

Analysing systemic barriers to employment for groups at-risk of underutilisation

Otago Regional Skills Leadership Group | Southland Murihiku Regional Skills Leadership Group

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Context

The Otago Regional Skills Leadership Group and Southland Murihiku Regional Skills Leadership Group have been investigating underutilisation within their regions to seek out 'untapped potential' within their respective labour markets.

Underutilisation is a technical measure of the labour market capturing the proportion of the population that are not fully utilised within the labour force. It is defined as:

The sum of those unemployed, underemployed, who are not actively seeking but are available and wanting a job and people who are actively seeking but not currently available, but will be available to work in the next four weeks.

Underutilisation is a broader measure of labour market slack, measuring **part-time** workers who want more hours, and people who don't meet the general definition of unemployed (e.g., if they want a job but aren't available right now).

Who is Underutilised?

There are three measures that make up the total Underutilised group within the labour market. These are explained in the diagram below:

Diagram 1: Underutilisation (standard concept)

| UNEMPLOYED | All people in the working-age population who were without a paid job, available for work, and had either actively sought work in the past four weeks ending with the reference week, or had a new job to start within the next four weeks. |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| UNDEREMPLOYED | People who are in part-time employment who would like to, and are available to, work more hours. Underemployed workers are unsatisfied with their level of participation. |
| POTENTIAL LABOUR FORCE | Those 'just outside' of labour market, meeting two of the three criteria needed to be considered unemployed: |
| | UNAVAILABLE JOBSEEKERS – People who were actively seeking work, were not available to have started work in the reference week, but would become available within a short subsequent period. |
| UNDERUTILISED | AVAILABLE POTENTIAL JOBSEEKERS – People who are not actively seeking work but were available in the reference week and want a job. |

Untapped Potential

The Regional Workforce Plan Report: Underutilisation and underemployment in Murihiku (December 2022) explored this concept in greater detail¹. This report, however, introduces the concept of 'Untapped Potential' as the fourth cohort of the labour market that contributes to the wider underutilisation measure.

The technical definition of underutilisation, as defined by StatsNZ, does **not** include:

- People who are working full time (i.e. 30+ hours) but would like to work more hours.
- People that would like to work all year round (i.e. seasonal workers across multiple seasons)
- People that would like to work the same number of hours but get paid more (i.e. upskilled)
- People that are working below their skill level (i.e. skills mismatch).

Regional Workforce Plan Report: Underutilisation and underemployment in Murihiku (December 2022)

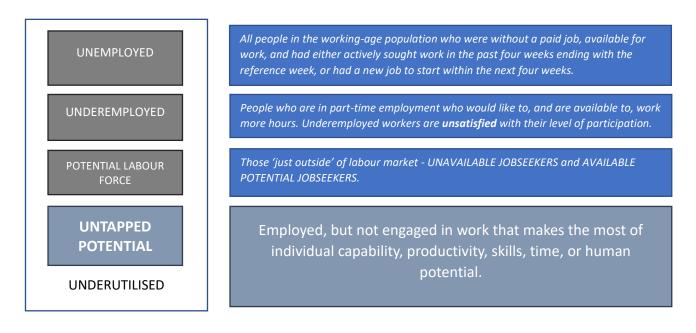
¹ This work sits within a series of research pieces, including:

Analysing systemic barriers to employment for groups at-risk of underutilisation (current work)

Potential Unleashed: actions to improve skills mismatch, underutilisation, and underemployment in Otago and Murihiku (future work).

It could be argued that these exclusions *are* forms of underutilisation within the labour market, given there is potential for greater employment opportunities within these groups – or untapped potential. This is explained in the diagram below:

Diagram 2: Underutilisation expanded.



Skills mismatch

Skills mismatch is defined by Stats NZ as a situation in which a worker's skills do not match the skills requirements of their job. Skills are generally defined as the qualifications, education, experiences, personal attributes (soft skills), and other talents a person brings to the job.

The Household Labour Force Survey has measures applied to determine skills mismatch; however, these measures have both advantages and disadvantages based on the assumptions used. Stats NZ does not directly measure skill-related underemployment at present (Stats NZ, 2018b).

A mismatch is assessed on two components:

- what a person brings to the job measured through skills (as above)
- what a job requires measured through a person or the tasks their job involves.

