

Pacific Progress

A report on the economic status of Pacific Peoples in New Zealand

Summary version

Introduction

Pacific peoples in New Zealand make up a rapidly growing, diverse and changing population. Today's Pacific people are predominantly young and highly urbanised, and most were born in New Zealand. They come from many different Pacific ethnic groups and occupy a range of social and economic positions.

Pacific people have historically faced many economic difficulties in this country, being over-represented among the unemployed, lower-skilled workers and low-income earners. However, recently there have been signs of improvement in the economic position of Pacific peoples, particularly for many younger, New Zealand-born people.

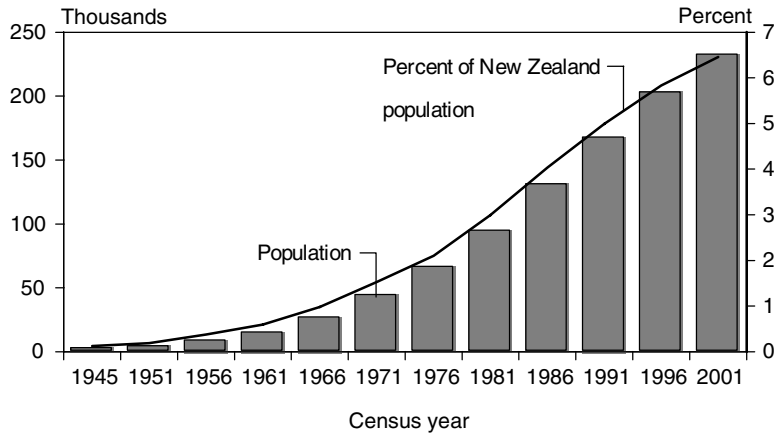
Pacific Progress uses census data and other statistics to look at the social and economic situation of Pacific peoples in New Zealand, focussing mainly on their economic position. It charts the improvements in their situation but also reveals continuing economic disparities between Pacific peoples and others which represent important challenges for Pacific communities and policy makers.

Demography and social background

The Pacific population in New Zealand has grown very rapidly in recent decades. It has a much younger age profile than the total New Zealand population and increasing proportions have been born in this country.

- The Pacific population in New Zealand grew from just 2,200 people to almost 232,000 between 1945 and 2001 and now makes up 6.5 percent of the total population.
- The Samoan ethnic group is the largest Pacific ethnic group in New Zealand, numbering 115,000 in 2001 and making up half the Pacific population. Cook Islands people make up the next largest group, numbering 52,500, followed by Tongans (40,700), Niueans (20,100), Fijians (7,000) and Tokelauans (6,200).
- Over half (58 percent) of Pacific people living in New Zealand in 2001 were born in New Zealand. Cook Islands people and Niueans were the most likely to have been born in New Zealand (70 percent).
- Pacific peoples have a much younger age structure than the total population, with a median age of just 21 years in 2001 compared with 35 years for the total population (the median is the middle figure when the population is ranked from youngest to oldest). The median age of New Zealand born Pacific people is just 12 years, compared with 37 years for the overseas-born.

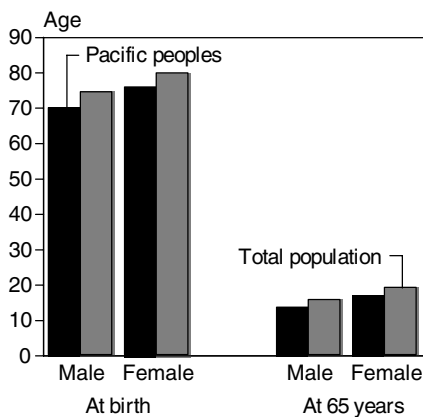
Growth of Pacific Population in New Zealand, 1945–2001



Pacific peoples still experience lower life expectancy and higher rates of mortality than the total population.

- Pacific females have a life expectancy at birth of 76 years, while Pacific males have a life expectancy of 70 years. These are both around four years lower than the figures for the total population.
- Age specific mortality rates among the Pacific population are generally higher than for the total population, particularly in the youngest and older age groups. In 2000, Pacific people in the 45–64 age group died at a rate of 8.9 per 1,000, compared with a rate of 4.9 in the total population.

