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Maori Information

The New Economy

NEW ZEALAND

Planning
Council

*Te Kaunihera Whakakaupapa
Mo Aotearoa*

NZPC

Maori Information Papers -
Paper 3: The New Economy

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This paper is drawn from information contained in the following Planning Council publications:

Prospects: Economic and Sectoral Trends to 1997

Implications for Maori Development (a paper based on *Prospects*)

Employment: Trends and Prospects (awaiting publication)

Tomorrow's Skills

Introduction

Getting paid for working is the main way people can support themselves. This is even more true for Maori than it is for Pakeha, since Pakeha are more likely than Maori to be employers or to have investments.

Changes in the economy lead to changes in the pattern of work. Which ever type of change this is, it will be necessary for people to learn new skills in order to do the work that is available.

As everyone knows, economic change has been extremely rapid over the last decade and this is likely to continue. In today's economy, only the fit will survive. The government has decided that it will no longer protect industries and jobs that can't keep up.

Adapt or die: that's the message coming through loud and clear. This booklet paints a broad picture of the economic change that has occurred and the effects it has had on jobs and skills, particularly as they apply to Maori people. We also identify some of the jobs and skills required for the future.

Setting the scene

Industries

An economy, broadly speaking, can be divided into three groups of industries, commonly called *sectors*. These are: the primary sector; the manufacturing sector; and the services sector.

On the opposite page you can see examples of the kinds of industries that come under each sector.

Briefly, **primary industries** are concerned with *growing* and *harvesting*: e.g. raising sheep, cutting trees, catching fish, extracting minerals. **Manufacturing industries** (sometimes called secondary industries) are to do with *processing* these primary products: turning wool into carpet, logs into paper, etc. And **service industries** (sometimes called tertiary industries) largely involve the *distribution* of those manufactured items: marketing, transport, selling, banking, and so on.

Occupations

Again broadly speaking, occupations can be divided into two categories: **manual** and **non-manual**. That is, those in which people work mainly with their hands, and those in which a greater degree of thinking is required.

On the opposite page are listed examples of occupations that fall — not always neatly — into each category.

Most **manual workers** are employed in the *primary* and *manufacturing sectors* — farmers, miners, factory workers — while **non-manual workers** tend to be employed in the *services sector* — salespeople, journalists, for example.

With all this in mind, let's look at the pattern of employment in the three sectors over the last century.

Industries

Primary

farming
logging
fishing
mining

Manufacturing

food processing
textiles
wood and wood products
pulp and paper
chemicals
ceramics
base metals
fabricated metals
other manufacturing

Services

electricity, gas, water
construction
trade, restaurants, hotels
transport
communications
finance, insurance, business services
community and personal services

Occupations

Manual

plumbers
drivers
painters
factory
workers
labourers
miners
carpenters
farmers

Non-manual

salespeople
scientists
cooks
clerical
workers
hairdressers
economists
journalists
nurses
photographers
teachers

The growth of the services sector

The graph opposite shows very clearly the economic changes that have occurred during this century.

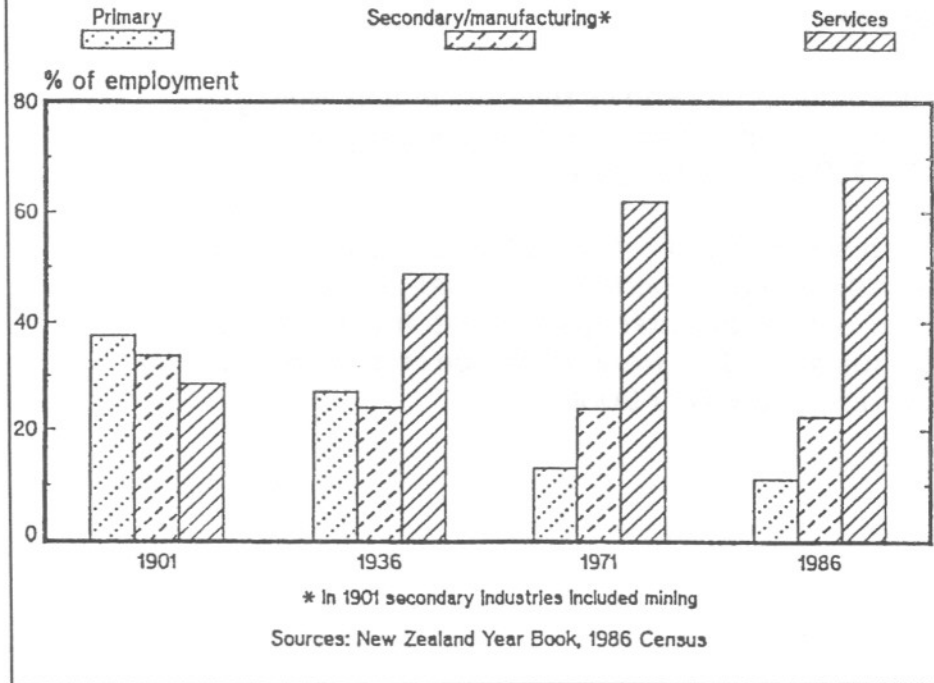
You can see that in 1901 employment was spread fairly evenly across the three sectors. But since then the services sector, from employing the least people, has leapt ahead to be far and away the biggest employer in 1986. At nearly 70%, it has doubled its share of employment since 1901.