A good match between a worker's skills and requirements contributes to greater job satisfaction and motivation. If people are unable to utilise their skills, it can negatively impact their personal well-being and productivity. There is evidence that skills under-utilisation, manifested by mismatch of skills and/or qualifications, leads to lower wages and job satisfaction (Mavromaras, Sloane, & Wei, 2013).

Scarring

Time out of the labour market can impact on future employment and earnings outcomes, through a process known as 'scarring'. Scarring is lasting damage to an individual's economic situation; the longer the time spent in unemployment, the greater the potential for scarring (reduced income potential or personal and professional development).

While unemployment has a scarring effect on future employment prospects, it is possible that skills mismatch, may also have a scarring effect (Mavromaras, et al, 2013). For example, being a in a

specialist or highly skilled role means that if an individual loses their job, they may struggle to obtain another role that is a match for their skills. This may lead them to take a role that is below their skillset/outside of their specialty, which may put them on a stalled or downward career trajectory (in terms of professional development and income potential).

When underutilisation is unavoidable

It's a simple task to understand the threat of underutilisation to a worker with a specialist skill, but what about workers who are at risk of underutilisation due to systemic barriers that have disadvantaged them from the outset?

To understand these workers and address disadvantages, the barriers to ideal employment status need to be explored. The 'ideal' differs from person to person and between societal group, and socio-historical policy settings have led to sustained inequities for certain population groups, particularly Māori, Pasifika, People with Disability, and Women.

The absolute minimum of 'ideal' is a labour market where everyone is satisfied with their level of participation. This requires a structural reform where inequities are rebalanced, so that those who have been let down by systemic and structural barriers in the past are elevated.

These 'at-risk' groups and the barriers they face are explored in the next section.

Who is at risk?

The risk of underutilisation is compounded when starting from a low socioeconomic position. People born into poverty are more likely to suffer hardships of all kinds throughout their lives, including poorer health, less education and lower income. The same groups who have general poor labour market outcomes are also more likely to be underutilised, including Māori, women, people with disability, and young people (MBIE, 2022a).

The long-term underutilised have similar risk factors to being unemployed, for example:

- low job experience.
- low qualifications.
- limited career progression.
- less ability to negotiate wages or hours.
- more likely to work in industries susceptible to economic shocks.
- more likely to work in jobs susceptible to automation.

Māori

Due to significant historic and current disadvantage in the labour market, Māori are more likely to be underutilised, especially unemployed and in the potential labour force. They are twice as likely to be out of work and underutilised than New Zealand Europeans and are more likely to be impacted by negative economic shocks (due to ongoing disadvantage) (MBIE, 2022a).

Systemic racism remains a major barrier for Māori. It manifests in many ways, such as fewer education or work opportunities, discriminatory recruitment practices, unsafe work environments or wage disparities.

Some Māori – rakatahi, tāngata whaikaha, wāhine, older kaimahi and takatāpui Māori – experience additional and persistent barriers. Many tāngata whaikaha and older Māori do not experience success from current education services, and have some of the poorest labour market outcomes (MBIE, 2021)

The Māori working age population has grown significantly over the past 10 years. This population will present a large proportion of the future working age population; it is estimated that Māori will make up over 20% of the working-age population by 2040 (Tokona te Raki, 2022).

Over-representation in low skilled jobs

Māori workers are more likely to be in lower skilled occupations. In order of over-representation, the top five occupations for Māori are:

- Factory process workers
- Mobile plant operators
- Other labourers
- Construction and mining labourers
- Farm, forestry, and garden workers (Tokona te Raki, 2022).

Given the typical characteristics of roles susceptible to underutilisation, Māori are more than twice as likely to be underutilised if they are overrepresented in the above roles. Māori earn less and work in more physically demanding roles – a product of generations of disadvantage, the root cause being racism. (Tokona te Raki, 2022).

Takatāpui Māori

Takatāpui Māori experience overlapping forms of discrimination based on race, gender and sexual identity at work. Over one half of takatāpui Māori survey respondents reported that they did not have enough income to meet their everyday needs compared with 10% of the general population. Workplace discrimination may prevent takatāpui Māori securing an income that meets their everyday needs (Stats NZ 2013).

Older Māori workers

Older Māori are underemployed and underutilised at higher rates than European New Zealanders. They may not receive the same opportunities for lifelong learning or upskilling as other workers. Many Māori, particularly tāne Māori, work in physically demanding jobs that they may not be able to do as they get older, but they have valuable skills and knowledge that could be used in other jobs or to mentor younger workers (Māori Employment Action Plan, MBIE 2021).

