

Department of Labour
TE TARI MAHI



SKILLS AND WORK IN NEW ZEALAND

issue 6 JUNE 2005

workINSIGHT



First Stop

Welcome to the sixth issue of workINSIGHT



As Minister of Women's Affairs and Associate Minister of Labour, I am especially excited that this issue has as its central theme, *Pathways for Women*.

Over the past 50 years, New Zealand has progressed towards achieving social and economic equity between men and women. But we still have a lot of work to do.

Many women are still unable to make genuine choices about their involvement in the job market, and many women still take greater responsibility than men for household work and child rearing.

Working women are still paid less on average than men, and men still dominate many senior jobs. Eliminating these barriers and inequities is justifiable purely on the grounds of social justice – everyone has the right to equal treatment and women deserve genuine choices.

From an economic perspective, supporting the participation of women who choose to work, and eliminating pay and employment inequities can lead to greater prosperity for women, their families and their communities.

One of the keys to successfully achieving this is to improve public awareness and understanding of the issues that affect so many New Zealand women.

At the heart of this publication, our feature article details the gains women have made in the job market over the past 50 years. It explains some of the underlying trends that contributed to that progress, and outlines priorities for moving forward. The feature also highlights the many organisations that currently provide support to working women and those who want to enter paid work, education or training.

Also in this issue, *Returning to the labour force* outlines the information and support Career Services provides to women. And in *Industry training in action*, the inspirational Natasha Wright talks about being a woman training in a male-dominated workplace, and juggling work with childcare responsibilities.

Outside the main theme, this issue looks at the future skills that will be needed by our tourism and road construction industries. We take a look at why New Zealand needs more social workers, and how to become one. And we catch up with the latest youth transition initiatives. You'll find contributions from the Job Vacancy Monitoring Programme in *Job Vacancy Monitor* and *Skill shortages in the trades*, and there's the regular *Labour market barometer*, *Labour market explained* and *Regional labour market summary* pull-out.

Whatever your interest in the job market, I hope you enjoy this action-packed issue of workINSIGHT.

A handwritten signature in black ink, appearing to read 'Ruth Dyson'.

Ruth Dyson

Minister of Women's Affairs
Associate Minister of Labour



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workINSIGHT

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Editor

Robert Heyes ✉ robert.heyas@dol.govt.nz

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Road to the future

The road construction industry plans for growth

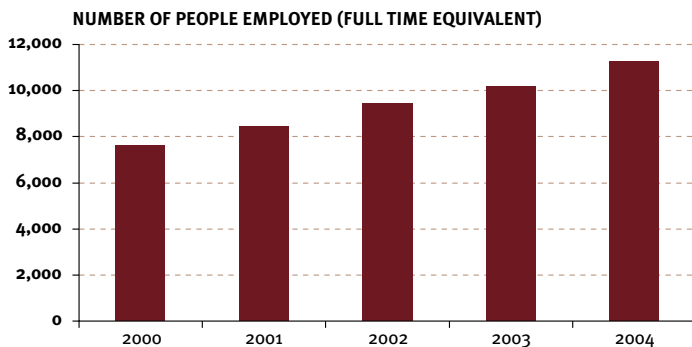
The road construction industry's steady growth of recent years is set to accelerate from 2005, boosted by an injection of new government funding to build more roads. With the additional funding, industry demand for labour and skills is also set to increase, and in some areas the additional demand will come on top of an industry already working to its capacity. Here, you'll find out what skills will be needed, and what government agencies and industry representatives are doing to ensure that enough skilled staff are available.

For broader information about workforce trends, training and projections in the infrastructure construction and maintenance industry (of which road construction is a part), read *Foundations in workINSIGHT*, issue 4, May 2004.

The road construction workforce

Road construction involves the building and maintenance of all New Zealand's roads, as well as its bridges. The number of Full Time Equivalent (FTE) jobs in road and bridge construction has increased from approximately 7,600 in 2000 to approximately 11,300 in 2004.

Full time equivalent jobs in road and bridge construction, 2000 to 2004



Source: Statistics New Zealand, Business Demographics

Full Time Equivalent is a way of counting jobs that recognises different hours are worked by part-time and full-time employees. Part-time jobs are counted as one-half of a FTE and full-time jobs are counted as one.

About 40% of the people working in the industry are machinery operators, which includes operating earthmoving machinery, spreading asphalt and bitumen on road surfaces, and driving rollers and trucks. Road construction workers may also be involved in a range of other jobs, including laying or repairing pipes and drains, directing traffic, landscape gardening and carpentry. Many of these workers need specialised knowledge in areas such as road marking and road construction methods, and health and safety regulations. The most skilled work is carried out by project managers and engineers.

Most road construction skills are learned through on-job training, although a heavy vehicle license is required to operate earthmoving and excavating machinery. Infracore, the Industry Training Organisation (ITO) responsible for the industry, organises training for qualifications in civil construction, pavement surfacing, surveying and other skills

related to roading. See *Foundations in workINSIGHT*, issue 4, May 2004 for more information about Infracore.

Over time, there has been a general trend towards employing people with higher skills. For instance, the number of managers and technical staff has grown much more rapidly than the number of clerical staff and labourers. Also, machinery has become more complex to operate and often uses computers, lasers and GPS (global positioning systems).

Occupations in demand

Nationwide, the labour market is already tight in some road construction-related occupations.

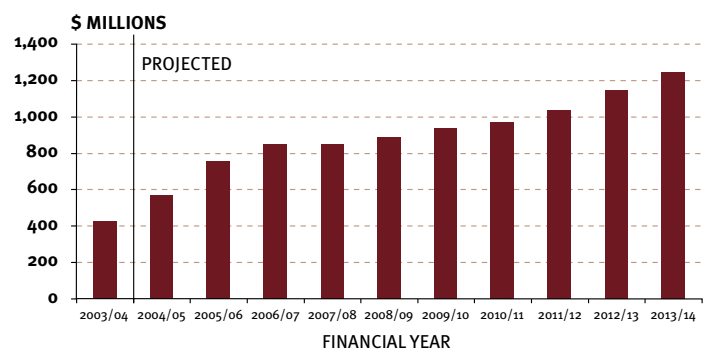
- Research in 2003 found that New Zealand needed 1,250 more heavy truck drivers.
- The Department of Labour's Job Vacancy Monitoring Programme (JVMP) has recorded a strong increase in demand for road construction machine operators over the past two years.
- Civil engineering companies that have recently advertised for engineering positions report a shortage of roading engineers.
- Roding contractors say they need more project managers.

Go to page 31 for more information about the JVMP.

Future increases in road construction

In June 2004, Land Transport New Zealand, the government agency that allocates funds for road construction and maintenance, announced an \$18.7 billion, 10-year programme of land transport spending. Since then, an increase has been announced for the Wellington region, and in the May 2005 Budget, funding was allocated to the National Land Transport Fund. Most of this funding is destined for new roads and highways. Local authorities are also expected to increase their spending on roads. Overall, according to Land Transport NZ and Local Government NZ, annual spending on road construction nationally will more than double from \$568 million in 2004/05 to over \$1.2 billion in 2013/14. The industry will need to significantly increase its numbers of skilled staff to be able to carry out the additional work without having large increases in contracting costs. Roding New Zealand's research indicates that around 2,000 more employees are needed by 2006 alone. As a result, road construction and maintenance is likely to remain a major source of new job opportunities.

Actual and projected annual spending on construction and maintenance of New Zealand's roads, 2004/05 to 2013/14



Source: Land Transport New Zealand

Future workforce needs

It's not easy to predict exactly how many additional workers the road construction industry will need. One estimate suggests the workforce will have to grow by more than 3,000 employees nationally, including taking on almost 1,700 workers in the Auckland region alone.

Demand will increase in areas where there are already shortages, for:

- engineers
- project managers
- machine operators (including heavy truck drivers).

A joint government/industry workshop in 2003 identified future shortages of roadworkers and site supervisors. There may also be high demand for skilled workers among specialist subcontractors supplying the road construction industry, such as asphalt and bitumen producers and workers skilled in traffic management. In addition, local authorities and government agencies dealing with transport funding are expected to need more staff to assist with planning processes.

An action plan

Government agencies and road construction industry representatives have developed an action plan which aims to ensure the industry has sufficient skilled staff to meet future requirements. Under the plan, demand for skilled staff will be met through a combination of attracting and training new recruits to the industry, working to retain existing skilled staff, and immigration. The industry, government agencies and local government will also work together to identify the amount of road construction work to be undertaken each year. This will help roading contractors plan ahead to ensure they have the staff they need.

TRAINING

Several steps are under way to boost training:

- The industry is considering introducing a training levy to fund additional training.
- InfraTrain is working with polytechnics on ways to enhance off-site facilities for practical training.

RECRUITMENT

Several steps are being taken to increase recruitment to the industry:

- Roothing NZ and the NZ Contractors' Federation plan to increase their recruitment efforts aimed at school leavers, job changers, the unemployed, New Zealanders returning home and migrants.
- Infracrain is working with the Ministry of Social Development's Jobs Partnership with Industry programme to recruit and train people for the industry. The current target is for 200 people to be placed by July 2005.
- Roothing NZ is setting up an awards scheme to raise the industry's profile by recognising achievement.
- The industry is reviewing existing work practices to see what can be done to make road construction jobs more appealing to workers. This will include surveys or focus groups to find out what employees see as the advantages and disadvantages of working in the industry.

- The Department of Labour provides information and guidance on how employers can attract and keep workers. Changes could include introducing shift work, and improved career pathways.
- Roothing NZ is working with government agencies to boost the industry's profile among career advisers and Work and Income work brokers.
- The Department of Labour is working with industry representatives on possible changes to immigration policies and processes to make it easier for the industry to recruit from overseas.

CONTRACTING

Consideration is being given to changes in the way road construction contracts are awarded. These changes may include encouraging companies to form partnerships, and providing incentives for good employment practices.

Further information

INFRA TRAIN can be contacted on ☎ (04) 499 9144

✉ askus@infracrain.co.nz www.infracrain.co.nz

For more information about the **JOBS PARTNERSHIP WITH INDUSTRY PROGRAMME**, contact your local Work and Income office.

ROADING NZ is the industry representative for the contracting companies that build and maintain the majority of New Zealand's roading and land transport infrastructure. ☎ (04) 471 1184

✉ lyn@roadingnz.org.nz www.roadingnz.org.nz

THE NZ CONTRACTORS' FEDERATION is the national organisation of the civil engineering construction and general contracting industry. ☎ (04) 496 3270 ✉ tricia@nzcontractors.co.nz www.nzcontractors.co.nz

KIWICAREERS is the Career Services career information and planning website. Here, you can find more information about road construction jobs. Go to www.kiwicareers.govt.nz and, under *Job Outlines*, look at *Roothing Construction Worker*, *Roothing Engineer*, *Roadmarker*, *Heavy Truck Driver* and *Earthmoving Machine Operator*. Under *Industry Overviews*, look at *Civil Engineering*, *Construction Operations* and *Road Transport* to find out about the overall industry trends.

The **DEPARTMENT OF LABOUR** is working with other organisations to help the road construction workforce planning process by gathering information about trends in the road construction workforce and the overall workforce. The roading action plan is one of several labour and skills action plans the Department of Labour is involved in. Currently, the others are horticulture and viticulture; food and beverages; tourism; specialised manufacturing; and fishing.



Industry training in action

On-job training in the electricity supply industry

When Natasha Wright first set foot in Genesis Energy's Huntly thermal power station, it was so huge she was scared she'd get lost. Five years later, she's training to run the place.

Natasha studied mechanical engineering at the Waikato Institute of Technology (now known as Wintech). After completing the theory for her New Zealand Certificate in Engineering in 1999, she saw an advertisement for a trainee position at Huntly.

She applied, and was employed as one of two trainee thermal plant operators, studying towards NZQA-recognised qualifications known as Enchem 2 and Enchem 4 ("Enchem" stands for engineering and chemistry).

"I didn't even know what an operator was," she says. "I just thought I'd give it a shot and see what happened."

The job, as it turns out, involves operating the equipment and machinery for a plant that can generate up to 1000MW of electricity – about 20% of the country's needs.

"If you've been through any power plant or big factory, you have people monitoring the equipment, making sure it's all running smoothly. That's us," says Natasha. "We're in charge of starting and stopping the machines, locking them off for safety reasons when people want to work on them, and solving problems when things aren't working properly. So you need a pretty extensive knowledge of how the whole place works."



Natasha Wright, thermal plant operator, Huntly thermal power station

How the training worked

Natasha remembers her first day at Huntly. "It was the biggest, scariest place I'd ever seen! I was so worried about getting lost out there, let alone learning anything."

"But the way they structured the training was really good. You had your theory – you'd study up on how a particular system worked – and then you'd go through practical exercises on how to operate that particular system."

For the theory side, she was given a workbook "with a whole pile of questions in it" about the machinery and equipment for her to answer.

"The information is in people's heads here mainly, and in a lot of manuals too, so it's really self-directed. You're working at your own pace – as fast as you want to go or as long as you need to get that stuff into your head. Everyone is really supportive."

While there's some flexibility in how long trainees can take, Natasha and most of the 10 trainees who followed her took three years to achieve their Enchem 2 and Enchem 4 qualifications. Natasha achieved hers in 2003.

Overall, she says, her time was split about 50:50 between study and practical work. "But some days you might do all theory and some days you might do all practical. A lot of it is up to you. If you're studying for a test, you might want to get your head down into the theory, or if you feel like you can't handle any more numbers you can go out on the plant and learn that way. It's the trainee's choice, but you have to be self-motivated."

Part of the learning involved going around the plant with an experienced operator, "and anything that comes up, you just go and help them. If you get unusual circumstances, you've just got to grab that experience while you can. You may set out to do a lot of study that night but end up out on the plant doing lots of cool things instead. You learn so much more than just reading it in a book."

As an example, she says an experienced operator will know what a machine is supposed to sound like when it's turned on. "You might ask: 'Is it supposed to make that weird noise?' and be told, 'Yep, that's perfectly normal.'"

Family life

Running a power plant is a 24-hour operation, so Natasha's job involves shift work. The plant has four shift teams, all on eight-day rosters. "You work two night shifts, then two day shifts, then get four days off. The shifts last 12 hours, from seven to seven."

Though shift work can be tiring, it also gives her more quality time with her 10-year-old son than she'd otherwise get. "I get to visit his classroom, see his sports days and things like that." Outside school hours, her partner looks after her son if Natasha is working.

Training costs

One advantage of on-the-job training is that you don't rack up training costs. "It's completely paid for. You're paid while you're here. You're a paid trainee, so you can't ask for anything better, really."

Assessment

The Enchem 2 and 4 qualifications are assessed in three parts: a written theory test, a practical test and an oral test. All of the testing is carried out on site.

"Each shift team has a qualified assessor, so they do your assessment all the way through. They'll run through your tests, and the rest of your team helps you learn all the information. But you have to be prepared to ask a lot of questions."

The testing system is rigorous, but is designed to help trainees learn all they need to, not to trip them up.

"It's not quite as formal as a polytech or a university would be – in a big room with somebody sitting up the front – but it's still a formal kind of training and you're still expected to pass."

Often the oral test is about “all those bits and pieces you were a bit iffy about on your written or practical.

“It’s a good way of finding out what you do and don’t know, so you can be better at your job. They’re not out to fail you.”

Workmates

When Natasha started, she was the only woman employed in the Operations Group at Huntly. Five years later, that’s still the case.

“I guess it was a bit daunting for both sides initially. But, as most women in this industry will say, if you show you’re prepared to knuckle down, get a bit grubby, do the work and help out, then you’ll quickly become part of the team. I think it’s like that with anyone new who comes on board.”



Further training

Having completed her first two qualifications, Natasha is continuing to train. “The next step is panel operating. Some of the guys here are responsible for driving part of the station from up in the control room. That job has a much higher responsibility and it requires another 18 months’ training. I’m working on that now.” The qualification Natasha is working towards is a National Certificate Electricity Supply 4 (Thermal Operations).

After that, she’s not sure. When she was studying engineering, she didn’t expect to end up in a job like the one she’s got. “But to be an engineer, you’ve got to have some practical knowledge, and this place has certainly helped that.” Huntly has an engineering division, and moving in that direction could be one option for Natasha, but for now she’s enjoying what she’s doing and feels there’s plenty she still wants to learn.

Her advice to other potential trainees?

“Be well informed before you get into something. Don’t be afraid to ask people if you need help or information. Talk to someone who does the job you’re interested in – people are willing to help if you ask.

“After that, if the job still excites you, give it a go. You’ve got more to lose if you don’t.”

Training in the electricity supply industry

There are dozens of other training and work opportunities in the electricity supply industry. As well as plant operators such as Natasha,

the industry employs electricians, mechanics, technicians, cable jointers and layers, engineers, call centre and office staff, business administration staff, and many other staff.

Study full-time or learn on the job

Depending on what type of job you want, you can get into the industry directly from school through a modern apprenticeship or traineeship, or through a pre-employment course or polytech or university study.

The Electricity Supply Industry Training Authority (ESITO) runs four-week “taster” courses which can give you a feel for the different types of jobs available in the industry. The courses are available to New Zealand residents aged between 16 and 21.

Modern apprenticeships are available for people wanting to work in the industry as office staff, electricians, technicians, operators, line mechanics, cable jointers and electrical fitters. Under modern apprenticeships, you’re paid for two to four years while you learn on the job.

You can study full-time at polytechs before entering the industry, for qualifications such as the National Diploma in Engineering (previously known as the New Zealand Certificate in Engineering), or for national certificates in electricity supply, electrical engineering, or business administration and computing. Or you can do a university degree in engineering.

ESITO also offers scholarships to help fund training for people who plan to join the industry, and for people already working in the industry who want to upskill.

Overall, the industry employs about 7,000 people throughout the country.

Further information

Further funding allocated to industry training in the May 2005 budget is expected to provide about 10,000 new industry training places annually from 2006. If you want to get involved in industry training or you just want to find out more, a number of organisations provide information.

THE INDUSTRY TRAINING FEDERATION (ITF) is a membership-based organisation representing all 41 Industry Training Organisations (ITOs). ITOs assist industries to set standards for training, encourage workplace learning, arrange formal training classes, prepare qualifications that are needed in each industry, and assist workers to track down the workplace learning that will assist their careers. Contact information for all ITOs is available on the Tertiary Education Commission website at www.tec.govt.nz/education_and_training/itos.htm.

The **SKILLNZ** website has information about all kinds of workplace learning. www.skillnz.org.nz

ESITO has regional offices throughout the country. To find them, ☎ (07) 834 3038 or visit www.esito.org.nz and click on *Contact ESITO*.



Youth transitions

New and expanded services for teenagers

The Government has a shared goal with the Mayors Taskforce for Jobs: that, by 2007, all 15–19 year olds are in employment, education, training or some other option that leads to long-term economic independence and well-being.

The second issue of workINSIGHT, published in November 2003, featured the education, training and job market experiences of young people, with information about support services available to them (go to www.workinsight.govt.nz and click on *Edition 2 Youth Pathways* to see this information). Since then, new services have been developed and existing ones expanded.

A new website is being developed to draw together all the Youth Transitions initiatives. It will be designed to attract and connect with young people, and to help them think about their future steps and take the right options. The site will bring together in one place all the services and programmes provided by a number of agencies to engage young people in a successful transition from school to work, training or study. It will provide clear pathways with supporting information and link with other agencies' sites for further help. The site will be launched later this year.

The following is a summary of the Youth Transitions initiatives currently available.

Youth Transitions Services

Youth Transitions Services are the “shop fronts” for a range of government and local organisations that work face to face with young people to help them identify appropriate work or training opportunities and to put them in touch with employers and training providers.

Youth Transitions Services are being set up this year in five towns:

- Whangarei: People Potential Ltd ☎ (09) 437 7593
- Waitakere: Youth Horizons Trust/Hoana Waititi Marae www.youthhorizons.org.nz ☎ (09) 573 0954
- Rotorua: Te Waiariki Pūrea Trust ☎ (07) 348 5051
- New Plymouth: Tui Ora Ltd www.tuiora.co.nz ☎ (06) 759 4064
- Porirua: The Learning Shop (04) 237 7422 or Partners Porirua (04) 238 0052.