Life Expectancy at Birth and Age 65 Years, for Pacific and Total Populations, 1995–97



The central role of the family in the Pacific community is reflected in the high proportion of Pacific peoples who live in a family situation.

- In 2001, 82 percent of Pacific people were living in a family situation compared with 77 percent of the total New Zealand population.
- Twenty-nine percent of the Pacific population was living in an extended family in 2001, whereas for the national population the proportion was 8 percent.
- The average number of usual occupants for all households in which Pacific people were living in 2001 was 5.4 compared with 3.5 for New Zealand as a whole.

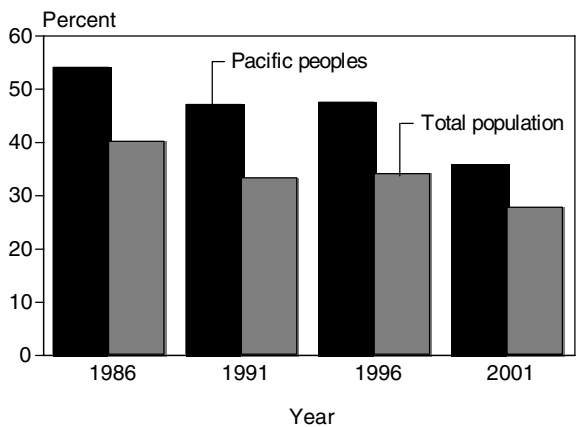
Pacific people experience higher rates of conviction and prosecution than the total population, particularly in the younger age groups.

- Rates of conviction are higher among the Pacific population than among the total population regardless of age. Those with the highest rates are 17-19 year-olds, with 843 convictions per 10,000 Pacific people, compared with 698 per 10,000 in the total population.
- Pacific people accounted for 14.6 percent of convictions for violence in 2000. However, they were under-represented among convictions for drug offences, making up just 3.6 percent of convicted drug offenders in 2000.

Pacific people are spending longer in formal education and attaining more qualifications than in the past. However, they still tend to have fewer formal qualifications than the total population.

- Pacific children tend to stay at school longer than others, with 64 percent of Pacific 14 year olds staying at school until age 17 in 2001. However, they tend to leave school with lower qualifications than others, with 26 percent leaving school with no qualifications in 2001.
- The number of Pacific people in tertiary education increased from 3,300 to 12,400 between 1990 and 2001. They now make up 4.4 percent of all tertiary enrolments but their participation rates are lower than those of the total population (15 percent compared with 32 percent in the 18–24 age group).
- The proportion of Pacific people with no qualifications fell from 54 percent to 36 percent between 1986 and 2001.

Proportion of Pacific and Total Adults with No Qualifications, 1986–2001



Pacific people are more likely than others to spend time on some types of unpaid work in the household.

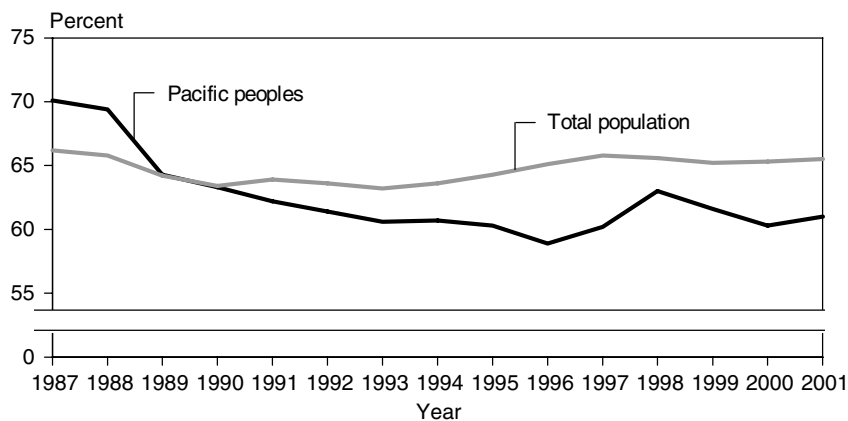
- In 2001, 38 percent of Pacific adults stated they were involved in looking after a child in their household, compared with 30 percent of all New Zealand adults.
- A greater proportion of Pacific adults spent time looking after an ill or disabled member of their household, with 12 percent doing so in 2001, compared with 7 percent of adults among the national population.