Older Māori may also combine caring responsibilities with mahi. Māori grandparents are more likely than those of other ethnicities to be acting as parent to their mokopuna. The median age group of grandparents raising their grandchildren is 55 to 59 years, meaning Māori grandparents are more likely to be juggling mahi with looking after whānau (Māori Employment Action Plan, MBIE 2021).

A lifetime of poorer labour market outcomes for Māori means it is likely that some older kaimahi Māori remain in mahi out of necessity rather than preference (Māori Employment Action Plan, MBIE 2021).

Women

Underutilisation rates for women are typically higher than for men. This difference is mostly driven by women experiencing a higher rate of underemployment than men (working part-time but wanting more hours). Women also have higher rates of being in both the potential labour force and unemployed (MBIE, 2022a).

Young women (24%) are more likely to than young men (20%) spend more than half their years in limited employment between the ages 16 to 24 (MBIE, 2022a).

Wāhine Māori

Wāhine Māori represent 7.6% of the total working-age population or 14.2% of all employed women.

The unemployment rate for wāhine Māori is 6.5% compared with 3.2% for all women. Nearly 60% of wāhine Māori jobseekers want full-time work. In 2021, Aotearoa New Zealand's national gender pay gap was 9%. For wāhine Māori, gender and ethnicity combine to create a pay gap of 14% when compared with all men. Wāhine Māori also report approximately three times more gender discrimination than tāne Māori in their lifetime (17% compared with 6%) (Stats NZ, September 2021)

The gender gap in participation has been closing for the last 50 years. The women's participation rate was 25 percentage points lower in the 1980s compared to 9.2 percentage points in March 2022 quarter (Stats NZ, 2022a). This may reflect changing trend in family dynamics (including the choice to have children, to be the primary caregiver for young children, or to take on care of elderly, disabled or sick family members). The responsibility of being primary caregiver leads to lower participation and higher underutilisation (especially underemployment).

Access to childcare

While the cost of childcare affects many families across the motu, Māori mothers are more likely than Pākehā mothers to report their child is not in childcare due to cost or access. Remaining at home to care for children limits participation in the paid labour market. Sole māmā and young māmā are especially disadvantaged. While they are more likely than non-Māori mothers to need to return to work to cover day-to-day living costs, they face high costs of childcare for their tamariki. They are also more likely to receive lower pay, because of limited experience, education and qualifications, or pay inequity.

Government-provided financial assistance

A disproportionate number of sole female parents receive financial support from the government

Young mothers

Women who have had a child prior to age 19 make up less than two per cent of the total youth population, but 11% of the population who spend more than half their years in limited employment at ages 16 to 24. More than half of young mothers in NZ are Māori while 20% identify as Pasifika (MBIE, 2022a).

New mothers (at any age) usually spend some time outside the labour-market following the birth of a child. 77% of young mothers who have a child by age 18 are in limited employment for more than half their years aged 16 to 24 (MBIE, 2022a).

Higher rates of long-term limited employment among young mothers may be driven by caregiving preferences, prior life experiences, and/or childcare-related barriers that affect access to and retention in education or employment.

for childcare (91% of recipients of the Sole Parent Support Payment are women). More Māori receive the Sole Parent Support Payment than Pākehā (30,915 compared to 18,492), which indicates that wāhine Māori sole parents experience significant challenges balancing work, education and childcare (MBIE, 2022b).

Tāngata Whaikaha and People with Disability

The likelihood of tāngata whaikaha and people with disability participating in the labour force or being employed is much lower than non-disabled people. In June 2022, for those aged 15–64 years, the labour force participation rate was 45.0 percent for people with disability and 83.1 percent for non-disabled people in 2022. For that same age group, 41.5 percent of people with disability were working, compared with 80.4 percent of non-disabled people (Stats NZ, 2022b).

The same quarter showed the unemployment rate was 7.9 percent for people with disability aged 15-64 years, and 3.3 percent for non-disabled people (Stats NZ, 2022b). Although the unemployment rate for people with disability has been trending down since the series began in 2017 (reflecting national declines) the unemployment gap between disabled and non-disabled people remains persistent (Stats NZ, 2022b).

