What will New Zealand’s future workforce look like, and how will this impact Taranaki businesses

Lindsay Eastgate, MPOWER Coordinator
Lindsay Eastgate
MPOWER Coordinator
Massey University

Email address: L.Eastgate@massey.ac.nz
Overview

• A look at the current trends
  • New Zealand’s labour market
  • specific to the Taranaki Region
• Trends for the future for New Zealand and Taranaki
• Challenges that these trends will create for businesses
• How Taranaki combat these challenges
• Case study
• How MPOWER can help to bridge the gap between research and industry
Gender

Chart 3: Changes in male participation by age, 1989–2009

Chart 5: Changes in female participation by age, 1989–2009

Source: Household Labour Force Survey, Statistics New Zealand
Gender

Breakdown of Industries for Males and Females
Increasing Ethnic Diversity

<table>
<thead>
<tr>
<th>Ethnic group (1)</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>European</td>
<td>2,969,391</td>
<td>74.0</td>
</tr>
<tr>
<td>Māori</td>
<td>598,605</td>
<td>14.9</td>
</tr>
<tr>
<td>Pacific peoples</td>
<td>295,944</td>
<td>7.4</td>
</tr>
<tr>
<td>Asian</td>
<td>471,711</td>
<td>11.8</td>
</tr>
<tr>
<td>Middle Eastern, Latin American, African</td>
<td>46,953</td>
<td>1.2</td>
</tr>
<tr>
<td>Other ethnicity</td>
<td>67,752</td>
<td>1.7</td>
</tr>
</tbody>
</table>

1. People were able to identify with more than one ethnic group and therefore percentages do not add up to 100.

Source: Statistics New Zealand
Increasing Ethnic Diversity

Source: Household Labour Force Survey; December 2013 quarter (February 2014), Statistics New Zealand
Religious Views

- 8.3% decrease in Christians
- 19.2% decrease in Maori Christian religions
- 11.5% increase in Buddhist
- 39.7% increase in Hindu
- 27.9% increase in Islam/Muslim
- 101% increase in Sikh
- 26.1% increase in those with No Religion
Ageing Population

Summary of the older people labour market for the year to March 2013

Working-age population
1,084,500
55 years and over

Labour force
502,600
46.3%

Not in the labour force
581,900
53.7%

Employed
484,500
96.4%

Unemployed
18,100
3.6%
## Ageing Population

### Employment of older workers by industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Mar-13 (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry &amp; Fishing</td>
<td>41.6</td>
</tr>
<tr>
<td>Mining, Electricity, Gas, Water &amp; Waste Services</td>
<td>5.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>51.2</td>
</tr>
<tr>
<td>Construction</td>
<td>32.4</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>19.3</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>38.5</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>13.7</td>
</tr>
<tr>
<td>Transport, Postal and Warehousing</td>
<td>27.7</td>
</tr>
<tr>
<td>Information Media &amp; Telecommunications</td>
<td>6.9</td>
</tr>
<tr>
<td>Financial &amp; Insurance Services</td>
<td>10.4</td>
</tr>
<tr>
<td>Rental, Hiring &amp; Real Estate Services</td>
<td>13.6</td>
</tr>
<tr>
<td>Professional, Scientific &amp; Technical Services</td>
<td>33.2</td>
</tr>
<tr>
<td>Administrative &amp; Support Services</td>
<td>15.7</td>
</tr>
<tr>
<td>Public Administration &amp; Safety</td>
<td>24.4</td>
</tr>
<tr>
<td>Education &amp; Training</td>
<td>55.5</td>
</tr>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>66.3</td>
</tr>
<tr>
<td>Arts &amp; Recreation Services</td>
<td>6.2</td>
</tr>
<tr>
<td>Other Services</td>
<td>20.6</td>
</tr>
<tr>
<td><strong>Total Employed (including Not Specified)</strong></td>
<td><strong>484.5</strong></td>
</tr>
</tbody>
</table>