Employment

Labour force participation and employment rates among Pacific people fell markedly as a result of economic restructuring and job losses in the 1980s and early 1990s but more recently there has been some recovery.

- Pacific peoples' labour force participation rate fell from 70 percent to 59 percent between 1987 and 1996. It has since recovered slightly to 61 percent, but this is below the national rate of 66 percent.
- Pacific peoples' labour force participation rate is lower than that of the total population at all ages and for both sexes. The difference is smallest at the ages of 20-24 and greatest at the ages approaching retirement. In the 60–64 age group, participation rates were 45 percent for Pacific males and 29 percent for Pacific females, compared with 65 percent for all males and 42 percent for all females.
- Pacific people who were born in New Zealand have higher rates of labour force participation than overseas-born Pacific people of similar ages. Overall, New Zealand-born males had a participation rate of 74 percent compared with 70 percent for overseas-born males, while New Zealand-born females had a participation rate of 66 percent compared to 55 percent for overseas-born females.
- The proportion of Pacific adults who were gainfully employed fell from 62 percent to 43 percent between 1986 and 1991. It has since recovered to 55 percent but remains lower than the national rate of 62 percent.
- Between 1991 and 2001 the employment rates of both Pacific males and females increased at all ages. Men's employment rates are still below those of 1986 but women's rates are now similar to, and at some ages higher than, those of 1986. Between the ages of 55 and 64, women's employment rates increased by 11 percentage points between 1986 and 2001.

Labour Force Participation Rates, for Pacific and Total Populations, 1987–2001

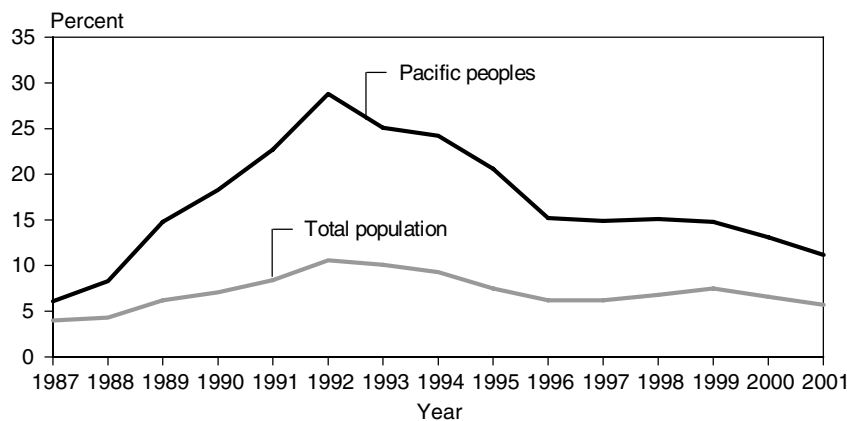


Unemployment among Pacific peoples increased sharply in the late 1980s and early 1990s but has decreased considerably since then. However, unemployment is still higher among Pacific peoples than among the total population.

- Pacific unemployment increased from 6.1 percent in 1987 to a peak of 28.8 percent in 1992 but has since fallen to 11.2 percent. This is nearly twice as high as the total unemployment rate of 5.7 percent.
- Unemployment is particularly high among young Pacific people, at 36.7 percent for 15-19 year olds and 21.5 percent for 20-24 year olds in 2001.

- Pacific people born in New Zealand are less likely to be unemployed than overseas-born Pacific people of similar age, and unemployment rates for the overseas-born decline markedly the longer they have been living in New Zealand.
- Pacific people with educational qualifications are less likely to be unemployed than those without qualifications. Those with university degrees have the lowest unemployment rate at 7.4 percent, although this is higher than the national rate for people with degrees (4.1 percent).

