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### February 2020

Auckland Council (2020). Youth in the South: A data overview of rangatahi in four local board areas.

### Acknowledgements

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### 1. Introduction

Local boards across South Auckland have been addressing high NEET rates1 among rangatahi in their communities, making significant investments to support young people into employment and education. A key plank of this work is local board support for Youth Connections, operating through The Southern Initiative (TSI). TSI is researching and prototyping how to ensure that young people are not just employed, but are moving into high-quality jobs and avoiding the traps of in-work poverty.

In 2019, some of this research explored the journey travelled by young South Aucklanders from school into the workforce, up to the age of 25.2 This research described the connection between school attainment and higher employment rates, as well as the the phenomenon of 'second chance learners'.

Of course, school qualifications are not the only predictor of employment and good wages. To enable better design and delivery of youth employment initiatives, we sought to more deeply understand the profile of young people in each local board area, in order for more effective and strategic design, commissioning, and delivery of targeted support.

The business and economic research consultancy BERL has provided TSI with data on the profile of young people aged 15-25 in the four local board areas covered by TSI, as compared across the boards, with the rest of Auckland and the rest of New Zealand. They did this by analysing the data of approximately 119,000 rangatahi whose last recorded address was in one of the four South Auckland local board areas, using the government's Integrated Data Infrastructure (IDI). BERL's initial findings on demography, education and qualifications, contact with the authorities, income and debt, have been rounded out in this report with data from the Census, Ministry of Education school leaver tables, and the Household Labour Force Survey.<sup>3</sup>

- Tuatagaloa, P., & Wilson, R. (2018). Youth not in employment, education or training (NEET) in Auckland.
- TSI, 'South 100: The Story of 100 South Auckland School Leavers' (forthcoming).
  The following codes indicate when sources other than the BERL data are referred to.
- - Census tables <sup>c</sup>
     Ministry of Education school leaver tables <sup>e</sup>
  - Household Labour Force Survey tables prepared by RIMU, Auckland Council h

### 2. Summary of findings

South Auckland disadvantage fits national trends of ethnic disadvantage – and in many cases is no worse on average for the same ethnic groups elsewhere

Despite the common deficit narrative of South Auckland, outcomes for rangatahi in this region are often fairly comparable to the situation for those *of the same ethnic group* in the rest of New Zealand. Most of the South Auckland disadvantage is part of broader ethnic group patterns e.g.

- Across the country, Pasifika rangatahi have poorer outcomes than those from other ethnic groups, but Pasifika rangatahi in South Auckland on many counts are not doing any worse than they would elsewhere, and on some counts are doing better.
- Similarly, Māori rangatahi in some parts of South Auckland are often doing similarly and sometimes better on some counts as Māori elsewhere.
- But South Auckland figures end up looking worse on average compared to elsewhere,
   because national patterns of ethnic disadvantage accumulate and concentrate in one place,
   due to large Pasifika and Māori populations.
- Pākehā rangatahi are different on average their outcomes are worse in South Auckland than in the rest of Auckland or New Zealand. But they are still generally doing better than other ethnic groups in South Auckland.
- There are also some extra disadvantages particularly associated with specific local board areas, particularly Papakura for Māori and Pasifika rangatahi; or patterns of driver licensing depending on distances from Central Auckland.

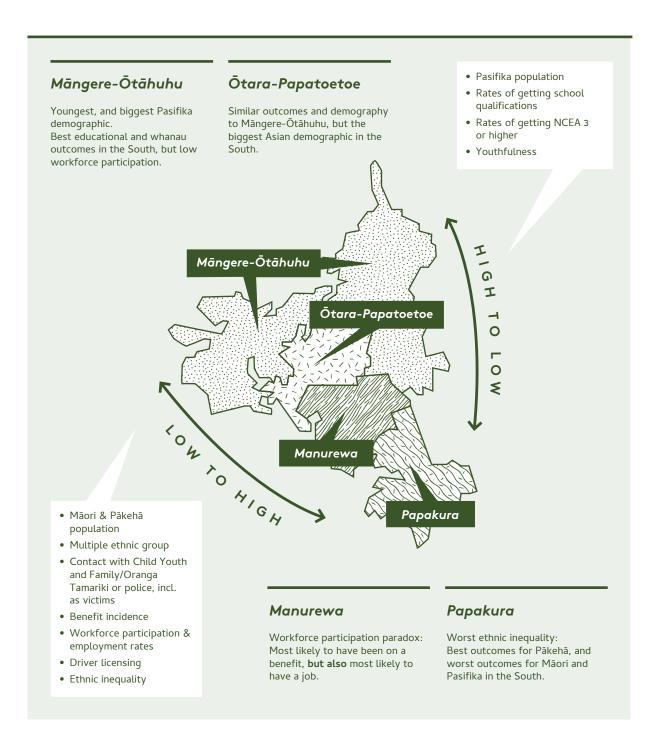
### The 'inner' and 'outer' South split

- The 'inner South' areas of Māngere-Ōtāhuhu and Ōtara-Papatoetoe compare favourably to the 'outer South' on social outcomes such as less benefit use, school leaving with qualifications, and less contact with the criminal justice system and social services. These relatively better outcomes are associated with the large Pasifika and Asian communities here, suggesting protective factors of these communities where they have strength in numbers and well-established networks.
- But this does not always translate to better employment outcomes. There is a paradox of low benefit incidence and higher rates of NEET and lack of labour force participation among Pasifika rangatahi, who are especially clustered in Māngere-Ōtāhuhu and Ōtara-Papatoetoe. This may be connected to resilient community and whanau support structures that provide an alternative to state support; but are also likely impacted by structural unemployment affecting Pasifika youth that can be traced to fallout from the Global Financial Crisis.<sup>4</sup>
- Meanwhile, rangatahi in the outer South are more likely to leave school without qualifications in order to generate income. They are both more likely to be earning income in jobs, and also to be receiving benefit income, than those in the inner South. They are also more likely to later gain certificate-level qualifications equivalent to school qualifications at tertiary

<sup>4</sup> Tuatagaloa, P., & Wilson, R. (2018). Youth not in employment, education or training (NEET) in Auckland.

institutes, possibly because of the higher number of 'second chance learners' who did not finish school.