### Employment of older workers by occupation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Mar-13 (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>96.3</td>
</tr>
<tr>
<td>Professionals</td>
<td>111.9</td>
</tr>
<tr>
<td>Technicians &amp; trades workers</td>
<td>52.2</td>
</tr>
<tr>
<td>Community &amp; personal service workers</td>
<td>40.1</td>
</tr>
<tr>
<td>Clerical &amp; administrative workers</td>
<td>59.7</td>
</tr>
<tr>
<td>Sales workers</td>
<td>36.9</td>
</tr>
<tr>
<td>Machinery operators &amp; drivers</td>
<td>34.9</td>
</tr>
<tr>
<td>Labourers</td>
<td>50.8</td>
</tr>
<tr>
<td><strong>Total Employed</strong></td>
<td><strong>484.5</strong></td>
</tr>
</tbody>
</table>
Family Commitments

Figure 10: Labour force participation rates for mothers with dependant children by household type (not seasonally adjusted).

Source: Household Labour Force Survey: December 2013 quarter (February 2014), Statistics New Zealand
Taranaki Perspective: Current Trends

Industry breakdown for Males and Females in Taranaki
Taranaki Perspective: Current Trends

Changes in Ethnicities between 2006-2013

Taranaki
- 14.89% increase in Maori
- 24.3% increase in Pacific People
- 66.9% increase in Asian
- Middle Eastern, Latin American, African near to doubled
- 166.7% increase in Other Ethnicities

New Zealand
- 5.89% increase in Maori
- 11.3% increase in Pacific People
- 33% increase in Asian
- 35% increase in Middle Eastern, Latin American, African
- 19.7% increase in Other Ethnicities
# Taranaki Perspective: Current Trends

## Changes in Religious Views between 2006-2013

<table>
<thead>
<tr>
<th>Taranaki</th>
<th>New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1% decrease in Christians</td>
<td>8.3% decrease in Christians</td>
</tr>
<tr>
<td>5.8% decrease in Maori Christian religions</td>
<td>19.2% decrease in Maori Christian religions</td>
</tr>
<tr>
<td>26.9% increase in Buddhist</td>
<td>11.5% increase in Buddhist</td>
</tr>
<tr>
<td>85.4% increase in Hindu</td>
<td>39.7% increase in Hindus</td>
</tr>
<tr>
<td>70.13% increase in Islam/Muslim</td>
<td>27.9% increase in Islam/Muslim</td>
</tr>
<tr>
<td>20.8% Judaism/Jewish</td>
<td>101% increase in Sikh</td>
</tr>
<tr>
<td>183.3% increase in Sikh</td>
<td>26.1% increase in those with No Religion</td>
</tr>
<tr>
<td>32.9% increase in people with No religion</td>
<td></td>
</tr>
</tbody>
</table>
Taranaki Perspective: Current Trends

Ageing Population
Future Trends

NZ will continue to grow in ethnic diversity and religious views continue to change
Future Trends for NZ and Taranaki

Women and Men will continue to stay in the workforce for longer and workforce will continue to age

Chart 13: Age distribution for the female working-age population, 1989 compared to 2009 and projection for 2029

Chart 12: Age distribution for the male working-age population in the years 1989, 2009 and 2029 (projection)

Future Trends for NZ and Taranaki

Women and Men will continue to stay in the workforce for longer and workforce will continue to age

Figure 15

Proportion of population aged 65+, by territorial authority area, mid-range projection 2011 and 2031

Source: Statistics New Zealand
So what does this all mean for Businesses?

- Be proactive about hiring and future planning for business needs (Strategic HRM)
- Try and tap into new labour markets
- Utilise older workers/tap into their expertise and knowledge
- Will need to be accepting of cultural and religious differences
- Offer flexible working arrangements
- Offer benefits that suit individual needs
- Promote learning and training
Case Study: South Taranaki District Council

Background Information:

- Employs over 200 staff
- South Taranaki District Council (STDC) serves a population of 26,500 and provides a variety of services and facilities
- The chief executive is responsible for managing the day-to-day operations of just over 200 staff, and the mayor, councillors and community board members have a governance role
Case Study: South Taranaki District Council

Issue at hand:

Redevelopment of the learning and development programme:

The idea was to revisit the existing Toolkit programme (which provides core skills across the whole organisation), add a number of new modules, and better harness the existing pool of talent.