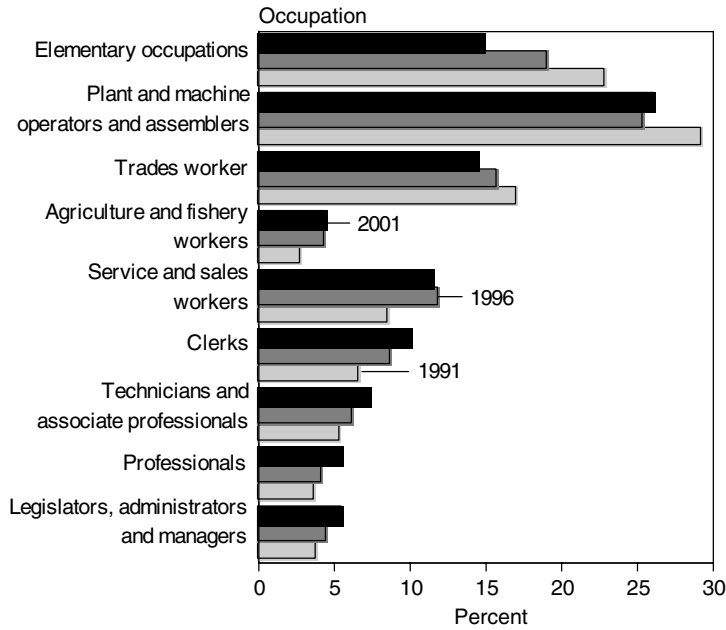
Unemployment Rates, for Pacific and Total Populations, 1987–2001



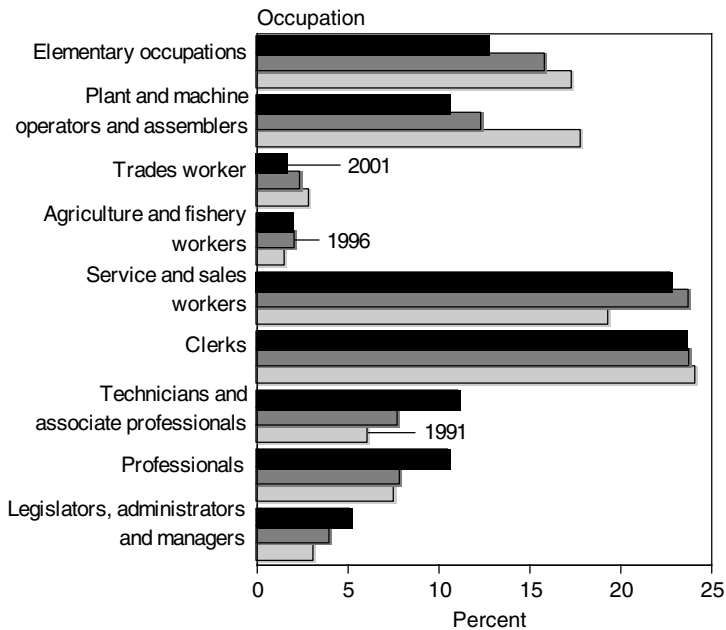
Although Pacific workers have traditionally been concentrated in blue-collar occupations, this pattern is changing, with increasing proportions moving into white-collar occupations, particularly younger New Zealand-born people.

- The largest occupational categories for Pacific males are plant and machine operators and assemblers (25 percent) and elementary occupations (15 percent), while the most common categories for Pacific females are clerical (24 percent) and service and sales (23 percent).
- The proportion of Pacific workers employed in elementary occupations and as plant and machine operators and assemblers has been declining over recent censuses, while the proportion in white-collar occupations has increased.
- The higher the qualifications Pacific people have, the more likely they are to be in professional or legislative, administrative and managerial jobs. Fifty percent of Pacific people with degrees have professional occupations, similar to the national figure of 51 percent. Eleven percent of Pacific people with degrees have legislative, administrative and managerial occupations, compared with 17 percent of all people with degrees.
- Almost half of young Pacific people aged 15-24 work in service and sales or clerical occupations, with relatively few working in plant and machine operating and assembly, which is the most common category for Pacific people aged 35 and over.
- New Zealand-born Pacific people are less likely than the overseas-born to work as plant and machine operators and assemblers or in elementary occupations and more likely to be in all types of white-collar work.

Occupation for Pacific Males, 1991–2001



Occupation for Pacific Females, 1991–2001

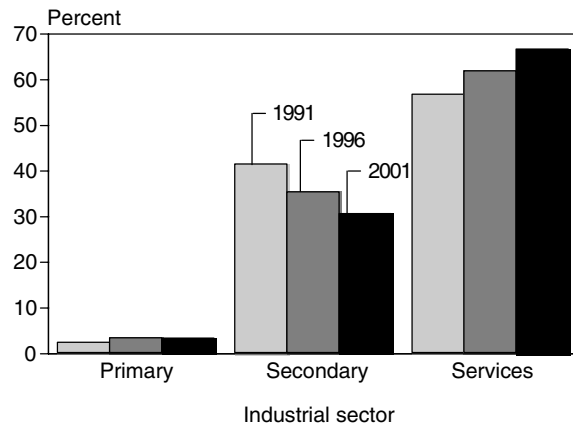


The industrial distribution of Pacific workers is also changing, with increasing proportions working in service industries, which employ the majority of Pacific workers, and fewer working in secondary industries.