- Rangatahi going to school in Manurewa and Papakura particularly Papakura are more likely to be leaving school with no qualifications; with markedly higher rates of this for Māori and Pasifika rangatahi in the outer South compared with their peers in the inner South.
- In Papakura, inequality between Pākehā and Māori or Pasifika rangatahi is at its most extreme. Pākehā are generally doing the best in Papakura out of anywhere in South Auckland on measures like education and income; while on most measures, Māori and Pasifika rangatahi there are doing markedly worse.



# 3. Who are our South Auckland rangatahi and what communities do they belong to?

#### South Auckland overall

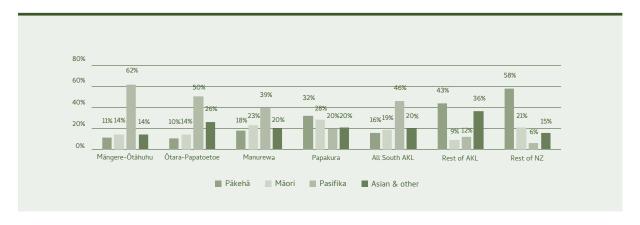
From north to south:

- The Pasifika population goes from an absolute majority of rangatahi in Māngere-Ōtāhuhu, down to a low point in Papakura.
- Pākehā and Māori go from small populations in the north, to a high point in Papakura.
- As Pākehā and Māori rangatahi populations increase, so does the likelihood of young people having multiple Māori and Pākehā ethnicity, meaning that rangatahi with only Pākehā identity are a smaller population than some figures might suggest.<sup>c</sup>
- As Pasifika have the youngest age structure, areas with higher Pasifika population are younger even within the 15-25 age group.

Big increases in 20-25 year old Asian populations due to inward migration, and natural demographic increase in other groups but less growth among Pākehā, has meant that Pākehā rangatahi have declined as a proportion of the population between the last two Censuses.<sup>c</sup>

Further analysis of these figures is available at Appendix B.

Figure 1. Ethnic group by geographic areas, 15-25 year olds, 2018



Source: BERL analysis of IDI, percentages of total ethnic groups reported, (excludes missing).

### YOUTH DEMOGRAPHY OF THE INNER SOUTH

### Māngere-Ōtāhuhu: Pasifika



### Ōtara-Papatoetoe: Pasifika and Asian



- The most Pacific of the four areas at over 60% of rangatahi who reported ethnic group.
- When taking multiple ethnic group into account, rangatahi with only Pākehā identity here may be as little as 5%.<sup>c</sup>
- The youngest age spread, even within the 15-25 group, reflecting the youthfulness of Pasifika demography.
- Fewer Māori here in this age group than the national average, but all rangatahi who identify as Māori, including those with multiple ethnic identifications, may be as high as 17%.
- The second-most Pacific local board at around 50% of all rangatahi who reported ethnic group.
- The **highest Asian population** of the four areas, constituting up to 30% of area rangatahi according to the Census.<sup>c</sup>
- The Asian population aged 20-25 roughly doubled between 2013 and 2018 Census although numbers of Asian rangatahi under 20 stayed the same, suggesting big inflows of young Asian adults from other parts of Auckland or overseas for work or study.
- Rangatahi with only Pākehā identity could be as little as 5%.<sup>c</sup>

#### YOUTH DEMOGRAPHY OF THE OUTER SOUTH

### Manurewa: Pasifika and Māori



### Papakura: Māori and Pākehā



- No one ethnic group is the majority, but Pasifika are the biggest group at 39% of all rangatahi who reported ethnic group.
- Pākehā, Māori, and the mostly Asian 'Other' category, are all between 18-23%.
- But going by multiple ethnic group in the Census, those identifying as Māori could be up to 33% – with rangatahi in Manurewa declaring both Māori and Pākehā ethnic group at more than double the rate of the inner South.<sup>c</sup>
- On all counts, the second most Māori area in this age group in South Auckland, after Papakura.
- The Asian population aged 20-25 close to doubled between 2013 and 2018 Census although numbers of Asian rangatahi under 20 increased only a little, suggesting big inflows of young Asian adults from other parts of Auckland or overseas for work or study.<sup>c</sup>

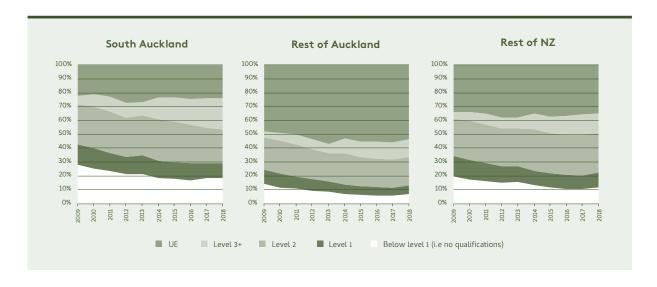
- The highest rate of Māori youth in the South, as well as the most Pākehā and the least Pacific.
- BERL estimates that Pākehā are (only just) the biggest group. But when looking at Census data on combined ethnic groups it is likely that those who identify as Māori outnumber those who identify only as Pākehā among Papakura rangatahi.<sup>c</sup>
- Rangatahi in Papakura declare both Māori and Pākehā ethnicity at more than three times the rate of the inner South.<sup>c</sup>
- The Asian population aged 20-25 more than doubled between the 2013 and 2018 Census although numbers of Asian rangatahi under 20 increased only a little, suggesting big inflows of young Asian adults from other parts of Auckland or overseas for work or study.
- Because of increases in the other groups the proportion of Pākehā rangatahi dropped substantially between the 2013 and 2018 Census.<sup>c</sup> (See Appendix B)