Additional shop-front services will soon be established in the Far North, Manukau, Hamilton City, Gisborne district and the Hutt Valley, and in 2006 another four will be set up in locations to be announced later this year.

Youth Transitions Services will work with young people, helping them to identify appropriate work or training opportunities and to put them in touch with employers and training providers. They'll also work with businesses, education providers, government agencies, local government and community groups to coordinate the various services available to young people.

Designing Careers

At 75 schools around New Zealand, hundreds of high school students are preparing individual Learning and Career Plans. These plans help the students think about their skills, values, interests and aspirations, and to set goals to help them achieve what they want from life. The plans

are part of the Designing Careers programme, piloted in the 75 selected schools this year to help young people make successful transitions. The programme is aimed mainly at year 10 students, but year 11–13 students at risk of not making successful transitions are also taking part.

For more information, contact Career Services www.careers.govt.nz (FREE 0800 109 901 or the Ministry of Education www.minedu.govt.nz ☎ (04) 463 8000. You can read more about how schools have used the Designing Careers programme in the April 15, 2005 edition (Volume 84) of the Education Gazette www.edgazette.govt.nz.

Gateway

The Gateway programme gives year 11–13 students hands-on work experience while allowing them to work towards NZQA-recognised qualifications. It's aimed particularly at students who don't want to go on to tertiary study, allowing them to complete work placements where their work is assessed against unit standards for NCEA and industry qualifications. The programme has been running for several years in decile 1–5 schools. Earlier this year, it was extended to decile 6 schools. Overall, it is available to more than 6,000 year 11–13 students nationally, in about 180 schools.

For more information, contact the Tertiary Education Commission www.tec.govt.nz (FREE 0800 TEC INFO (0800 832 463).

STAR

The Secondary Tertiary Alignment Resource (STAR) programme funds schools to give students experience of work or tertiary-level education and training. The funding is used for a wide range of study options, ranging from academic courses to industry training and general courses on topics such as leadership and study skills. Courses vary in length and include short-term “tasters”. The programme lets students see how their schooling can lead to future training or work opportunities, and allows them to start gaining tertiary education credits while still at school, and to trial their career aspirations and learn in different settings. Many enjoy learning in more adult environments than schools can offer. STAR has been operating since 1996, and since 2004 STAR coordinators have been established in colleges of education. STAR is targeted at year 11–13 students (for longer courses) and year 9 and 10 students (for shorter, taster courses).

For more information, contact the Resourcing Division at the Ministry of Education www.minedu.govt.nz ☎ (04) 463 8383.

Modern apprenticeships

Modern apprentices spend between two and four years working towards a national certificate level 3 or 4 qualification. Available in more than 30 industries, apprenticeships allow people aged 16 to 21 to earn while they learn on the job. The programme has been expanded several times since it was introduced in 2001. As at December 2004, there were almost 7,200 modern apprentices, and with further funding allocated to modern apprenticeships in the May 2005 Budget, the total number will reach 9,000 by December 2006.

More information is available from Modern Apprenticeships New Zealand. www.modern-apprenticeships.govt.nz (FREE 0800 427 733.

Career Services

Career Services provides free information about work, education and training.

CareerPoint Freephone Service – Trained CareerPoint advisers can discuss potential training and career options, and mail information and printouts directly to callers. CareerPoint is absolutely free ☎^{FREE} 0800 222 733.

KiwiCareers – The career information and planning website www.kiwicareers.govt.nz has free information about more than 650 different types of jobs, as well as information about sources of funding for education, training and career development (such as grants, scholarships and loans), and about training.

Anyone can use the new Pathfinder tool on the KiwiCareers website www.kiwicareers.govt.nz to figure out what career might suit them. The tool asks questions about skills, interests, personal qualities and aspirations, and uses the answers to generate career ideas. Once users have explored these ideas, they can use Pathfinder to develop a career plan that outlines the steps they'll need to take to get to their chosen career.

CareerCentres – There are 16 CareerCentres around New Zealand, staffed by consultants who can help people explore and broaden their career possibilities. They can also help with CV and job interview preparation. Look in the White Pages to find your nearest CareerCentre. (There may be a fee for some services.)

YOUR SHORTCUT TO ANSWERS ABOUT WORK

Everything you need to know.

Go to WorkSite when you've got a question about work. It's the quick and easy way to find all the latest information and help online.

So whether you're working right now, giving advice or looking for a job, WorkSite can point you to everything you need to know.

www.worksite.govt.nz



WorkSite
PaeMahi

Pathways for women: the big picture



The big picture on the pathways women take through education, training and work

From a position of entrenched disadvantage as recently as 50 years ago, women have made huge progress. A greater proportion of women participate in the job market today than ever before; female unemployment is lower than at any time in the past 18 years; women's participation and achievement in education has surpassed that of men; and more women than ever before are working in highly skilled jobs.

However, many women are still unable to make genuine choices about their participation in the job market because they are constrained by barriers such as the availability of affordable and flexible childcare. Women in work are still paid less on average than men, and men still dominate senior jobs in many sectors of the economy.

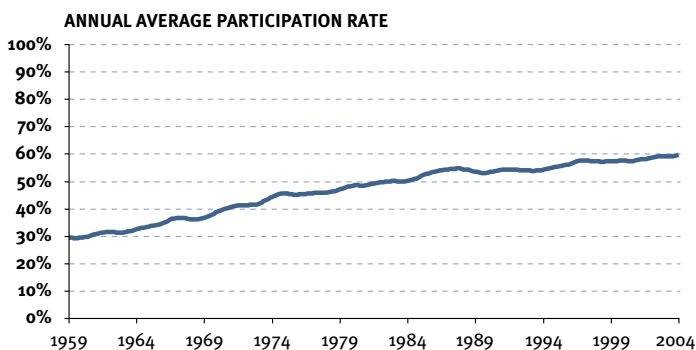
Further work to eliminate these barriers and inequities is justifiable purely on the grounds of social justice – everyone has the right to choose whether or not they want to work, and to pay and employment equity when they are in work. And from an economic perspective, the realities of the modern job market are that removing barriers to job market participation, supporting the participation of women who choose to work, and eliminating pay and employment inequities is more important than ever before.

The job market is changing. Ten years ago, high unemployment made job creation the top priority. Now, strong economic growth has taken employment to record highs and unemployment to record lows. As a result, many businesses are struggling to find the staff they need to keep expanding. It's an ideal time to ensure that the job opportunities on offer are available to as many people as possible, and it's crucial that we make better use of the people we have by helping them develop their skills and ensuring they have the opportunity to work to their full potential – in other words, supporting people to work and working smarter to create greater prosperity.

Women's participation in the job market has risen

Of all the different ways in which the New Zealand job market has evolved over the past 50 years, the rise in the participation of women has been one of the most important. In 1959, approximately 29% of working-age women participated in the job market. By 2004, women's participation rate had risen to 60%.

Women's job market participation, 1959 to 2004



Source: 1959-86 data; New Zealand Institute of Economic Research, 1986-2004 data; Statistics New Zealand, Household Labour Force Survey

WHAT IS JOB MARKET PARTICIPATION?

People who participate in the job market either by working (the *employed*) or by being available for work and actively seeking it (the *unemployed*) together make up the *labour force*.

The *labour force participation rate*, or the *participation rate* for short, is the number of people in the labour force divided by the number of people in the working-age population (all people aged 15 years and above). The participation rate is usually expressed as a percentage.

Explaining the rise in women's job market participation

This section summarises some of the changes in society, the economy, the job market and the education system that are closely related to the rise in women's job market participation.

First off, it is worth emphasising that the relationships between the economy, society, the job market and the education system are complex. Indeed, there is debate over what has caused women's participation to rise, and what changes have been caused by the rise. For example, did falling birth rates give women more opportunity to enter the job market, or has the rise in women's job market participation caused birth rates to fall? Has part-time work grown in response to the needs of working mothers, or have working mothers simply taken advantage of employers offering more flexible work practices? A great deal of research has been devoted to finding the answers to these questions, but a consensus of opinion does not yet exist. Perhaps the most sensible conclusion that can be drawn at the moment is that regardless of what prompted the rise in women's participation, once it gathered momentum it began to induce changes in society, the economy, the job market and the education system that have furthered its progress.

THE ECONOMY

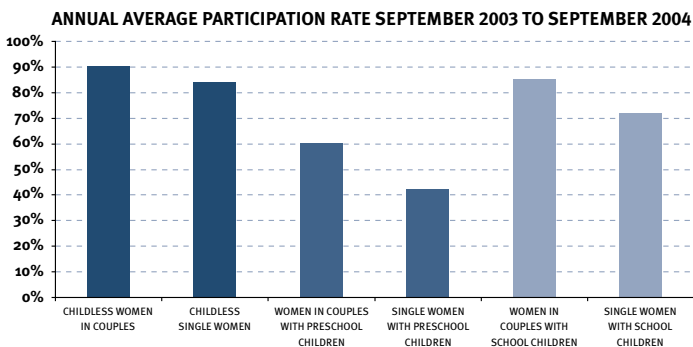
Prior to the 1960s, the economy largely comprised agricultural and manufacturing jobs. This kind of work was mainly done by men because it was generally thought that women were unable to fulfil the jobs' physical requirements. Things began to change with the long post-war economic boom of the 1950s, 1960s and early 1970s, which created many new jobs in the expanding services sector. The jobs were less physical, and with most men already in employment, employers began to look to women to fill their vacant positions. At the same time, new machinery was being introduced into manufacturing. Goods were produced on a much larger scale and, as the work in factories became less physical, many more women found work running the machines.

In the late 1970s and 1980s, economic growth slowed but women's participation in the job market continued to increase. Falling birth rates, changing social attitudes, the increased availability of early childhood education, childcare services and part-time work, and improvements in women's educational achievement are all closely related to increases in women's job market participation up to the present day. During the past 10 years, strong job growth has resumed, adding further stimulus to what is now a well-established trend in women's employment.

BIRTH RATES AND FAMILY STRUCTURE

The past 50 years have seen profound changes in birth rates and family structures, both of which are closely related to women's job market participation. The chart below demonstrates the relationship between having children and women's job market participation. Women aged 25 to 44 are split into groups according to whether or not they have children, and whether or not they are in a couple. For each group, the chart shows the proportion of women participating in the job market. It shows that in the 25 to 44 age group, a greater proportion of childless women and women with school-aged children participate in the job market than mothers of preschool-aged children.

Job market participation of women aged 25 to 44 in different family structures, 2004



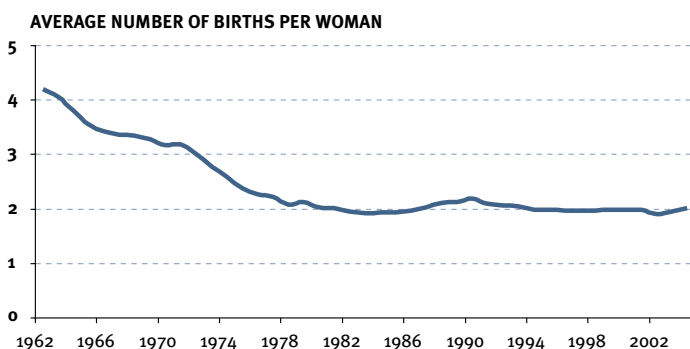
Source: Statistics New Zealand, Household Labour Force Survey

Access to the data used in this study was provided by Statistics New Zealand under conditions designed to give effect to the security and confidentiality provisions of the Statistics Act 1975. The results presented in this study are the work of the author, not Statistics New Zealand.

Only women aged 25 to 44 are included in this chart. Younger and older women are less likely to have dependent children and are less likely to participate in the job market. Including them would distort the results.

It is not surprising, then, that a decline in birth rates in the 1960s and 1970s (shown in the chart below) has accompanied the rise in women's job market participation.

Falling birth rates, 1962 to 2004



Source: Statistics New Zealand

However, there's a little more to it than just falling birth rates. Women are also having their first child later in life, a trend that is partly related

to people getting married later, on average. The age span over which children are born has also narrowed. As a result, the most significant declines in birth rates have occurred among women in their 20s. In the 1960s and 1970s, birth rates across the main childbearing ages of 20 to 35 years declined from the post-war peak often referred to as the "baby boom". Since then, birth rates of women in their early 20s have continued to fall, but birth rates of women in their early 30s have begun to rise again.

The direct impact of falling birth rates and the secondary effect of more women establishing careers before they have children are both related to the increasing job market participation of women in their 20s. With established careers, women are also generally more inclined and more able to return to work when their children are older.

Other aspects of family structure are also important in determining women's job market participation. The adjacent chart shows that a smaller proportion of sole mothers participate in the job market compared with childless women or mothers who are in couples. Most notably, among women aged 25-44, 60% of mothers in couples with preschool-aged children participated in the job market in 2004, compared with just 42% of single mothers with preschool-aged children. The traditional nuclear family (mother, father and children) is still the dominant family type, but it is less common than it used to be. More people are living alone or as sole parents, partly because of increases in divorce rates and relationship break-ups.

It is sometimes argued that the rising number of single mothers is related to the overall increase in women's participation, but the nature of this relationship is unclear. The increase in sole parenting may have undermined the growth in women's participation because many women find their work options limited when they have sole responsibility for a child. But the greater likelihood of parental break-ups may have acted as a spur to women's participation by encouraging women to take charge of their own financial independence. It is also possible that greater financial independence and the responsibilities of job market participation may have played a part in the rising number of divorces and break-ups.

SOCIAL ATTITUDES

In the early part of the century, women were often expected to stop work when they got married, and certainly when they had children. But social attitudes have changed. Increasing numbers of women are establishing careers in their 20s, having children in their early 30s, and returning to work soon afterwards. During the past two decades (that's as far back as comparable data goes), the participation rate of women aged between 25 and 44 with preschool-aged children has risen from 47% in 1986 to 57% in 2004.

EARLY CHILDHOOD EDUCATION AND CARE SERVICES

Early childhood education (ECE) and care services have grown and adapted to meet the needs of working mothers. The 1960s saw the emergence of many informal playgroups. Since then, the range of services has broadened to include kindergartens, te kōhanga reo, education and care services, and home-based services. The number of children participating in some form of early childhood education increased from approximately 64,000 in 1983 to 185,000 in 2004.

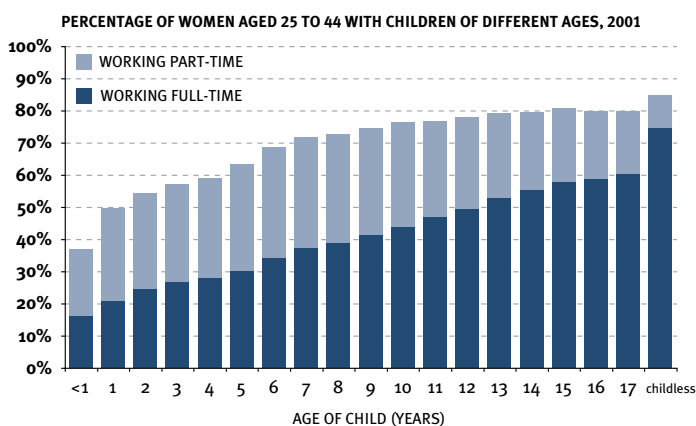
FLEXIBLE WORK ARRANGEMENTS

Employers have become more flexible about the working arrangements they offer to employees. The most prevalent example of this is part-time work, defined as jobs requiring less than 30 hours' work per week. Part-time work has been increasing since the 1960s. More recently, working mothers have reported using home working and flexible hours to balance work and family responsibilities.

The number of women working full-time has always outnumbered those working part-time, and part-time work has recently been taken up by people from a much wider range of backgrounds. But generally speaking, part-time work has allowed many mothers of young children to either retain or regain some measure of job market participation. The chart below demonstrates this. Women aged 25 to 44 are split into groups according to whether or not they have children, and by the age of their youngest child. In each group, the percentage working part-time and full-time is shown.

The chart shows that in 2001 (the most recent data available), among mothers aged 25 to 44, those with older children are increasingly likely to work full-time. But in children's earliest years, part-time work is more important in helping mothers stay or get back into the job market. Among mothers aged 25 to 44 with a child younger than a year old, 16% work full-time and 21% work part-time. Among mothers in the same age group whose child is a year old the gap is even wider; the proportion of full-timers is 21% and part-timers 29%. Only among those whose youngest child is aged seven or older is the proportion working full-time greater than the proportion working part-time.

Working hours of women aged 25 to 44 with children of different ages, 2001



Source: Statistics New Zealand

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Only women aged 25 to 44 are included in this chart. Younger and older women are less likely to have dependent children and are less likely to work part-time. Including them would distort the results.

The New Zealand Childcare Survey 1998 provides information about other forms of flexible work arrangements used by mothers. Although the survey was carried out some years ago, it is still the most comprehensive research to date of parents' job market participation and their use of early childhood education and care services. Mothers were asked about the work arrangements they used to manage their childcare responsibilities. The most common responses were working in the evenings, flexible working hours, working at home and working during weekends.

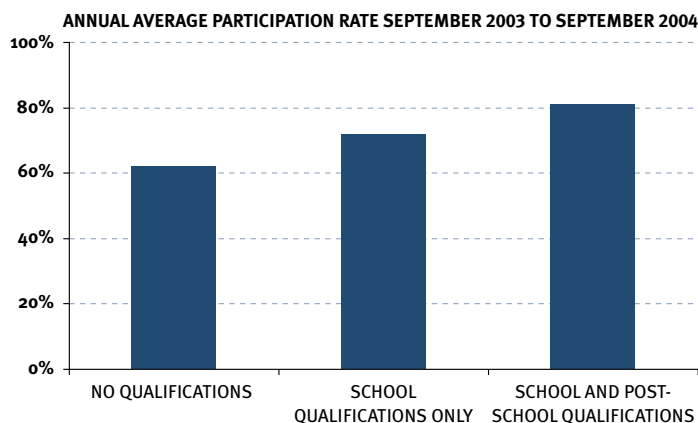
EDUCATION

In the 1970s, women generally left school earlier than men, and did so with fewer qualifications. Fewer women enrolled in further education as well. Throughout the late 1970s and early 1980s, education increasingly became recognised as a key means of addressing the inequalities women faced in the job market and in society generally. The Government developed a policy for equal education opportunities, whose initial goal was to achieve parity in education retention rates between boys and girls. Today, girls tend to remain in school longer than boys and achieve higher school-leaving qualifications; women's participation and achievement in tertiary education has surpassed that of men; and participation in tertiary education is higher among older women than among older men. As a result, between 1986 and 2004 the number of women with school and post-school qualifications increased by 118% compared with 100% for men. And the number of women with no qualification fell by 26%, compared with a 22% fall for men.

That better education leads to more successful employment and careers applies to all groups of people, and women are no exception. It follows that people who have invested in their education are likely to want to use it to develop a career, and the more successful a person is in the job market, the more likely they are to continue participating in the job market.

The chart below underlines the relationship between women's participation and their education. It splits women aged 25 to 59 into groups according to their highest qualification and measures their participation in the job market. It shows a participation rate of 81% for women with school and post-school qualifications, compared with 72% for women with school qualifications only, and 62% for women with no qualifications. The close relationship between education and women's participation is further underlined by the fact that between 1986 and 2004, the number of women aged 25 to 59 with school and post-school qualifications participating in the job market almost tripled, while the number with no qualifications fell by more than a third.

Education and the job market participation of women aged 25-59, 2004



Source: Statistics New Zealand, Household Labour Force Survey

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Only women aged 25 to 59 are included in this chart. A large proportion of younger women are still studying and only a small proportion of older women participate in the job market. Including these two groups would not give a true reflection of how education relates to women's job market participation.

The remainder of this section presents more detail about women's growing participation and achievement in education, and how it compares with that of men.

SCHOOL

- Girls stay in school longer than boys do. Of students aged 14 in 2001, 56% of boys and 65% of girls were still in school three years later at age 17.
- In 2003, a greater proportion of girls (32%) than boys (25%) achieved a university entrance qualification before they left school.
- In 2003, fewer girls (13%) than boys (17%) left school with no qualifications.