In June 2022, the underutilisation rate for people with disability aged 15–64-years was 21.5 percent, compared with 8.9 percent for non-disabled people in the same age range. In a broader measure of untapped labour market participation, people with disability were more likely to be underutilised than non-disabled people (Diversity Works NZ, 2022).

Accessibility from the outset

Recruitment practices may often pose a barrier to employment for disabled people. For example, automated recruitment tools, technology and structured interview processes may inadvertently exclude them (Ministry of Health, 2018).

An inclusive workplace is not only physically and technologically accessible, but also breaks down social barriers and changes attitudes. For many job seekers with disabilities, discrimination and lack of support stop them from finding and keeping a job.

Myths about disabled employees

Some commonly found myths about employing people with disability include (Ministry of Social Development, 2021):

- **Disabled people don't want to or can't work**. The 2013 Census indicated that 75 percent of people with disability want to work and yet the 2017 Labour Force Survey reported only 25 percent of people with disability participate in employment. Technology has also removed many barriers faced by disabled people, enabling more people to reach their full potential.
- **Providing accommodations for disabled people is expensive.** Most people with disability don't need anything different to perform their jobs, and for those who do, the cost is usually minimal. Only 10% of disabled workers under the age of 65 reported that they had modifications or specialist equipment in their workplace. The most common reasonable accommodation is flexible working arrangements. An Australian study found that accommodations for disabled people are financially cost-neutral or cost-beneficial to the organisation.
- Disabled employees are a greater health and safety risk than employees without disabilities. Evidence shows disabled employees have fewer health and safety issues, because in managing their impairment they have developed strategies to address health and safety risks.
- **Disabled employees have a higher absentee rate than employees without disabilities.** Studies show that people with disability have lower rates of absenteeism, with the same Australian study finding that they were absent from work 15% less than their colleagues without disabilities.
- The Human Rights Act 1993 forces employers to hire unqualified disabled individuals. An individual must first meet all requirements for a job and be able to perform its essential functions with reasonable accommodations. Support Funds can be used for reasonable accommodation and training. If at any point in the selection process it becomes apparent that a candidate cannot perform the core requirements for the job, then, regardless of whether they are disabled or not, the organisation is under no obligation to hire them.
- Under the Employment Relations Act 2002, an employer cannot terminate the employment of a disabled employee.

Employers can terminate employment of disabled employee under three conditions:

1. The termination is unrelated to the disability, or

 The employee does not meet legitimate requirements for the job, such as performance or production standards, with a reasonable accommodation, or
 The employee poses a direct threat to health or safety in the workplace because of their disability.

Tāngata Whaikaha

Negative employment outcomes for Māori are compounded for tāngata whaikaha Māori. In 2013, 17% of tāngata whaikaha were unemployed compared with 11% of all workers with disabilities. Among Māori who experience discrimination on the grounds of disability or health, 32% experience it at work. Rangatahi Māori with disabilities have talked about being routinely excluded from employment opportunities. (Stats NZ, 2015).

Tāngata whaikaha experience unique and amplified barriers to and within the labour market. 1 in 5 Māori live with some type of disability, which represents a large proportion of whānau, hapū and iwi (Ministry of Health, 2018). They are over-represented in the unemployment and underutilisation statistics, and experience significant income inequities, due to factors like employer bias, inaccessible workplaces and inflexible support policies.

Rakatahi with Disability

Children and young people with disability, and their whānau, report a range of education-related factors affecting pathways to employment. Young people with disability also report employment-related barriers including employer discrimination, accessibility issues, and lack of support programmes or networks that could assist with finding a suitable job.

Young people with disability are more likely than non-disabled people to experience lower incomes and employment rates and receive some or all income from the benefit system (MBIE, 2022a).

For rakatahi with disability, being involved with mental health services aged 16 to 24, having no driver licence by age 18, and early entry to the benefit system were the strongest factors associated with spending more than half their years aged 16 to 24 in limited employment (MBIE, 2022a).