### 4. How are our rangatahi achieving at school?

#### SOUTH AUCKLAND OVERALL

- Those studying in South Auckland over the last ten years have been about twice as likely to leave school without any qualifications than the Auckland or national average, according to Ministry of Education school leaver data.<sup>e</sup>
- In that period, those who left with qualifications were more likely to have left with lower levels of qualifications than in the rest of Auckland and rest of New Zealand. e
- There has been a gradual narrowing of the attainment gap over the last decade, with students at schools in some South Auckland local board areas now 'getting over the line' to NCEA 3 or higher, at similar rates to the rest of the country.
- However, attainment of University Entrance across South Auckland has remained fairly static, and has in fact slightly declined from a high point in 2013. Analysis of national ethnic and decile data on school subject attainment⁵ and ongoing qualitative TSI research with pupils in Manurewa suggest improved NCEA attainment may be driven by achievement of units in non-academic subjects.
- There were slightly better rates of getting qualifications at schools in the inner South and worse rates at schools in the outer South, with the inner South equal to or better than the rest of New Zealand. e

Figure 2. NCEA attainment among school leavers 2009-2018: South Auckland schools compared with the rest of Auckland and rest of New Zealand



<sup>5</sup> Johnston, K., & Singh, H. (2016). What's behind rising NCEA pass rates? NZ Herald.

### SCHOOL IN THE INNER SOUTH

### At schools in MĀNGERE-ŌTĀHUHU



- Least likely in South Auckland to have students leave without qualifications, and most likely to attain NCEA 3 or higher, including when taking Kings College out of the picture.<sup>e</sup>
- Pasifika here are doing as well or better than the very few Pākehā here who were not in private schools, and similarly to Pākehā in other parts of South Auckland. e.g. 52% of Pasifika rangatahi at state schools attained NCEA 3 or higher, compared with 49% of Pākehā at state schools here.<sup>e</sup>
- Outcomes for Pasifika attending school here were far better than for Pasifika in the outer South.<sup>e</sup>
- Results for Māori are somewhat worse than the Auckland and national average for Māori, but substantially better than for Māori attending school in the outer South.

### At schools in ŌTARA-PAPATOETOE



- Second least likely in South Auckland to have students leave without qualifications, and second most-likely to attain NCEA 3 or higher.<sup>e</sup>
- Rates across ethnic groups nearly identical to that of Māngere-Ōtāhuhu.<sup>e</sup>
- Pākehā rangatahi were doing similarly to their state-schooled counterparts in Māngere-Ōtāhuhu, but had a particularly good year for NCEA 3 in 2018.<sup>e</sup>
- Pasifika and Pākehā rangatahi here are similarly likely to leave school with qualifications; also at similar rates to the Auckland and national average.<sup>e</sup>
- Results for Māori somewhat worse than the Auckland and national average for Māori, but substantially better than for Māori attending school in the outer South.<sup>e</sup>

#### SCHOOL IN THE OUTER SOUTH

### At schools in MANUREWA



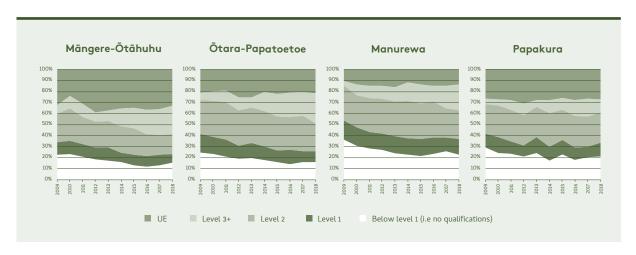
- Most likely place in South Auckland for students to leave school with no qualifications, and the least likely to leave with NCEA 3 or higher.<sup>e</sup>
- Compared with the inner South, Pasifika and Māori rates of leaving school with no qualifications jump up by 6-7 percentage points.<sup>e</sup>
- The worst-performing place in South Auckland for those who reported Pākehā ethnicity, with the lowest rates for that group leaving school with NCEA 3 or higher, or with any qualifications.

### At schools in PAPAKURA



- Second-most likely place in South Auckland for students to leave school with no qualifications, and second-least likely to leave with NCEA 3 or higher.<sup>e</sup>
- Compared with the inner South, Pasifika and Māori rates of leaving with no qualifications are higher by around 10 percentage points.<sup>e</sup>
- There is a less of a contrast between the outcomes for Pākehā attending private school (ACG Strathallan) and state schools, compared with Māngere-Ōtāhuhu.<sup>e</sup>

Figure 3. NCEA attainment among school leavers 2009-2018: Schools in South Auckland local board areas compared. <sup>6</sup>



Source: Ministry of Education school leaver data. Uses address of school rather than address of student.

