



EMPLOYMENT AND SKILLS SNAPSHOT – EDUCATION

Overview – September 2009

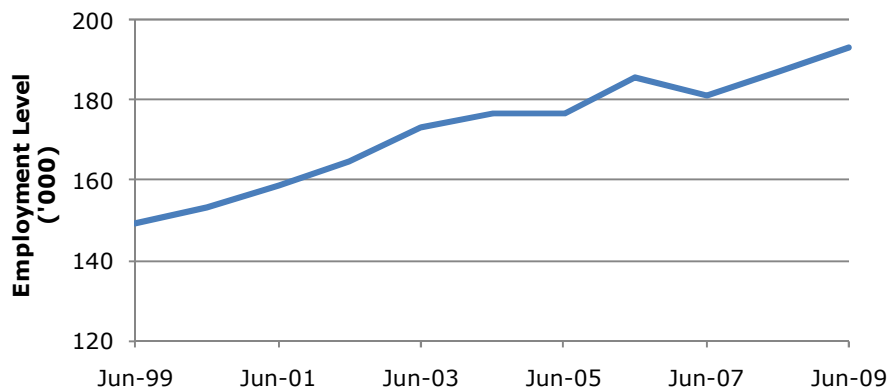
The education industry is a significant employer in New Zealand, employing 193,300 people (or 9% of New Zealand's total workforce) in the June 2009 quarter. Employment in the industry has experienced strong growth over the last decade, consistent with other industries throughout the economy. The discussion below focuses on employment growth, qualifications, age and gender, and employment forecasts for the industry.

Employment data has been grouped into five sectors according to statistics New Zealand's ANZSIC '96' classification system: early childhood education; primary education; secondary education; tertiary education¹ and other education².

Employment growth

Over the last decade, the education industry has experienced major job creation, with employment growing from 158,800 to 193,300 between the June 2001 and June 2009 quarter³ (see Figure 1).

Figure 1: Total employment in the education industry (Jun 99 – Jun 09)



Source: Department of Labour Employment Estimates

Early childhood education was the biggest single sector of growth, with total employment growing by 5,800 from the June 2004 quarter to reach 17,200 in the June 2009 quarter. This employment growth was driven by increased funding for pre-school education due to changing Government policies regarding the provision of quality early childhood education.

¹ Tertiary education includes employment at universities, institute of technology and polytechnics and private training establishments (PTEs) due to data classification issues.

² Other education includes employment within adult and community education and special school education.

³ Based on Department of Labour Employment Estimates.



In addition, there was a net increase of 3,300 jobs in the primary education sector over this period, taking total employment to 59,000 in the June 2009 quarter (see Table 1). This increase was despite a decrease in student enrolments in primary schools⁴. This is due to changing Government policies regarding the student teacher ratios within the primary education sector.

**Table 1: Employment growth in the education industry by sectors
(Jun 04 – Jun 09)**

| Sub-industry | Employment (Jun 04) | Employment (Jun 09) | Share of industry employment (Jun 2009) | Employment growth (Jun 04 - Jun 09) |
|-------------------------------|---------------------|---------------------|---|-------------------------------------|
| Early Childhood Education | 11,400 | 17,200 | 9% | 51% |
| Primary Education | 55,700 | 59,000 | 31% | 6% |
| Secondary Education | 39,400 | 41,600 | 21% | 6% |
| Tertiary Education | 44,400 | 46,500 | 24% | 5% |
| Other Education | 25,800 | 29,000 | 15% | 12% |
| Education | 176,700 | 193,300 | - | 9% |
| Total (All Industries) | 1,995,900 | 2,166,000 | - | 9% |

Source: Department of Labour Employment Estimates

Qualifications

In general, education industry employees are highly qualified. In 2006, nearly one half (48%) of all employees in the industry held a bachelor degree or higher qualification, significantly above the national average of 19% (see Table 2). However, only 10% of teacher aides had a bachelor or higher qualification in 2006.