Rakatahi

Young people between the ages of 15 to 24 years old are typically entering the labour market for the first time and have lower work-related skills and experience than existing workers. There is evidence that long-term unemployment, benefit dependency and enduring low income have negative impacts on mental health and social relationships (Ministry of Social Development, 2018):

- Long-term low-paid, insecure work can negatively impact health and access to training, limiting future employment opportunities (Council of Trade Unions, 2016)
- Young people experiencing long-term NEET are more likely to face issues with housing and homelessness, and to engage in risky behaviours such as drug use and criminal activity (Samoilenko & Carter, 2015)

Long-term limited employment is also associated with life-long negative impacts. There is robust evidence that significant early experiences of unemployment can have a 'scarring' impact on young people's future job prospects and wages (Sense Partners (Data Logic), 2021)

In turn, low family income is a driver of parental stress, with flow through impacts to the wellbeing of the next generation. There is strong evidence that growing up in poverty has a causal impact on children's cognitive development, school achievement and social and behavioural development (Ministry of Social Development, 2018).

Reducing risks of limited employment at ages 16 to 24 is important to improve the life chances of individuals, their whānau and future generations. However, the relationship between early and later experience of significant limited employment is not fixed. For example:

- Eight per cent of young people in limited employment for all or most years aged 20-24 were never in limited employment at ages 25-34
- Seven per cent of people never in limited employment during ages 20-24 were in limited employment for all or most years at ages 25-34 (MBIE, 2022a).

This reinforces services and supports to enable routes out of limited employment are also important at older ages (MBIE, 2022a).

Rakatahi Māori

Our current systems do not enable rangatahi Māori to reach their full potential. In September 2021, 19.1% of rangatahi Māori were not in employment, education or training (NEET). This rate is more than twice the rate of young Pākehā (8.6%) and 8.1 percentage points above the national rate of 11%. The NEET rate for rangatahi Māori is 18.6% for males and 19.7% for females. Over the past 5 years, NEET rates have been trending up for males and down for females (StatsNZ, Sept 2021).

Not in Education, Employment, or Training (NEET)

NEET youth (not in education, employment, or training) can be either unemployed or inactive and not involved in education or training. Most young people are not in education, employment, or training at some stage between ages 15 to 24. Short-term NEET is not usually a problem if young people shift quickly between jobs, or between work and study to pursue new opportunities.

The proportion of young people who are NEET is an indicator of youth disengagement. Young people who remain NEET for an extended period are at risk of becoming socially excluded, with income below the poverty-line and lacking the skills to improve their economic situation (OECD, 2022a and 2022b).

This indicator presents the share of young people who are not in employment, education or training (NEET), as a percentage of the total number of young people in the corresponding age group, by gender. Young people in education include those attending part-time or full-time education but exclude those in non-formal education and in educational activities of very short duration. Employment is defined according to the OECD/ILO Guidelines and covers all those who have been in paid work for at least one hour in the reference week of the survey or were temporarily absent from such work.

Youth at Risk of Limited Employment (YARLE)

Most New Zealand young people successfully navigate transitions from school to work, further education or training, and go on to lead satisfying and rewarding working lives, but some young people experience long-periods of limited employment at ages 16 to 24. Limited employment can be characterised by:

- long or frequent periods of benefit dependency, unemployment or under-employment
- being trapped in low wage, low-skill, and precarious work, and/or
- continual enrolment in low level tertiary education.

Around 22% of young people in New Zealand spend more than half their time in limited employment between the ages of 16 to 24. This may include moving between receiving a benefit, unemployment, low wage, low skill, and casual work, and low-level tertiary education (Ministry of Business, Innovation and Employment, et al., 2022). This places them at higher likelihood of having extended periods of limited employment throughout their lives. Of these young people, 35% are Māori and 15% are Pasifika.

How can RSLG support at risk groups?

The Regional Workforce Plans developed by RSLG focus on identifying, understanding and removing barriers to participation in the labour market. This includes physical barriers, such as digital connectivity and transport, as well as barriers such as a lack of information or culturally appropriate services for priority groups.

These barriers affect regions differently, depending on the geography and demographic composition of the region. There are community members who face intersectional disadvantage, such as tāngata whaikaha, which adds to the complexity of some of the barriers faced by people entering the labour market.

Underlying this focus in the RWPs is the understanding that inequitable access not only impacts individuals and the community but also creates barriers to labour market development and economic growth.

The next phase of identifying those with untapped potential and supporting them to realise their goals and aspirations is through the development of a detailed and specific action plan. This action plan for untapped potential will align with the thematic approach taken to the development of the RWP, and include specific roles and responsibilities across stakeholder groups within the Otago Region.