The rate of Māori and Pasifika students who leave schools in South Auckland with NCEA 3 or UE, lags behind the rest of Auckland. How many more Māori and Pasifika South Auckland school leavers will need to have completed NCEA 3 or UE this year to close that gap?

| Māngere-Ōtāhuhu<br>(state schools only) |                      | Ōtara-Papatoetoe     |        |          |                      |                |          |
|---|----------------------|----------------------|--------|----------|----------------------|----------------|----------|
|   |                      | % increase required) |        |          |                      | % increase req | uired)   |
| 54                                      | Māori<br>students    | 98%                  | 1      | 81       | Māori<br>students    | 112%           | <b>↑</b> |
| 104                                     | Pasifika<br>students | 27%                  | 1      | 152      | Pasifika<br>students | 41%            | 1        |
| Manurewa                                |                      |                      |        | Papakura |                      |                |          |
|   |                      | % increase req       | uired) |          |                      | % increase req | uired)   |
| 168                                     | Māori<br>students    | 163%                 | 1      | 104      | Māori<br>students    | 209%           | 1        |
| 160                                     | Pasifika<br>students | 82%                  | 1      | 61       | Pasifika<br>students | 186%           | 1        |

Source: Ministry of Education school laever data. Uses address of school rather than address of student.

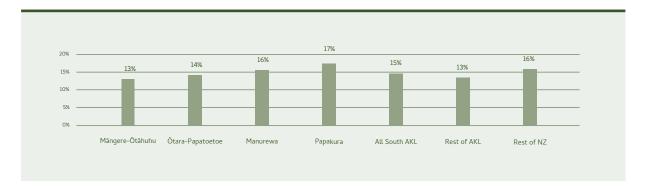
<sup>6</sup> See Appendix D for full ethnic breakdowns of NCEA attainment within each South Auckland local board area.

### 5. Are our rangatahi going on to further study?

### SOUTH AUCKLAND OVERALL

BERL data suggests that South Auckland rangatahi have comparable and even better rates than the rest of Auckland and the country in terms of going on to further study at tertiary institutions after leaving school, and in holding qualifications from tertiary providers, particularly given their younger age skew within the 15-25 age group.

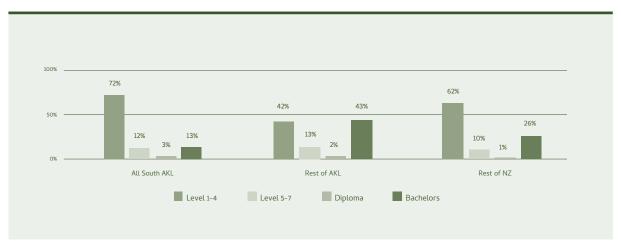
Figure 4. Rate of holding qualifications from a tertiary provider by geographic area, 15-25 year olds, 2018



Source: BERL analysis, IDI.

However, these qualifications are very likely to be at NCEA or NQF levels that they could have completed while at school. Mirroring their rate of being twice as likely as other Aucklanders to have left school with no qualifications, South Auckland rangatahi who completed studies at tertiary institutes were almost twice as likely to have been doing level 1-4 qualifications compared with other Aucklanders.

Figure 5. Types of qualifications from tertiary providers by area, as proportion of all post-school qualifications held by 15-25 year olds, 2018



Source: BERL analysis, IDI.

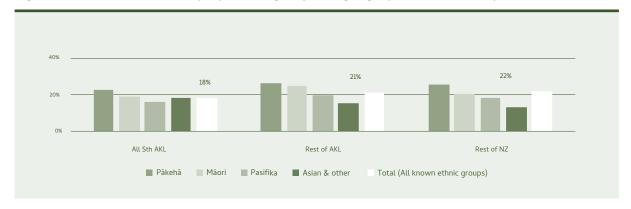
This does suggest that the motivation to gain qualifications among South Auckland rangatahi is just as strong as anywhere else; but that many learners are playing catchup after experiencing barriers to school completion or University Entrance that have limited their pathways to higher-value tertiary qualifications.



While South Auckland youth were not even a third as likely to have a degree as other young Aucklanders, they were about 86% as likely to have a student loan, averaging over \$17,000 per loan.

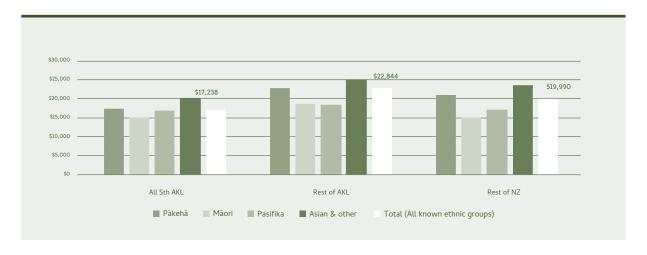
We cannot know the exact percentage of these loans that are being spent on school-level qualifications at tertiary providers for South Auckland rangatahi (there are likely those in the data who are still completing degrees). But given the overall picture, the majority of them are likely to be for level 1-4 qualifications, rather than higher-level qualifications..

Figure 6. Student loan takeup by ethnic group and geographic area, 15-25 year olds, 2018



Source: BERL analysis, IDI. Area totals are derived from ethnic group area averages of populations provided by BERL. This does not account for missing data on ethnic group.

Figure 7. Average student loan by ethnic group and area (for those who have them), 15-25 year olds, 2018



Source: BERL analysis, IDI, using IRD data. Largest single loan assumed to be student loan.

### THE INNER SOUTH

As per their school qualifications data, Māngere-Ōtāhuhu and Ōtara-Papatoetoe have a very similar profile for tertiary qualifications. Rangatahi there are the least likely in South Auckland to have done NCEA 1-4 qualifications at a tertiary provider, likely because their lower rates of leaving school with no qualifications means they are also less likely to be 'second chance learners'. It also likely reflects the younger skew of the youth population in these areas, associated with bigger Pasifika communities.