TERTIARY EDUCATION

- Women gain higher tertiary qualifications than men. Among students aged 16 to 24 who completed a qualification in 2003, 41% of women completed a degree or higher qualification compared with 36% of men.
- Women gain higher tertiary qualifications than men. Among female students aged 16 to 24 who completed a qualification in 2003, 41% completed a degree or higher qualification. Among male students, it was 36%.
- Among mature students, an equal proportion (24%) of men and women completed a degree or higher qualification, but a greater proportion of women than men completed diplomas.

Perhaps the most striking difference between men's and women's experiences in tertiary education lies in the subjects they choose to study, the implications of which can be seen in the type of jobs women do. See the section entitled *Women's seniority in work has risen* for more details. The table below shows that women are much more likely than men to study health- and education-related subjects, while men are much more likely than women to study engineering, agriculture, architecture and building.

Qualification completions at tertiary education providers, 2003

SUBJECTS IN WHICH STUDENTS ARE MOSTLY MEN	TOTAL NUMBER OF STUDENTS	% OF COMPLETIONS	
		MEN	WOMEN
ENGINEERING AND RELATED TECHNOLOGIES, WHICH INCLUDES:	40,631	87%	13%
– Automotive Engineering and Technology	8,569	92%	8%
– Mechanical/Industrial Engineering and Technology	6,621	97%	3%
– Electrical/Electronic Engineering and Technology	6,167	96%	4%
ARCHITECTURE AND BUILDING	10,962	73%	27%
AGRICULTURE AND ENVIRONMENTAL STUDIES, WHICH INCLUDES:	19,888	72%	28%
– Agriculture	9,886	74%	26%
– Horticulture and Viticulture	4,782	67%	33%
SUBJECTS IN WHICH STUDENTS ARE MOSTLY WOMEN			
HEALTH, WHICH INCLUDES:	54,972	34%	66%
– Nursing	10,549	8%	92%
EDUCATION, WHICH INCLUDES:	34,523	20%	80%
– Teacher Education	32,879	21%	79%
TOURISM	6,984	24%	76%
OFFICE STUDIES	7,623	20%	80%
HUMAN WELFARE STUDIES AND SERVICES	10,934	17%	83%
LAW	10,512	33%	67%
VISUAL ARTS AND CRAFTS	5,691	26%	74%
FOOD, HOSPITALITY AND PERSONAL SERVICES, WHICH INCLUDES:	13,149	27%	73%
– Personal Services	5,477	7%	93%
EMPLOYMENT SKILLS PROGRAMMES	41,420	25%	75%

Source: Ministry of Education

INDUSTRY TRAINING

The number of industry trainees has risen steeply in the past four years, and although there are three times as many male industry trainees as there are females, women have been catching up. Between December 2000 and December 2004, the number of female industry trainees increased by 97%, compared with a 54% increase in male industry trainees.

Female industry trainees are found in every industry where training takes place. But as would be expected, the highest numbers are found in industries where high numbers of women are employed; 18% of all female industry trainees work in community support services and a further 14% work in hospitality.

Female modern apprentices are spread across a range of industries, with the largest numbers found in industries as varied as the public sector, horticulture, hospitality, agriculture, baking, retail and tourism. However, men currently outnumber women by more than 10 to one in modern apprentice enrolments. The Tertiary Education Commission (TEC) has worked with Industry Training Organisations (ITOs) to improve the participation of women (and other under-represented groups) in modern apprenticeships. Initiatives have included publicity designed to attract women to apprenticeships and the introduction of modern apprenticeships into industries that are likely to appeal to women.

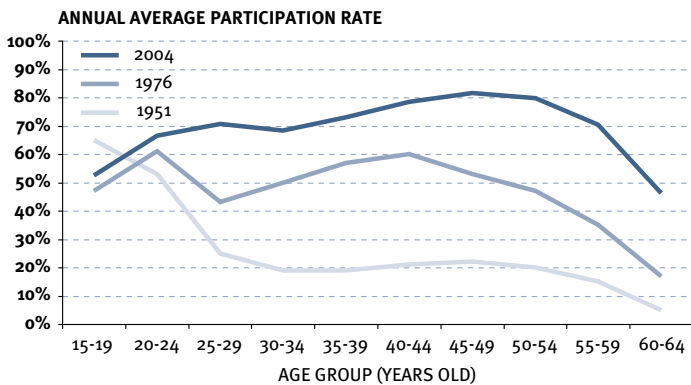
In *Industry Training in Action* on page 4, Natasha Wright talks about her experiences as an industry trainee in the electricity supply industry.

Bringing it all together

All these changes have affected different groups of women in different ways – most notably, women in different age groups. Explaining these effects helps to understand the changes a little better. The chart at the top of the next page compares the job market participation of women in 1951, 1976 and 2004 across a range of age groups. The numbers for 1951 exclude women working fewer than 20 hours per week, so women's participation was probably higher than is shown in the chart. However, it is still useful to compare the shape of the three curves.

- Women aged 15 to 19 are unique because their job market participation has fallen since 1951. This is the result of more women remaining in education past the age of 15.
- Falling birth rates have contributed to steadily rising job market participation in the 20 to 34 age group.
- Notice how in the 1970s women's participation fell in the 25 to 29 age group to give the 1976 curve a distinctive "m" shape.
- With women having children later in life and more women returning to work sooner after having children, the 2004 curve shows a less pronounced dip in participation. Also, the dip now occurs in the 30 to 34 age group.
- Women in their 40s and 50s have shown the greatest rises in job market participation. This is the result of falling birth rates, combined with the many factors that have encouraged more women to return to work after they have children.

Women's job market participation, 1951, 1976 and 2004

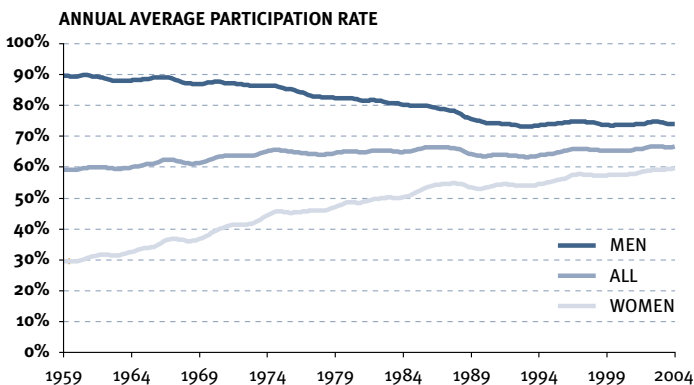


Source: Statistics New Zealand. The 1951 data is taken from a book entitled *Women's Labour Force Participation in New Zealand: The Past 100 Years*, by Lisa Davies, 1993

The gap in men's and women's participation is closing

At the same time as women's participation in the job market has risen, men's participation has gradually declined. The chart below shows how the gap between the rates of men's and women's job market participation has closed. In 1959 approximately 29% of working-age women participated in the job market, compared with approximately 89% of men. By 2004 women's participation had risen to 60% and men's had fallen to 75%.

Men's and women's job market participation, 1959 to 2004

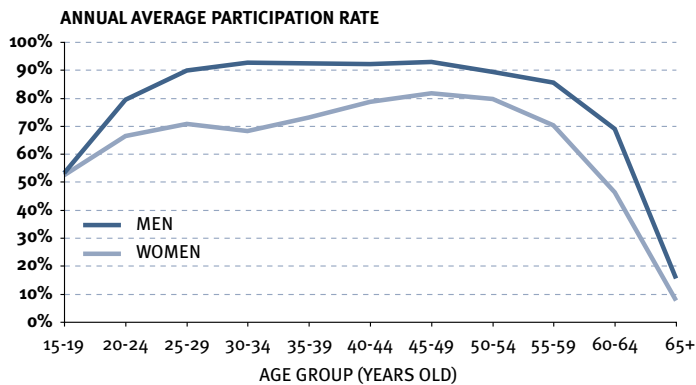


Source: 1959-86 data, New Zealand Institute of Economic Research; 1986-2004 data, Statistics New Zealand, Household Labour Force Survey

A key difference between men and women in their job market participation is that women's participation falls when they have children, while men's doesn't. Because the majority of women have children when they are between the ages of 20 and 35, the effect of having children on men's and women's job market participation can be explored by comparing participation rates for men and women at different ages (see the chart at the top of the next column).

There are patterns of participation that are common to men and women. Younger people's participation is commonly lower because many remain in school or progress to further education and remain there in their early 20s. Older people's job market participation is low because many have retired. But more importantly, the chart shows that between these younger and older age groups, men's participation remains consistently high. In contrast, during the main childbearing years from age 20 to 35, women's participation is much lower than men's, particularly in the 30 to 34 years age group, when having children is most common. In post-childbearing age groups, women's job market participation recovers, but never fully matches that of men's.

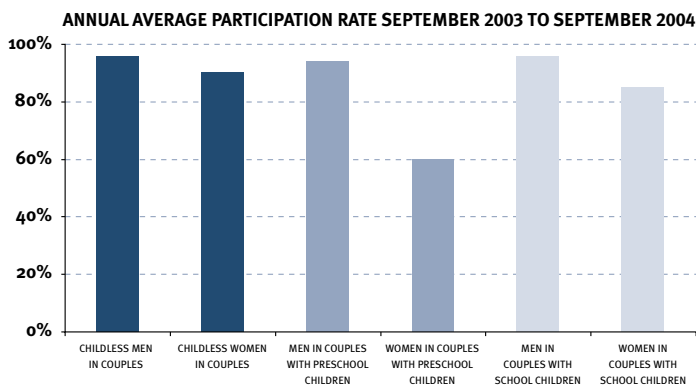
Men's and women's job market participation in different age groups, 2004



Source: Statistics New Zealand, Household Labour Force Survey

To underline the point about childcare responsibilities falling mostly on mothers, the chart below shows the gap between the job market participation rates of men and women aged 25 to 44 who live together in couples, according to whether or not they have children, and the age of those children. More than 90% of fathers aged 25 to 44 who have preschool-aged children participate in the job market, compared with just 60% of mothers. The participation gap is much narrower in childless couples and couples with school-aged children. Therefore, despite the fact that many women are establishing a career before they have children and are going back to work sooner following childbirth, the gap between the job market participation of men and women with young children remains wide. Furthermore, sole parents, most of whom are women, have even lower job market participation than mothers who live with a partner.

Job market participation of men and women aged 25 to 44 in different family structures, 2004



Source: Statistics New Zealand, Household Labour Force Survey
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Only people aged 25 to 44 are included in this chart. Younger and older people are less likely to have dependent children and are less likely to participate in the job market. Including them would distort the results.

Completing the picture — unpaid work

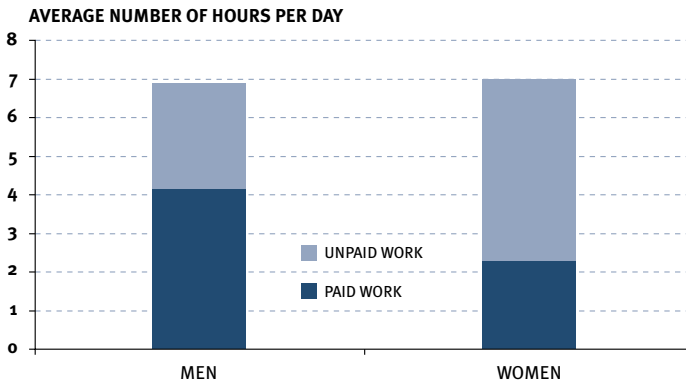
Although women's participation in the job market is lower than men's, it's important to emphasise that women do as much work as men; it's just that more of women's work is unpaid.

Much of this unpaid work takes place in the household. In recent decades, many new technologies and products such as automatic washing machines, microwaves, improved hygiene products, internet shopping and processed foods, as well as the growth of occupations such as household cleaners and childcare workers, have reduced the time household members, particularly women, spend on unpaid household tasks. But as women's unpaid work commitments have shrunk, their involvement in paid work has grown.

The New Zealand National Time Use Survey, conducted in 1998–99, provided valuable information about how much time men and women spend on paid and unpaid work. Unpaid work is defined as the production of goods and services which is not rewarded with money, but which nonetheless has economic as well as social value.

The survey found that both men and women work an average of seven hours per day. Men averaged four hours' paid work and three hours' unpaid work, while women averaged approximately two hours' paid work and five hours' unpaid work. Mothers of preschool-aged children spent more time than any other group on unpaid work, averaging more than seven hours per day. These figures are averages across all days of the week, but the pattern applies only to weekdays. At weekends, men and women spend less time doing any kind of work, and the balance of paid and unpaid work is much more even.

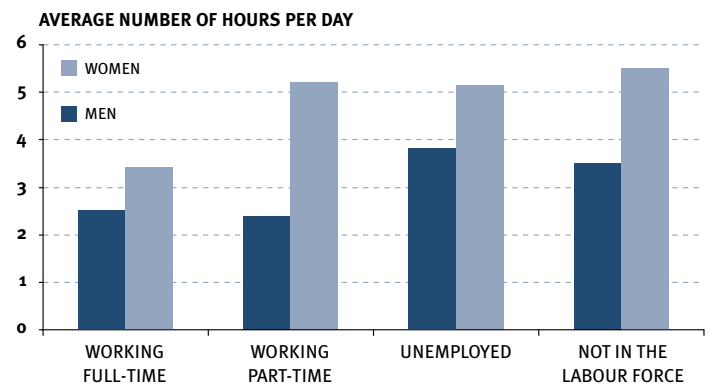
Time spent by men and women on paid and unpaid work, 1998-99



Source: Statistics New Zealand, New Zealand National Time Use Survey 1998-99

Time spent on unpaid work is only partially related to job market participation. The chart at the top of the next column shows that women spend more time than men on unpaid work, regardless of whether or not they are in paid employment. Women who do not participate in the job market (referred to as “not in the labour force”) spend an average of five hours per day on unpaid work, as do women who are employed part-time and women who are unemployed. Women who are employed full-time also have significant unpaid work responsibilities.

Time spent by men and women on unpaid work according to job market participation, 1998-99



Source: Statistics New Zealand, New Zealand National Time Use Survey 1998-99

Looking forward

Women's job market participation is expected to continue rising. Younger women are leaving the education system better qualified than their predecessors, have access to a greater range of job opportunities than ever before, and are faced with fewer barriers to entering employment. As these women age, participation by their younger cohorts will be higher still. Positive action is also being taken to extend the range and flexibility of options for participating in the job market, to eliminate any barriers that might constrain women from making genuine choices about their job market participation, and to support women who choose to participate in the job market. See the section entitled *Government priorities* for more details.

However, there are limits to how much participation can continue rising. Mothers will still need to make important choices about the benefits of paid work over childcare responsibilities. There are many factors that influence whether participation in the job market will result in benefits for the family, and individual families are best placed to make these decisions. In the long term, progress towards equality in men's and women's job market participation will depend on more men taking more responsibility for raising children.

Women's seniority in work has risen

Having looked at the extent of women's participation in the job market and the amount of work they do, it is time to look more closely at the type of work women do. Here, you'll find information about how female employment tends to be concentrated in a relatively small number of jobs, how increasing numbers of women have been working in highly skilled jobs, and how employment inequities between men and women remain.

MEN AND WOMEN DO DIFFERENT TYPES OF WORK

The types of paid work women do have remained largely the same since their job market participation began to increase in the 1960s. Roughly three-quarters of employed women currently work in service industries, mainly:

- health and community services, including hospitals, accommodation for the aged and other health services such as dentists
- education, including early childhood education and childcare services, primary schools, secondary schools and tertiary education institutions
- the retail trade, including supermarkets, department stores, retail clothing shops and petrol stations
- property and business services, including business and management consultancy, legal services and accountancy
- hospitality, including accommodation, cafes and restaurants.

In some of these industries, women make up the majority of people in employment. Approximately 82% of people employed in health and community services are women, as are approximately 72% of the people employed in the education sector.

A significant number of women also work in manufacturing. But relatively few currently work in construction, the wholesale trade, agriculture, forestry, mining, transport, storage and communication. Construction is the clearest example of a male-dominated industry. Approximately 89% of the construction workforce is male.

The earlier section entitled *Education* looked at the subject choices of women in tertiary education. It showed that students studying subjects such as health and education are mainly female, while trades- and engineering-related students are mainly male. Although tertiary education can lead to a variety of career possibilities, subject choice is an important determinant of future job opportunities, particularly in specialised courses such as health, education and engineering. Therefore, current tertiary education student numbers suggest that, in many ways, subject choices reinforce the established pattern of men's and women's employment.

The following table highlights the concentration of women's employment in service-related occupations. It shows the top 10 occupations for men and women, based on the number of people in employment. (Employment numbers are from the 2001 Census because this is the most recent data available.) Employment of retail sales assistants is very high overall, so it's no surprise that it is the number one occupation for men and women. Occupations such as secretary, registered nurse, primary school teacher and caregiver, and clerical-related jobs are all female dominated, while jobs such as heavy truck or tanker driver, builder and carpenter are almost entirely staffed by men.

The jobs men and women most commonly do, 2001

MEN	NUMBER EMPLOYED	WOMEN	NUMBER EMPLOYED
SALES ASSISTANT	32,409	SALES ASSISTANT	53,121
GENERAL MANAGER	31,041	GENERAL CLERK	45,762
HEAVY TRUCK OR TANKER DRIVER	22,044	SECRETARY	25,677
CROP AND LIVESTOCK FARMER, WORKER	17,742	REGISTERED NURSE	23,781
BUILDER (INCLUDING CONTRACTOR)	17,580	PRIMARY SCHOOL TEACHER	23,109
DAIRY FARMER OR DAIRY FARM WORKER	17,262	CLEANER	22,464
GENERAL LABOURER	16,782	CAREGIVER	20,949
RETAIL MANAGER	15,594	INFORMATION CLERK OR OTHER RECEPTIONIST	20,490
CARPENTER AND/OR JOINER	13,215	ACCOUNTS CLERK	14,808
ADMINISTRATION MANAGER	12,591	RETAIL MANAGER	13,527

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

This segregation of jobs suggests that both men and women face constraints in the opportunities available to them in the job market. It also implies an inequality between men and women in the number of job opportunities available, because male-dominated industries make up a larger share of total employment. In addition, differences in the wage rates of male- and female-dominated jobs have contributed to the inequity between men's and women's pay. The later section on wage inequity explains this in more detail.

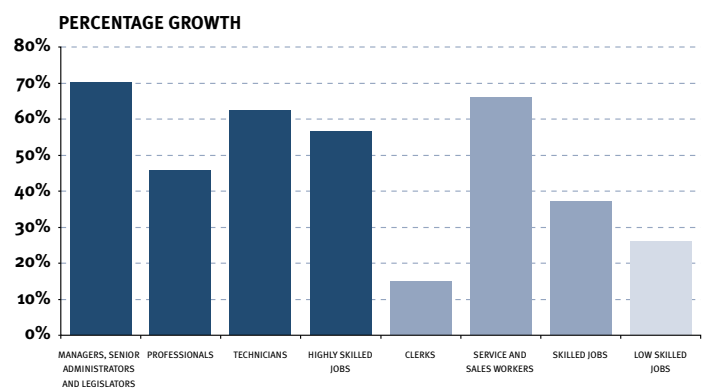
WOMEN'S EMPLOYMENT IS BECOMING MORE HIGHLY SKILLED

With improvements in educational attainment and greater, longer-lasting participation in the job market, women have been achieving greater seniority in their careers. However, inequalities with men remain.

One way of examining seniority is to classify occupations according to skill level and to measure trends in employment at different skill levels. Broadly speaking, the tasks performed by professionals, technicians and managers require higher-level skills than those needed by retail sales workers and clerks, which, in turn, are more highly skilled than the lowest-skilled "elementary" occupations.

Over the past 13 years, women's employment growth has been greatest in higher-skilled occupations. Between 1991 and 2004, the number of women employed in professional, technical and managerial occupations grew by 56%, compared with 37% growth in sales and clerical occupations, and 26% in the lowest-skilled elementary occupations.

