

Where Are the Jobs?

Demographic Change and the 21st Century

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The 21st century will bear witness to a sea change in population growth,
composition and dispersal

Sarah Harper

Demographic Trends and Implications for Employers

Mercer, 2013

A FUTURE NEW ZEALAND

- 5 million – NZ
- 2 million – Auckland (40%)

- Cultural diversity
- Structural ageing
- Regional disparities



Skills relevant?

Experience

Public debt

WORKFORCE

COSTS

Health
provision

Older workforce

Seniority

Pension provision

Demographic
liability

AGEING

Decline of prime age workforce

Encore
employment

Age friendly

More active

Healthier

DOMINANCE

POTENTIAL

Silver economy

Dependency ratio

Better educated

The Observer view on the future facing Britain's ageing population

With imagination, we can all benefit from the baby boomers' talents



Observer editorial

The Observer, Sunday 9 November 2014



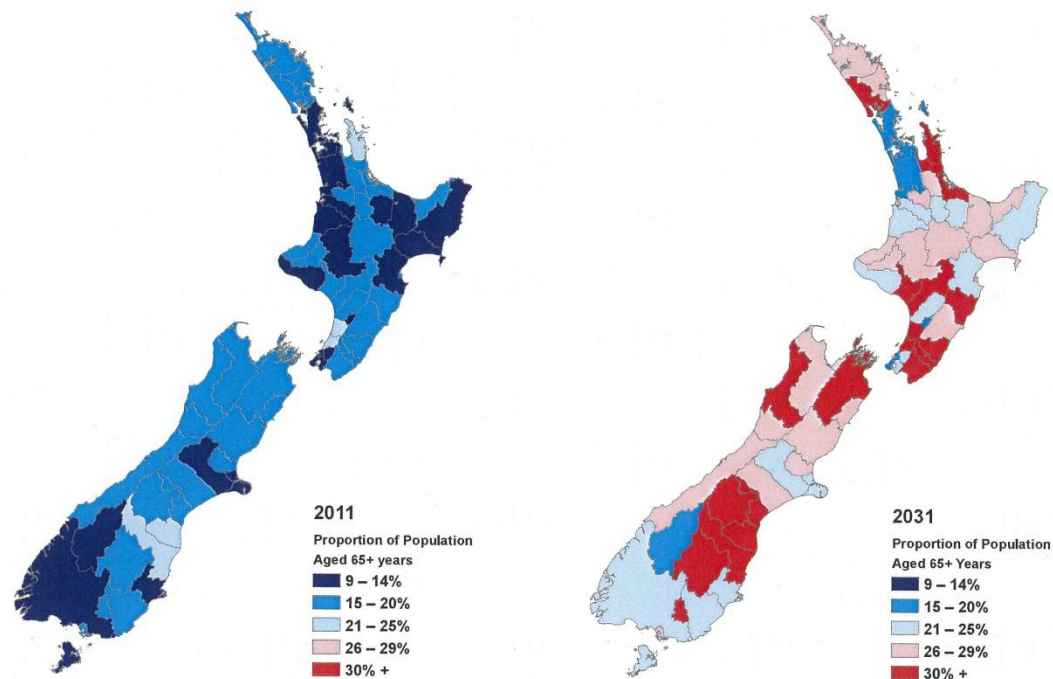
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Britain's ageing population has talents that can be utilised to their own, and society's, benefit. Photograph: DCPPhoto / Alamy/Alamy



Proportion of population aged 65+, by territorial authority area, mid-range projection
2011 and 2031



Source: Statistics New Zealand

Deaths exceed
births

Loss of younger cohorts

Access to
education/R+D

Vision

POPULATION STAGNATION

Modest immigration

Service retention

65+ dominant

Wealth
(household)