- In 2001, 66 percent of Pacific people worked in service industries compared with 30 percent in secondary industries.
- Manufacturing is the most common industry group for Pacific workers, employing 33 percent of men and 17 percent of women.

- Overseas-born Pacific people are twice as likely as the New Zealand-born to work in manufacturing and less likely to work in most service industries.
- Younger Pacific people are less likely than older Pacific people to work in manufacturing, with relatively high proportions working in the retail trade and accommodation, cafés and restaurants.

Employment by Industrial Sector for Pacific People, 1991–2001



Pacific people are more likely to run their own businesses than in the past, with increasing proportions being employers or self-employed – although the proportions are still relatively small.

- In 2001, 1.9 percent of Pacific people in the paid workforce employed others, while 4.4 percent were self-employed without employees. However, the proportion of Pacific employers was just one-fifth that of the national figure, while the proportion of self-employed people was just over one-third of the national figure.
- Pacific employers and self-employed people are predominantly male, more likely to be in the older age groups and more likely than paid employees to have tertiary qualifications.

Proportion of Employed Pacific People Who are Employers or Self-employed, 1986–2001

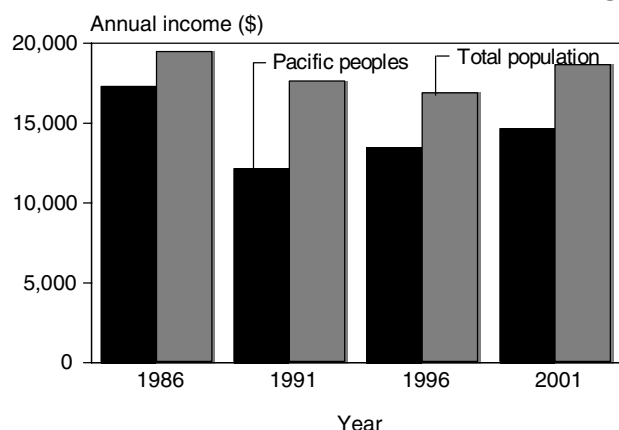


Income

The annual personal income levels of Pacific peoples have continued to recover from the effects of the economic recession at the beginning of the 1990s. However, in real terms, the median annual income of Pacific peoples in 2001 was still below that of 1986.

- The real median annual income of Pacific people aged 15 years and over increased from \$13,400 in 1996 to \$14,600 in 2001. This is a recovery from the low of \$12,100 in 1991, yet still below the 1986 median of \$17,200.
- The ratio of Pacific median annual income to national median annual income was lower in 2001 (78 percent) than in 1986 (89 percent).
- Sixty-one percent of the Pacific population received less than \$20,000 in 2001 compared with 53 percent of the national population.
- Seven percent of Pacific people received over \$40,000 in 2001 compared with 18 percent of the national population.
- Pacific people born in New Zealand had a higher median annual income in 2001 (\$15,600) than those born overseas (\$14,400).

Real Median Annual Income, 1986–2001 (Age Standardised)

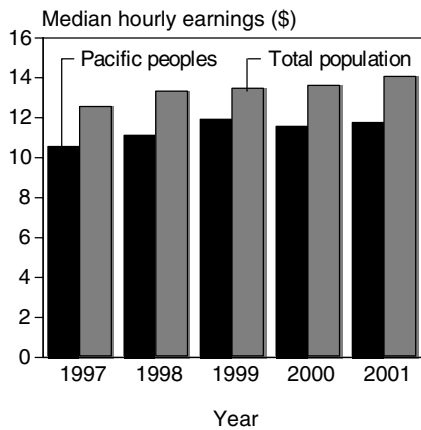


Wages and salaries are the primary source of income for both the Pacific and the national population. The median hourly wage and salary earnings of Pacific people have remained at a constant level, relative to the national population between 1997 and 2001.

