



Māori in the New Zealand labour market

SUMMARY DOCUMENT



MĀORI IN THE NEW ZEALAND LABOUR MARKET – SUMMARY REPORT

The Department of Labour has written a new report, Māori in the New Zealand labour market, which combines a wide range of data with detailed analysis and commentary. The report includes baseline data to inform strategic decision-making. Key aspects of the labour market, including education, employment and unemployment trends, are presented, alongside newer measures such as NEET (not in education, employment or training). Recent data is included in order to highlight the impact on Māori from the recent economic downturn.

- From its current level of 565,000 or 14% of the total population, Māori are projected to represent around 16% of the New Zealand population by 2021. Māori also have a younger age profile, which means proportionately more Māori are likely to currently be in study or in training.
- The labour force participation rate for Māori has increased strongly over the past five years, at a greater rate than for non-Māori and now stands at 67.7% in September 2009, just below the rate of 68.6% for non-Māori. Māori participation was lower in the 15–24 and 25–54 years age groups compared with non-Māori, but higher in those 55 years and over.
- The number of Māori leaving school with little or no qualifications has declined at a far quicker rate than that of non-Māori since 2005, while improvements in NCEA level 3 attainment were at a similar rate to those shown by non-Māori school leavers.
- Māori had higher tertiary education participation rates in the 25–39 and 40 years and over age groups than the population as a whole, despite fewer 18–19 year olds in study. In the last year, there has been a 17.5% increase in Māori aged 15–24 years engaging in formal study, largely as a response to the economic downturn.

Māori in education

Improving school performance

The number of school leavers achieving the highest level of schooling, NCEA level 3, increased over the last four years. Significantly, the numbers of pupils who left school with little or no formal attainment dropped noticeably. Information on the qualifications of school leavers is essential for identifying how many youth will enter tertiary education, which is a guide to the level of skills likely to be available in the future.

Highest attainment of school leavers, 2005–2008

School leavers (%)	Māori	Non-Māori	Māori	Non-Māori	Māori	Non-Māori	Māori	Non-Māori
	2005		2006		2007		2008	
NCEA Level 3 or higher	10.8	34.1	13.5	37.1	17.1	39.6	19.3	43.7
Little or no formal attainment	25	10	21.8	8.6	10.1	3.7	10.4	4.3

Source: School leavers data, Ministry of Education.

More Māori are studying at the tertiary level

Māori had higher tertiary education participation rates in the 25–39 year and 40 years and over age groups than the population as a whole, despite fewer 18–19 year olds in study. Furthermore, Māori course completions have increased by two-thirds since 2001.

More Māori are undertaking training

Māori comprised 18.5% of all industry trainees, which is well above their share of the population. Overall, 15.6% of modern apprentice trainees are Māori. The two most popular modern apprenticeships for Māori were building & construction and engineering.

But challenges remain

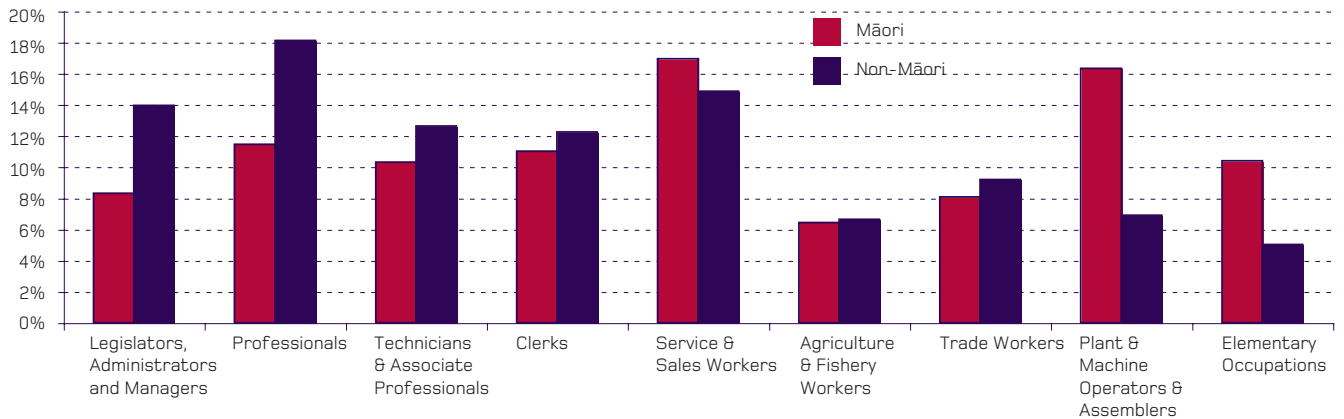
Significantly fewer Māori youth, particularly males, achieved NCEA level 3. Fewer Māori aged 18–19 years are in tertiary study. Māori are less likely to complete degrees, enrol in post graduate study or take courses relevant to the 'knowledge economy' such as the natural and physical sciences, and engineering and related technologies.

