers of youth were concentrated in Palmerston North City (where 46.7% of youth employed worked in businesses with 100 or more employees) and Manawatu District. Small employers dominated the employment of youth in Tararua, Ruapehu and Rangitikei Districts, with around 50% of all youth working in businesses with less than 20 employees. These three districts also had the lowest share of youth employment in businesses with 100 or more employees.

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%
Manawatu-Wanganui Region	1.1%	17.1%	9.7%	13.0%	13.1%	7.3%	38.7%
Ruapehu District	1.2%	22.5%	10.5%	16.1%	10.9%	9.1%	29.6%
Wanganui District	0.9%	15.0%	9.9%	14.3%	14.4%	8.9%	36.7%
Rangitikei District	1.8%	21.9%	10.9%	16.3%	15.3%	8.4%	25.4%
Manawatu District	1.2%	19.3%	9.6%	11.1%	14.6%	6.5%	37.7%
Palmerston North City	0.9%	12.6%	9.1%	12.3%	12.3%	6.7%	46.1%
Tararua District	1.8%	28.2%	10.3%	11.8%	11.5%	7.1%	29.3%
Horowhenua District	1.0%	18.7%	11.0%	12.6%	14.6%	6.5%	35.5%

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 job²³ in 2006. This was slightly above the proportion for all age groups, which stood at 5%. In Manawatu-Wanganui Region, 5.6% of youth had more than one job, more or less the same as both the total regional and national workforces. Because of the similarity of the data to the total population, it is not presented here.

Employment by industry and occupations

This section looks at the number of young people working across the various industries and in occupations in Manawatu-Wanganui 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.

Total employment in Manawatu-Wanganui Region grew by just under 12% between 2001 and 2006, with youth employment growing by just over 16%. Retail Trade was the industry that employed the most youth in 2006, followed by Agriculture, Forestry and Fishing. Employment of youth in Retail Trade grew at around 10% from 2001, in line with the total Retail Trade employment growth in the region. The employment of youth in Agriculture, Forestry and Fishing fell by over 11% between 2001 and 2006, reflecting a general decline in agricultural employment over this period. Manufacturing, and Accommodation, Cafés and Restaurants were the two next largest industries for youth, with youth employed in Manufacturing declining by nearly 3% – again reflecting the decline in total Manufacturing employment. The four largest industries of youth employment combined to account for over half of all youth employment in Manawatu-Wanganui Region.

While youth employment in retail trade and accommodation, cafes and restaurants is consistently high across New Zealand and in Manawatu-Wanganui region, these are the two large industries where part time employment exceeds full time employment for youth. Contrasting this, youth employed in Agriculture, Manufacturing and Construction were almost entirely working full time in 2006.

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

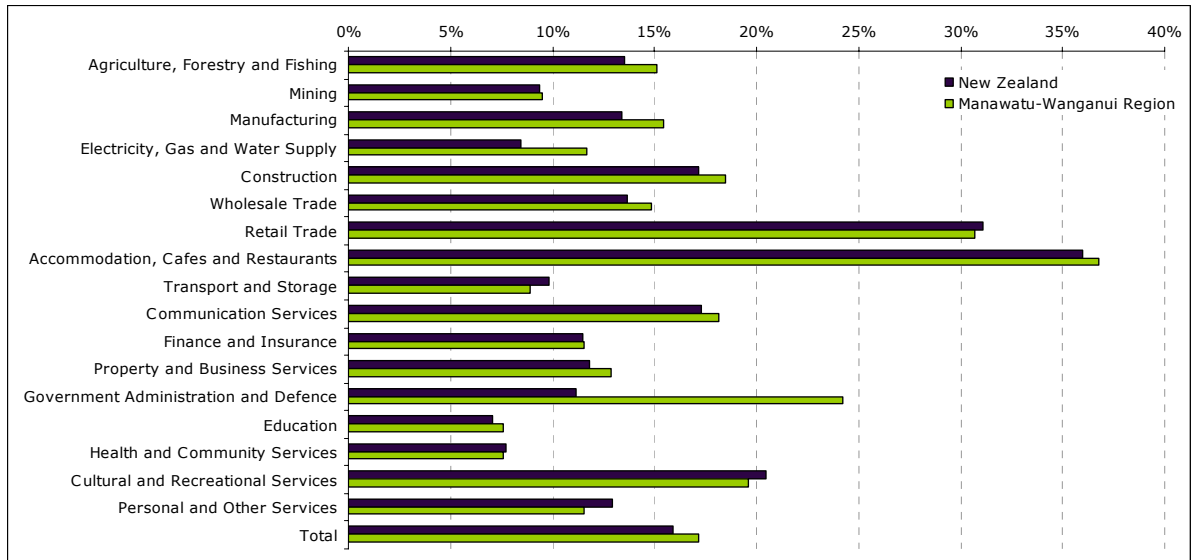
Table 8: Industry employment of those living in Manawatu-Wanganui Region in 2006, and change from 2001