Table 2: Qualifications held by employees in the education industry, 2001-2006*

| Occupation | No Qualification | | School Qualification | | Certificate and Diploma | | Bachelor Degree or Higher | |
|---|------------------|------------|----------------------|------------|-------------------------|------------|---------------------------|------------|
| | 2001 | 2006 | 2001 | 2006 | 2001 | 2006 | 2001 | 2006 |
| University and Higher Education Lecturer and/or Tutor | 1% | 1% | 9% | 7% | 21% | 18% | 68% | 73% |
| Secondary School Teacher | 0% | 0% | 5% | 2% | 26% | 18% | 68% | 80% |
| Primary School Teacher | 1% | 0% | 5% | 2% | 50% | 36% | 43% | 60% |
| Early Childhood Teacher | 4% | 4% | 16% | 17% | 63% | 48% | 14% | 30% |
| Teacher Aide | 18% | 16% | 43% | 40% | 27% | 31% | 7% | 10% |
| Education | 8% | 6% | 20% | 17% | 33% | 28% | 40% | 48% |
| All Occupations in New Zealand | 21% | 19% | 40% | 35% | 24% | 27% | 15% | 19% |

Source: Census of Population and Dwellings, 2001 & 2006

* Note percentages may not add to 100 due to rounding

Between 2001 and 2006, there has been a notable increase in the percentage of early childhood education teachers (from 14% to 30%) and primary school teachers (from 43% to 60%) holding a bachelor degree or higher, again due to changes in Government policies.

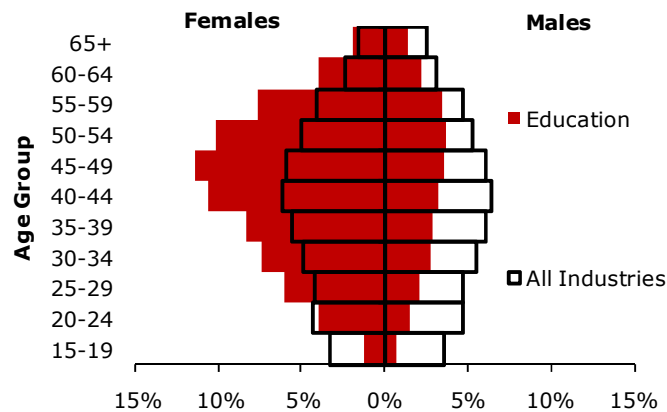
⁴ Primary education enrolment (Years 1 to 8) decreased by 0.2% (1,154 students) to 476,747 students since July 2008 – (Ministry of Education - School Roll Summary Report: July 2009)



Age and gender

The overwhelming majority of employees within the education sector were female, accounting for nearly three quarters (72%) of the total employment within the sector (see Figure 2 below). A large percentage of these female employees also belonged to the 45-49 age group. Nearly half (49%) of all employees in the education sector in 2006 were over 45.

Figure 2: Age and gender profile of education industry employees compared to the working age population, 2006



Source: 2006 Census of Population and Dwellings

Out of the five sectors, the primary school sector had the biggest share of this older workforce with over half (53%) of its workforce aged over 45 years. This compares with 41% for the total New Zealand workforce. On the other hand, the tertiary education sector had a higher proportion of male employees, particularly amongst senior academic staff and senior managers employed in universities.

Given the ageing of the workforce at the primary school level, Government policy will need to ensure that these workers are replaced as they retire. Population projections also indicate a moderate increase in the size of the primary school age population over the next decade. This will put added pressure on the demand for teachers at the primary school level during that time period.

Employment forecasts

The Department of Labour has periodic updates of employment projections for industries and occupations through to 2013. These are based in part on the GDP forecasts for each industry produced by the New Zealand Institute of Economic Research (NZIER). They also take into account recent productivity trends within industries. A degree of uncertainty is attached to these employment projections which are often influenced by changing industry prospects.

Over this period, total employment within the education industry is forecast to decrease slightly. However, as Figure 2 above illustrates, there is still a significant proportion of the workforce in the older age cohorts which will be reaching retirement age in the coming years, needing to be replaced.



Summary

Historically the education industry has been one of the biggest employers in New Zealand. Presently, this industry employs a wide variety of highly skilled workers from pre-school to tertiary level with a trend towards higher level qualifications in all sectors.

Over the coming years, the significant number of workers in the older age groups could lead to a rapid loss of knowledge and skills within the industry as teachers retire. This applies particularly to the primary school sector and senior academic and management level positions in universities. With population projections indicating increases in the size of the primary school age population, there will be added pressure to increase the number of primary school teachers in the future.