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Appendix One: The long list – trends, challenges and barriers

Key trends affecting Rakatahi are:

SOCIAL AND FAMILY ISSUES

Low family income is a driver of parental stress, with flow through impacts to the wellbeing of the next generation - there is strong evidence that growing up in poverty has a causal impact on children's cognitive development, school achievement and social and behavioural development.

Long-term limited employment is associated with life-long negative impacts - significant early experiences of unemployment can have a 'scarring' impact on young people's future job prospects and wages.

Young people experiencing long-term NEET are more vulnerable – these rakatahi are more likely to face issues with housing and homelessness, and to engage in risky behaviours such as drug use and criminal activity.

EDUCATION ISSUES

Tertiary education is expected by employers - access to tertiary education is expensive and many socioeconomic and ethnic groups are less likely to participate and achieve.

Tamariki Māori experience racism and unequal treatment by other children and educators. Research confirms that teacher bias and low expectations exist across the teaching workforce, which can prevent or delay the learning and development of tamariki (Children's Commissioner, 2018).

WORKFORCE ISSUES

Increasing numbers of casual jobs - growth in casual contracts and part-time work mean many young people are in entry-level jobs, or in jobs for a short period of time.

Decrease in job quality - the jobs available to young people may not provide promotion or development opportunities.

Many jobs across a lifetime rather than one career path - it's likely young people may have up to three careers in their lives.

Automation is disrupting many jobs - many entry-level jobs are gone.

Global workforce - immigration and low-cost of travel makes a global workforce available to employers, so young people are competing with a wider pool.

People are working longer - the population is ageing, and people are retiring later. Later retirement can include employers retraining an older person to do lower-level jobs instead of hiring and training young people for these jobs.

EMPLOYABILITY ISSUES

Getting a job from school is a process needing significant support - transition to employment now takes longer and there may be obstacles to overcome (e.g. needing a driver's licence). The process of applying for jobs can be demotivating for young people who do not understand what employers are

looking for. Employers get frustrated that young people present poorly, and the recruitment process is costly for them.

Hard to get a job at entry-level with no experience - young people often find it hard to get any kind of experience before looking for work. Youth do not have the ease of entry into the workforce or the work stability that their parents experienced.

Qualifications and soft skills are needed to get a job - employers are looking for 'soft skills' from the start. Soft skills are related to personal attributes, and behaviours as well as attitude (e.g. communication skills, being motivated and teamwork).

"Employability" expectations - young people often struggle with the unfamiliar processes of the world of work, which frustrates employers who see workplace culture as the norm. Employment expectations and ambitions of young people are built through the experiences they have early on, so having positive connections with employers is important for building ambition and networks for young people.

Differences in expectations and how these are communicated can impede success once in the workplace - young people don't understand progression opportunities which can demotivate them, while employers are waiting to see motivation before they discuss progression and development.

Young people often need support to balance their home and community responsibilities.

Employers and young people recognise they need to change, but feel they lack the information and support to do so.

Many of the underlying factors associated with poor education, training and employment outcomes can be addressed through early, well-targeted and holistic support.

Key trends affecting Māori are:

EDUCATION ISSUES

NEET rates for Māori are above the national average, and trending upwards for tāne - in September 2021, 19.1% of rangatahi Māori were not in employment, education or training (NEET). This rate is more than twice the rate of young Pākehā (8.6%) and 8.1 percentage points above the national rate of 11%.

The education system has underperformed for ākonga Māori and their whānau. As a result, ākonga Māori experience worse educational outcomes than other New Zealand learners. For tamariki and rangitahi, not being understood in the context of their own culture can present significant barriers to their sense of belonging, engagement and achievement (Children's Commissioner, 2018).

Tamariki Māori experience racism and unequal treatment by other children and educators. Research confirms that teacher bias and low expectations exist across the teaching workforce, which can prevent or delay the learning and development of tamariki (Children's Commissioner, 2018).

WORKFORCE ISSUES

Automation is disrupting many jobs – Māori are more likely to be employed in roles that are susceptible to automation.

Systemic racism has streamline Māori into labour intensive roles – the systemic belief that Māori are good with their hands has been perpetuated through social policy, and is grounded in colonialism.

EMPLOYABILITY ISSUES

Māori unemployment remains high, with the rate being 252% higher for Māori compared to New Zealand European. While Māori represent only 12.0% of total national employment, they are over-represented in the unemployment rates.

Māori are over-represented in the New Zealand underutilization rate, which reflects the proportion of those in the extended labour force, including both unemployed and underutilized.