### THE OUTER SOUTH

Reflecting lower school attainment figures, Manurewa and Papakura have higher rates of rangatahi becoming 'second chance learners' and studying lower-level qualifications at tertiary institutions. However, likely reflecting the way its larger population of Pākehā rangatahi are more like Pākehā outside of South Auckland, Papakura also has the highest rate of degree-attainment in the South by age 25.

### 6. How are our rangatahi faring in the workforce?

### SOUTH AUCKLAND OVERALL

Rangatahi in South Auckland have high rates of unemployment and joblessness, according to the Household Labour Force Survey, which reports on these measures as well as NEET rates. Although they had similar levels of engagement in post-school study to the rest of the country, South Auckland rangatahi had more than double the rate of the rest of Auckland of rangatahi being NEET (Not in Employment, Training or Education), suggesting that the main gap in outcomes is about a lack of access or pathways to jobs, rather than a lack of motivation to engage in study or training.

At the same time, BERL analysis found that South Auckland rangatahi had generally comparable rates of benefit incidence than their counterparts of the same ethnic group in the rest of the city or country (although they spent longer spells on benefits). For example, Pasifika rangatahi had slightly lower rates of benefit incidence than Pasifika in the rest of Auckland and New Zealand; and generally had lower or very similar benefit incidence to Pākehā, except for in Papakura.

5.9% 4.9% 5.0% 3.9% 3.1% 3.0% 3.0% 3.0% 3.0% 2.6% 2.2% 2.1% 1.2% 1.2% 1 0% 1 0% 0.8% 0.8% 0.0% Mängere-Ōtāhuhu Ōtara-Papatoetoe ■ Pākehā ■ Māori ■ Pasifika Asian & other

Figure 8. Benefit incidence by ethnic group and geographic area, 15-25 year olds, 2018

Source: BERL analysis, IDI using MSD data

Long-term Household Labour Force Survey (HLFS) data shows that:

- Papakura generally has the highest rates of NEET for rangatahi in South Auckland. h
- Before the Global Financial Crisis, Māngere-Ōtāhuhu NEET rates tracked closely with Ōtara-Papatoetoe and Manurewa; but after the GFC Māngere-Ōtāhuhu rates aligned more with the higher Papakura rates for a decade. h

- Auckland Council analysis of the IDI and HLFS points out that the GFC had the worst impact on the employment and NEET rates of Pasifika rangatahi (Tuatagaloa & Wilson, 2018), who are particularly concentrated in Māngere-Ōtāhuhu. h
- Nationwide and at all ages, Pasifika had the lowest rate of labour force participation compared with other ethnic groups (meaning rates of being either in work, or registered as an active jobseeker, i.e. on an unemployment benefit). Part of this may be attributed to resilient Pasifika community and family networks that provide alternative forms of support to the benefit system, which is particularly relevant in Māngere-Ōtāhuhu; but it may also be related to disengagement from the labour market entirely.

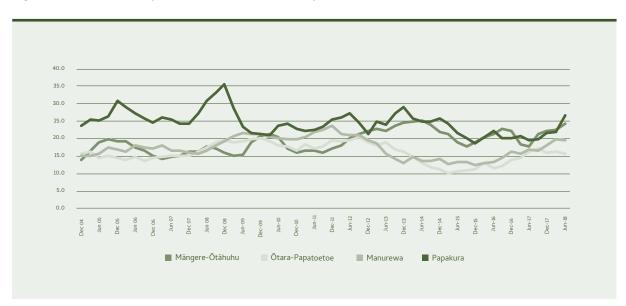


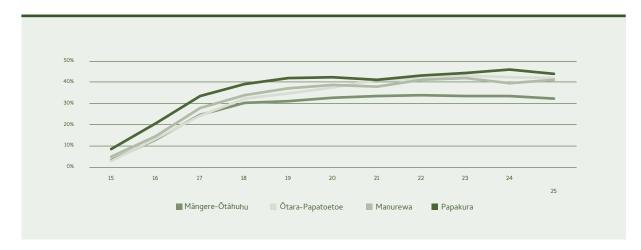
Figure 9. NEET rates by local board area, 15-24 year olds in the HLFS, 2004-2018

Source: Household Labour Force Survey. Note, these are survey figures rather than absolute rates, and there will be sampling errors due to survey methods and smaller sample sizes at local board level. As such, the trend lines should be interpreted broadly.

Reflecting the patterns, inner South rangatahi were also generally less likely to be earning any declared income than those in the outer South. As other Auckland rangatahi were more likely to be studying either at school or tertiary institutes, they also had lower rates of being in work, and we can assume that they are more likely to be in part-time work if they are income-earners. Probably because of this, for rangatahi who were in work, South Aucklanders out-earn their counterparts in the rest of Auckland up to their early 20s; at which point the trajectory of other Aucklanders begins to overtake South Aucklanders as they complete their higher education and begin earning full-time.

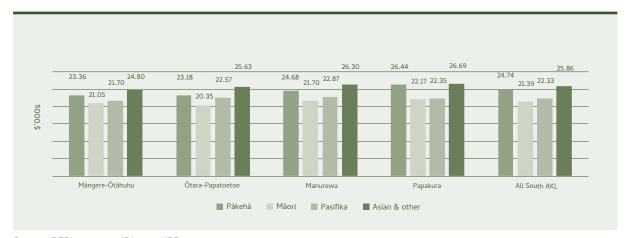
For those earning income, patterns were very similar across South Auckland, in that there were consistent ethnic disparities; with the 'Asian & other' and Pākehā rangatahi out-earning Māori and Pasifika.