REGIONS

Governance

REGIONAL DIVERGENCE

Internationally
connected

Immigrant destination

Depth of labour market

Clusters

AUCKLAND

Disbenefits

SKILLS

Agglomeration effect

Local supply

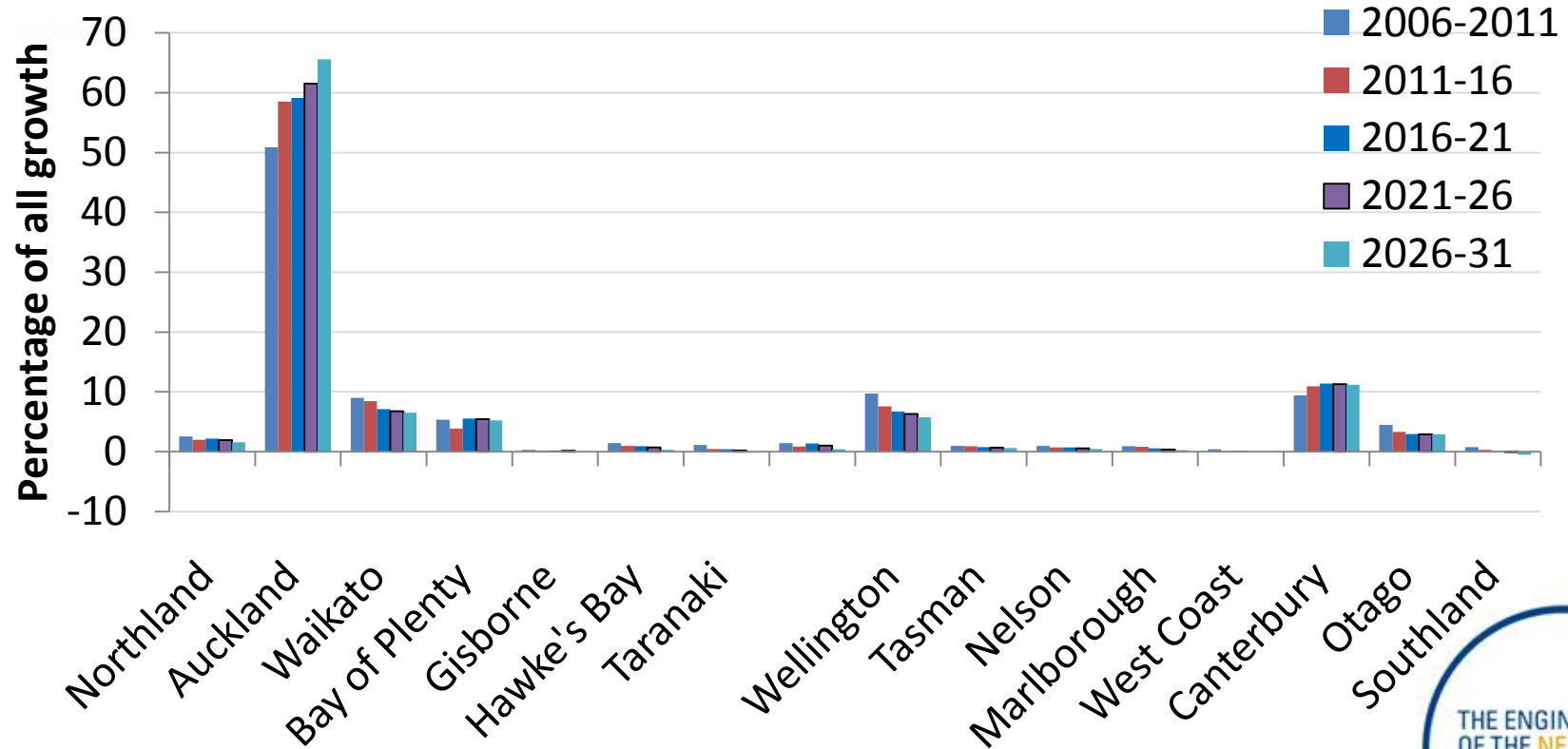
Immigrants

Ideapolis

60% population
growth



AUCKLAND AND 'THE REST'



Multiculturalism

Replacement

IDENTITY

Who is a NZer?

POPULATION GROWTH

Regional dispersal

IMMIGRATION AND SUPERDIVERSITY

Super superdiverse

Innovation/entrepreneurs

AUCKLAND EFFECT

SKILLS SUPPLY

Immigrant dependent

Homeland connections

Economic benefits

Global and mobile talent

A FUTURE AUCKLAND: ASIANS

	2006	2021
Auckland	109,000	178,000
Manukau	76,000	141,000
North Shore	42,000	74,000
Waitakere	32,000	60,000

By the mid-2020s, the Asian population of Auckland will have reached 500,000 out of 800,000 in New Zealand

IN THE NEXT DECADE

- The growth in 65+ will account for most of population growth in 56 out of 67 territorial authorities
- 65+ will be larger than 0-14 age group
- More workers will retire than enter the workforce
- Immigration will contribute more to population growth – if it continues to remain high
- Asian communities will be larger than the Maori community



