

# Drivers of New Zealand's Workforce Issues<sup>1</sup>

## **Ageing effect**

The ageing effect is due to population fertility below replacement rates, increased longevity and ageing of the baby boom generation. The ratio of the population aged 65+ to the population aged 20-64 is likely to grow from 23% in 2006 to 50% by 2050. A slow down in labour force growth is forecast due to population ageing. Key influences on productivity of individuals and firms include technological advances, improving the quality of labour, management practices and work arrangements. Around 80% of the current workforce will still be in the workforce in 2020, so it will be important to raise the skills of people currently in work.

## **Māori**

The proportion of Māori is expected to grow because of higher fertility rates and the population is younger. The Māori population rose from 12.9% in 1991 to 14% in 2001 and is projected to grow by 16% by 2021. The transfer of assets for Treaty of Waitangi settlements, increasing productive capacity and successful Māori businesses and investments offer new market opportunities. Many older Māori workers who trained in a trade have become valued employees, business owners and community leaders. Māori women's and men's lives, experiences, needs, issues and priorities are different and different strategies may be needed to enhance business performance.

## **Women in Trades**

Recent and pervasive skills shortages in traditionally male industry areas have renewed calls to attract skilled workers and have possibly made employers more open to female workers. In 2006 women represent only 29% of all industry trainees and 8.7% of 9,466 Modern Apprentices. Family relationships and activities, media and marketing, peers, schooling and perceptions of trade training and work all affect women's career choices. Multiple approaches are needed to achieve change for women in trades.

## **Pacific Peoples**

The proportion of Pacific peoples is expected to grow because of higher fertility rates and the population is younger. The Pacific population rose from 4.9% in 1991 to 6% in 2001 and continues to rise. Pacific countries, our close neighbours, provide an accessible pool of skilled workers with long-standing ties to New Zealand. Literacy and numeracy programmes for Pacific recruits would help improve workplace performance and occupational health and safety, as well as achieve better settlement outcomes.

## **Skilled Migrants**

New Zealand is becoming more ethnically diverse, with increasing numbers of Asian and other ethnic groups. Demographic changes in developed and developing economies will intensify the international competition for skilled migrants. The trans-Tasman labour market is likely to become an even more important influence on our ability to increase and increase the quality and supply of skilled people. Tailored induction, active support for qualification recognition/ registration, pay transparency, discrimination mitigation strategies and ongoing support outside the workplace, particularly for vulnerable non-English speaking workers and their families.

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<sup>1</sup> Department of Labour, 2008, "Workforce 2020. Forces for Change in the Future Labour Market of New Zealand," Wellington.