Māori employment

Māori represent 12% of the workforce, with over-representation in less skilled occupations such as plant and machine operators and assemblers. Māori are also under-represented in high skill occupations, such as the professionals occupation group.

By industry, Māori workers were significantly over-represented in the transport and storage industry, and in manufacturing. The number of Māori workers in the health and community services industry showed the highest growth rate over the past five years.

Proportion of employment by occupation, year to September 2009



Source: Household Labour Force Survey, Statistics New Zealand.

More Māori are entering skilled jobs

Over the past five years there has been a noticeable increase in the share of Māori in higher-skilled occupations and fewer Māori in semi-skilled and lower-skilled occupations. In particular, growth has been highest in the legislators, administrators and managers occupation group and for trade workers.

Māori occupations grouped by skill level, 2004–2009



Source: Household Labour Force Survey, Statistics New Zealand.

📄 Māori in the knowledge economy

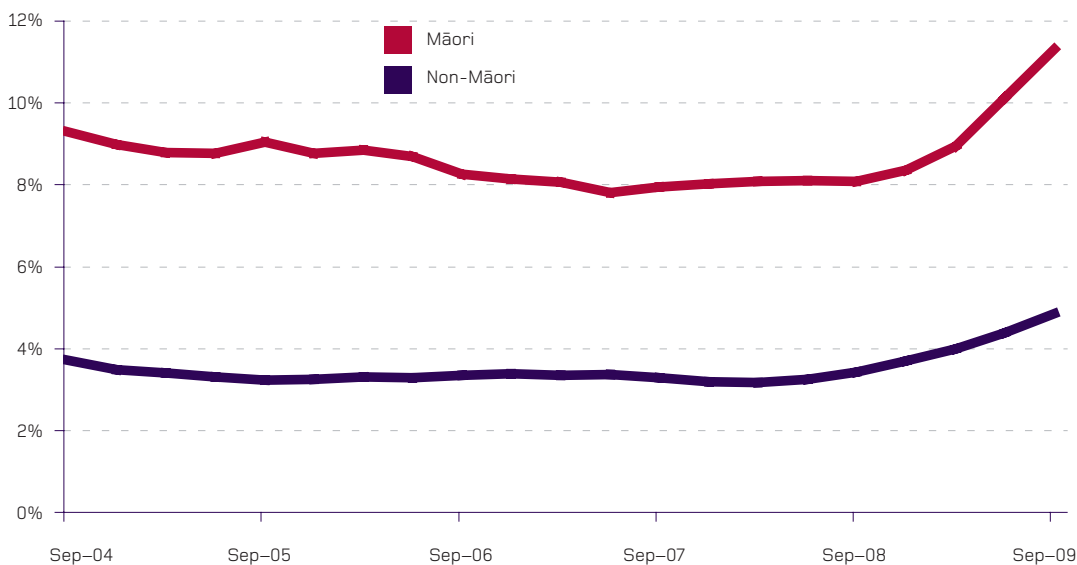
Māori comprise 9% of workers in knowledge-intensive sectors of the fast-growing 'knowledge economy'. Māori were relatively well represented in the public sector areas of government administration, education and health, but were under-represented in some of the largest private knowledge intensive sectors, including legal and accounting services, and scientific research services.

📄 Unemployment

Māori have high rates of unemployment

Māori have an unemployment rate over two times that of the non-Māori population. The latest figures for the year ending September 2009 reveal that 11.2% of Māori and 4.7% of non-Māori are unemployed. Among Māori, those aged 15–24 years had the highest rates of unemployment, at 23.1%. This is largely because youth have less experience and are lower skilled, making them generally less likely to get jobs and more likely to be laid off before other workers.

Māori and non-Māori unemployment rates, 2004–2009



Source: Household Labour Force Survey, Statistics New Zealand.