GLOBAL FINANCIAL CRISIS

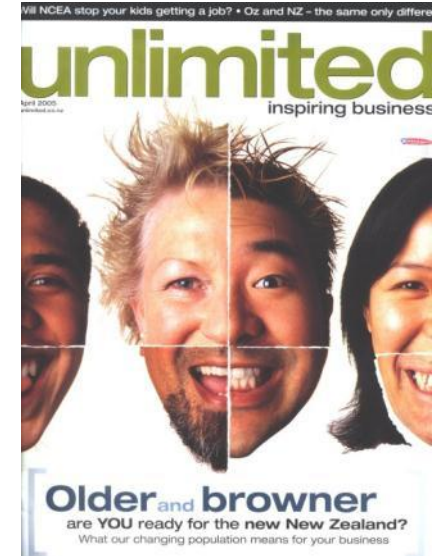
2008-2013

- Longest duration contraction since 1970s (13 quarters)
- Unemployment 4% (2008) → 7% (2009)
- Growth in part-time employment but full-time employment stalled
- Decline in tradable sector



GFC IMPACTS

- Employment loss – young workers, low wage workers, those with low job security
- Worker turnover – worker desire to retain existing job + low turnover = higher wage levels
- Job destruction/creation – sector dependent + Auckland + modest firm exits/risk-averse
- Emigration – 2012, 54,000 departed (35,000 to Australia)



LABOUR MARKET DIVERGENCE

- High skilled = higher degree entry, good work conditions/salary
- Medium skilled = replaced by technology/off-shoring
- Low skilled = relatively poor pay/conditions, precarious



EMPLOYERS

Challenge of recruiting and retaining staff

- Flexible work arrangements
- More educational/professional development
- Staff training
- Career pathways



EMPLOYERS

Labour market **matching**, including

- Database for matching (with tertiary institutions)
- Influencing immigration skills shortage list

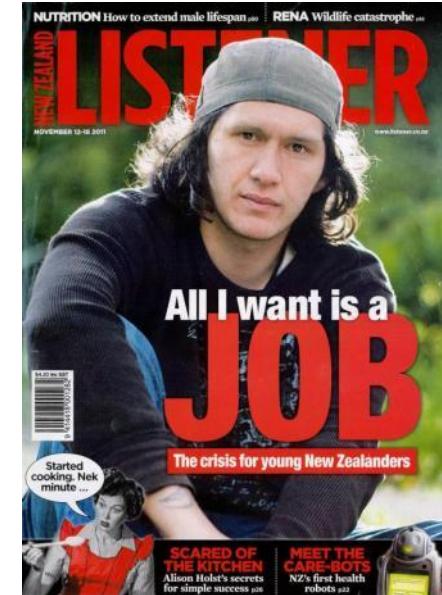


EMPLOYERS AND SKILLS TALK

- Emphasis on generic/soft skills
- Values/attitudes/motivation/discipline

Issues

- Employers views = general/not specific
- How might these skills be produced
(pre-socialisation of new workforce entrants)?
- Transferability?
- Experience (New Zealand)?



ENHANCING MATCHING: EMPLOYABILITY

- Assets (generic organisational skills)
- Presentation (demonstrate suitability)
- Deployment (career management, job search)
- Context (personal attributes and labour market demand)

“...employability represents an ideal match between the skills people have...and those in demand by employers”

Worth (2005)

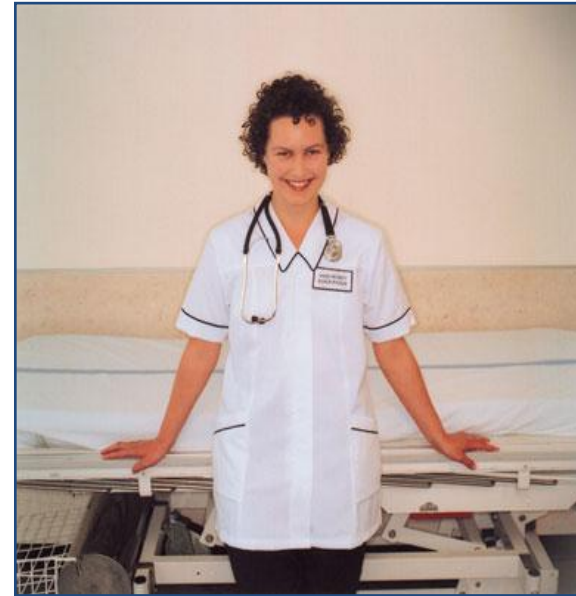
WHAT'S CHANGING?

● Job growth

- ✓ Health
- ✓ Education
- ✓ Food
- ✓ Tourism
- ✓ Technology
- ✓ IT

● Job decline

- × Manufacturing
- × Insurance
- × Banking
- × Administration and customer Services



CHALLENGES

- What encourages job creation?
- How to increase youth participation rates?
- What should education/training sector look like and focus on?