- One in every two Pacific people with income received earnings from wages and salaries, the same proportion as the total New Zealand population.
- The median hourly wage and salary earnings of Pacific people increased from \$10.50 in 1997 to \$11.70 in 2001. The median hourly wage and salary earnings of the national population also increased over the period from \$12.50 to \$14.00.
- In 2001, 69 percent of Pacific people earning wages and salaries received less than the national median of \$14.00. The younger age structure of the Pacific population is a contributing factor as young people tend to have lower incomes.

- In 2001, the median hourly earnings for Pacific women was \$11.20, equating to 93 percent of the median of \$12.00 for Pacific men.
- In 2001, the median hourly wage and salary earnings of Pacific people in blue collar occupations (\$11.50) was 91 percent of the national median for blue collar occupations (\$12.60). Pacific people in white collar occupations (\$12.00) had a median hourly rate equivalent to 80 percent of the national median hourly rate for white collar occupations (\$15.00).

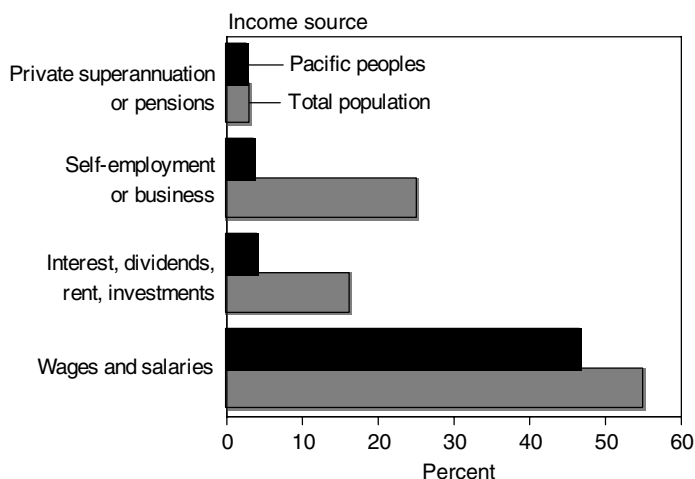
Median Hourly Earnings from Wages and Salaries of the Pacific and Total Populations, 1997–2001



Pacific people are less likely than the national population to receive income from self-employment or investments and more likely to receive income from government sources.

- In 2001, 4 percent of Pacific people and 16 percent of the national population received income from self-employment or their own business.
- Income from interest, rent or investments was less common among the Pacific population (4 percent) than the national population (25 percent) in 2001.
- In 2001, 9 percent of Pacific adults received the community wage-job seeker benefit and 6 percent received the domestics purposes benefit at some stage during the previous 12 months. Among the total New Zealand population, the equivalent proportion was 6 percent and 4 percent respectively.
- The overseas born Pacific population was less likely than the New Zealand-born Pacific population to receive income from government sources such as the community wage-job seeker benefit and the domestic purposes benefit.

Proportion of the Pacific and Total Populations Who Received Income from Market Sources, 2001 (Age Standardised)

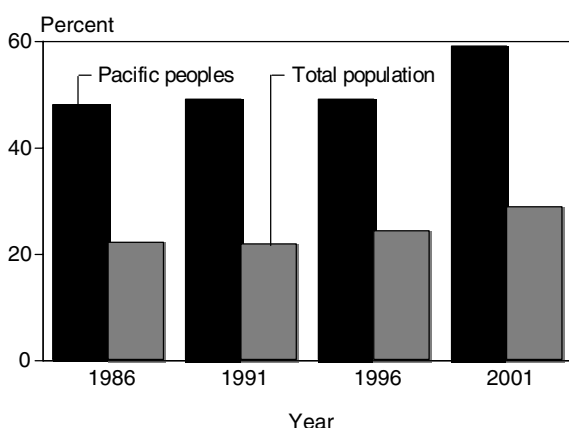


Housing

Following a national trend away from home ownership, the proportion of Pacific people living in housing owned by a member of their household has decreased, while the proportion living in rental accommodation has increased.