Women's employment growth at different skill levels, 1991 to 2004



Source: Statistics New Zealand, Household Labour Force Survey

Women are also gradually achieving greater equality with men in terms of their share of higher-skilled jobs:

- In 1991, 44% of technicians were women; by 2004 the proportion of women had grown to 52%.
- Strong job growth has increased the proportion of managers who are women from 30% in 1991 to 36% in 2004. However, this very senior occupational group remains dominated by men.
- At first glance, equal opportunity seems to have been achieved in professional occupations some time ago. In 1991, just over half of all professionals were women, the same proportion as today. However, closer inspection reveals that women's professional employment is concentrated in primary and secondary school teaching and nursing, whereas men's employment is spread much more evenly across a range of highly skilled professional jobs.

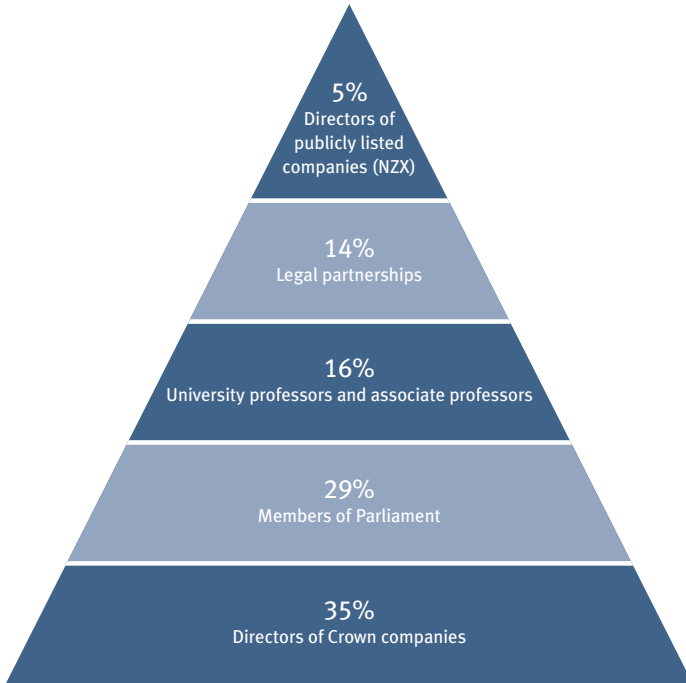
WOMEN IN SENIOR LEADERSHIP AND DECISION-MAKING ROLES

Further details about inequalities within the most senior and highly skilled occupations were revealed in the 2004 New Zealand Census of Women's Participation in Governance and Professional Life. Conducted by the Human Rights Commission and the New Zealand Centre for Women and Leadership at Massey University, it was the first survey to count women in leadership and decision-making positions in private and Crown companies, as well as on the top rungs of the legal, political and academic professions.

The results indicate that women's presence in these areas is lower than expected, given their level of participation in the job market, not to mention their share of the population as a whole. At best, approximately one-third of seats in Parliament (29%) and one-third of board directorships in New Zealand Crown companies (35%) are held by women. Crown

companies have been the subject of successive governments' commitment to improve gender representation. The private sector has been under no such obligation, and this is reflected in the fact that women hold only 5% of board directorships in top companies in the private corporate sector (in other words, companies listed on the New Zealand Stock Exchange).

Representation of women in governance and leadership roles, 2004

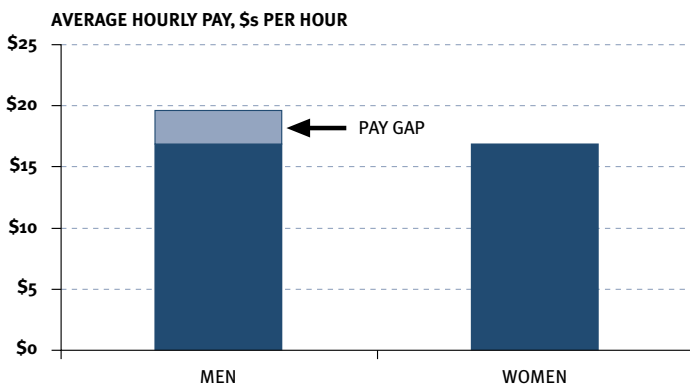


Source: Human Rights Commission and Massey University, New Zealand Centre for Women and Leadership, New Zealand Census of Women's Participation in Governance and Professional Life 2004

The pay gap is closing

The process of attaining pay equity between men and women began with the passing of the Equal Pay Act in 1972. The Act abolished separate pay rates for men and women doing the same job. In the years following, the pay gap quickly narrowed. Improvements were slower in the 1980s, especially during the wage and price freeze of the early 1980s. In the past 20 years, improvements have been gradual. In 1984, women's average hourly earnings were 21% lower than men's. By 2004, they were only 14% lower.

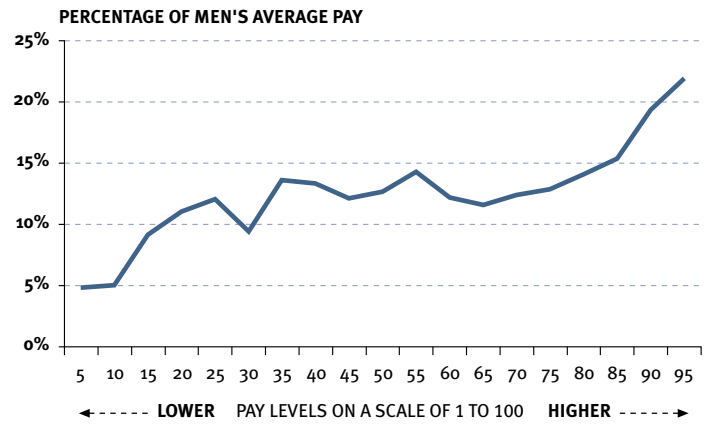
Men's and women's average hourly pay, June 2004



Source: Statistics New Zealand, Income Survey

The size of the pay gap varies according to pay levels. There is very little gap between the lowest-paid women and the lowest-paid men. But the highest-paid women get paid up to 22% less, on average, than the highest-paid men.

The gap between men and women's average hourly pay at different pay levels, June 2004



Source: Statistics New Zealand, Income Survey

Why pay and employment inequity exists

Research into job market inequity has largely concentrated on pay. But as inequities in men's and women's employment go some way to explaining the pay gap, many of the research findings shed light on both. Researchers have found that the pay gap exists for the following reasons:

- Women have, on average, lower qualifications than men – in recent years, women have caught up and surpassed men in education, but this applies mainly to younger women who have benefited from educational reforms and who are still a minority in the workforce.
- Women have, on average, less work experience than men – this is partly because men tend to remain in work longer, and partly because many women take time out from work when they have children.
- Women's employment is still concentrated in customer service, clerical and caring occupations – jobs where wages are generally low.

It is difficult to say precisely how much of the pay gap is accounted for by these factors. But researchers think that it could be as little as 40%, or as much as 80%. Some of the gap, therefore, remains unexplained.

The differences in education, work experience and job types might explain much of the pay gap, but they do not necessarily justify it. The education effect is present because, until recently, women were disadvantaged in the education system. The work experience effect may be caused partly by women carrying most responsibility for childcare, care of other relatives and housework, and by women facing difficulties in re-entering the workforce after having children. And the occupation effect may be caused by women being restricted in their choice of career and by restrictions in their opportunities for advancement.

There's also debate around the reasons why many female-dominated occupations such as those requiring caring and personal interaction skills attract such low pay. These skills are traditionally viewed as coming more naturally to women than to men and it's sometimes argued that they are under-valued (and therefore under-paid) in the job market. This might be for a number of reasons:

- because women have traditionally applied these skills for free in the home
- because these skills have only recently been used in the workplace and are therefore not as well recognised as more traditional skills
- because the productivity of these skills is harder to measure
- because society attaches a lower value to caring than to, say, better roads or new technology.

Looking forward

It is difficult to predict what will happen to the pay gap in the future. So far, improvements have been gradual and, at times, inconsistent. However, positive action is continuing to deal with such things as entrenched male dominance and under-valuing of female skills. Recently there has been a greater focus on ensuring that work in female-dominated occupations is valued (and therefore paid) as highly as comparable work elsewhere in the job market. The following section, *Government priorities*, explains these initiatives in more detail.

Government priorities

The Government has three overarching priorities for involving women in the job market:

- to ensure that women are able to make genuine choices about their participation in the job market
- to help support the job market participation of women who choose to work
- to help working women achieve pay and employment equity with men.

The following outlines the rationale behind these aims, and the various initiatives that have been developed to tackle them.

Supporting women's choices

For many people, particularly parents of young children, the decision to participate in the job market is a difficult one because work has to be balanced with family and other responsibilities. Different families want to strike a different balance, and to vary that balance at different times. Helping people make choices about their involvement in the job market will lead to a better outcome for themselves, their partners, their children, their extended families and their communities.

There are also broader economic benefits to supporting women who want paid work. Ensuring that their talents are fully utilised and rewarded in the job market will contribute to the nation's growing prosperity by helping businesses raise their productivity and alleviate skill and labour shortages.

There are many aspects to supporting women's choices, from ensuring that women can make genuine choices about their participation by eliminating any barriers they might face to entering employment, to ensuring they are able to sustain their involvement in the job market once they find work.

HELPING WOMEN MAKE GENUINE CHOICES

Initiatives designed to eliminate barriers to participation in the job market include legislation and financial support, as well as establishing organisations that help people directly. For information about the range of services available to meet the employment needs of a broad range of people, see *Pathways to Work* in *workINSIGHT*, issue 4, May 2004.

A number of initiatives and services have also been designed specifically with caring responsibilities in mind. One of the objectives of parental leave legislation is to ensure that female employees have the option of retaining their attachment to the job market when they have a baby or adopt a child. The legislation provides that women with six months' service with the same employer are entitled to 13 weeks' paid parental leave (which can be transferred to an eligible partner). Those with 12 months' service are entitled to further unpaid leave up to a total of 52 weeks. The legislation also provides for job protection during a period of parental leave.

The Working for Families package is designed to make it easier for people to work and raise a family. Families with children may be entitled to extra money through Working for Families. The package includes increases in Family Assistance, the Accommodation Supplement and subsidies for preschool and out-of-school childcare, and from 1 April 2006 a new In-Work payment.

For mothers of young children, gaining access to quality, affordable and flexible childcare is often critical to them having the option to work. In addition to friends, relatives and nannies, there is a range of early childhood education (ECE) services and out-of-school care and recreation (OSCAR) programmes for young children. Some are parent-led, while others employ qualified teachers. There are organisations to help parents locate services and information sources to tell them about the Government's plans for the ECE sector. In the May 2005 Budget, increased funding was allocated to OSCAR providers and childcare assistance was extended to more families.

In the education arena, some Industry Training Organisations have been working with the Government to attract more women into modern apprenticeships, either by introducing modern apprenticeships into female-dominated industries, or by encouraging women to take up modern apprenticeships in industries traditionally dominated by men.

Turn to the *Pathways for Women* chart in the centre pages to find out how to access the services and information sources referred to in this section.

SUPPORTING THE JOB MARKET PARTICIPATION OF WOMEN WHO CHOOSE TO WORK

The Government believes that women will be better able to sustain their involvement in the job market if they can achieve a good work-life balance. Work-life balance is about striking the right balance between paid work and other activities such as raising children, participation in community activities, personal development and leisure time. It's not about saying that work is wrong or bad – for some people, work-life balance may be about getting more work – but it shouldn't completely crowd out the other things that matter. It is also important to emphasise that work-life balance is important for everyone; it's also different for everyone and it changes for each person at different times of their lives. There is no "one size fits all" solution.

A number of organisations collect and share information about people's work-life balance views and experiences, and the Government has just announced its response to a public consultation on work-life balance. One key part of the response is the Workplace Project, which is assisting a group of workplaces to develop and test practical, customised work-life balance tools that meet the needs of both employers and employees.

Turn to the *Pathways for Women* chart in the centre pages for information about work-life balance projects.

Achieving pay and employment equity

Achieving equity in men's and women's pay and employment opportunities can be justified purely on the grounds of social justice. But there are broader issues as well. The pay gap means that women, their children, their partners and their communities are less well off than they should be. And in economic terms, New Zealand is currently reaching the limit to which its economy can grow by getting more people into work. Instead, economic growth must be created by developing and fully utilising the skills and talents of the workforce. Employment inequities mean that, for working women, this is not happening. And pay inequities discourage some women from participating in the job market or investing in their education.

The Government has made a commitment to a five-year plan of action on pay and employment equity, following the report of the Pay and Employment Taskforce in 2004. The plan of action covers the Public Service, public health and public education sectors in phase one, with consideration to be given to how pay and employment equity can be pursued elsewhere in later phases.

A Pay and Employment Equity Unit has been established in the Department of Labour to oversee the implementation of the action plan. A key feature of the plan is developing a process for auditing pay and employment in Public Service agencies, tertiary education institutions, the compulsory schools sector, kindergartens, and District Health Boards. The Pay and Employment Equity Unit has commissioned the development of a gender-neutral job evaluation tool to improve recognition of skills and knowledge in female-dominated occupations. And the unit has been provided with a “Contestable Fund” (valued at \$1 million for 2004/05) from which grants can be awarded to fund activities that support participation in pay and employment equity processes.

Turn to the *Pathways for Women* chart in the centre pages to find out about organisations involved in pay and employment equity, and sources of further information.

Further reading about women's involvement in the job market

A number of key documents expand on the information in this feature. These are:

- *Action Plan for New Zealand Women*, Ministry of Women's Affairs, 2004 www.mwa.govt.nz
- *Framework for the Future, Equal Employment Opportunities in New Zealand*, written for the Human Rights Commission by Michael Minstrom and Jacqui True, University of Auckland, 2004 www.hrc.co.nz
- *Pay and Employment Equity in the Public Service and the Public Health and Public Education Sectors*, report of the Taskforce on Pay and Employment Equity, 2004 www.dol.govt.nz
- *Next Steps Towards Pay Equity*, Ministry of Women's Affairs, 2002 www.mwa.govt.nz
- *Pay Inequality Between Men and Women in New Zealand*, written by Sylvia Dixon of the Department of Labour, 2000 www.dol.govt.nz
- *Understanding Reductions in the Gender Wage Differential 1997-2003*, written by Sylvia Dixon of the Department of Labour, 2004 www.dol.govt.nz
- *Women in Industry Training 2000-2003*, Industry Training Federation, 2004 www.itf.org.nz

PATHWAYS FOR WOMEN



Information sources

The **NATIONAL ADVISORY COUNCIL FOR THE EMPLOYMENT OF WOMEN (NACEW)** undertakes research and promotes the sharing of information about the employment of women. Browse the website for events, publications and the latest research.

☎ (04) 915 4260 ✉ nacew@dol.govt.nz www.nacew.govt.nz

The **MINISTRY OF WOMEN'S AFFAIRS** publishes a Women's Directory on its website, which is a comprehensive list of women's groups and organisations in New Zealand. Go to www.mwa.govt.nz, click on *Publications*, then *The Women's Directory*.

WORKSITE/PAEMAHI is the place to go when you've got a question about returning to the workforce, balancing your work, family and personal interests, pay equity, childcare and more. You'll find useful links and information from a whole lot of government agencies and other organisations on the issues facing women in employment in New Zealand. Worksite is the quick and easy way to find the answers you need to make the best job, training and employment decisions. www.worksite.govt.nz

Work

EQUAL EMPLOYMENT OPPORTUNITIES

The **EQUAL EMPLOYMENT OPPORTUNITIES (EEO) TRUST** provides information and tools to help organisations develop versatile workplaces. It raises awareness of the business benefits of having a diverse workforce and provides relevant and current information from businesses and thought leaders around the world. Go to the EEO Trust website www.eeotrust.org.nz to find out more. Employers who want to work with the EEO Trust to achieve business success through the successful management of a diverse workforce can join the *EEO Employers Group*. To see a list of members, go to the EEO Trust website or ☎ (09) 525 3023 ✉ admin@eeotrust.org.nz.

The **MINISTRY OF WOMEN'S AFFAIRS NOMINATIONS SERVICE** aims to increase the number of women leaders and decision-makers on state sector governance boards and committees. The Nominations Service maintains a database of women with relevant skills and experience, which is used to identify potential candidates for director positions on state sector boards. These nominations are then considered by the government agency responsible for the appointments. ☎ (04) 915 7112 ✉ mwa@mwa.govt.nz www.mwa.govt.nz

The **NZ FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN INC (BPW)** is an organisation for working women. It was created to link business and professional women to provide support, to lobby for change, and to promote ongoing advancement of the status of women. BPW has a network of clubs around New Zealand where members gain confidence and experience in organising meetings and discussing public issues. Clubs usually meet once a month in the evening for a meal, business session, guest speaker or some other activity. To find your local club ✉ info@bpwnz.org.nz or search for it on the website. www.bpwnz.org.nz

NEW ZEALAND CENTRE FOR WOMEN AND LEADERSHIP is an initiative of Massey University with a mission to promote leadership opportunities for women through education, research, consultancy and community activity. The centre's work focuses on women in management and business, women in higher education, women in self-employment, women as directors, and women as leaders in central and local government and community organisations. <http://women-leadership.massey.ac.nz>

The **CENTRE FOR WOMEN AND LEADERSHIP** also publishes a newsletter, **GENDERWRITE**, covering issues relating to women and leadership. <http://women-leadership.massey.ac.nz/genderwrite.html>

NEW ZEALAND FEDERATION OF GRADUATE WOMEN works locally, nationally and internationally to improve the status of women and girls, to promote lifelong education, and to enable graduate women to use their expertise to effect positive change. For information about scholarships, grants and awards for women undertaking training, education and research, opportunities to network and other member services, or to find your local branch, visit the website. www.nzfgw.org.nz

PAY EQUITY

The **DEPARTMENT OF LABOUR'S PAY AND EMPLOYMENT EQUITY UNIT** was established in 2004 to oversee the five-year action plan set out by the Taskforce on Pay and Employment Equity in the Public Service, public health and public education sectors. Go to www.dol.govt.nz/services and click on *Pay and Employment Equity*. The website also has a link to the report of the taskforce, which sets out the action plan for pay and employment equity.

The **EQUAL EMPLOYMENT OPPORTUNITIES (EEO) TRUST** can supply the publication *Equitable Remuneration: making it fair, making it work* which is a guide for those involved in design, implementation and monitoring of fair and effective remuneration practices.

☎ (09) 525 3023 ✉ admin@eeotrust.org.nz www.eeotrust.org.nz

The **COALITION FOR EQUAL VALUE AND EQUAL PAY (CEVEP)** is a coalition of women's organisations and unions, which works to raise public awareness of the need for action and to build a national network of people committed to seeing equal pay for work of equal value implemented in New Zealand. ✉ info@cevep.org.nz www.cevep.org.nz

The **NATIONAL ADVISORY COUNCIL FOR THE EMPLOYMENT OF WOMEN (NACEW)** has information about pay equity on its website. Go to www.nacew.govt.nz and under *Areas of Interest*, click on *Pay Equity*.

There is a whole range of support available to people on their pathways through education and training. The range of products and can be ordered free of charge from the editor, Robert Heyes. A Pa



WORK-LIFE BALANCE

The **WORK-LIFE BALANCE PROJECT** is about getting more people thinking about work-life balance issues and helping more people enjoy the benefits of striking the right balance between paid work and other activities. www.dol.govt.nz/worklife/index.asp

The **EQUAL EMPLOYMENT OPPORTUNITIES (EEO) TRUST** provides a range of information about work-life balance issues, including practical ideas for workplaces and summaries of flexible employment options. ☎ (09) 525 3023 ✉ admin@eeotrust.org.nz www.eeotrust.org.nz

One of the objectives of **PARENTAL LEAVE LEGISLATION** is to ensure that female employees have the option of retaining their attachment to the job market when they have a baby or adopt a child. The legislation provides that women receive job protection during a period of parental leave and are entitled to paid parental leave (which can be transferred to an eligible partner) for a specified period, depending on how long they have been working for their employer. Go to www.ers.govt.nz/parentalleave for more information and try the Department of Labour's online calculator at www.ers.govt.nz/parentalleave/calculate to find out about entitlements.

To find out about out-of-school-hours childcare providers in your local area, contact **THE NATIONAL ASSOCIATION FOR OUT OF SCHOOL CARE AND RECREATION PROGRAMMES (OSCAR)**.