NEET youth

Māori youth disengagement remains a problem

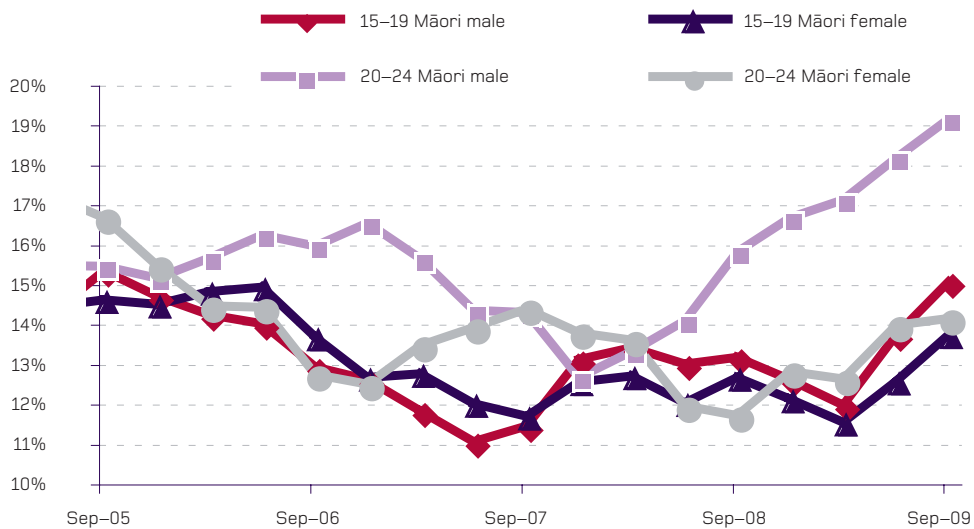
NEET is an indicator of youth disengagement from formal learning or employment. The NEET rate serves as a good alternative to the traditional labour force participation rate, which is less relevant for youth given the high numbers of youth out of the labour force because they are at school or in tertiary study.

NEET youth are considered to be missing the opportunity to develop their potential at an age that heavily influences future outcomes.

In the 15–19 year age group, 14.2% of Māori youth were NEET in the year to September 2009, which indicates an increase from 12.5% a year ago. The growth over the past year appears driven by the recession and is in contrast to a general decline over the past five years. In this age group, both the male and female rates showed similar trends, and stood at 15.0% of males and 13.7% of females.

The 20–24 year age group shows a higher NEET rate (16.1%) than the 15–19 year age cohort. There were significant differences between the Māori male and female rates in this age group. The rate for Māori males aged 20–24 years was considerably higher at 19.1% and grew more noticeably over the last two years than the Māori female rate, which stood at 14.1% in the year to September 2009.

NEET rates by gender, 2005–2009



Source: Household Labour Force Survey, Statistics New Zealand.

📖 Opportunities and challenges

The current economic downturn's effect on Māori

The economic downturn has had a substantial impact on Māori. The outlook for the labour market over the short-term both nationally, and for Māori, remains relatively weak. Unemployment is likely to continue to increase into 2010, with Māori expected to remain disproportionately affected.

A large proportion of Māori are employed in the manufacturing, retail and tourism-related industries which are expected to experience a further fall in employment over the short-term, so this means that Māori will continue to be disproportionately affected in the short-term. However, confidence in another key employer of Māori, the construction industry, is beginning to return.

Compared to other economic downturns, Māori are increasingly employed in more highly skilled jobs and engaged in training at a higher rate. Gains that have been made in Māori participation in training and education should help dampen the impact of the recession. This will translate into upskilling and should help ensure students entering (or re-entering) the workforces are better positioned once the labour market improves.

Over the years ahead, treaty settlements will also support iwi to realise their economic potential. In turn, this should improve Māori labour market outcomes by creating a demand for a wide range of workers of all skill levels, including some highly skilled workers to administer iwi-led projects. This should help address high Māori unemployment.

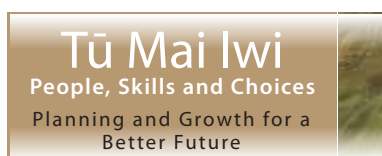
📖 What else are we doing?

The department is producing a range of reports focusing on a wide range of labour market issues, including the future of the New Zealand labour market, and is creating a suite of online tools to provide users with the data they require. Māori in the New Zealand labour market is the second in our new National Monitoring Series of labour market reports.

For more, please visit: <http://www.dol.govt.nz/services/lmi/index.asp>

📖 Tū Mai Iwi tool

Interested in your iwi's labour market performance?



The Tū Mai Iwi Tool provides a customised profile of iwi labour market indicators that allows for comparison between about 100 individual iwi, Māori and the general New Zealand population.

For more, please visit: <http://www.dol.govt.nz/services/LMI/tools/tu-mai-iwi.asp>



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