	2006		Change since 2001	
	15-24 Years	15 Years and Over	15-24 Years	15 Years and Over
Agriculture, Forestry and Fishing	1,884	12,456	-11.5%	-3.8%
Mining	12	126	300.0%	44.8%
Manufacturing	1,845	11,946	-2.7%	-0.7%
Electricity, Gas and Water Supply	48	411	14.3%	2.2%
Construction	1,398	7,557	88.7%	47.4%
Wholesale Trade	675	4,545	10.8%	1.4%
Retail Trade	4,122	13,425	10.5%	10.1%
Accommodation, Cafés and Restaurants	1,629	4,434	15.5%	10.5%
Transport and Storage	231	2,601	5.5%	8.5%
Communication Services	174	957	5.5%	2.6%
Finance and Insurance	216	1,875	28.6%	8.7%
Property and Business Services	1,185	9,189	27.8%	22.5%
Government Administration and Defence	1,386	5,718	30.9%	4.6%
Education	684	8,991	0.0%	2.2%
Health and Community Services	762	10,017	8.5%	9.8%
Cultural and Recreational Services	375	1,911	-7.4%	9.1%
Personal and Other Services	531	4,605	16.4%	23.4%
Not Elsewhere Included	1,614	8,451	97.8%	69.8%
Total	18,774	109,221	16.2%	11.8%

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

Chart 12 shows the share of each industry that youth provided in Manawatu-Wanganui Region and nationally. In 2006, youth in Manawatu-Wanganui Region provided just over 35% of the employment of the Accommodation, Cafés and Restaurants industry, and just over 30% of the employment in the Retail Trade industry. For both of these industries, the youth share in Manawatu-Wanganui Region and New Zealand were relatively equal. One industry where regional youth contributed a bigger share to an industry than they did nationally was the Government Administration and Defence industry (24% compared to 11% nationally). The Manawatu-Wanganui Region is home to the Ohakea Air Force base and the Linton Army camp, two major defence sites that are likely to have a relatively high proportion of younger employees.

Chart 12: Youth share of industries in 2006



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

Table 9 shows the occupations of employment of youth and the total population who were usually resident in Manawatu-Wanganui Region in 2006. The largest occupation of regional youth in 2006 was Service and Sales Workers, with just over 5,300 employees. This occupation is heavily linked to two of the largest industries – Retail Trade, and Accommodation, Cafés and Restaurants. The next most common occupation was Clerks, which is an occupation that tends to be part of most industries. Reflecting the high regional employment in Agriculture, Forestry and Fishing for youth, Agricultural and Fishery Workers was one of the larger occupational groups in the region. Of the larger occupations for youth (here defined as over 1,000 employees), Trades Workers had the largest growth in youth employment, up 50% from 2001 and spread relatively evenly across both younger and older youth categories. This growth in Trades Workers in Manawatu-Wanganui was larger than the 45% growth seen nationally for youth.