☎ (09) 845 2524 ✉ maoscar@xtra.co.nz www.naoscar.org.nz

If you want to find an early childhood centre in your area or in an area you are considering moving to, contact the **MINISTRY OF EDUCATION'S RESOURCING DIVISION** (Schools and Early Childhood). ☎ (04) 463 8383

The Government recently published its **STRATEGIC PLAN FOR EARLY CHILDHOOD EDUCATION (ECE)**. It aims to increase the participation of children and families in ECE, improve the quality of the ECE curriculum and teaching, and promote better relationships between ECE, whānau and parents, health and social services, and schools. For information, go to the Ministry of Education website www.minedu.govt.nz and on the left-hand side click on *Strategic Plan for Early Childhood Education*.

The **WORKING FOR FAMILIES** package is designed to make it easier for people to work and raise a family. Families with children may be entitled to extra money through Working for Families. To find out more about the Accommodation Supplement and Childcare Assistance, call **WORK AND INCOME** on ☎ 0800 774 004. To find out more about Family Assistance, call **INLAND REVENUE** on ☎ 0800 227 773. www.workingforfamilies.govt.nz

CAREER SERVICES provides career advice services to all New Zealanders, including women who have been out of the job market for some time. Many of their services are free. ☎ 0800 109 901 to find your nearest CareerCentre, get career advice and information over the phone at CareerPoint ☎ 0800 222 733 or get information online at www.kiwicareers.govt.nz.

The **NATIONAL ADVISORY COUNCIL FOR THE EMPLOYMENT OF WOMEN (NACEW)** has information about work-life balance and childcare on its website. Go to www.nacew.govt.nz and under *Areas of Interest* click on *Work-Life Balance and Childcare*.

BUSINESS NETWORKS

WOMEN'S BUSINESS NETWORK is a group of women from a very wide range of businesses and professions who meet in Wellington to share information, make contacts and learn about other women in business. The website has links to networks in other areas. www.womens-business.org.nz

WMB NETWORKX is a lively women's business networking group holding regular networking events in Auckland for enterprising Women who Mean Business. Check out the events calendar on the website. ☎ 021 575 407 ✉ contact@wmbnetworx.co.nz www.wmbnetworx.co.nz

The **NATIONAL ADVISORY COUNCIL FOR THE EMPLOYMENT OF WOMEN (NACEW)** has information about women's self-employment on its website. Go to www.nacew.govt.nz and under *Areas of Interest* click on *Enterprise Development*.

If you are a Māori woman wanting to start a new business or grow or improve an existing business, **TE ARA KAIPAKIHI** (Your Business Journey) may be able to help you. Contact the Ministry of Women's Affairs. ☎ (04) 915 7112 ✉ mwa@mwa.govt.nz www.mwa.govt.nz

Education and training

The **NATIONAL ADVISORY COUNCIL FOR THE EMPLOYMENT OF WOMEN (NACEW)** has information about women's participation and achievement in education and training on its website. Go to www.nacew.govt.nz and, under *Areas of Interest*, click on *Education & Training*.

Women who are thinking about returning to education or training as mature students will find useful information on the **MATURE STUDENT PATHWAYS CHART**, published as part of *workINSIGHT*, issue 3, May 2003. Go to www.workinsight.govt.nz and, on the left-hand side, click on *Posters*.

For information about **INDUSTRY TRAINING**, contact the relevant ITO. A list of ITOs and their contact details is available on the Tertiary Education Commission website at www.tec.govt.nz/education_and_training/itos.htm.

For information about **MODERN APPRENTICESHIPS**, contact Modern Apprenticeships New Zealand. ☎ 0800 4 APPRENTICE (0800 427773) ✉ modappsinfo@tec.govt.nz www.modern-apprenticeships.govt.nz

The **INDUSTRY TRAINING FEDERATION (ITF)** is a membership-based organisation representing all 41 Industry Training Organisations (ITOs). ITOs assist industries to set standards for training, encourage workplace learning, arrange formal training classes, prepare qualifications that are needed in each industry, and assist workers to track down the workplace learning that will assist their careers. For information on how to get involved in industry training, and for a full list of ITOs, visit www.itf.org.nz or ✉ upskill@itf.org.nz.

FUNDING AND SCHOLARSHIPS

The **MINISTRY OF WOMEN'S AFFAIRS (MWA)** has compiled a list of organisations that provide women with information about funding and scholarships on its website (MWA does not offer its own financial assistance). www.mwa.govt.nz/fundsrc.html

NEW HORIZONS FOR WOMEN TRUST makes awards to women who are returning to tertiary education and training, undertaking research on women's issues, seeking more knowledge and skills, or developing an activity that will help them build a more peaceful world. For more information on these awards, go to the website www.rokohiko.net.nz/Horizons or ✉ newhorizonsforwomentrust@hotmail.com.

n, training and work. The following pathways posters (A2 size) are part of the *workINSIGHT* pathways for Women Poster (A2 size) can also be ordered. ✉ robert.heyed@dol.govt.nz



TELEPHONE



FREEPHONE



EMAIL

Returning to the labour force



How Career Services can help

Career Services offers women returning to work the opportunity to take a look at their skills and background and consider the career options or retraining opportunities that are available. Joanna Budai, a Career Services' Career Consultant, explains: "At Career Services we receive requests for advice from all sorts of women wanting to return to the labour force. There are women who started work right out of school, then left to have a family and now want to return to the workforce. Such women often feel that their skills are outdated or not relevant to what's needed in the job market. Or they don't know what sort of work they want to do any more and perhaps want a change in career direction. Some of our clients have never worked – they went straight from school to being a mother and are only now thinking about getting into the workforce.

"We help all these women think about the skills that they do have and what their interests are. Then, if need be, we make them aware of courses and programmes that can help them update those skills. We also make them aware of where the labour shortages are and in which areas they might find it easier to get work.

"Women also need to be made aware of the availability of childcare, financial support, opportunities for flexible workspaces, and comprehensive family and carer leave entitlements for both women and men. Career Services can also provide this information.



Career Services' Career Consultant Joanna Budai

"I use positive reinforcement with regard to the skills these women have. They have all developed a wide range of skills while bringing up a family and running a household, and they have often been involved in community activities as well. All these skills can be applied to the workplace. However, many women seem to lack the confidence to apply these competencies in workplace settings. I tell them about people I know who have overcome their fears through attending courses or starting off with voluntary work. People identify with these stories and feel like they can do it too."

Julie's story

Julie Moon, a 41-year-old mother of two, has recently returned to the workforce after seven years. Before stopping work to have a family, Julie was an early childhood teacher working with special needs children at primary school level.

"I stopped working in 1994 and, with the encouragement and support of my husband, became a student at the age of 30. On completing year one of a BA in Education and Feminist Studies, I became pregnant with my first child and decided to be an 'at home' parent. We had our second child 23 months later. While being an 'at home' mum, I tried to carry on with my BA, but withdrew for a number of reasons – particularly a lack of academic support. It was not a good experience and my confidence took a knock.

"For seven years I enjoyed family and community experiences, until March 2002 when my second child started school. The very same week I started studying at Christchurch College of Education for a Certificate of Adult Teaching. I was considering new career options because I didn't want to return to preschool or special needs teaching, and I needed the paperwork to validate the community work that I had enjoyed doing while I was out of the paid workforce.

"Despite numerous community activities and responsibilities over the seven years, I was very frightened about having been out of the loop for such a long time and dreaded being thought of as a dumb housewife. My self esteem and confidence were low. It was at this time that I turned to Career Services. I wanted a professional opinion and someone to confide in with regards to my career. I had the speed wobbles about my college study and was unsure whether I should continue the mother/study balancing act, which was very difficult at times. I was not sure whether it was going to be worth it.

"My first port of call was the phone book, where I found Career Services advertised. I gave them a call on their 0800 number. The woman I spoke to was very caring and really seemed to listen to my story. She suggested I book an appointment with a Career Consultant. I originally thought Career Services was a place only for unemployed people on the dole and I wouldn't be eligible for any help. I also thought it would be public and chaotic – but it was neither!

"In July 2002 I had my first appointment with a Career Services Career Consultant. The woman greeted me with a warm, friendly smile and showed me into a pleasant private room where she genuinely listened to my story. At the time I was keen to focus on what I couldn't do, but

my Career Consultant turned that around and focused on what I could do. We looked at the huge range of skills I had developed through my experiences and how they were valuable and transferable to the workplace in general.



Julie Moon working through some course options with a student.

“As well as building my confidence, she also offered helpful suggestions about interview skills and questions to think about, updating computer skills and targeting my CV so that it would complement my new and growing qualifications. I decided with committed confidence to continue gaining my qualifications in the Certificate of Adult Teaching. When your passion for a career is found and confirmed as such, it’s so much easier to keep going! I kept my head down and worked steadily and felt supported, and in 2002 I graduated.

“Through Career Services I then found out about the Christchurch Polytechnic Institute of Technology’s Next Step Centre for Women, where they had an Updating Skills Course. This allowed me to further refine my CV skills, gain new computer knowledge, and generally gain confidence. I ended up landing a guest tutoring spot in the Updating Skills class, which then turned into a relief part-time role. This year I am completing my third and final year of the Diploma of Adult Education and Learning. My final research paper for this diploma is about the perceptions of safe learning environments for women returning to learning.

“My learning journey has been a good one and I have gained so much new knowledge and understanding – not just from an educational perspective, but also from the people that I have met along the way. I try to take a walk in the shoes of others wherever possible and always suggest that others do the same. People believed in me before I did, and I try to pass that on.

Career Services

With Career Services you can:

- go online with the KiwiCareers website www.kiwicareers.govt.nz and its career guidance programme, Pathfinder
- talk to a CareerPoint advisor over the phone on **FREE 0800 222 733**
- meet a Career Consultant face to face – look in the White Pages to find your nearest CareerCentre.

KiwiCareers website can be accessed 24/7 and contains information about more than 650 occupations, as well as regional labour market information, and course and training options. Information is also available about skill and entry requirements for occupations. A new feature of the KiwiCareers website is Pathfinder, an online career guidance programme. The programme helps people answer a range of questions about themselves, from which potentially suitable career options are generated. Detailed information is available about the options, and a planning exercise enables people to explore their next steps. People can also customise their exploration by age or stage of life.

Career Services also offers access to support and advice from CareerPoint advisers who can discuss potential training and career options for women looking at returning to the workforce. As CareerPoint is a freephone service, the information and advice is free!

More personalised, face-to-face assistance can also be found at one of Career Services’ 16 CareerCentres located around New Zealand. Career Consultants offer one-on-one career advice to individuals.

 CAREER SERVICES <i>rapuara</i>	KIWI CAREERS www.kiwicareers.govt.nz	careerCENTRE 0800 109 901	careerPOINT 0800 222 733
	Website: www.careers.govt.nz		Email: careers@careers.govt.nz



High-quality, highly skilled tourism workforce needed

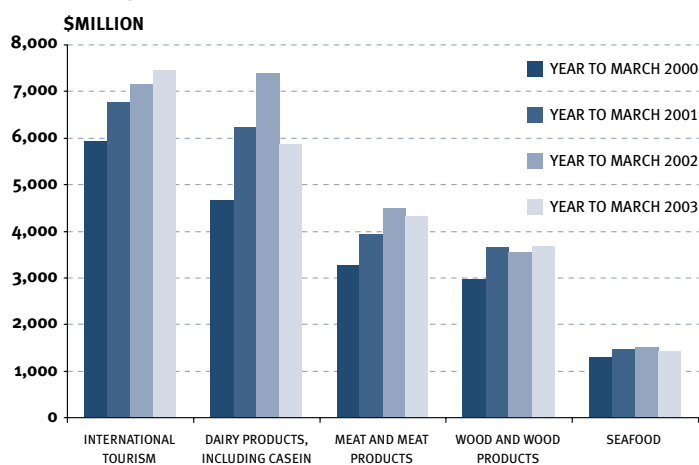
The Ministry of Tourism outlines future job opportunities in the tourism industry

Historically, jobs in tourism were perceived to be low paid with difficult working hours, and available only during the peak summer season. Such seasonal jobs were often seen by workers as stop gaps before they embarked on careers in other industries. But the tourism industry is changing. Opportunities have grown, the work has become less seasonal, and there are numerous pathways for high-quality, highly skilled professionals to take. Here, we explain the importance of the tourism industry, explore the skills and attributes the workforce requires, and outline the employment opportunities available now and in the future.

Tourism's importance to the economy

The bar chart below demonstrates the value of the tourism industry to New Zealand's economy. Tourism is the country's number-one export earner, with earnings of \$7.4 billion in 2003. That amounted to almost one-fifth of all New Zealand's export earnings. The chart also shows how tourism's export earnings stand alongside New Zealand's other main export-earning industries.

Annual export earnings from tourism and other exporting industries, 2000 to 2003



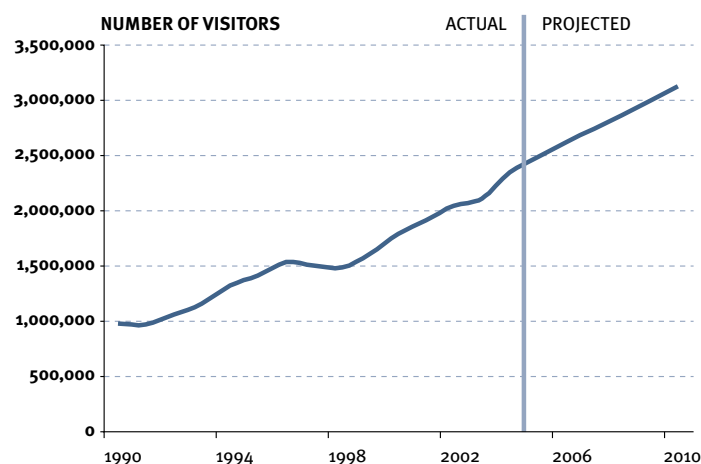
Source: Statistics New Zealand



A growing industry

In 2004, New Zealand had a record high of 2.35 million international visitors. The strong growth is forecast to continue. The chart below shows the increase in arrivals since 1990, and an expected increase to 3.12 million visitors in 2010. More visitors place greater pressure on tourism industry resources, and reinforce the need for a larger workforce. With this projected growth in mind, we want to ensure that the experience we offer our international guests does not deteriorate, so we need a highly skilled tourism labour force with appropriate attributes and characteristics.

International visitors to New Zealand, 1990 to 2010 (actual and projected)



Source: 1990-2004 data, Statistics New Zealand 2005-2010 projections, Tourism Research Council of New Zealand

Tourism employment

Tourism thrives within many other industry sectors. It's an industry defined not by what you produce or your work function, but by the nature of the people you are providing services to. The Tourism Workforce and Skill Projection Report highlights the need for more workers to cater for the growth expected in the tourism industry by 2010. It also identifies the characteristics that are ideally suited to tourism employment.

In 2003 (the latest data available), there were 104,000 Full Time Equivalent (FTE) jobs in the tourism industry and many more in tourism-related industry sectors. This means there is a wide range of employment opportunities across a range of different sectors. The table on the next page identifies some of the most common jobs available in the main tourism sectors.

Full Time Equivalent is a way of counting jobs that recognises different hours are worked by part-time and full-time employees. Part-time jobs are counted as one-half of a FTE and full-time jobs are counted as one.

Core occupations in the tourism industry

HOSPITALITY SECTOR

This sector can be divided into the accommodation and food and beverage sectors.

Employment in the accommodation sector includes people working in hotels, motels, backpackers, lodges, and so on. It can involve roles such as accommodation managers and administrators, and housekeeping staff.

The food and beverage sector includes housekeeping and restaurant service workers who might be bartenders and waiters; restaurant, tavern or catering managers; chefs and cooks; catering counter assistants; or kitchen hands.

TRANSPORT SECTOR

The transport sector consists of air transport, surface transport and services to transport and storage. It includes jobs such as travel consultants; coach drivers; travel guides; aircraft pilots and crew; finance, sales and administration staff; and corporate managers.

ACTIVITIES, ATTRACTIONS, TOURS AND SERVICES

Employment in the activities, attractions, tours and services sector consists of culture, sport and recreation and gaming industries. The range of work includes jobs such as general managers; tour guides; casino workers; artisans and other performers; ticket sellers; charter boat skippers; and "flightseeing" pilots.

By 2010, there will need to be an extra 16,440 FTE positions to meet the expected growth in demand for tourism services. The extra jobs will comprise 5,800 in accommodation, food and beverage; 4,280 in transport (mainly air); 620 in activities, tours and services; and 5,740 in other tourism-related sectors. In addition, more people will be needed to replace those who leave the industry.

So what skills are needed and how can we match the expected growth in demand with supply of appropriately qualified staff? Ideal attributes and characteristics for tourism employees to have are: warmth and friendliness

- skill in customer service
- skill in interpersonal communication
- ability to work well in teams
- leadership qualities or potential to accept more responsibility
- good work ethic
- pride in personal presentation
- high work standards
- motivation
- tact/diplomacy to handle difficult customers
- cultural awareness
- ability to multi-task.

Tourism strategies

Key leadership agencies are working together to address strategic planning issues in the tourism industry. The Ministry of Tourism • Tourism Industry Association of New Zealand • Maori Tourism Council • Aviation Tourism & Travel Training Organisation • New Zealand Hotel Council • New Zealand Bus and Coach Association • Hospitality Association of New Zealand • Sport, Fitness and Recreation Industry Training Organisation • and the Hospitality Standards Institute have formed the Tourism Workforce and Skills Leadership Group to ensure that:

Tourism employers have access to appropriately skilled people, well matched to what the industry can offer and know how to recruit, and develop them and apply their expertise in sustainable productive ways.

Three key goals will help make this happen:

Tourism Workforce and Skills Leadership Group draft goals

RECRUITMENT	Tourism is a desirable and sustainable job choice for prospective workers who are well matched to the industry and what it can offer. Barriers preventing these people entering the industry are identified and minimised.
RETENTION	Tourism workers stay longer in rewarding jobs, reducing costs of recruitment and loss of their expertise.
PRODUCTIVITY	Labour productivity gains (in other words, output per hour worked) allow tourism businesses to become more sustainable, increasing yield and allowing employers to make their workplaces more attractive places to work.

The New Zealand Tourism Strategy 2010 will steer the group towards achieving this desired outcome. The strategy sets out the guiding principles for the industry. In particular, it looks at how we can plan for the expected growth in a way that is environmentally, culturally, socially and economically sustainable.

New Zealand Tourism's vision for the future

Visitors and their host communities understand and embrace the spirit of manaakitanga (hospitality) **while**

New Zealanders' environment and culture is conserved and sustained in the spirit of kaitiakitanga (guardianship) **and**

Tourism is a vibrant and significant contributor to the economic development of New Zealand.

Training and skills

The qualifications required for a career in tourism depend on which part of the tourism industry an individual wants to join. There are a range of New Zealand Qualification Authority (NZQA) qualifications and other internationally recognised qualifications available throughout the country and around the world at secondary, tertiary and vocational training levels. Almost all universities and polytechnics in New Zealand now have tourism and hospitality training opportunities. Some are tailored towards practical skills and others towards managerial qualifications.

SCHOLARSHIPS

The Ministry of Tourism, in conjunction with Visa International, offered seven tourism scholarships for the first time in 2005.

The scholarships, worth \$15,000 each, are available annually to post-graduate tourism students. The latest information on next year's application process will be available from soon at www.tourism.govt.nz.

Tourism is an industry in which employees can also gain practical skills under the “learn by doing” approach. Many organisations offer in-house training linked to Industry Training Organisations (ITOs) and national qualifications. Career steps can be made quickly when employees acquire skills from experience gained within an organisation. The table below highlights the future skills required in each of the main tourism sectors. This table can be used to assess which area a potential employee wants to enter and whether the training they choose will match the skills required for the job.