Job insecurity and higher levels of unemployment can contribute to poorer mental health outcomes for Māori workers.

Despite the growth and diversification of the Māori economy, deep inequalities in household net savings, home ownership rates, and unemployment persist, making it harder for Māori to secure employment and achieve economic parity.

Key trends affecting Tāngata Whaikaha and people with disability are:

EDUCATION ISSUES

Limited inclusive education options. Some disabled students in New Zealand may not have access to inclusive education due to a lack of appropriate resources or support.

Lack of teacher knowledge and understanding. Parents have reported that a lack of teacher knowledge and understanding is a major barrier to their child's presence, participation, and learning at school (Kearney, 2016).

Disabled people may face barriers related to physical accessibility, assistive technology, and the adaptability of educational environments to meet their needs. Due to varying types of disability, there may be more significant barriers faced regarding accessibility to support tools.

WORKFORCE ISSUES

Automation is disrupting many jobs – people with disability may be employed in roles that are susceptible to automation.

Social infrastructure is not accessible – physical accessibility to public facilities and buildings is often not suitable, or there may be a lack of independently accessible public transport for several accessibility reasons.

Common myths or misconceptions contribute to the barriers faced by disabled individuals in the workforce and highlight the importance of addressing and dispelling them to create a more inclusive work environment.

EMPLOYABILITY ISSUES

Recruitment practices may often pose a barrier to employment for disabled people. For example, automated recruitment tools, technology and structured interview processes may inadvertently exclude them (Ministry of Health, 2018).

Low expectations about the lives of young disabled people is identified as a major barrier to building positive futures.

Many young disabled jobseekers lack the work experience that many of their non-disabled peers gain through an after-school or holiday job.

Guidance tools may not be available, but are particularly important for disabled people who may face additional career challenges related to their support networks, discrimination or simply not having enough relatable role models.

The range of employment services available in New Zealand are not currently accessed by all disabled people or people with health conditions that could benefit from them.

Key trends affecting Wāhine Māori and women are:

EDUCATION ISSUES

Wāhine Māori with no or few qualifications are more likely than other women to be unemployed, be in lower-paid occupations, disproportionately engaged in multiple employment, and work in part-time and casual roles (Manatū Wāhine, 2022).

Disrupted education or employment due to motherhood - taking time out of the paid workforce to undertake labour in the home (pregnancy, birth, raising family) may stall a woman's career trajectory, and impede the ease of returning to the paid labour force depending on the amount of time they are out of paid work.

Balancing home life with completing education – while some women are supported to return to education while they are raising family, others have a harder time obtaining childcare to further their studies. There are also women who undertake a primary carer role for family members other than children (parents, siblings or relatives with disability or sickness) which may prohibit attendance on a regular basis.

WORKFORCE ISSUES

The annual earnings of graduate men steadily outpace those for women graduates, including those with the same qualifications. Lower lifetime earnings for women have impacts on women's health, wellbeing, economic independence, and ability to save for retirement. Wāhine Māori and Pacific women are earning 15 percent less per hour than men (comparing medium hourly earnings) (Manatū Wāhine, 2022).

Women have a particularly high rate of underemployment compared to men. Wāhine Māori are more likely than women of European descent to be working part-time but wanting and being available to work more hours (Manatū Wāhine, 2022).

EMPLOYABILITY ISSUES

Discrimination in the workplace - while workplaces have improved, some women still face bias in the workplace if they need to prioritise family over work, or require flexibility. Women are more likely than men to have experienced discrimination, harassment, or bullying at work (Manatū Wāhine, 2022).

Undertaking a disproportionate share of caring and family responsibilities, which reduces their capacity to adapt to labour market requirements and changes. This is particularly the case for wāhine Māori and Pacific women (Manatū Wāhine, 2022).

Barriers to employment across the board include:

Accessibility when submitting job applications online – application processes that rely on extensive input through online forms present an accessibility barrier.

Interviewing techniques - for people suffering from anxiety, the traditional kanohi ki tie kanohi interview across a table can be a massive barrier. This type of interview is not necessarily reflective

of the working environment, and place undue stress on someone who otherwise may be the perfect fit for a role. Different techniques like walking and talking, or meeting in a more informal setting to build rapport before a more formal interview, can help get the best out of interviewees that may struggle with overly formal settings.