Figure 10. Population receiving taxable income by age and local board area, 15-25 year olds, 2018



Source: BERL analysis, IDI using IRD data

Figure 11. Average yearly income for wage earners, by area, 2018



Source: BERL analysis, IDI using IRD data

Figure 12. Ethnic gap in yearly income for Māori and Pasifika compared with Pākehā, by local board area, 15-25 year olds, 2018



Source: BERL analysis, IDI using IRD data

### RANGATAHI WORKFORCE ENGAGEMENT IN THE INNER SOUTH

### MĀNGERE-ŌTĀHUHU



#### **ŌTARA-PAPATOETOE**



- Lowest benefit incidence in South Auckland for rangatahi according to BERL data, compares with highest unemployment and joblessness rate in South Auckland for the entire working age population.<sup>h</sup>
- Despite similarly high levels of gaining qualifications at school as Ōtara-Papatoetoe, rangatahi do not enter employment at the same rates.
- The most increased NEET rates in the decade following the Global Financial Crisis, likely due to:
  - structural unemployment post-GFC affecting Pasifika youth most strongly across the board.<sup>7</sup>
  - higher rate of school completion and lower rate of being in further 'second chance' training (and thus more likely to be classified NEET)

- Lower benefit incidence than the outer South for rangatahi according to BERL data, but also higher unemployment and joblessness than the outer South for the entire working age population.<sup>h</sup>
- Rates of rangatahi earning taxable wages start out low, but pull away from Māngere-Ōtāhuhu's from the age of 17 onwards (i.e. after finishing school), towards similar rates as the rest of South Auckland and NZ.
- Pasifika rangatahi here earning income from wages and salaries have the lowest ethnic wage gap with Pākehā in South Auckland.
- Pākehā here have the highest benefit incidence in South Auckland.
- Overall income picture pulled upwards by higher-earning and large Asian population.

### RANGATAHI WORKFORCE ENGAGEMENT IN THE OUTER SOUTH

### **MANUREWA**



### **PAPAKURA**



- Second-highest rate of being on a benefit after Papakura.
- Longest periods spent on a benefit in South Auckland.
- At the same time, the second-most likely to be earning taxable non-benefit income at every age, again after Papakura.
- Combined with the school leaver data on moving into jobs after school, this seems to show a pattern of Manurewa rangatahi prioritising immediate income for themselves and/or their whānau, whether it be in available employment at every age, or via government benefits when jobs are not available.
- The highest rate of NEET<sup>h</sup> and of being on a benefit in South Auckland, which appears to be driven by much higher rates of benefit incidence among Māori and Pasifika rangatahi compared with anywhere else in the South.
- Papakura rangatahi had the second longest periods spent on a benefit in South Auckland, after Manurewa.
- Most likely to be earning taxable income, at every age.
- But the most ethnic income inequality for rangatahi in South Auckland, with an income gap greater than \$4000 per annum between Pākehā and Māori/Pasifika rangatahi.

<sup>7</sup> Tuatagaloa, P., & Wilson, R. (2018). Youth not in employment, education or training (NEET) in Auckland.



### **DRIVER LICENSES**

The lack of a driver license can be a barrier to employment, particularly in industries that offer good wages in South Auckland. There is both a 'distance' effect and an ethnic gap in the rates of driver licensing across the four areas (see Appendix E for full table).

**Distance effect:** The further away from Central Auckland, the higher the rates of driver licensing for rangatahi. For example, as we move from the inner South to the outer South, rates of licenses increases among all ethnic groups.

**Ethnic gap:** Pasifika and Māori have persistently lower driver license rates than Pākehā and Asian groups, and this – combined with the distance effect – means Pasifika rangatahi in Māngere-Ōtāhuhu and Ōtara-Papatoetoe have the lowest rates of driver licensing in South Auckland; while Pākehā in Papakura have the highest.

**License 'pooling':** While BERL analysis was not able to distinguish between levels of licensing, it is important to note that learner licenses - as opposed to restricted or full licenses - provide no advantage in the workplace. 40% of all young New Zealanders stay on learner licenses for more than five years. As such, the employment implications of low driver license rates in South Auckland, is worse than the BERL data indicates.

### 7. Recommendations

The insights in this snapshot support the following recommendations.

- Support school retention for Pasifika and Māori rangatahi, to improve their employment and income prospects, and help them avoid the debt-trap of large student loans for lower-level 'second chance' qualifications at tertiary providers.
  - Local Boards have a key role to play in outreach to schools, and working with schools on retaining Māori and Pasifika students. Closing the school completion gap with the rest of Auckland would amount to only a few hundred extra Māori and Pasifika students in each local board area. However, Ministry of Education data and ongoing TSI research into the potentially lower quality of the increasing numbers of NCEA unit standards achieved for Māori and Pasifika, is an important warning about the limitations of 'target-setting' without working with schools and rangatahi to widen educational opportunities.
- 2. Support research and social co-design around how to support rangatahi in South Auckland to make better and more informed decisions around school-leaving and further study. This report has highlighted the pervasiveness of tertiary student indebtedness for qualifications that could have been acquired for free at school. Other TSI research conducted with Harmonics Analytics and BERL suggests that investing in many of these 'second chance qualifications' risks trapping people into low-wage occupations that do not provide a pathway out of debt. Local Boards have a key role to play in supporting TSI's research and co-design with rangatahi in this area. TSI aims to learn how to best communicate the opportunity-costs and returns on not completing school, and to understand the motivations of rangatahi who take on student loan debt for lower-level qualifications, including potentially as an income source.
- 3. At a national level, this data further supports TSI's advocacy for the expansion of **fee-free study for second-chance learners** taking level 1-3 qualifications in occupational pathways shown to lead to decent salaries and career progression. Given levels of indebtedness, it also highlights the need to disincentivise qualifications linked to low-return career paths in South Auckland, such as hospitality and retail.