Future skills required in the tourism industry

FUTURE SKILLS/ KNOWLEDGE REQUIRED	ACCOMMODATION	FOOD AND BEVERAGE	TRANSPORT	ACTIVITIES AND ATTRactions
COMPUTER/IT/SOFTWARE SKILLS	✓		✓	✓
FINANCIAL MANAGEMENT	✓			
MANAGEMENT/PLANNING SKILLS	✓	✓		
BUSINESS ANALYSIS/DEVELOPMENT	✓			✓
HR/PEOPLE/GROUP MANAGEMENT	✓		✓	✓
QUALITY CONTROL	✓			
UNDERSTANDING OF CULTURAL DIVERSITY	✓	✓	✓	✓
DIVERSIFIED LANGUAGE SKILLS	✓	✓	✓	✓
RELEVANT PRODUCT KNOWLEDGE	✓	✓	✓	
SELLING/UP-SELLING SKILLS		✓	✓	✓
SUSTAINABILITY KNOWLEDGE/AWARENESS	✓			✓
AWARENESS OF COMPLIANCE REQUIREMENTS	✓	✓	✓	✓

Quality staff = quality experience

The tourism industry will continue to need people in traditional service roles such as waiters and tour guides, but roles for managers, marketers and specialist professionals such as pilots are growing in number and there are many other diverse employment opportunities and career paths ahead. In 1999, Tourism New Zealand launched its “100% Pure” marketing campaign to target a type of traveller known as the “Interactive Traveller”. These are experienced travellers who demand good-quality products, experiences and service. In turn, we need a high-quality, highly skilled labour force that can add something special to the overall experience offered to international and domestic visitors, leaving them satisfied and recommending New Zealand as a holiday destination when they return home.

BENEFITS FROM WORKING IN TOURISM

- Can learn new skills on the job
- Gain practical, transferable skills
- Work with people
- Career opportunities
- A range of sectors to work in
- Jobs available in cities and regions
- A growing, dynamic industry.

The key organisations in the tourism industry are gearing up for the coming growth to ensure New Zealand continues to offer quality experiences and top service to its customers. If you want to find out more about tourism in New Zealand, contact these organisations.

Further information

THE MINISTRY OF TOURISM is the government department responsible for maximising the benefits to New Zealand from the sustainable development of the tourism industry.
www.tourism.govt.nz

TOURISM RESEARCH COUNCIL NEW ZEALAND (TRCNZ) generates information, research and forecasts about the tourism industry.
www.trcnz.govt.nz

TOURISM NEW ZEALAND is New Zealand tourism’s international marketing organisation. www.tourismnewzealand.com

TOURISM INDUSTRY ASSOCIATION OF NEW ZEALAND (TIA) is a membership-based organisation representing and supporting the tourism industry. ☎ (04) 499 0104 ✉ info@tianz.org.nz
www.tianz.org.nz

HOSPITALITY ASSOCIATION OF NEW ZEALAND (HANZ) is a membership-based trade association for hospitality businesses. ☎ (04) 385 1369 ✉ nsc@hanz.org.nz www.hanz.org.nz

NEW ZEALAND BUS AND COACH ASSOCIATION (BCA NZ) is the industry association for the bus and coach industry. ☎ (04) 499 7334 ✉ info@busandcoach.co.nz
www.busandcoach.co.nz

AVIATION TOURISM & TRAVEL TRAINING ORGANISATION (ATTTO) is the Industry Training Organisation for the aviation, tourism and travel industries. ☎ (04) 499 6570 ✉ info@attto.org.nz
www.attto.org.nz

HOSPITALITY STANDARDS INSTITUTE (HSI) is the Industry Training Organisation for the hospitality industry. ☎ 0800 ASK 4 HSI (0800 275 4474) www.hsi.co.nz

SPORT, FITNESS AND RECREATION INDUSTRY TRAINING ORGANISATION (SFRITO) is the Industry Training Organisation responsible for the sport, fitness, community recreation, snowsport, outdoor recreation and Ngā Mahi o Te Rehia industries. ☎ 0800 Sfrito (0800 737 486) ✉ info@sfrito.org.nz
www.sfrito.org.nz

KIWICAREERS is the Career Services career information and planning website. Here, you can find more information about the tourism industry and related jobs. Go to www.kiwicareers.govt.nz and, under *Industry Overviews*, look at *Tourism* to find out about the overall industry trends and then look at the jobs within the tourism industry: *Check-in Agent, Tour Coach Driver, Tour Guide, Travel Agent, Travel Wholesaler/Consolidator, Travel and Information Consultant.*



Vacancy: social worker

What a social worker does and what it takes to become one

Social work is a profession in which you have the opportunity to make a positive difference to people's lives. It is a challenging role, with no two days the same, and it's both rewarding and vital. Here, you will find out how to become a social worker.

What is social work?

Social workers work with children, young people, adults and older people who need support for any reason. Situations of need might include parents and children who are struggling to cope, young people experiencing social problems, people affected by a mental or physical disability, or people who have to deal with personal distress or a crisis.

Social workers help people to understand, confront and find solutions to the difficulties they face. This involves working with a wide variety of people, including the person who needs help, their family/whānau, friends and community, and other professionals such as police and doctors.



Shortages of social workers

New Zealand needs more qualified social workers. Up to 500 are currently needed to supplement the existing workforce of approximately 6,500. Demand is growing all the time, particularly for social workers who can work with vulnerable children and families. Fewer than seven out of 10 social work vacancies are currently being filled.

The demand for social workers is growing because of legislative changes, expansion of services and demographic trends.

LEGISLATIVE CHANGES

New registration requirements will increase the demand for highly qualified social workers. From January 2006, the minimum qualification for registration for someone beginning training will be a bachelor's degree in social work.

EXPANSION OF SERVICES

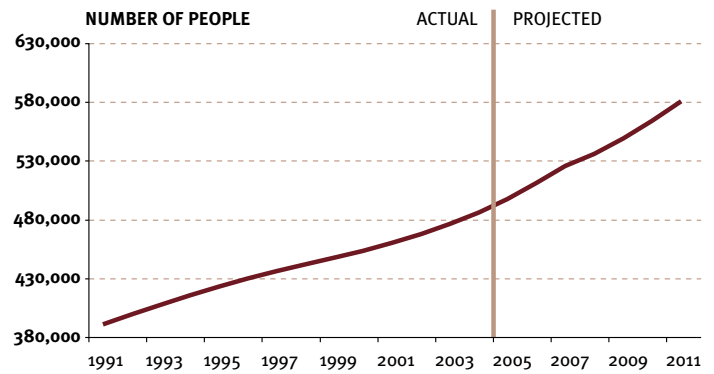
More social workers are required in non-government organisations (NGOs) to meet the needs of the expanding Social Workers in Schools programme and the Family Start early intervention service.

Proposed changes to the Children, Young Persons and their Families Act 1989 will mean that some services previously provided by Child, Youth and Family can be delivered by community organisations. This will increase the need for social workers who are skilled in care and protection in NGOs.

DEMOGRAPHIC TRENDS

The ageing population is boosting the demand for social workers in elder care. The chart below shows that in 2005 the population aged 65 years and over stands at an estimated 497,000. In the next six years, this is projected to increase by a further 83,000.

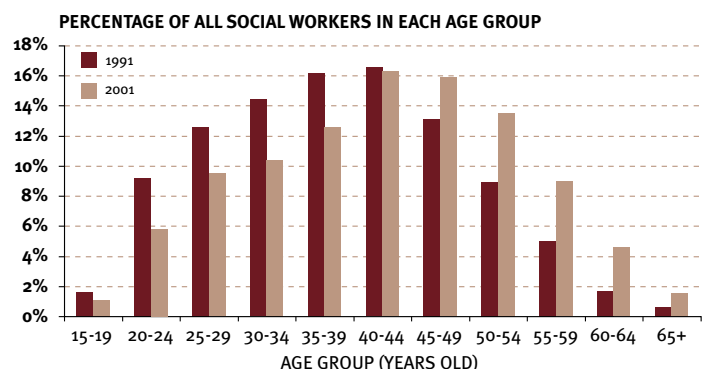
Actual and projected population of people aged 65 years and over, 1991 to 2011



Source: Statistics New Zealand

The workforce of social workers is also ageing. In 2001, 44% of the social work workforce was aged 45 years or over, compared with just 29% in 1991. Unless the number of young people entering the profession increases, social worker retirements in coming years will significantly reduce the size of the workforce.

Age of people in the social work workforce, 1991 and 2001



Source: Statistics New Zealand, 1991 and 2001 Censuses of Population and Dwellings

Where social workers work

Social workers work across a range of government and non-government organisations, such as the Department of Child, Youth and Family Services (CYF), schools, marae, hospitals, community organisations, prisons, disability services, mental health services, and in residential care, foster care and refugee settlement agencies.



Emily Williamson,
CYF Senior Practitioner

PERSONAL PROFILE:

EMILY WILLIAMSON, CYF SENIOR PRACTITIONER

Senior social worker Emily Williamson talks about what keeps her excited about being a social worker. "I'm attracted to the problem solving and the connection you build with people, especially young people, in this job. It was ultimately a desire to help people that drew me to social work," she says.

It was her experiences in a number of non-profit organisations and conversations with a psychologist friend who worked with a Women's Refuge that led Emily to complete her Bachelor of Social Work at Massey University. While studying at university, a work experience placement with CYF turned into permanent work in 2001. Four years later, she is a senior practitioner with the department in Auckland.

Emily started out working with CYF Youth Services, dealing with offenders aged 10–13 years and young people aged 14–16 years. "When children become adolescents they can speak for themselves and can help themselves more than younger children. Younger children are more difficult because they can't always tell you what they want, and at that age they are still very loyal to the people who could potentially have harmed them."

For the past five months, Emily has worked with a CYF care and protection team, which plays a critical role in ensuring the safety and well-being of vulnerable children. CYF social workers need to be professional, committed around the clock, resilient, to care about children and their families, and to be excellent facilitators and communicators. Being a social worker, she says, has meant never working two days that are the same. "It has worked for me, moving into different teams and areas in CYF. I'm learning all the time and now, as a senior practitioner, I'm involved in more complex cases."

Emily's advice to anyone wanting to become a social worker is to gain some life experience and learn to build relationships "...with people who often don't want to talk to you," she says.

"It's about making a difference in someone else's life. You learn that you can't help everyone, but often it doesn't take much input to make a huge difference."

Working with children and families

SUPPORTING AND STRENGTHENING FAMILIES

This type of work involves working alongside families who are in need of extra support. The social worker can provide advice, teach parenting skills, help families reach decisions and link children and families with other services they might need. For example, Family Start social workers provide intensive home-based help and support for families with newborn babies. If you work in this area, you could be working in a not-for-profit organisation.

PROTECTING AND CARING FOR CHILDREN

Social workers may also work with some of the most vulnerable children and families in New Zealand. Social workers involved with care and protection aim to protect children from ill-treatment, abuse, neglect and deprivation. Their work involves responding to situations where children and young people are experiencing, or are at risk of experiencing, harm. It includes preventative measures such as

building the strengths of families and communities to reduce the likelihood that children will need care and protection services. A fundamental goal of care and protection is to restore children and young people to safe and stable care arrangements. Most of this work is done by social workers within CYF, but not-for-profit agencies also provide care and protection services.

THE DEPARTMENT OF CHILD, YOUTH AND FAMILY SERVICES

CYF is the single-biggest employer of social workers in New Zealand. The department's role is to investigate and assess whether children and young people have been harmed, or are likely to be harmed. It also works with children and young people who have offended. The safety of the child or young person is always CYF's primary concern. CYF also works in adoptions by helping birth families place their child into the most appropriate environment for the child to achieve their full potential. A CYF social worker plays a pivotal role in balancing the needs of children, young people, their families and the community to achieve the very best for the child.

A key part of the role is to function as a casework manager to help find solutions within a family, where possible. CYF social workers must be capable of working with other social services, agencies and providers to negotiate plans and monitor the delivery of social worker services in communities.

The department's social work activity is based on legislation that is reputed to be the most far-sighted and innovative of its kind in the world. It gives CYF social workers the legislative mandate to act on behalf of children.

Working in the health sector and with disabled people

Social workers in the health and disability sector are employed in not-for-profit organisations, private practice and within District Health Boards.

CLINICAL SOCIAL WORK

Many social workers employed in the health and disability sector (for example, mental health case management) and in private practice are clinical social workers. They contribute to patient assessment and diagnosis, treatment planning, intervention and outcome evaluation.

SOCIAL WORK IN HOSPITAL AND COMMUNITY SETTINGS

A social worker in a hospital or in a community-based agency may help individuals and their families cope with disability, trauma and long-term or terminal illness. The social worker may assist in dealing with difficult treatments, diagnosis, grief and lifestyle changes. They may also be part of a team linking people with supportive services after they leave hospital. The co-ordinated packages of community-based care and support that enable people to stay living in the community may include the services of a social worker.

Older people are significant users of health and disability support services and New Zealand's population is ageing. The treatment of the elderly is a significant part of work done by social workers in hospital and community-based settings.

Social worker skills, education, training and registration

SKILLS

Social work is a challenging and demanding role requiring analytical and communication skills. Social workers should be capable of being proactive and, at the same time, value teamwork. New Zealand needs all kinds of people from all kinds of backgrounds to become social workers. The special blend of skills, knowledge and attributes social workers need includes being:

- committed to the well-being of children, young people, older people and families
- able to relate to people across a range of cultures and beliefs
- excellent facilitators and communicators
- skilled at assessing a situation and sorting out the important issues
- able to exercise good judgement in difficult situations
- team players
- resilient in the face of adversity.

Being a social worker is not easy, but a career in this field offers rewards for both you and the children, families, whānau and communities you would be working with.

TRAINING TO BECOME A SOCIAL WORKER

Training to become a social worker includes a mix of academic studies and a lot of practical experience. If you are interested in studying social work, contact your local university or polytechnic to see if it delivers a training course suitable for registration, such as a Bachelor of Social Work. For a full list of social worker qualifications that are recognised by the New Zealand Qualifications Authority, go to the KiwiQuals website www.kiwiquals.govt.nz.

REGISTRATION OF SOCIAL WORKERS

The Social Workers Registration Board was established in October 2004. It aims to improve the professionalism of social work practice and raise its profile as a competent and respected profession.

Registration is currently voluntary, but from January 2006 a social worker must have a minimum of a bachelor degree to be considered for registration with the Social Workers Registration Board. Social workers with more than 10 years of full-time, practical experience, who do not hold a recognised qualification, may be eligible to apply for full registration. The table in the next column lists qualifications that the Social Workers Registration Board recognises as acceptable for registration.

A number of other qualifications are also recognised by the Social Workers Registration Board, on the condition that participants began their study prior to December 2005. For a list of these qualifications, go to the Social Workers Registration Board website www.swrb.org.nz and click on *Policy* and *Qualifications*. The list is on pages 16 and 17 of the document. The Social Workers Registration Board website also has more information on how to become registered.

In the May 2005 Budget, the government announced that, beginning in the 2006 academic year, it would annually fund a number of study awards to cover the tertiary education costs of social workers undertaking study toward a social work degree (or equivalent) that qualifies them for social worker registration. The study awards are open to NGO staff who are currently working in NGOs serving vulnerable children and families.

Applications for the 2006 awards will be received between September and October 2005; for more information information@familyservices.govt.nz or go to www.familyservices.govt.nz.

Schedule of recognised New Zealand current qualifications (from January 2006)

INSTITUTION	QUALIFICATION
UNIVERSITY OF AUCKLAND	BACHELOR OF SOCIAL WORK
EASTERN INSTITUTE OF TECHNOLOGY	BACHELOR OF APPLIED SOCIAL SCIENCES (SOCIAL WORK MAJOR)
MASSEY UNIVERSITY	BACHELOR OF SOCIAL WORK (HONS) BACHELOR OF SOCIAL WORK MASTER OF SOCIAL WORK (APPLIED)
UNITEC NEW ZEALAND	BACHELOR OF SOCIAL PRACTICE (SOCIAL WORK MAJOR)
UNIVERSITY OF CANTERBURY	BACHELOR OF SOCIAL WORK MASTER OF SOCIAL WORK (APPLIED)
UNIVERSITY OF OTAGO	POSTGRADUATE DIPLOMA IN SOCIAL & COMMUNITY WORK
WAIARIKI POLYTECHNIC	BACHELOR OF APPLIED SOCIAL SCIENCES (SOCIAL WORK MAJOR)
WHITIREIA POLYTECHNIC	BACHELOR OF SOCIAL WORK
WINTEC	BACHELOR OF APPLIED SOCIAL SCIENCES (SOCIAL WORK MAJOR)

Source: Social Workers Registration Board

Salaries

Salaries vary, but social workers usually earn between \$26,000 and \$50,000 a year, depending on the employer and the region they are employed in. Salaries for social work supervisors range between \$45,000 and \$51,000 a year. A wide range of services employ social workers and remuneration rates vary greatly. In many services, salaries are negotiated individually.

Further information

KIWICAREERS is the Career Services career information and planning website. Here, you can find more information about social work. Go to www.kiwicareers.govt.nz and, under *Job Outlines*, look at *Social Worker, Counsellor, Clinical Psychologist, Community Worker and Youth Worker*. Under *Industry Overviews*, look at *Community Services* to find out about the overall industry trends.

CYF provides information on vacancies within the department and on its graduate recruitment scheme. Go to www.cyf.govt.nz and click on *Child, Youth and Family vacancies* at the bottom of the front page or cyfjobs@cyf.govt.nz.

THE AOTEAROA NEW ZEALAND ASSOCIATION OF SOCIAL WORKERS has useful information about the association and the social work profession in Aotearoa New Zealand. www.anzasw.org.nz

THE SOCIAL WORKERS REGISTRATION BOARD is responsible for establishing the criteria for registration of New Zealand and overseas qualified social workers, developing a code of conduct, establishing the policies and procedures for complaints and discipline, and setting up the registration database. For more information about social worker registration [\(04\) 931 2650](tel:(04)9312650) info@swrb.org.nz www.swrb.org.nz.

Skill shortages in the trades



A Department of Labour survey has found genuine skill shortages in 15 trades

Low unemployment has led to widespread skill and labour shortages, which are constraining economic growth. This has prompted the Department of Labour to undertake research to increase its knowledge of the problem. Here, you'll find the latest information about skill shortages in the trades.

AT A GLANCE

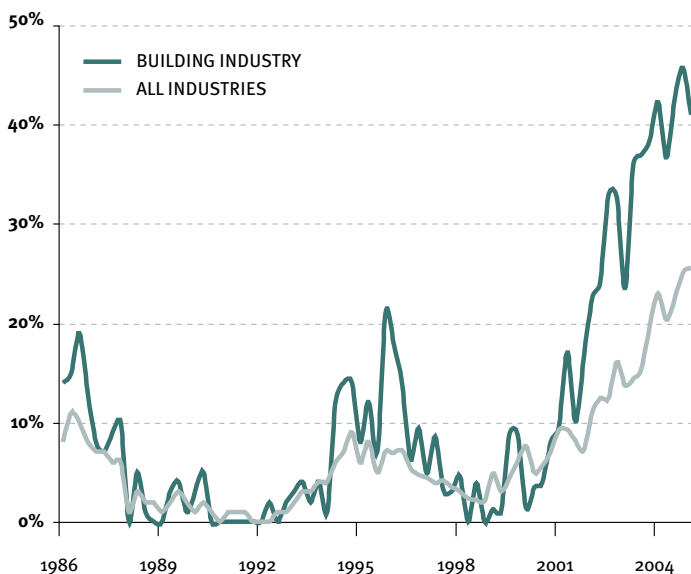
- Genuine skill shortages were identified across 15 trades
- More workers need to train to national certificate level 4 or equivalent in all 15 trades
- Some employers need to consider whether their pay and working conditions are sufficiently attractive at a time when there are so many opportunities available to jobseekers.

The labour market

With strong economic growth in recent years and unemployment at a 19-year low, business surveys report that employers have been finding it increasingly difficult to recruit skilled staff. A record number of employers say that labour shortages are the factor most constraining the expansion of their business.

Economic growth has been driven partly by a booming construction industry. As a result, skill shortages are most acute in many of the trades.