Table 9: Employment by age and occupation in Manawatu-Wanganui Region in 2006

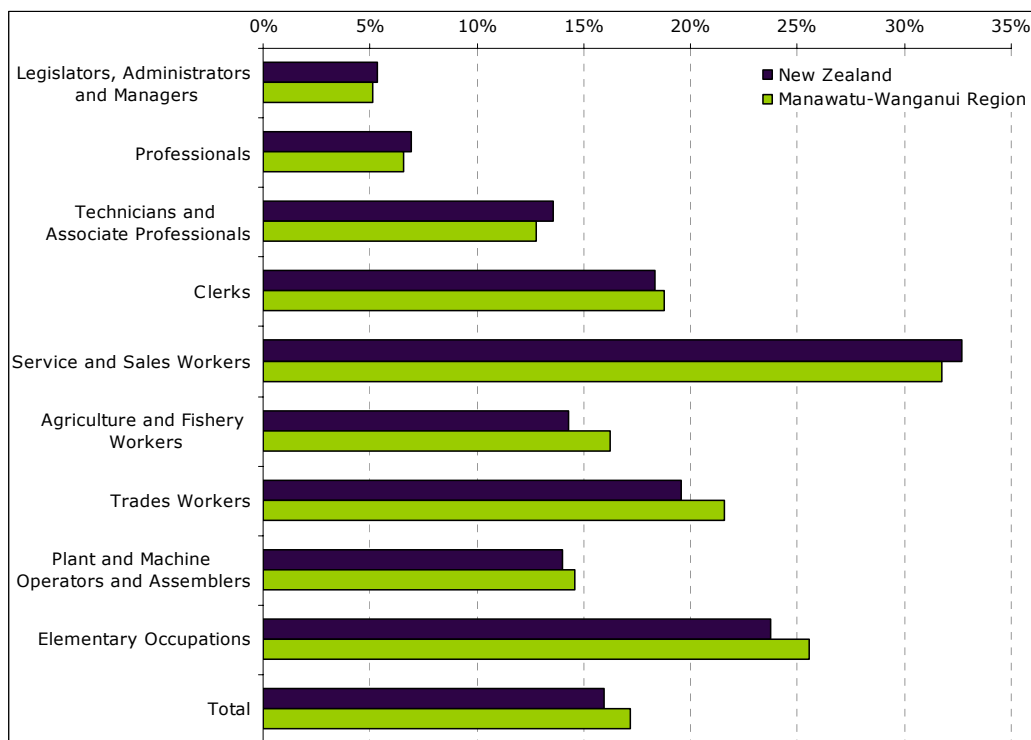
	2006		Change from 2001	
	15-24 Years	15 Years and Over	15-24 Years	15 Years and Over
Legislators, Administrators and Managers	609	11,826	26.1%	20.5%
Professionals	909	13,782	6.3%	13.2%
Technicians and Associate Professionals	1,449	11,343	32.3%	20.6%
Clerks	2,022	10,779	4.8%	-2.2%
Service and Sales Workers	5,325	16,755	10.7%	6.6%
Agriculture and Fishery Workers	1,806	11,112	-9.3%	-4.7%
Trades Workers	1,890	8,751	50.0%	13.9%
Plant and Machine Operators and Assemblers	1,359	9,312	6.8%	5.1%
Elementary Occupations	1,800	7,041	12.4%	19.3%
Not Elsewhere Included	1,608	8,520	84.8%	56.0%
Total	18,777	109,221	16.2%	11.8%

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

Chart 13 shows the proportion of each occupation that was contributed by youth, both in the region and nationally. The chart shows that around 32% of all regional Service and Sales Workers were youth in 2006, a rate similar to the national occupation composition. While many of the occupational compositions were quite similar between Manawatu-Wanganui Region and New Zealand, a pattern that can be observed is that youth contributed slightly more to the highly skilled occupations nationally than they did regionally. In Manawatu-Wanganui Region, there was a higher than average contribution to the lower skilled occupations, especially in the occupations of Agricultural and Fishery Workers and Elementary Occupations.

As noted around Table 5, the retention of skills currently in the region is more of a focus within the region than the active recruitment of skills to the region. This issue relates to people with particular occupations as much as it applies to qualifications held.

Chart 13 Youth share of occupations in 2006



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

Does 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 Manawatu-Wanganui 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 changed markedly between 15–19 year olds and 20–24 year olds, as shown in Table 10.

Within Manawatu-Wanganui, there was a higher incidence of full-time work than the national average. For both 15–19 year olds and 20–24 year olds, more Manawatu-Wanganui Region youth worked full-time than the national average for these age groups.