- 4. Support driver licensing initiatives that upgrade rangatahi to restricted licenses. Although the BERL data did not distinguish between learner and restricted licenses, the overall pattern highlights that Pasifika rangatahi in the inner South are the group most in need of obtaining driver licenses; and that employment rates are particularly low in these parts of South Auckland. As found in 'The Case for Change: Driver Licensing Challenge' report, more data is needed on the risk of programmes upskilling people onto learner licenses, who never progress to the restricted licenses needed for practically all jobs that require driving.
- 5. **Leverage resilience**. A key overall pattern identified in this research is the community resilience of strong Pasifika populations in the inner South supporting relatively better education and whanau outcomes, but combined with high local joblessness and NEET rates. Local Boards have a key role in identifying how community strengths play a role in this picture (such as through informal alternatives to both the job market and benefits), whether there are barriers to benefit entitlements, and how whanau and community networks can help 'relaunch' disengaged rangatahi.
- 6. **Deal with inequality**. All the local boards, but Papakura Local Board in particular, must focus on Māori and Pasifika rangatahi. In Papakura, it is imperative to address the extreme ethnic inequality in its board area, through more Māori and Pasifika youth voice and representation; and supporting cultural connection for isolated Pasifika communities, to draw on the strengths we see present in other local board areas.
- 7. **Keep reaching out to the most marginalised and disadvantaged**. IDI data provided by BERL on disability, contact with social services, and contact with the criminal justice system was limited in terms of how it could be interpreted, underlining that more qualitative research is needed into ways that the most marginalised rangatahi in South Auckland can be supported.

### Appendix A: Data sources

This report gives a snapshot of rangatahi in four South Auckland local board areas. It uses mainly BERL analysis of Statistics New Zealand Integrated Data Infrastructure (IDI data carried out for TSI on a cohort aged 15-25 in 2018, whose last recorded residence was in Māngere-Ōtāhuhu, Ōtara-Papatoetoe, Manurewa or Papakura.

For more context and triangulation of the findings, the BERL/IDI data findings were supplemented by TSI analysis of Census 2013 and 2018 data tables on populations usually resident in those areas, publicly available Ministry of Education data on those attending school in the four areas, and previous Auckland Council analysis of data from the Household Labour Force Survey. Rangatahi in these different data sources overlap but are not exactly the same populations – however, the multiple sources are used to provide a more complete picture.

### Census tables used

- Statistics New Zealand. Dataset: Ethnic group (single and combination) by age group and sex, for the census usually resident population count, 2001, 2006, and 2013 (RC, TA). nzdotstat. govt.nz. Accessed 2019.
- Statistics New Zealand. Dataset: Age and sex by ethnic group (grouped total responses), for census usually resident population counts, 2006, 2013, and 2018 Censuses. nzdotstat.govt.nz. Accessed 2019.

Ministry of Education school leaver tables used:

- Ministry of Education school leavers data. <a href="https://www.educationcounts.govt.nz/statistics/schooling/senior-student-attainment/school-leavers">https://www.educationcounts.govt.nz/statistics/schooling/senior-student-attainment/school-leavers</a> Accessed 2019.

Household Labour Force Survey tables prepared by RIMU, Auckland Council.

BERL methodology: BERL constructed a custom dataset from the IDI. All people in New Zealand aged 15-2015 at 2018 were located, and matched to the meshblook of their most recent address. The meshblocks were then matched to a concordance of local board meshblocks from Statistics New Zealand. These records were then matched with various datasets in the IDI, such as education, health and justice records.

The following data sources within the IDI were linked:

- 1) Personal data tables these tables are constructed by Statistics New Zealand from official datasets. They include variables like ethnicity and year of birth.
- 2) Address data tables these data tables are constructed from multiple official sources and are considered the best estimate of a person's most recent address.
- 3) Census 2013 this data was used to assess how many rangatahi have a disability or have difficulty with everyday activities. At the time of this analysis the 2013 Census was the most recent Census available within the IDI.
- 4) Ministry of Education datasets –used to source information on qualification attainment at secondary and tertiary levels for the rangatahi in the TSI board areas.
- 5) Student loan tables– these datasets allowed us to calculate the average student loan of the rangatahi in the TSI board areas.
- 6) Ministry of Social Development YST data tables the MSD YST data tables are used to source data on the risk of rangatahi being NEET. The data is constructed by Statistics New Zealand using a publicly available methodology.
- 7) Ministry of Social Development benefits tables these data tables allowed us to count how many rangatahi had accessed an MSD benefit and for how long.
- 8) Inland Revenue Department income data used to calculate the average income of rangatahi in the

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TSI board areas. Statistics New Zealand's work on categorising income by source was used to calculate an estimate of an employment rate.

- 9) Ministry of Justice data these tables were used to count how many rangatahi had contact with the criminal justice system and under what circumstances.
- 10) Child Youth and Family data tables this data was used to count the proportion of rangatahi who have had contact with Child Youth and Family.
- 11) Ministry of Health Primary Health organisation enrolment this data table was used to calculate the proportion of rangatahi who have enrolled at a primary health organisation.
- 12) New Zealand Transport Association licence tables this data was used to calculate the proportion of rangatahi who have a driver's licence.

BERL then summarised simple averages, proportions, and counts from this population, which amounted to approximately 119,000 people, with about 33,000-35,000 each in Māngere-Ōtāhuhu, Ōtara-Papatoetoe and Manurewa, and about 16,000 in Papakura. By comparison, the 2018 Census reported that there are around 57,000 rangatahi aged 15 to 25 usually resident within the TSI areas. Note, the 2018 Census is not currently available within the IDI environment. BERL accepts that they have overestimated the number of people in their dataset, and provides various possible explanations for this, e.g.