Transport - not all people can rely on private transport, and in some areas public transport is either inaccessible or unreliable. If transport to-and-from work is a barrier, employers could consider options such as carpooling. Employers can also consider whether the employee needs to be onsite, or if their role could be completed from home.

Driver Licensing - linked to transport, not having a license may restrict employment opportunities due to either requirements of the role, or the role being in another area inaccessible by public transport.

Rural isolation - people in rural areas may face additional barriers to employment, including more limited access to education and employment opportunities, transport options and the internet.

Housing - the housing market is constrained, and is a major barrier to attracting and retaining people to work in the region. Housing presents an issue for those who may need to move to obtain employment – if they are unable to find stable accommodation, it is harder to attend work. Anecdotal evidence shows some employers are unable to fill roles due to potential employees' inability to secure housing.

Healthcare and Mental Health - for those people who belonging to already disadvantaged populations, such as at-risk groups described above, the risk to health and mental health are higher (Menzies, Gluckman and Poulter, 2020).

Appendix Two: Definitons

EMPLOYED: People in the working-age population who, during the reference week, did one of the following:

- worked for one hour or more for pay or profit in the context of an employee/employer relationship or self-employment.
- worked without pay for one hour or more in work which contributed directly to the operation of a farm, business, or professional practice owned or operated by a relative
- had a job but were not at work due to own illness or injury, personal or family
 responsibilities, bad weather or mechanical breakdown, direct involvement in an industrial
 dispute, or leave or holiday.

EMPLOYMENT RATE: The number of employed people expressed as a percentage of the working-age population. The employment rate is closely linked to the working-age population definition.

FULL-TIME/PART-TIME STATUS: Full-time workers usually work 30 hours or more per week, even if they did not do so in the survey reference week because of sickness, holidays, or other reasons. Part-time workers usually work fewer than 30 hours per week.

FULL-TIME EQUIVALENT (FTE) JOBS: The total number of full-time jobs plus half the number of parttime jobs. Does not include working proprietors.

HOURS WORKED: Average weekly paid hours (FTE) are calculated by dividing total ordinary hours paid by total FTEs.

HOURLY EARNINGS: Average hourly earnings are calculated by dividing total gross earnings by total paid hours.

LABOUR FORCE: Members of the working-age population, who during the survey reference week, were classified as 'employed' or 'unemployed.'

LABOUR FORCE PARTICIPATION RATE: The total labour force expressed as a percentage of the working-age population. Labour force participation is closely linked to how the working-age population is defined.

NEET (NOT IN EMPLOYMENT, EDUCATION, OR TRAINING): Young people aged 15–24 years who are unemployed (part of the labour force) and not engaged in education or training, and those not in the labour force and not engaged in education or training for many reasons.

NEET RATE: The total number of youth (aged 15–24 years) who are not in education, employment, or training (NEET), as a proportion of the total youth working-age population.

NOT IN THE LABOUR FORCE: Any person in the working age population who is neither employed nor unemployed. For example, this residual category includes people who:

- are retired.
- have personal or family responsibilities such as unpaid housework and childcare.
- attend educational institutions.
- are permanently unable to work due to physical or mental disabilities.
- were temporarily unavailable for work in the survey reference week.
- are not actively seeking work.

POTENTIAL LABOUR FORCE: The potential labour force consists of people who are not in the labour force but can be considered as 'just outside it'. They meet two of the three criteria needed to be considered unemployed. Two main groups of individuals are in the potential labour force:

- UNAVAILABLE JOBSEEKERS People who were actively seeking work, were not available to have started work in the reference week, but would become available within a short subsequent period.
- AVAILABLE POTENTIAL JOBSEEKERS People who are not actively seeking work but were available in the reference week and want a job.

UNDEREMPLOYMENT: People who are in part-time employment who would like to, and are available to, work more hours.

UNDERUTILISATION: The sum of those unemployed, underemployed, who are not actively seeking but are available and wanting a job and people who are actively seeking but not currently available, but will be available to work in the next four weeks.

UNEMPLOYED: All people in the working-age population who, during the reference week, were without a paid job, available for work, and had either actively sought work in the past four weeks ending with the reference week, or had a new job to start within the next four weeks.

UNEMPLOYMENT RATE: The number of unemployed people expressed as a percentage of the labour force.

WORKING-AGE POPULATION: The usually resident, noninstitutionalised population of New Zealand aged 15 years and over.