



EMPLOYMENT AND SKILLS SNAPSHOT – HEALTH AND COMMUNITY SERVICES

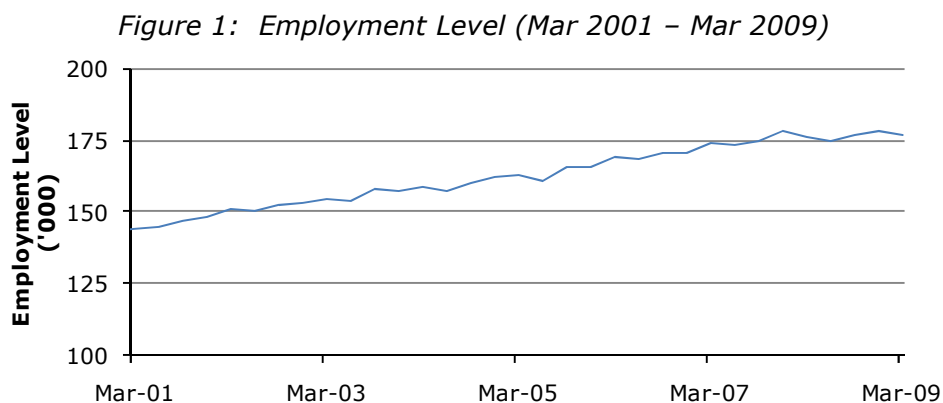
Overview – July 2009

The health and community services industry is a significant employer in New Zealand with 176,800 employees (or 8.1% of the total workforce) as of March 2009¹. Employment in this industry has grown rapidly over the last five years, consistent with strong employment growth experienced throughout the economy. The information below focuses on employment characteristics, trends and prospects in the health and community services industry, highlighting specific sectors where historical employment growth has been the strongest.

The health and community services industry is divided into six sectors which are: hospitals and nursing homes; medical and dental services; other health services; veterinary services; child care services and community care services.

Employment growth

Between March 2004 and March 2009, employment in the health and community services industry showed strong and sustained growth, with employment growing by 18,400 (or 11.6%) to 176,800 (see Figure 1). However, growth slowed considerably in the two years from March 2007 to March 2009.



Source: Department of Labour Employment Estimates

Much of the growth in employment experienced by the industry over the last decade can be attributed to two specific industry groups, namely other health services and community care services. Table 1 shows that between March 2004 and March 2009, employment within the other health services industry group grew by 17% (from 31,400 to 36,700) and similar growth, 16% was experienced by the community care services industry group (from 41,300 to 48,000).

¹ Department of Labour Employment Estimates (DEE) are calculated internally by extrapolating historical trends in employment as well as incorporating Linked Employer-Employee Data (LEED) from Statistics New Zealand.



Table 1: Industry employment by sub-industries, Mar 2009 and employment growth (Mar 2004 – Mar 2009)

Industry	Employment (Mar 09)	Share of industry employment	Employment growth (Mar 04 - Mar 09)
Hospitals and Nursing Homes	58,200	33%	5%
Community Care Services	48,000	27%	16%
Other Health Services	36,700	21%	17%
Medical and Dental Services	21,000	12%	14%
Child Care Services	8,800	5%	13%
Veterinary Services	4,100	2%	20%
Health and Community Services	176,800	-	12%
Total (All Industries)	2,173,300	-	5%

Source: Department of Labour Employment Estimates

By contrast, the largest employment sector, hospitals and nursing homes, grew at a much slower pace, 5%, which was the New Zealand average.

Skills profile

Table 2: Qualifications held by employees within the industry, 2006

Occupation	No Qualification	School Qualification	Vocational	Bachelor Degree or Higher
Nursing and Midwifery Professionals	1%	3%	55%	41%
Personal Care Workers	32%	35%	27%	6%
Health Professionals (except Nursing)	0%	3%	3%	94%
Health Associate Professionals	4%	13%	38%	46%
Social Work Associate Professionals	17%	24%	36%	23%
Health and Community Services	9%	29%	33%	30%
All Occupations in New Zealand	19%	35%	27%	19%

Source: Census of Population and Dwellings, 2006

In general, health and community services workers are highly qualified, with almost one third (30%) of the people employed within the industry holding a bachelors degree or higher qualification. This percentage is much higher than the national average (19%).

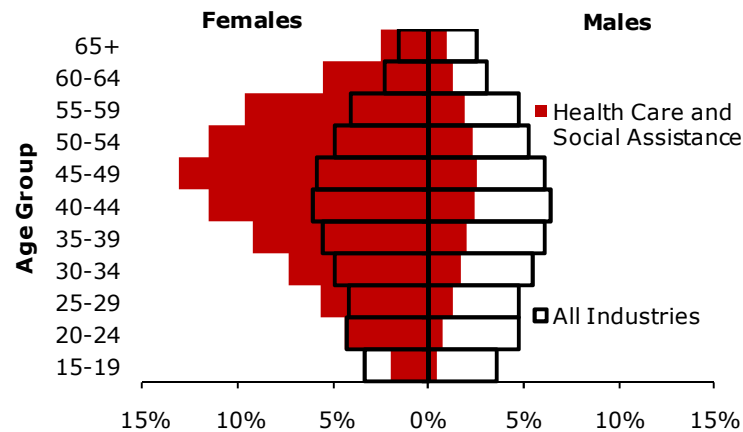
However, there are vast differences in the average qualification levels across occupations. While 94% of health professionals have a bachelor degree or higher, only 6% of personal care workers have this qualification, and two-thirds of personal care workers don't have a post-school qualification.



Age and gender profile

The overwhelming majority of employees within the health and community services industry are females, accounting for over four-fifths (82.5%) of total industry employment (see Figure 3 below). A large percentage of these female employees belong to the 45-49 age group.

Figure 3: Age and gender profile of health and community services industry employees compared to the working age population, 2006



Source: 2006 Census of Population and Dwellings

Forecast employment

The Department of Labour prepares periodic updates of employment projections for industries and occupations for the next five years². These are based in part on the GDP forecasts by industry produced by the New Zealand Institute of Economic Research, but also take into account recent productivity trends within industries. It should be noted that a certain degree of uncertainty is attached to these industry employment projections which can be affected by changes to industry prospects.

In the five years to 2013, employment in the health and community services industry is expected to increase significantly, due in part to demand for aged-caregivers which will increase as the baby boomers enter retirement over the next few years. This compares with flat employment growth forecast for the wider economy.

Summary

Although the current economic recession is placing pressure on the New Zealand economy, population growth and ageing are likely to lead to continued employment growth within the health and community services industry.

² Department of Labour Employment Projections, 2008-2013