

Manufacturing¹³

WORKFORCE OVERVIEW

28,597 Pacific Peoples employed in Manufacturing in 2018.

This is 9.2% of the total manufacturing workforce and 20.3% of the Pacific employment in Aotearoa New Zealand.

KEY SECTOR SIGNIFICANCE

Labour Force data shows 15% of Pacific men are predominantly employed in the manufacturing industry.

There is substantial increase of Pacific women in these industries and is one of the top three industries that employ Pacific women.

MANUAL WORKFORCE

Pacific Peoples are 1.5x more likely than the general population to hold low-skilled and manual labour roles in manufacturing.

This is 9.2% of the total manufacturing workforce and 20.3% of the Pacific employment in Aotearoa New Zealand.

PAY DISPARITY

Manufacturing was one of the three industries reviewed by the NZ Human Rights Commission (2022), which found a wide and persistent pay gap between Pacific workers and other workers.

Pacific Pay Gaps have not changed significantly for more than ten years.

INTERNATIONAL DOWNWARD TREND

Across the OECD, manufacturing's share of employment and GDP has declined.

Two key causes are increased automation and increased competition from overseas (especially in developing economies with cheap labour).

POST-COVID WORKFORCE CHALLENGES

Recruiting for the skills required in the workplace is the most significant labour market issue for over two-thirds of businesses.

Next was an ageing workforce, global disruptions from COVID-19, retaining staff and recruits without employability ('soft') skills.

INDUSTRY 4.0

The increasing emphasis on digital skills poses a challenge for unskilled Pacific employees who are not engaged in formal education.

Manufacturers are increasing in automation, surpassing the average across all industries.

HIGHER-THAN-AVERAGE UNION MEMBERSHIP

Pacific Peoples had the highest union membership rate of any ethnic group - 24.7% in 2021, compared to 20.15% for the total population (NZHRC, 2022).

Pacific participants in the Pay Parity Gap Inquiry saw collective bargaining and high union density as a means to address inferior pay rates, terms, and conditions.

OPPORTUNITIES FOR PACIFIC-OWNED BUSINESSES

In 2020, Pacific Peoples made up just over 2% of workers earning income from self-employment.

There is a niche opportunity in manufacturing for Pacific businesses to fill identified gaps in the talent pipeline, e.g., Pacific education and training providers delivering targeted programmes for Pacific workers and their employers (MBIE, 2022).

¹³ Data and insights presented here have been extracted from Deloitte Limited, 2022; Deloitte Limited, 2023; Infometrics, 2023a; Infometrics, 2023b; Ministry for Pacific Peoples, 2021; New Zealand Human Rights Commission, 2022; Stats NZ Tauranga Aotearoa, 2018.