Other than Wanganui and Horowhenua Districts, each of the TAs in Manawatu-Wanganui Region had a higher share of 15–19 year olds in full-time employment than the national average, with Ruapehu District in particular having two-thirds of all 15–19 year olds in employment working full-time. The high share of full-time employment in Ruapehu District is supported by the results in Chart 7, which shows that Ruapehu District had the highest regional share of employment only amongst this age group.

Of the 20–24 year olds in employment in Manawatu-Wanganui, all but Palmerston North City had a rate of full-time employment well in excess of the national level.

Chart 8 shows that Palmerston North City had the highest share of 20–24 year olds in employment and study, a likely cause of the high share of part-time employment amongst this age group.

While the part-time/full-time work breakdown is important, another issue of importance within the region is seasonality. Many of the districts within the region have large agricultural sectors, while seasonality has a big impact on student numbers in Palmerston North City and tourist numbers in Ruapehu District.

Table 10: Employment status by age in Manawatu-Wanganui 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%
Manawatu-Wanganui Region	47.9%	52.1%	78.2%	21.8%	75.5%	24.5%
Ruapehu District	66.5%	33.5%	86.9%	13.1%	78.3%	21.7%
Wanganui District	42.9%	57.1%	80.8%	19.2%	73.7%	26.3%
Rangitikei District	54.1%	45.9%	85.9%	14.1%	76.4%	23.6%
Manawatu District	46.0%	54.0%	84.6%	15.4%	76.3%	23.7%
Palmerston North City	46.8%	53.2%	72.9%	27.1%	75.6%	24.4%
Tararua District	50.6%	49.4%	87.7%	12.3%	76.6%	23.4%
Horowhenua District	43.7%	56.3%	83.3%	16.7%	74.1%	25.9%

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

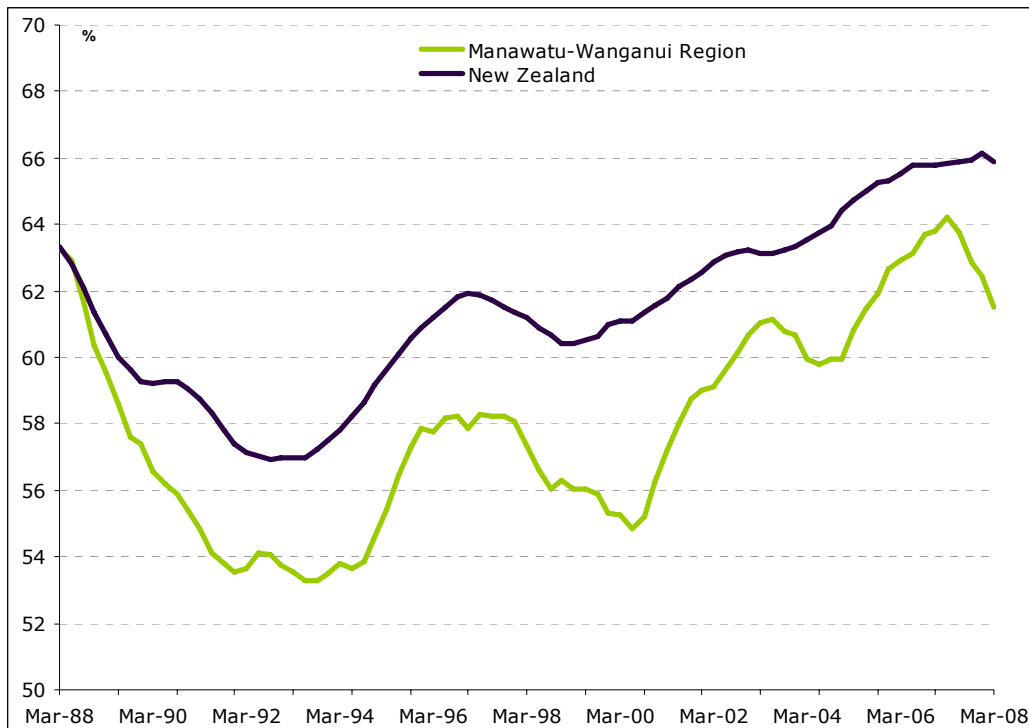
What is driving the pattern of full-time/part-time youth employment in your region? Do you believe this pattern has changed/will change over time? Is this a good thing?