The primary sector, on the other hand, has declined from nearly a 40% share of employment to little more than 10% — from the largest share to the smallest. Manufacturing has also declined but more gradually.

There are many reasons why this has happened. In part, it is due to New Zealand's role changing: we can no longer be described, as we once were, as "Britain's farm". Britain looks more to Europe now.

Another major reason is the growth of technology. Much manual labour, which is concentrated in the primary and manufacturing sectors, is now being done by machines. Whereas the business of inventing and marketing these machines, and keeping them running, falls into the services sector. These activities employ a great number of people.

Employment by Sector - Selected Years



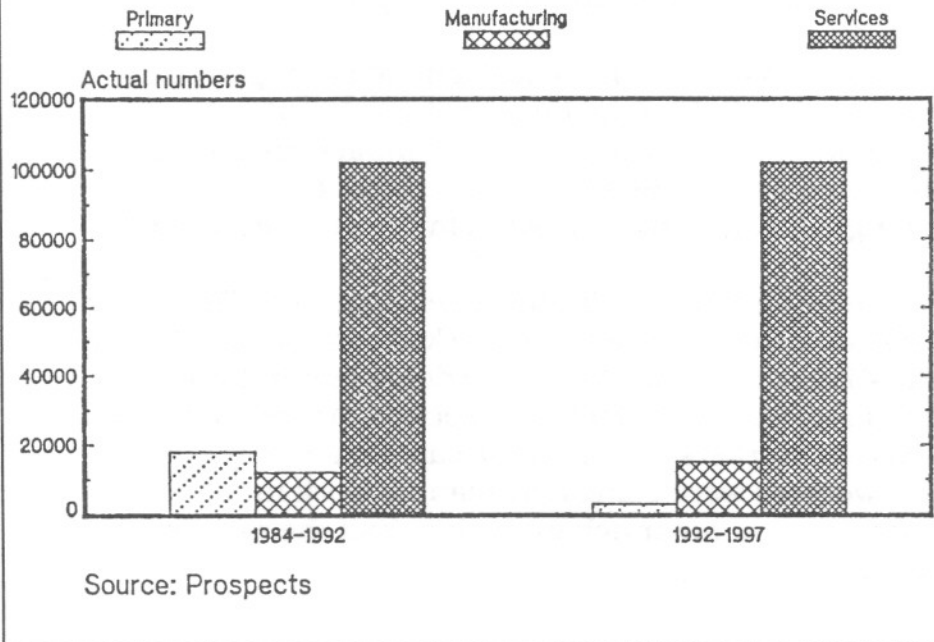
Future trends

The swing of employment to the services sector appears certain to continue.

The graph opposite shows the *anticipated* growth in employment for each of the three sectors for the periods 1984-1992 and 1992-1997.

You can see that some growth is expected in all three sectors during both periods, but that growth in the services sector far outstrips the rest. It is likely that three-quarters of all workers will be employed in service industries by the year 2000.

Growth in Employment by Sector All ethnic groups



The significance for Maori

What has all this got to do with Maori people?

The simple answer is that Maori tend to be employed in the industries and occupations that are **dying** — i.e. manual work in the primary and manufacturing sectors — rather than in the industries and occupations that are **growing** — i.e. non-manual work in the services sector.

This can be clearly seen in the tables opposite. (The significant numbers are those marked with an asterisk.) In 1986, 47% of Maori workers were doing manual work in the primary and manufacturing sectors, double the figure for Pakeha workers (23%). At the same time, only 32% of Maori workers were doing non-manual work in the services sector, not much more than half the rate for Pakeha.

