

Recession paradox for Pacific workforce

Ministry of Pacific Island Affairs chief executive Dr Colin Tukuitonga outlines the paradox for Pacific workers – likely to be hardest-hit by the economic downturn but an increasingly important component of the future workforce. A sharper focus on education is vital to equip them for both, he argues.

As employers, economists and others gather at a series of regional meetings to follow up on Prime Minister John Key's jobs summit it's a fair bet that, for most, Pacific issues won't be top of mind. But considering and mitigating the impact of the recession on Pacific people is smart thinking, both now and for New Zealand's longer-term benefit.

The most compelling argument for this is demographic. The crude version is that our young brown people will become an increasingly important support network for other, ageing New Zealanders. They'll support them how? Through their taxes.

In contrast with ageing European New Zealanders the Pacific population is young, with thirty-eight percent of Pacific peoples (100,344 people) under 15 in 2006. The comparable figure for the population overall is 22 percent.

Young also means fertile. With a birth-rate outstripping that of other groups, projections are that in 2026 one in ten New Zealanders will be Pacific. This youthfulness points to an important role for Pacific people in the future New Zealand labour market – where the 15-39 year old Pacific demographic bulge means they will account for one in eight of us. It also suggests Pacific workers' taxes will be an increasingly significant component of the tax revenue available to support ageing baby boomers. I note here that population projections generally under-estimate population growth.

To maximise their contribution it's clearly vital that our young Pacific people are equipped with the education, skills and training they need. While trends in recent years show some movement it's clearly in all New Zealanders' interest that Pacific people build on those gains, that they continue to upskill, and move increasingly into the middle- to high-income earning brackets.

Lifting incomes and living standards, particularly through addressing education and skills training, is the medium-term objective for the Ministry of Pacific Island Affairs. Meeting it was always going to be challenging as right now Pacific people under-achieve in education, typically earn lower incomes than other New Zealanders, and are often working in low-skilled or unskilled jobs.

That challenge has, of course, been exacerbated by the recession. The evidence from past recessions is that unskilled workers are hardest-hit. The significantly high proportion of Pacific people in the 15-39 age group, combined with their concentration in Auckland and the tendency to be in lower-skilled jobs means they are over-represented in all the factors which place people at higher risk of unemployment. And there's evidence to suggest that a disproportionately negative impact might take years to reverse. It also suggests that some young people, in particular, could be left far behind.

The Ministry of Pacific Island Affairs is, of course, focussing on the “now”, talking to employers with large Pacific workforces and making sure they are represented at the various Government fora, to Pacific businesses, to churches and so on. We’re particularly keen to ensure Pacific workers are positioned to take up any retraining and upskilling opportunities.

But we risk losing sight of the endgame if we don’t also keep our eye firmly on the need to find ways to make the education system work better for the future workforce, today’s Pacific students.

There is a plethora of education agencies, most of which have Pacific strategies and community engagement programmes. Despite this our young Pacific people still fare badly in most parts of the system: enrolment in quality early childhood education, while improving, still lags behind that for other New Zealanders; at school stand-downs, suspensions, expulsions and those leaving with no, or low-level, qualifications are higher for Pacific students. It seems that too many 5 – 16 year olds Pacific children are either not engaged or at some point become disengaged from schooling. At tertiary level proportionately fewer of our young people go to university, and they’re more likely not to finish their degrees. Many are enrolled in courses that don’t line up with where the job opportunities will be in the future.

We need to identify the gaps in our knowledge about where and why Pacific students fall behind, to ensure the various strategies are conjoined and cohesive. And we must harness what we know about best practice for Pacific students and put it in our classrooms. We must do better to make school attractive and fun. And Pacific families and communities must do more to encourage young people to stay at school.

Our aspirations could not be more congruent with Government’s priorities for education - to increase participation in early childhood education, to increase the percentage of students leaving with higher qualifications, and to improve literacy and numeracy achievement. For Pacific people, even more than for other New Zealanders, doing so is the best contribution we can make to a sounder economic future for all New Zealanders.

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