The employment rate²⁴ 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 the employment rate for the total working-age population of Manawatu-Wanganui, and compares this to national data. The chart shows a very similar pattern to the labour force participation rate shown in Chart 9, with a similar pattern to national data but with bigger magnitude of changes. Again, like Chart 9, there is a decline in the latest data, a pattern that will need to be monitored over upcoming periods. In the year to March 2008, the employment rate in Manawatu-Wanganui Region was 61.5%, compared to a national rate of 65.9%.

24 The employment rate is 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)²⁵



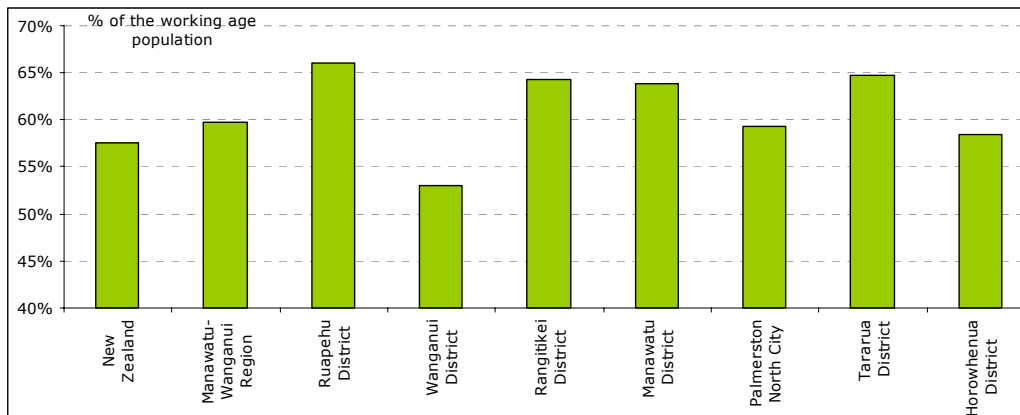
Source: Household Labour Force Survey, Statistics New Zealand

Chart 15 shows how the employment rate for youth varied across the TAs within Manawatu-Wanganui Region. The high share of full-time employment for Ruapehu, Tararua, Rangitikei and Manawatu Districts, shown in Table 10, and the high rate of employment only seen in Chart 7 and Chart 8 are reflected in the higher employment rates seen in Chart 15 for these TAs. Wanganui District had a particularly low youth employment rate, which aligns with the relatively high rate of not employed and studying only in Charts 7 and 8. Palmerston North, the TA with the most youth, had a youth employment rate above the national rate. This high employment rate in Palmerston North City reflects Chart 7 and 8 results where a large proportion of youth reported being 'employed and studying', and there was the lowest regional NEET rates.

The youth employment rate increased by 2.4 percentage points between 2001 and 2006 for all of New Zealand's youth. In Manawatu-Wanganui Region, each TA had a larger than average increase in their youth employment rate, ranging between 2.7 percentage points for Wanganui District and 8.3% for Rangitikei District.

²⁵ 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 Manawatu-Wanganui Region in 2006