In addition, there was a desire to reduce the cost of using external training providers, and instead have STDC staff act as facilitators so that they could deliver the material themselves.
Case Study: South Taranaki District Council

How was it achieved:

• Strong leadership
• Taking ownership of training
• Leadership training
• Opportunities for transfer, secondment and acting in higher roles
• Flexible work arrangements and job descriptions
• Capturing innovation: ‘Think New Thoughts’
Case Study: South Taranaki District Council

Outcomes:

• Lower staff turnover
• Recognition as a best workplace
Opportunities for the Taranaki Region

Vision: By 2035, Taranaki will be a progressive, growing, westward-looking province, of national significance, renowned for its people, culture, talent, rich natural resources and desirable location.
Opportunities for the Taranaki Region

**TEAM TARANAKI**
Goal: To build partnerships and harness the collective energies and spirit of the Taranaki people and its leaders to benefit Taranaki’s growth.

**GATEWAY TARANAKI**
Goal: To connect Taranaki locally, nationally and internationally, removing the geographic issue of isolation and building on the region’s proximity and access to Australia.

**FOUNDATION TARANAKI**
Goal: To maximise the potential of Taranaki’s core industries by adding value to the region’s traditional sectors and enhancing business capability, innovation, productivity and export development.

**FRONTIER TARANAKI**
Goal: The pursuit of new horizons, industries and projects that foster diversification, growth, and/or perception shifts to enhance Taranaki’s regional development.

**TALENTED TARANAKI**
Goal: To create a regional culture where innovation, talent and lifelong learning are valued and to ensure Taranaki businesses have the skills to support current and future needs.

**DESIRABLE TARANAKI**
Goal: To make Taranaki the preferred place to live, work and visit, in order to achieve the population target of 135,000 by 2035.

Taranaki’s Regional Economic Development Strategy 2010-2035
Opportunities for the Taranaki Region

Competitive advantages relative to New Zealand

• Primary production and processing (especially dairy)
• Oil and gas exploration and extraction
• Manufacturing (engineering)
Opportunities for the Taranaki Region

- Partnerships with organisations
- Attract young talent
- Retain existing knowledge and skills
- Create development opportunities
- Internships and exchanges with businesses in areas that are important to Taranaki

Contact Massey’s Business Development Manager for Taranaki Eve Kawana-Brown at E.Kawana-Brown@massey.ac.nz or 06 759 5162
MPOWER is the new Massey People, Organisation, Work and Employment Research hub. It’s a cross-campus, cross-college and cross-institution initiative.

MPOWER aims to enhance engagement and research connections with relevant industry; and

MPOWER is backed by a Massey University Strategic Innovation Fund, the hub has also been endorsed by College of Business Pro-Vice Chancellor and the Assistant-Vice Chancellor of People and Organisational Development at Massey.
How can MPOWER help?

Core research themes of MPOWER

- human resource management (HRM)
- employment relations (ER)
- people management and performance
- equality, culture and diversity
- employee engagement, health and well-being
How can MPOWER help?

Current/Past Research Projects:

• Living Wage
• Partnership with Clarian
• Veterinary Study
• ILO research on Australian Seasonal Worker Program (SWP) in Papua New Guinea’s (PNG)
How can MPOWER help?

More Information Please!

MPOWER Website:  
http://www.massey.ac.nz/massey/learning/colleges/college-business/research/mpower

MPOWER LinkedIn Group

MPOWER Quarterly Newsletter

MPOWER Mailing List
How can MPOWER help?

Contact Us:

Co-Directors:
Jane Parker (J.Parker@massey.ac.nz) and Jim Arrowsmith (J.Arrowsmith@massey.ac.nz)

MPOWER Coordinator:
Lindsay Eastgate (MPOWER@massey.co.nz)
Questions?