The percentage of employers saying labour shortage was the factor most limiting their business expansion, 1986 to 2004



Source: New Zealand Institute of Economic Research, Quarterly Survey of Business Opinion

The research

The Survey of Employers who have Recently Advertised (SERA) aims to gain an in-depth understanding of employers' recruitment experiences and the reasons for staff shortages. What distinguishes it from other surveys is that it examines whether skill shortages are genuine (meaning

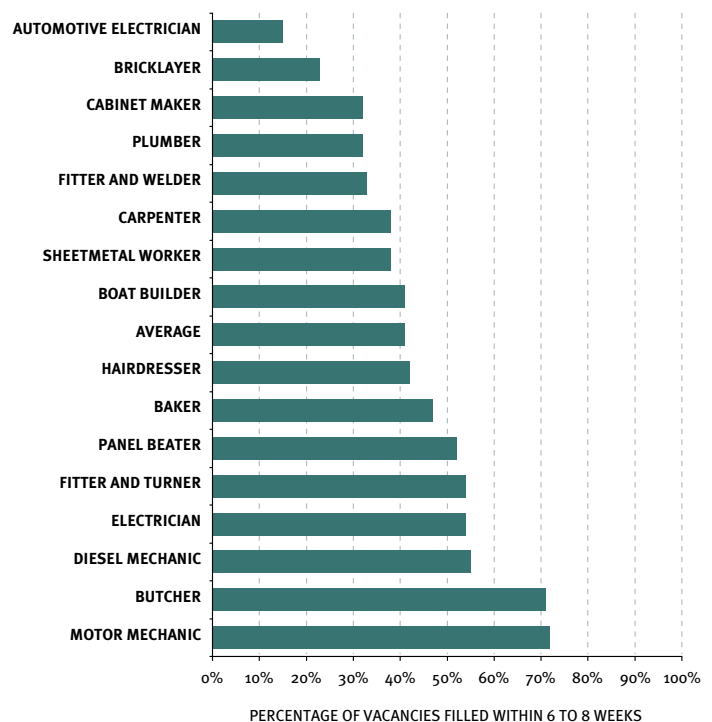
there aren't enough skilled employees to meet demand) or whether they are really recruitment difficulties (meaning there are enough skilled employees, but they aren't willing to take on the jobs at the pay and conditions offered).

In July 2004, employers seeking "fully skilled" or "fully qualified" tradespeople (that is, people with national certificate level 4 or equivalent) were surveyed in 16 trade occupations where there was evidence that job vacancies were hard to fill. The survey results were analysed along with other information about trends in employment, tertiary education and training enrolments, migration, and changes in the working-age population.

Where are there skill shortages?

Overall, only 41% of the 453 job vacancies covered in the survey were filled within six to eight weeks of the employer advertising. Anything below 80% is considered a skill shortage. The chart below shows that fill rates were lowest for: auto electricians (15%) • bricklayers (23%) • plumbers (32%) • cabinet makers (32%) • fitters and welders (33%) • carpenters (38%) • sheetmetal workers (38%) • bakers (47%).

Job vacancy fill rates in selected trades, 2004



Source: Department of Labour, Survey of Employers who have Recently Advertised (SERA)

Recruitment difficulties

Hairdressing was the only occupation assessed as facing recruitment difficulties, not genuine skill shortages. This was because average wages in this occupation were substantially below the average for all trades and, in the survey, many employers spoke of a pool of trained hairdressers who were unwilling to take up jobs at the current pay and conditions.

Why are there skill shortages?

The research discovered five main reasons for the shortages.

1. TOO FEW YOUNG PEOPLE ENTERING TRADES

In the 1990s, there was a sharp drop in the number of people entering trades. According to employers, this was partly due to changes in the apprenticeship system. It may also have been linked to increasing numbers of young people undertaking tertiary study, and to economic recession in the early 1990s. High unemployment meant there were plenty of experienced tradespeople looking for work, so employers did not need to train apprentices.

2. PEOPLE NOT TRAINING TO A HIGH ENOUGH LEVEL

In 2003, almost 34,000 people were enrolled in some form of training in the 16 trades surveyed (some of these were already employed in their respective trade, while others were studying full-time at a tertiary education provider). This number is not very informative on its own. To assess the scale of the training taking place, the number of trainees is expressed as a percentage of the number of people employed in the respective trade. In 2003, for all trades surveyed this percentage was 31%.

Although all training is useful, in most cases to become fully qualified in their trade a trainee must complete the relevant national certificate level 4. Bricklaying is an exception; only a level 3 qualification is required. In 2003, just over half of all trainees in the 16 trades surveyed were enrolled in level 4 courses. To understand the extent to which training is helping employers fill job vacancies for fully qualified tradespeople, it is most useful to look at the number of people completing level 4 training. In 2003, fewer than 2,000 trainees in the 16 trades surveyed reached this benchmark. The yearly inflow of newly qualified tradespeople was equivalent to 1.8% of all people employed in these trades (this percentage is called the “training rate”). The table below shows training rates in individual trades. Bakers, bricklayers and cabinet makers had training rates of less than 1%; boat builders had the highest, at 4%.

Trade training rates, 2003

People completing national certificate level 4 as a percentage of the number of people employed in the trade

TRADE	TRAINING RATE	TRADE	TRAINING RATE
BAKER	0.5%	BRICKLAYER	0.8%
CABINET MAKER	0.8%	PLUMBER	1.0%
DIESEL MECHANIC	1.1%	SHEETMETAL WORKER	1.2%
BUTCHER	1.4%	MOTOR MECHANIC	1.4%
PANEL BEATER	1.5%	AVERAGE	1.8%
AUTOMOTIVE ELECTRICIAN	2.0%	ELECTRICIAN	2.2%
FITTER AND TURNER	2.3%	FITTER AND WELDER	2.4%
CARPENTER	2.5%	HAIRDRESSER	2.5%
BOAT BUILDER	4.0%		

Source: Department of Labour

HOW WE COMPARE WITH THE AUSSIES

New Zealand fill rates for the 16 trades were well below comparable rates for New South Wales, which is also considered to have skill shortages in the trades. The training rates for fully skilled or fully qualified tradespeople are also generally higher in New South Wales.

3. MIGRATION

Significant numbers of skilled tradespeople left New Zealand between 1997 and 2003. The situation has improved since then, with some trades reporting a net inflow of skilled workers in the last two years. So far, however, these net inflows have not been enough to offset earlier losses.

4. THE CONSTRUCTION BOOM

The booming construction industry has led to rapid growth in demand for skilled construction trades workers such as bricklayers, carpenters, plumbers and electricians. Higher construction wage rates have also attracted skilled workers away from non-construction trades that have transferable skills, such as boat building and cabinet making.

5. SOME OCCUPATIONS ARE UNATTRACTIVE

Even in some occupations where there are genuine shortages, working conditions do not help recruitment. Examples include bakers (early morning starts and very long hours), boat builders (working with chemicals and in dusty conditions) and hairdressers (working with chemicals and developing health problems in backs, arms and hands).

The complete picture: demand outstrips supply

The market for skilled tradespeople, like any job market, involves constant inflows and outflows of workers. Inflows of fully qualified tradespeople originate from training course graduations, inward migration and other occupations. Unemployed people may also be recruited, but with unemployment so low at the moment, their numbers are likely to be few.

Inflows are offset by outflows of workers to retirement, outward migration and other occupations. When employers wish to expand their workforce to meet the increasing demands of their customers, the excess of inflows over outflows must be sufficient to fill new vacancies. Otherwise, skill shortages occur.

So how do the numbers stack up in the 16 trades surveyed? We don't know exactly how many inflows and outflows there are of fully qualified tradespeople. But we do know that slightly fewer than 2,000 fully qualified graduates in 2003 was barely enough to cover retirements, which were estimated at approximately 1,450 during the same period. This left very few new graduates to fill new trade positions created by the booming economy. Employers must have recruited migrants, people with transferable skills from other occupations, or people who were not fully qualified for the work. In addition, a number of vacancies remained unfilled. We don't know exactly how many, but the survey's vacancy fill rate of 41% suggests it was significant.

Looking forward

For most of the occupations, shortages are expected to continue over the next year and into the future. The research suggests the issue may not be how many people are training in each occupation, but the level they are training to. Some employers are responding to the shortage of national certificate level 4 completions by filling vacancies with people trained to levels 2 or 3. But all 16 trades would benefit from more people training to national certificate level 4 or equivalent, rather than training to lower levels. Some occupations need to consider upgrading their pay and working conditions to attract skilled workers, particularly while the construction boom continues.

Further information

For more information about the Job Vacancy Monitoring Programme, visit the Department of Labour website www.dol.govt.nz. On the *Publications* drop-down menu, click on *Job Vacancy Monitoring Programme Reports*. Here, you can download the *Trade Occupations: Overview Report* as well as individual reports for each of the 16 trades covered. Later in 2005, reports for selected professional occupations will also be posted on this section of the website.



Job Vacancy Monitor

Our regular feature on occupational skill shortages

The Job Vacancy Monitor (JVM) is a way of keeping track of changes in the job market in New Zealand. Department of Labour (DoL) researchers count job advertisements in 25 major newspapers on the first Saturday of each month, and on two web-based information technology (IT) job boards (Seek IT and Job Stuff) each Friday. The advantage JVM has over other measures of job vacancies and skill shortages is that, by categorising vacancies into occupations, it allows researchers to study changes in the job market conditions for a range of occupations. By monitoring the number of advertised vacancies in a range of occupations over time, the JVM gives us pointers to where shortages are emerging and where they are easing.

A rise in the number of advertised vacancies suggests a growing shortage in that occupation. Most employers prefer to fill vacancies through personal recommendations, and they advertise their job vacancies only when it becomes difficult to find the staff they need.

Slowing growth in advertised vacancies

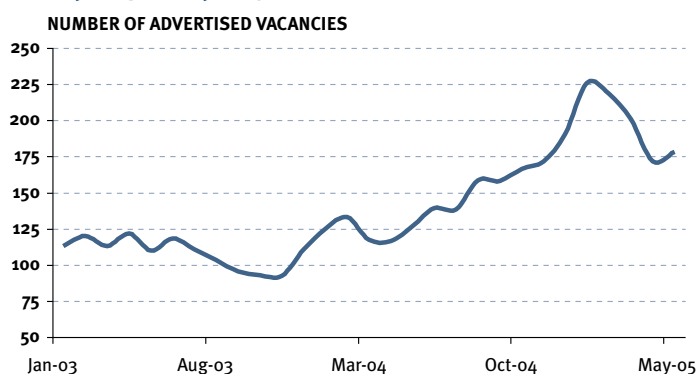
In May 2005 annual growth in the number of advertised vacancies had increased by 10%. This was the slowest growth rate recorded in the 17 months that the JVM has been measuring annual growth rates. Annual growth peaked at 26% in April 2004. Despite the slowdown, the level of advertised vacancy growth is still high. This reflects a job market where employers are competing fiercely for available workers (often referred to as a "tight" job market), but one in which the frenetic pace of job creation and associated skill shortages are easing off.

The Department of Labour believes that these trends will continue. Economic growth and employment growth are slowing, but current levels of skill shortages are expected to be sustained and the unemployment rate to remain at or slightly below 4% for the next two years.

Strong vacancy growth at the top end of the skill spectrum

During the first half of 2005, the strongest growth in advertised vacancies has been mainly for highly skilled jobs. Much of the rise has occurred among health professional vacancies, which rose by 40% in the 12 months to May 2005 (see the chart below).

Monthly count of advertised job vacancies for health professionals, January 2003 to May 2005



Source: Department of Labour, Job Vacancy Monitor

Migrants are an important source of highly skilled staff for employers who are recruiting. Therefore it's likely that the recent drop in net inward migration of highly skilled people is partly responsible for the growth in highly skilled job vacancies. The table below illustrates migration trends among the two occupational groups that make up highly skilled workers: managers and professionals. The annual net migratory inflow of highly skilled workers has almost halved in the past two years.

Net migratory inflows* of managers and professionals

MAY 2002 TO APRIL 2003	MAY 2003 TO APRIL 2004	MAY 2004 TO APRIL 2005
3,200	2,600	1,700

Source: Statistics New Zealand

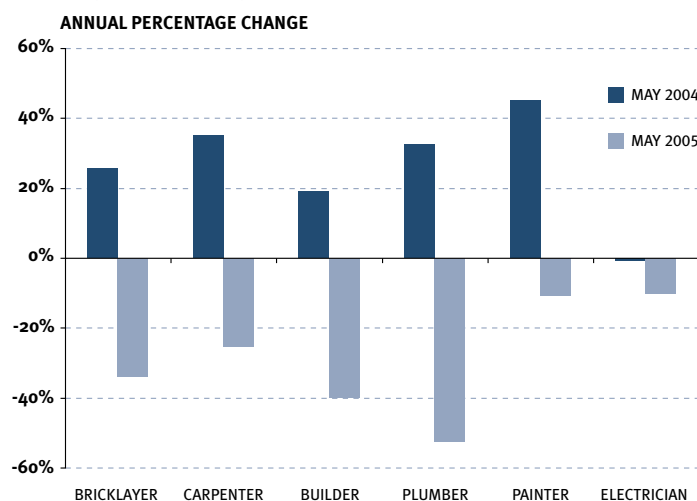
*Permanent and long-term migrants into New Zealand minus permanent and long-term migrants out of New Zealand.

Slowing growth in skilled vacancies

Annual growth in advertised vacancies for skilled jobs peaked at 27% in May 2004 and has been on a downward trend since then. Between May 2004 and May 2005, there was no growth at all.

Building trade vacancies have contributed to this slowdown, declining by 28% between May 2004 and May 2005, compared with growth of 32% the year before. The decline in the number of advertised vacancies for a number of building trade occupations is shown in the chart below. This is evidence of an improvement in recruiting conditions for employers in the construction sector, brought about by a slowing in job growth. Employment in the construction sector grew by 3.7% between January and March 2005, compared with 12.2% growth during the same period a year earlier. See the *Labour market barometer* (page 34) for more information about trends in the construction sector.

Annual percentage change in advertised vacancies for building trade jobs, May 2004 and May 2005



Source: Department of Labour, Job Vacancy Monitor

Sustained growth for lower skilled vacancies

Moderate growth in advertised vacancies for semi-skilled/elementary jobs was sustained in the first half of 2005, but annual growth has slowed from a peak of 28% in April 2004. Looking at the bigger picture, over the entire period of the JVM series, growth in semi-skilled/elementary vacancies has outstripped vacancy growth at higher skill levels. In May 2005 there were 60% more semi-skilled/elementary vacancies than at the start of the series in January 2003, compared with 30% growth in skilled and 7% growth in highly skilled vacancies. This suggests that during the past two years, shortages of lower skilled staff have increased by a greater amount than for higher skilled staff. This is consistent with employer surveys, which show that difficulties in finding unskilled labour have been rising and are currently at unprecedented levels.

There are several contributing factors to this, including: reductions in unemployment (traditionally a source of lower-skilled labour), strong growth in demand for lower-skilled labour (particularly in the construction sector), negligible inflows of lower-skilled labour from migration, and general upskilling of the workforce.

STATISTICAL NOTE

Highly skilled occupations: managers and professionals.

Skilled occupations: associate professionals, technicians and trades workers.

Semi-skilled/elementary occupations: clerks, service and sales workers, plant and machine operators, and elementary occupations.

Agriculture, forestry and fishery workers have been excluded because the official definitions of these occupations do not separate out jobs of differing skill levels.

It is also important to note that "skill" is a measure of the complexity and range of tasks involved in a job rather than the competence of the person employed. Skills are measured by the qualification, training and work experience requirements of the job.

Vacancy numbers are averages for the preceding three months. For example, the number of advertised vacancies in May 2005 is the average from March 2005 to May 2005.

Annual change in the number of job vacancies is measured as the percentage change between the average for a three-month period (for example, March to May 2005), and the same three-month period the year before (March to May 2004).

Occupations where advertised job vacancies have grown most, May 2005

OCCUPATION	NUMBER OF VACANCIES	ANNUAL GROWTH
HIGHLY SKILLED JOBS		
RETAIL MANAGER	251	98%
UNIVERSITY AND HIGHER EDUCATION LECTURER/TUTOR	198	62%
CATERING SERVICES MANAGER	79	61%
FINANCIAL ADVISER	81	53%
ADVERTISING AND PUBLIC RELATIONS MANAGER	59	44%
EARLY CHILDHOOD TEACHER	172	43%
ACCOUNTANT	289	40%
REGISTERED NURSE	422	38%
ADMINISTRATION MANAGER	257	36%
HEALTH SERVICES MANAGER	38	12%
SKILLED JOBS		
FINANCIAL DEALER AND BROKER	50	79%
SAFETY INSPECTOR	45	73%
REAL ESTATE AGENT/PROPERTY CONSULTANT	126	64%
ELECTRICAL FITTER	43	59%
SOCIAL WORKER	170	52%
PHYSIOTHERAPIST	38	46%
PRINTING MACHINIST	95	34%
TRAVEL CONSULTANT	108	32%
HEATING, VENTILATION AND REFRIGERATION MECHANIC	31	29%
FITTER AND WELDER	127	26%
SEMI-SKILLED/ELEMENTARY JOBS		
SLAUGHTERER	71	154%
MACHINE TOOL OPERATOR	66	144%
SECURITY OFFICER	161	92%
ROADING AND/OR PAVING MACHINE OPERATOR	66	89%
SEWING MACHINIST	61	85%
TRANSPORT CLERK	58	76%
PASSENGER COACH DRIVER	55	72%
SAWMILL LABOURER	48	71%
FORKLIFT OPERATOR	160	52%
HEAVY TRUCK OR TANKER DRIVER	383	47%

Source: Department of Labour, Job Vacancy Monitor

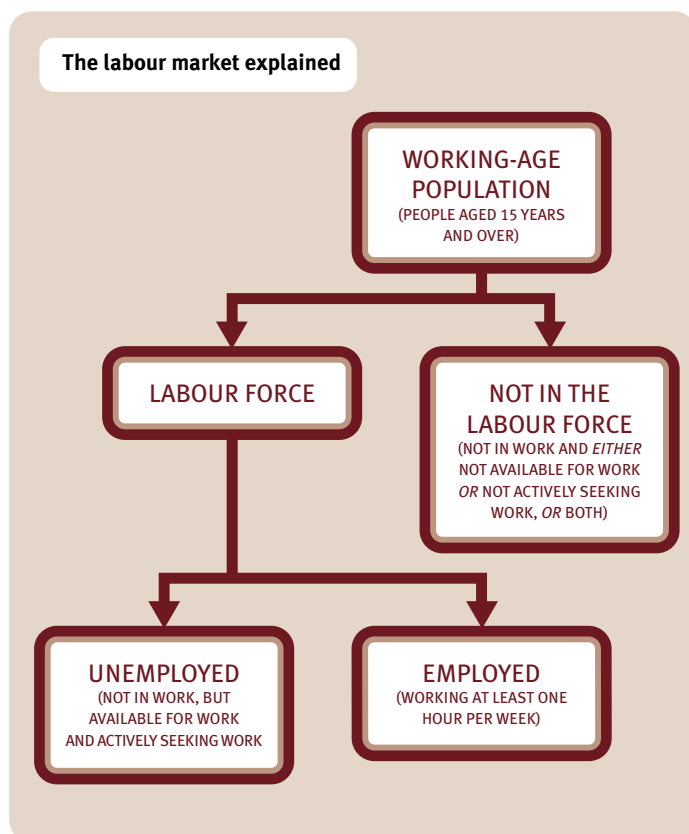
The labour market explained: people not in the labour force



This is the fourth in a series of articles that explain how the job market functions and how its performance is measured. See previous issues of *workINSIGHT* for articles about unemployment, employment and the labour force participation rate. Here, we look at the category of people who are not in the labour force.

Defining “not in the labour force”

As the diagram below shows, the working-age population (people aged 15 years and over) is made up of people in the labour force and people not in the labour force. The labour force is made up of people who are employed (working at least one hour per week) and people who are unemployed (not employed, but actively seeking work and available for work). So the technical definition of “not in the labour force” is: not in work and either not available for work or not actively seeking work, or both.



In 2004, just over 1 million people were not in the labour force.

- Almost half (44%) of these people said they were retired. Most were aged 60 and over.
- Approximately one-fifth (19%) said they were studying. Most were aged 15 to 25.
- Slightly fewer (17%) said they were looking after children. Most were in their 20s and 30s.
- Reasons why the remaining 21% were not in the labour force include being sick or disabled, caring for someone who is sick or disabled, or disillusionment with the prospects of finding a job.