Pakeha Employment Pattern 1986

Occupations	Industries		
	Primary and Manufacturing	Services	All
Manual	23%*	11%	34%
Non-Manual	11%	56%*	66%
All	34%	66%	100%

Maori Employment Pattern 1986

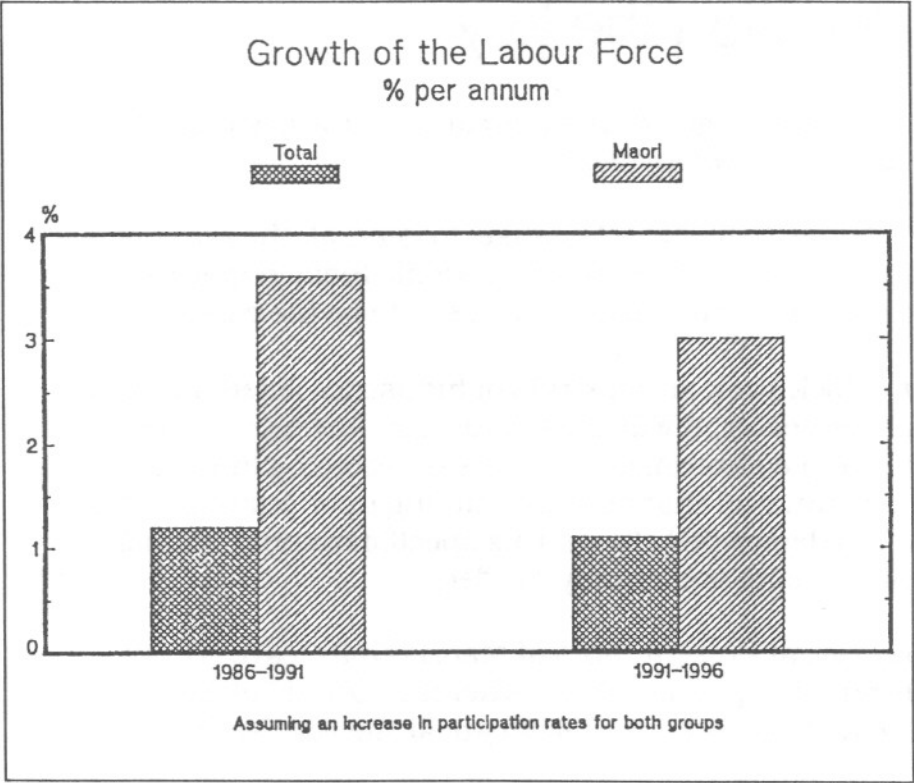
Occupations	Industries		
	Primary and Manufacturing	Services	All
Manual	47%*	15%	61%
Non-Manual	7%	32%*	39%
All	53%	47%	100%

A further emphasis

The figure opposite reminds us that the Maori population is growing more rapidly than the Pakeha population. Consequently, the number of Maori wanting work is increasing.

This further emphasises the need for Maori to recognise the areas of employment that are going to be most in demand in the future, and to prepare themselves to meet that demand.

We discuss these important issues further on the next page.



Education the key

It is generally agreed that education is the key to getting prepared for employment.

This is particularly so because, in general, the areas of employment available to most people today require a higher level of education than used to be the case.

If you look back at the kinds of industries listed under the services sector, it will be obvious that having number skills and communication skills is becoming increasingly important, and that specific training upon leaving school is often demanded. To get this specific training, school qualifications are usually needed.

However, at present, 55% of Maori pupils leave school without any qualifications, whereas 50% of Pakeha pupils leave with Sixth Form Certificate at the very least.

Occupations in demand

On the opposite page are listed the fastest-growing occupations over the ten years between 1976 and 1986. It will be clear that most of these require a high level of education and training.

General skills in demand

Also listed opposite are some of the general skills that are increasingly needed in the modern world.

Fastest Growing Jobs 1976-1986

Statisticians, systems analysts	+125%
Professional, technical	+108%
Economists	+106%
Government administrators	+104%
Broadcasting	+91%
Managers	+78%
Clerical supervisors	+76%
Working proprietors	+67%
Jurists	+55%
Authors and journalists	+47%
Artists and photographers	+51%
All occupations	+10%

Types of Generic Skills for the New Economy

Ability to continue learning/adapting throughout life
Communication/interpersonal skills
Information skills
Business/managerial skills
Technology/computer skills
Language skills
Thinking/creative/problem solving
Number skills

Implications

More than ever it is vitally important that:

- Maori communities be involved with school boards of trustees and with the curriculum of their schools
- that they monitor their children's progress — instead of leaving it to someone else or to chance
- that Maori parents be involved in the full development of their children — spiritually, emotionally, culturally, mentally and physically.

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