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

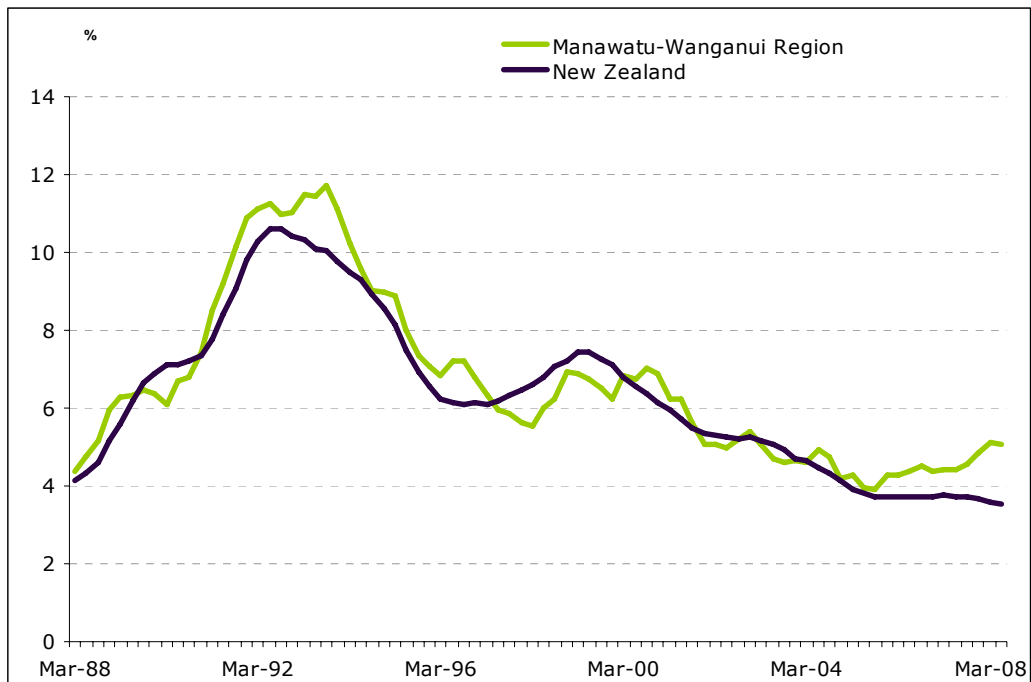
3.3 Unemployment

The unemployment rate is the proportion of the labour force that is unemployed. To be counted as unemployed, a person must be without a paid job, be available for work, and have actively sought work in the past four weeks or have a new job to start within the next four weeks.

Over the history of the HLFS, the unemployment rate for the working-age population of Manawatu-Wanganui Region has followed the national rate closely. In recent quarters, the unemployment rate for Manawatu-Wanganui Region has grown, at a time when the national rate of unemployment was stable or declined. In the year to March 2008, Manawatu-Wanganui Region had the highest annual average regional unemployment rate and the only regional unemployment rate above 5% (at 5.1%). This compares to the national rate of 3.6% over the same period.

Unemployment affects the rate at which young people learn work skills such as timeliness, team work and so on that are needed throughout a person's working life. This makes unemployment of youth perhaps even more negative than for the overall population.

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

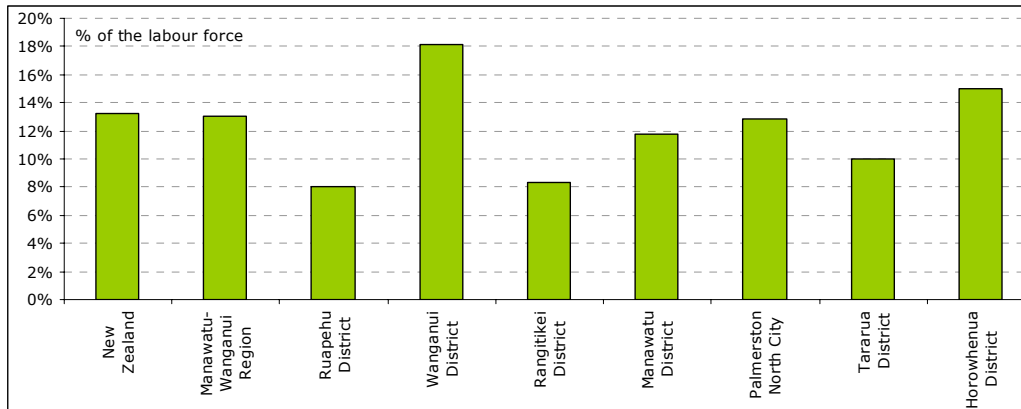


Source: Household Labour Force Survey, Statistics New Zealand

Chart 17 shows the youth unemployment rate at the time of the 2006 Population Census for each of the districts of Manawatu-Wanganui Region. The regional youth unemployment rate was 13% in 2006, in line with the national youth rate. Wanganui District had the highest youth unemployment rate in 2006, at 18%, with Horowhenua District (at 15%) being the only other district with an unemployment rate above the national or regional rate.

The youth unemployment rate decreased by 4.0 percentage points between 2001 and 2006 for all of New Zealand's youth. The youth unemployment rate in Manawatu-Wanganui Region fell by 5.4 percentage points over the same period, with the TAs showing declines of between 3.5 percentage points in Tararua District and 8.6 percentage points in Rangitikei District.