Job market participation and attachment

Another way to think about defining “not in the labour force” is in terms of participation in the job market. People are considered to be participating in the job market only if they are employed or unemployed (in other words, in work or actively seeking and available for work). People not in the labour force are not participating in the job market. (See *The Labour Market Explained* in *workINSIGHT*, issue 5, for more information about job market participation.) Participation is important because, generally speaking, people who are not in work have a greater likelihood of finding a job if they participate in the job market than if they don't.

Even though people not in the labour force are considered not to be participating in the job market, they are attached to it in varying degrees. Of the million or so people who were not in the labour force in 2004, approximately 2% were actively seeking work (but were not available for work at the time). Clearly, these people had some attachment to the job market. An intention to seek work in the future also suggests a degree of attachment. Approximately 17% of people not in the labour force in 2004 intended to start seeking work some time in the next two years, 4% within three months, 6% within three to 12 months, and 7% within one to two years.

Degrees of job market attachment: people not in the labour force, 2004

ACTIVELY SEEKING WORK, BUT NOT AVAILABLE FOR WORK	2%
INTENDING TO START SEEKING WORK IN THE NEXT 3 MONTHS	4%
INTENDING TO START SEEKING WORK IN THE NEXT 3 TO 12 MONTHS	6%
INTENDING TO START SEEKING WORK IN 1 TO 2 YEARS	7%
NOT INTENDING TO START SEEKING WORK IN THE NEXT 2 YEARS	67%
DON'T KNOW IF INTENDING TO START WORK IN THE NEXT 2 YEARS	12%
TOTAL (INCLUDING NOT SPECIFIED)	100%

Source: Statistics New Zealand, Household Labour Force Survey

What this tells us about the job market

The key is to understand the reasons why people who are not in the labour force are not participating in the job market, and why they have different degrees of attachment to it. This is important because economic growth is being constrained by skill and labour shortages, and with unemployment (the most readily available source of labour) so low, many jobs need to be filled by people who are not in the labour force.

Participation in the job market is a matter of personal choice and circumstances. Some people choose not to be involved in the job market. Others may want to work, but face circumstances that make it difficult for them to do so. For example, some retired people might be discouraged from seeking work because they feel – or may have been told – they don't have the skills to work in the modern job market. Some parents may want to work but are prevented from doing so because they are unable to find affordable and flexible childcare during working hours. By better understanding the circumstances that prevent or discourage people from working, improvements can be made to the support offered to help them.



Labour market barometer

Overview

The job market began 2005 in good shape. Strong employment growth continued, the unemployment rate remained below 4% and increasing numbers of people were participating in the job market. The job market is expected to remain healthy for the foreseeable future, but with economic growth beginning to slow, employment growth is expected to moderate, reducing some of the pressure on skill and labour shortages.

Job market update

Headline job market indicators

	Mar 2004	Jun 2004	Sep 2004	Dec 2004	Mar 2005
ECONOMIC GROWTH (annual % change)	5.0	5.8	4.6	3.9	NOT YET AVAILABLE
EMPLOYMENT GROWTH (annual % change)	3.1	3.1	2.9	4.4	3.4
UNEMPLOYMENT RATE (average % for the quarter)	4.2	4.0	3.8	3.6	3.9

Source: Statistics New Zealand, National Accounts (economic growth) and Household Labour Force Survey (employment growth and unemployment rate). Figures are seasonally adjusted.

A good start to 2005

Employment grew by a very strong 3.4% between April 2004 and March 2005. Since September 2004 the unemployment rate has remained below 4% and the labour force participation rate above a historically high 67%. Indeed, in March 2005 the female participation rate reached a record 60.8%. That means a greater proportion of working-age women than ever before are participating in the job market.

Why the job market is so healthy

The job market is in good shape because the economy is in good shape. In the past 12 months, strong consumer spending and a booming housing market have led to growth in many service industries, such as property and business services. Government spending on health and education has also stimulated economic growth. And goods-producing industries such as manufacturing and construction have grown, although more moderately than services.

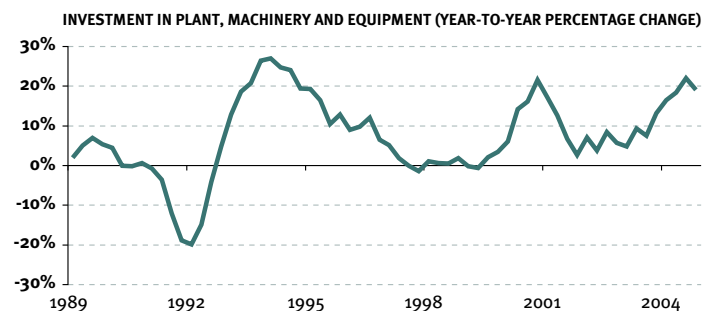
Up until recently, employment in the construction industry was growing faster than any other industry. But the second half of 2004 saw growth

moderate as the booming housing market started to cool off. The *Job Market Outlook* at the end of this feature explains the expected implications of the cooling housing market. Employment is also continuing to fall in the agriculture industry.

Business investment: good news for the future

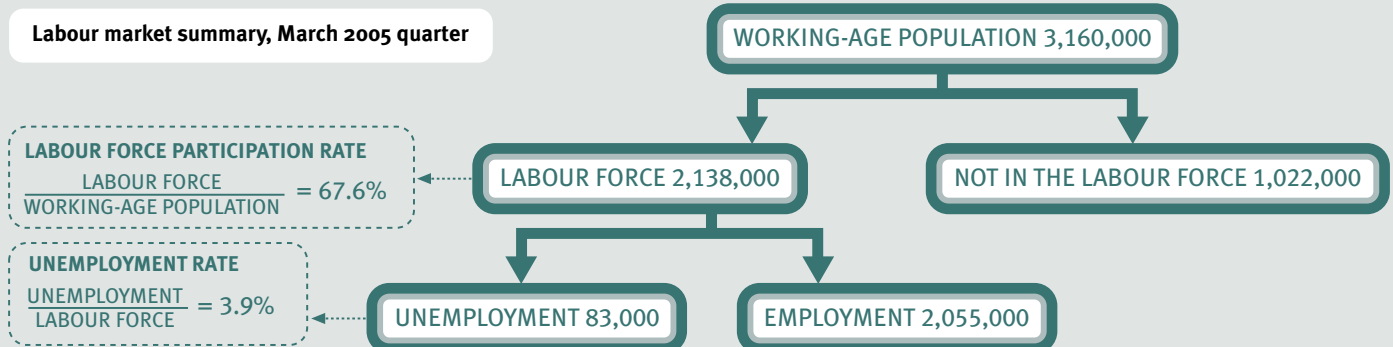
The economy is reaching the limit of its capacity to keep growing at such a fast pace. In the job market, unemployment is at historic lows and job market participation at historic highs. The capacity for further job growth is, therefore, limited and skill shortages at 30-year highs are a symptom of this. In the broader economy, capacity utilisation – a measure of how close businesses are to running at maximum output – is also very high. For instance, in the manufacturing and construction industries, capacity utilisation currently stands at a 43-year high of 92%.

Businesses have responded to these constraints by investing in greater capacity and productivity. Business investment in plant, machinery and equipment was 19% higher in 2004 compared with the year before. This marks a steady increase from year-on-year growth of 13% in 2003 and 5% in 2002. Not only will strong investment help to ease capacity constraints, but it can help create economic growth by lifting the productivity of the workforce.



Source: Statistics New Zealand, National Accounts

Labour market summary, March 2005 quarter



Source: Statistics New Zealand, Household Labour Force Survey. Figures are seasonally adjusted.

Skill shortages update

Headline skill shortage indicators

	Mar 2004	Jun 2004	Sep 2004	Dec 2004	Mar 2005
DIFFICULTY FINDING SKILLED LABOUR (net % of employers)	45%	48%	54%	61%	60%
DIFFICULTY FINDING UNSKILLED LABOUR (net % of employers)	25%	29%	34%	40%	49%
LABOUR IS FACTOR MOST LIMITING EXPANSION OF BUSINESS (% of employers)	23%	20%	22%	25%	26%

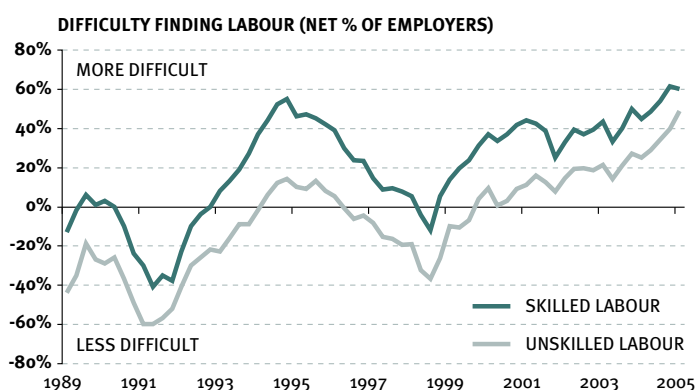
Source: NZIER, Quarterly Survey of Business Opinion

NATIONAL SKILL SHORTAGES DURING THE PAST YEAR

Recruiting staff is now harder than at any time since the early 1970s, according to national surveys of reported skill shortages. In March 2005, a net 60% of employers reported having *more difficulty in finding skilled labour*, down only slightly on the 30-year high of 61% in December 2004. In March 2005, a net 49% of employers had *more difficulty in finding unskilled labour*, by far the highest figure since the series began in 1975. Also in March 2005, 26% of employers said *labour was the factor most limiting the expansion of their business*. This is the highest percentage since 1974.

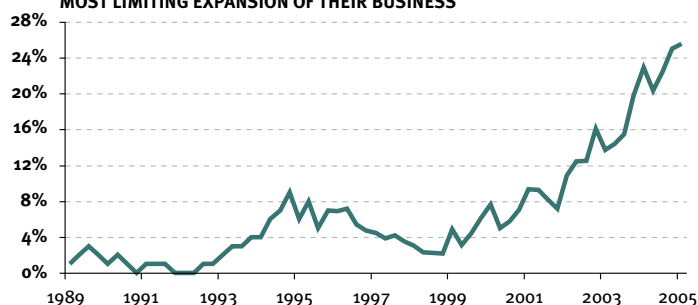
Skill shortages are at high levels because the country has experienced strong economic growth during the past five years. To drive this growth, employers have created many more jobs. But the number of people willing and able to take the new jobs on offer in the job market has not kept up with the demand for workers.

As a response to skill shortages, more people are participating in the job market; wage growth is beginning to rise as employers try to attract more workers, or at least keep the ones they have; and more people are studying and training. However, we are yet to see higher growth in labour productivity. With employment at such high levels, the best way to alleviate skill shortages is to create economic growth through growth in the productivity of the workforce.



Source: NZIER, Quarterly Survey of Business Opinion

% OF EMPLOYERS SAYING LABOUR IS THE FACTOR MOST LIMITING EXPANSION OF THEIR BUSINESS



Source: NZIER, Quarterly Survey of Business Opinion

MONITORING SKILL SHORTAGES

The Quarterly Survey of Business Opinion (QSBO) is carried out by the New Zealand Institute of Economic Research (NZIER). Employers are asked whether it is harder or easier to find skilled labour, or whether their recruitment situation remains the same as it was in the previous survey three months earlier (a similar question is asked about unskilled labour). To get the “net difficulty” figures given here, the percentage of employers answering “easier” is subtracted from the percentage answering “harder”, and an adjustment is made for employers who answer “not applicable”.

Unfortunately, as well as measuring true skill shortages, employers might also answer “harder” if they are experiencing recruitment difficulties or skill gaps. (See *Skill Shortages Explained* in *workINSIGHT* issue 1, November 2002, for a more detailed explanation of these terms.)

As well as asking employers about their difficulty in finding skilled and unskilled labour, the QSBO also asks them to specify the main factor limiting their ability to expand production/business activity (choices include demand, supplies, finance, capital and labour). The percentage of employers who identify “labour” is monitored as a labour shortage indicator.

SKILL SHORTAGES IN INDUSTRIES DURING THE PAST YEAR

Over the past year, skill shortages have risen in all industries, but the building industry remains the most affected. The booming housing market has been a key driver of economic growth, and this has led to strong growth in construction. Construction is a labour-intensive activity, so growth in output is achieved mainly by expanding the workforce (rather than through better technology or more machinery). As a result, employment in the construction industry has grown rapidly in recent years, but many employers still need more workers.

In March 2005, 41% of builders said *labour was the factor most limiting the expansion of their business*, by far the highest of any sector. The building industry includes building construction businesses and building materials suppliers. Skill shortages are most acute among building construction businesses where, in March 2005, 61% of employers said *labour was the factor most limiting the expansion of their business*.

At the end of 2003, skilled labour was hardest to find in the building sector. Since then, reports of difficulty in finding skilled labour have dropped off slightly, while other sectors have experienced further rises. This may prove to be an early sign that the cooling housing market is taking some of the pressure off builders to keep recruiting.

Skilled and unskilled labour is now hardest to find in the retail and wholesale industries, and in service industries. This can also be traced to trends in the broader economy. Recent economic growth has been driven partly by strong consumer spending. As a result, jobs have been created in industries that provide goods and services to domestic consumers, such as retail and other services.

SKILL SHORTAGES IN REGIONS DURING THE PAST YEAR

Skill shortages have risen across all regions. No one region seems to be affected significantly more than any other, although skilled labour is hardest to find in the upper North Island. And the 26% of lower North Island employers who, in March 2005, said labour was the factor most limiting the expansion of their business was higher than for the rest of the country.

Industry and regional labour shortage indicators

INDUSTRY/REGION	DIFFICULTY FINDING SKILLED LABOUR (NET % OF EMPLOYERS)		DIFFICULTY FINDING UNSKILLED LABOUR (NET % OF EMPLOYERS)		LABOUR IS THE FACTOR MOST LIMITING EXPANSION OF BUSINESS (% OF EMPLOYERS)	
	Mar 2004	Mar 2005	Mar 2004	Mar 2005	Mar 2004	Mar 2005
MANUFACTURERS	40%	55%	19%	47%	15%	16%
BUILDERS	45%	51%	24%	37%	42%	41%
MERCHANTS (WHOLESALE/RETAILERS)	51%	72%	25%	49%	8%	18%
SERVICES	45%	61%	29%	52%	27%	30%
UPPER NORTH ISLAND	40%	59%	23%	45%	24%	23%
LOWER NORTH ISLAND	38%	57%	14%	37%	20%	26%
SOUTH ISLAND	45%	50%	26%	44%	27%	23%
TOTAL	45%	60%	25%	49%	23%	26%

Source: NZIER, Quarterly Survey of Business Opinion

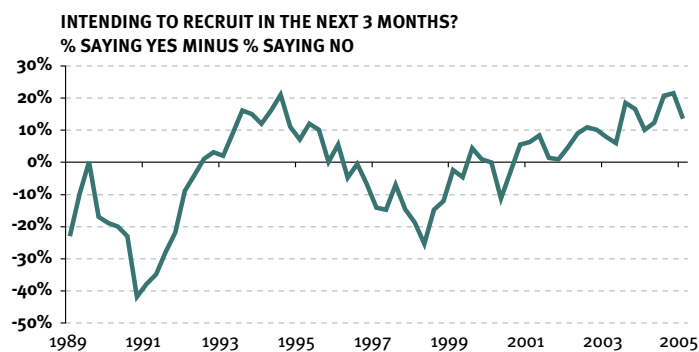
SKILL SHORTAGES IN OCCUPATIONS OVER THE PAST YEAR

The *Job Vacancy Monitor* on page 31 updates you on the latest occupational shortages.

Job market outlook

As a result of interest rate rises, a drop in net inward migration, the high value of the New Zealand dollar in international money markets and the cooling housing market, economic growth is expected to slow in 2005 and 2006. At times like this, experts talk of “hard” and “soft” landings. They are referring to the extent to which the economy is expected to slow. A hard landing implies a dramatic slowing in economic growth, maybe even a recession. This is not expected to happen. The economy is expected to make a soft landing, with growth slowing only a little from its recent brisk pace. Employment is expected to continue rising, although more slowly than it has lately, and unemployment is expected to remain low.

Employers' employment intentions remained positive in the first half of 2005. In March 2005, a net 13% of employers expected to recruit staff some time in the next three months. This was down slightly on a historically very high net 21% at December 2004, but is consistent with continued employment growth.



Low unemployment is expected to keep skill shortages at high levels in 2005. Shortages are then expected to ease in 2006 from the recent all-time highs, as more moderate economic growth, especially in the construction industry, begins to have an impact. Business investment is another reason to expect skill shortages to ease in coming years. Investment in plant, machinery and equipment has been strong recently. The resulting growth in labour productivity should help employers expand their businesses without having to rely so much on recruitment.



Labour market information freely available from the Department of Labour

The Department of Labour is building its capacity to gather and analyse information about the job market, and to communicate that knowledge to people and organisations that can use it.

Here's a quick overview of our latest reports, as well as our existing regular and one-off publications. Visit our website www.dol.govt.nz to download electronic versions, request hard copies, or register to receive updates when new reports are released. We'll be adding, revising and improving material during 2005, so keep checking back with us.

Latest reports

- **The Workplace Productivity Challenge** – a report on how New Zealand can work smarter to build a higher value, higher skills, higher wage economy, with examples of New Zealand firms that are already doing this
- **PeoplePower: Successful diversity at work** – New Zealand case studies highlighting the benefits and challenges of a diverse workforce
- **Job Vacancy Monitor** – the latest word in skill shortages; a monthly analysis of job ads in selected editions of 25 New Zealand newspapers and of job listings for Information Technology (IT) positions advertised on websites: Seek IT and Job Stuff
- **Skills Shortage Assessment Reports** – in-depth analyses of skill shortages in 16 selected trade occupations and, coming soon, 10 professional occupations

One-off reports

- **Achieving Balanced Lives & Employment** – work-life balance case studies
- **Future of Work: Work Trends** – increase your understanding of future trends in work and their implications for the workplace, workforce and employment opportunities in New Zealand
- **Good Employee Practices are Good for your Business** – tips for becoming an employer of choice
- **Migrants in New Zealand: An Analysis of 2001 Census Data** – a profile of migrants' demographic characteristics including settlement patterns and job market participation

Regular reports and publications (subscribe at www.dol.govt.nz/subscribe.asp)

- **Labour Market Outlook** – reports on job market expectations for the next two and a half years
- **Skills in the Labour Market** – gauges the extent of skill shortages in the economy
- **Report on the Household Labour Force Survey (HLFS)** – analyses the latest official employment and unemployment stats
- **Quarterly Employment Survey & Labour Cost Index** – analyses the latest wage growth indicators
- **NZ Income Survey** – analyses the annual supplement to the HLFS
- **ERA Info** – reports and analyses collective bargaining trends and outcomes
- **External Migration** – outlines the job market implications of permanent and long-term migration of people into and out of New Zealand
- **Migration Trends** – annually summarises immigration trends, the characteristics of migrants, and a range of information about immigration policy
- **Linkz, Immigration Matters, LisNZ, Refugee Voices, migration policy fact sheets** – explore migration and settlement topics from a range of angles
- **Making it Work** – a quarterly newsletter with news, issues and resources for employers

Plus...

- **Immediate Skill Shortage List** – specifies occupations where employers in certain New Zealand regions do not need to complete a job market test before hiring workers from overseas
- **Long-term Skill Shortage List** – helps overseas workers who can meet certain occupational criteria to get a work visa or permit. Employers looking for staff in occupations on this list do not have to prove they cannot find staff in New Zealand
- A range of **research papers and reports** published or commissioned by the Department of Labour
- Many **resources** to guide businesses on managing health and safety and employment relations – check the '**Build a Better Workplace**' brochure for web references


Department of Labour
TE TARI MAHI



The **Department of Labour** provides services and support covering almost every aspect of work. We're working to help our businesses work better, meet New Zealand's skill needs and improve the quality of New Zealanders' working lives.

For more information visit www.dol.govt.nz. Our website provides comprehensive information about the Department and all the services we offer, including:

- › employment relations
- › health and safety
- › immigration
- › labour market information.

For information on workplace issues from employment rights and responsibilities to health and safety you can call  **FREE 0800 20 90 20**.

There's also www.worksite.govt.nz. **WorkSite/PaeMahi** is a one-stop information portal on skills and work in New Zealand. It combines resources and services across government and other work-related agencies.