- The proportion of Pacific people living in housing owned by a member of their household has decreased from 51 percent in 1986 to 38 percent in 2001.
- The proportion of Pacific people living in rental housing increased from 49 percent in 1996 to 59 percent in 2001. Nationally, the proportion rose from 22 percent in 1996 to 29 percent in 2001
- Thirty-one percent of overseas-born Pacific people owned their own home in 2001 compared with 19 percent among the much younger New Zealand-born population.

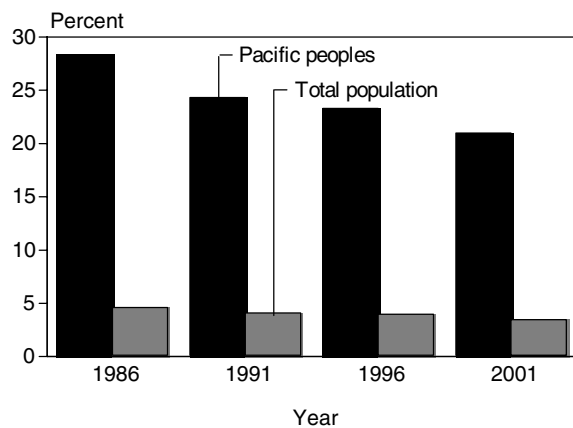
Proportion of the Pacific and Total Populations Living in Rented Dwellings, 1986–2001



Pacific people tend to have higher bedroom occupancy rates than the national population, although the proportion living in dwellings with more than two occupants per bedroom has been declining since 1986. The objective of measuring bedroom occupancy is not to label households as overcrowded but to provide an indication of the proportions of people who may experience crowded conditions.

- In 2001, 21 percent of Pacific people were living in dwellings with more than two occupants per bedroom, a decrease of 7 percentage points since 1986. In comparison, 3 percent of the national population were living in this situation in 2001.
- The proportion of Pacific people in the Auckland region who were living in dwellings with more than two occupants per bedroom declined from 33 percent in 1986 to 25 percent in 2001. For Pacific people living elsewhere in New Zealand, the equivalent proportion in 2001 was 13 percent.
- In 2001, 40 percent of Pacific people who had been in New Zealand for one year or less were living in dwellings with more than two occupants per bedroom. Among those who had been in New Zealand between 2 and 10 years the proportion was 31 percent, decreasing further to 18 percent for overseas-born Pacific people who had lived in New Zealand for more than 10 years.

Proportion of the Pacific and Total Populations Living in Dwellings with More than Two Occupants per Bedroom, 1986–2001



Pacific people are less likely than the national population to live in households that have access to amenities such as a motor vehicle, a telephone or the Internet. New Zealand-born Pacific people have slightly higher levels of access than the overseas-born Pacific population.

- Although the proportion of Pacific people living in households with access to a motor vehicle has increased from 74 percent in 1986 to 86 percent in 2001, it remained lower than the national level of 93 percent.
- In 2001, 82 percent of Pacific people and 95 percent of the national population were living in a household with access to a telephone. New Zealand-born Pacific people were more likely to have household access to a telephone than overseas-born Pacific people (84 and 80 percent respectively).
- Nineteen percent of Pacific people were living in households with access to the Internet in 2001, whereas for the national population the equivalent proportion was 42 percent. New Zealand-born Pacific people were more likely to have household access to the Internet than overseas-born Pacific people (22 and 16 percent respectively).

Conclusion

Recent years have seen positive trends among Pacific peoples including increasing levels of formal education, lower rates of unemployment, trends away from traditional blue-collar jobs in secondary industries and increasing representation in white-collar jobs in the growing service industries, greater levels of self-employment, increasing levels of real personal and household incomes, less crowded living conditions and greater access to motor vehicles. These trends have generally been more evident among younger Pacific people and those who were born in New Zealand.

In the future, the Pacific population will continue to grow rapidly, perhaps to around 373,000 people or 8.3 percent of the population by 2021, and to around 599,000 people or 12.1 percent of the population by 2051. Pacific people will also come to make up a far greater proportion of the working age population, perhaps more than doubling from 6 percent of 15-64 year olds in 2001 to 13 percent in 2051.

Given these trends, the social and economic position of Pacific peoples will be of increasing significance to New Zealand as a whole. If the positive trends identified in this report are built on in the future and the current disparities are addressed, Pacific people will be in a better position to take advantage of the opportunities and challenges ahead and New Zealand as a whole will benefit.