Chart 17: Unemployment rate of youth in Manawatu-Wanganui Region in 2006



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

Around 8.5% of all those who received unemployment benefits in New Zealand (1,619 people in March 2008) lived in Manawatu-Wanganui Region. Of those unemployment beneficiaries in Manawatu-Wanganui in March 2008, around 21% were under the age of 24.

For information about the latest unemployment rate in Manawatu-Wanganui Region, check out the Joint MSD/DoL Quarterly Regional Reports – <http://www.dol.govt.nz/publications/lmr/regional/joint/lmr-regional-man.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 income²⁶ 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 Manawatu-Wanganui Region's 15–24 year olds shows that the

²⁶ 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.

only difference with the average for 15–24 year olds in New Zealand was that Manawatu-Wanganui Region youth were slightly more likely to receive a benefit.

As reported in the 2007 AIDR, the median hourly wage rate within Manawatu-Wanganui 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 Manawatu-Wanganui Region's rate was 91% of the national average.

In Manawatu-Wanganui Region in 2006, the distribution of youth incomes was slightly more compact than the national distribution. Less youth earned lower amounts than the national youth income and less youth earned higher amounts than the national youth average. In 2006, 71% of Manawatu-Wanganui Region youth earned less than \$20,000 (slightly below the national rate) and 26% earned between \$20–\$40,000 (slightly more than the national youth average)²⁷. In 2006, 3% of Manawatu-Wanganui Region youth earned above \$40,000, only marginally less than the national rate.

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 report²⁸, 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.

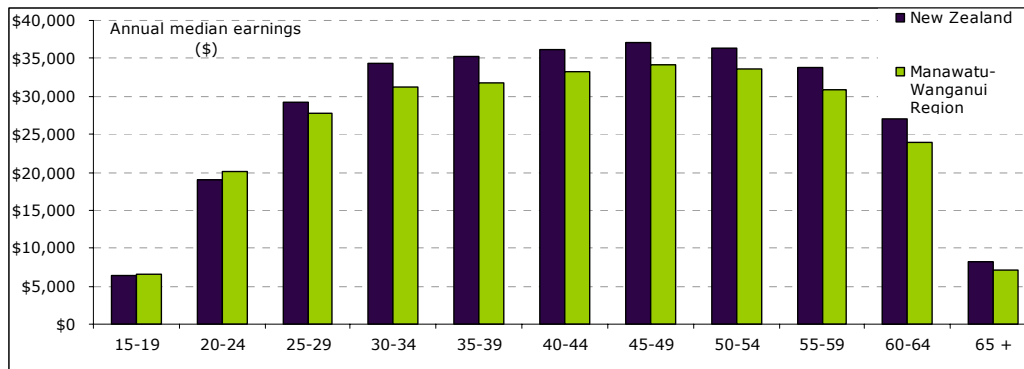
Chart 18 shows the earnings of each age group for both Manawatu-Wanganui Region and nationally²⁹. The chart shows that it was only 20–24 year olds in Manawatu-Wanganui Region that earned more than the national average for their age group. In each of the other age groups, and especially in the 30–54 age groups, the average median earnings were noticeably lower than the national average. Much of the national median earnings data is driven by the relatively high wages in Auckland and Wellington, and with the high levels of employment of the total population in Retail Trade, Agriculture, Forestry and Fishing, and Manufacturing, earnings from wages and salaries tended to be lower.

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

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

29 Due to confidentiality issues, Statistics New Zealand are unable to provide median annual earnings by TA from the LEED dataset.

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



Source: Linked Employer-Employee Dataset, Statistics New Zealand

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

GLOSSARY OF TERMS

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

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

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

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

Statistics New Zealand 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, here - <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 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.

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.

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 Manawatu-Wanganui Region.

Total population of New Zealand, Manawatu-Wanganui Region and relevant Territorial Authorities

	2006	Change from 2001	
		Number	Percentage
New Zealand	4,027,947	290,661	7.8%
Manawatu-Wanganui Region	222,423	2,334	1.1%
Ruapehu District	13,569	-723	-5.1%
Wanganui District	42,639	-630	-1.5%
Rangitikei District	14,712	-390	-2.6%
Manawatu District	28,251	744	2.7%
Palmerston North City	75,540	3,507	4.9%
Tararua District	17,634	-225	-1.3%
Horowhenua District	29,868	45	0.2%

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

Manawatu-Wanganui 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%
Manawatu-Wanganui Region	17,592	14,631	15,440	15,670	-12.2%	7.1%
Ruapehu District	1,098	720	670	610	-39.0%	-15.3%
Wanganui District	3,090	2,106	2,270	1,890	-26.5%	-10.3%
Rangitikei District	1,056	768	560	450	-47.0%	-41.4%
Manawatu District	2,217	1,284	2,190	1,710	-1.2%	33.2%
Palmerston North City	6,885	7,836	7,350	9,210	6.8%	17.5%
Tararua District	1,260	771	960	720	-23.8%	-6.6%
Horowhenua District	1,974	1,137	1,430	1,080	-27.6%	-5.0%

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

Ethnicity of Manawatu-Wanganui 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%
Manawatu-Wanganui Region	73.0%	19.6%	3.8%	2.7%	12.4%	0.5%
Ruapehu District	63.0%	39.2%	2.1%	2.2%	10.8%	0.3%
Wanganui District	74.2%	22.0%	2.4%	2.4%	10.6%	0.3%
Rangitikei District	71.6%	24.5%	0.9%	1.6%	13.4%	0.3%
Manawatu District	77.9%	14.0%	1.3%	1.5%	15.7%	0.2%
Palmerston North City	71.4%	15.4%	7.4%	3.7%	12.5%	1.1%
Tararua District	75.4%	20.4%	1.3%	1.3%	12.5%	0.2%
Horowhenua District	74.4%	21.0%	2.7%	3.5%	11.7%	0.2%

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

Highest qualification of the working-age population in Manawatu-Wanganui 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%
Manawatu-Wanganui Region	23.8%	34.4%	27.4%	14.5%
Ruapehu District	27.9%	35.4%	28.1%	8.7%
Wanganui District	24.7%	33.2%	30.0%	12.1%
Rangitikei District	28.7%	34.5%	27.3%	9.5%
Manawatu District	25.4%	34.8%	27.9%	11.9%
Palmerston North City	17.2%	35.2%	25.9%	21.7%
Tararua District	31.2%	34.6%	26.3%	7.9%
Horowhenua District	30.6%	32.5%	28.0%	8.9%

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

Industry employment of people living in Manawatu-Wanganui 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	972	912	-15.6%	-6.7%
Mining	0	12	n/a	300.0%
Manufacturing	780	1,065	-7.8%	1.4%
Electricity, Gas and Water Supply	12	36	0.0%	20.0%
Construction	582	816	108.6%	76.6%
Wholesale Trade	273	402	24.7%	3.1%
Retail Trade	2,439	1,683	12.1%	8.3%
Accommodation, Cafés and Restaurants	936	693	29.5%	0.9%
Transport and Storage	78	153	23.8%	-1.9%
Communication Services	111	63	5.7%	5.0%
Finance and Insurance	54	162	12.5%	35.0%
Property and Business Services	438	747	39.0%	22.1%
Government Administration and Defence	480	906	110.5%	9.0%
Education	168	516	30.2%	-7.0%
Health and Community Services	243	519	20.9%	3.6%
Cultural and Recreational Services	162	213	-3.6%	-10.1%
Personal and Other Services	228	303	22.6%	12.2%
Not Elsewhere Included	966	648	117.6%	74.2%
Total	8,931	9,843	22.5%	11.1%

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 Manawatu-Wanganui 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	135	474	32.4%	24.4%
Professionals	129	780	34.4%	2.8%
Technicians and Associate Professionals	438	1,011	65.9%	21.7%
Clerks	969	1,053	14.1%	-2.5%
Service and Sales Workers	2,991	2,334	20.8%	0.0%
Agriculture and Fishery Workers	963	843	-12.8%	-5.1%
Trades Workers	750	1,140	67.8%	40.2%
Plant and Machine Operators and Assemblers	519	840	8.8%	5.7%
Elementary Occupations	1,098	702	5.8%	24.5%
Not Elsewhere Included	939	669	108.7%	59.3%
Total	8,931	9,846	22.5%	11.1%

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

Employment by age and occupation in New Zealand in 2006

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

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

APPENDIX 3: REGIONAL LABOUR MARKET KNOWLEDGE MANAGERS CONTACT DETAILS

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

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