- 1) A person's last known address is in the TSI areas but they are no longer living at this address.
- 2) The Census is known to undercount young people, particularly Māori and Pasifika who make up a large proportion of rangatahi in TSI areas.
- 3) Young people may record their address as their parent's house in official databases.
- 4) There is substantial "lag" to updating people's addresses in official databases.
- 5) The Census counts people as at a specific day, while the BERL dataset looks a the most recent address as at 2018.

## Appendix B: Comparison of Census 2018 total ethnic groups with estimated prioritised ethnic group

Figure B.1. shows the 2018 Census figures for total ethnic group across South Auckland local board areas. As a result of the 2018 online Census undercount, these figures have been 'backfilled' by Statistics NZ using the IDI. Table B.2 shows the 2013 prioritised ethnic group figures for the same board areas, for the cohort that would be 15-25 in 2018. This figures have not been adjusted for the increase in the Asian category in 2018, but provide a broad estimate of the extent of multiple ethnic group for those with Māori and Pākehā ethnicity that can be compared with the BERL IDI analysis and the currently available 2018 Census ethnic tables (prioritised ethnic group tables for 2018 not currently available).

The purpose of this is to provide a 'real world' account of ethnic group, where we are talking about numbers of actual people. Total ethnicity counts the number of times any ethnicity was ticked, not the number of people that exist. In Table B.2., the Pākehā category is Pākehā ethnic group only; Māori is all with Māori ethnicity; Pasifika is all with any Pasifika ethnic group except for those with Māori ethnic group. Using this combined/prioritised measure, we can see that Pākehā who are 'only' Pākehā are a smaller percentage, and that the Māori-identified population is substantially bigger in some areas.

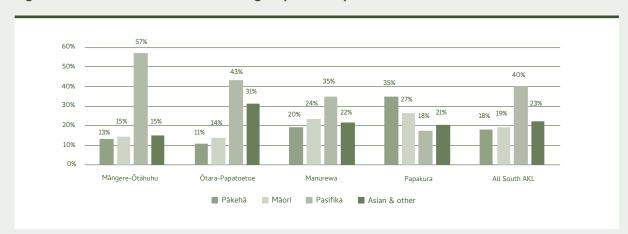


Figure B.1. 2018 Census 'total' ethnic groups, 15-25 year olds

Source: Census 2018, 'total ethnicity' and 'ordinarily resident' address used.

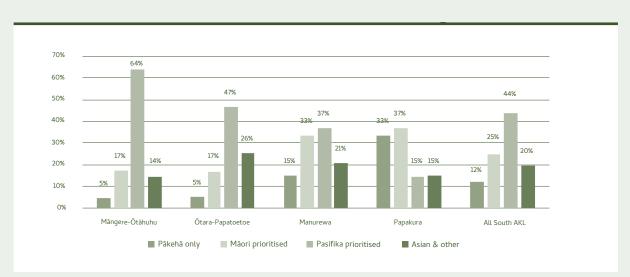


Figure B.2. 2013 Census 'prioritised' ethnic group, 10-19 year olds

### Appendix C: BERL data on school qualifications

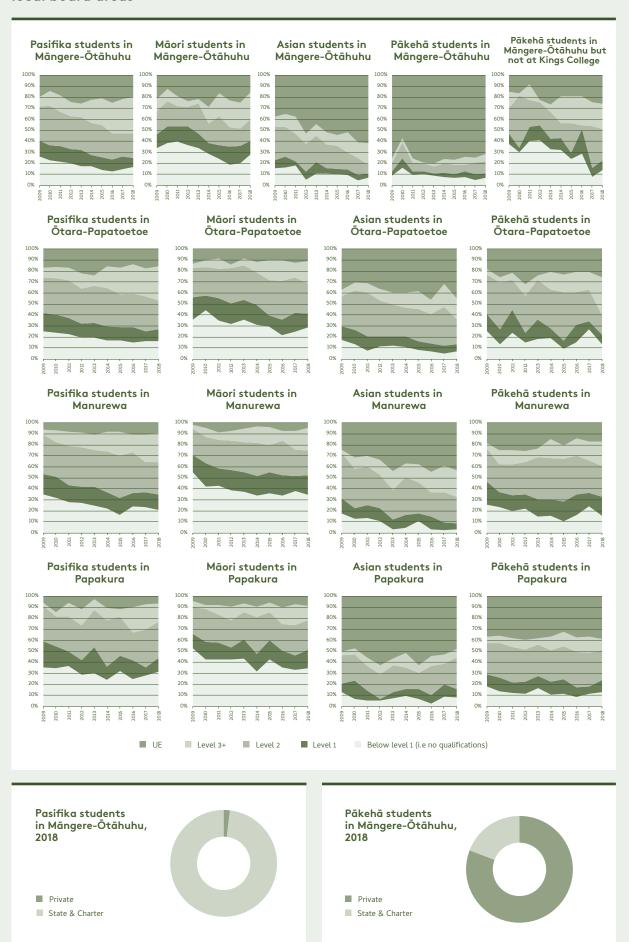
BERL IDI data has a much lower rate of 'no qualifications recorded' among its sample of those with their last address being recorded in South Auckland, than Ministry of Education data on who left schools in South Auckland without qualifications – these measure different things. However, the overall pattern of differences between the local board areas is substantively the same, with the inner South doing better than the outer South. Of those who did complete qualifications, the distribution of the type of these qualifications was virtually identical across the local board areas.

### C.1. Highest school qualifications by local board area, 15-25 year olds, 2018



Source: BERL analysis, IDI, based on last address of individual, not area attended school.

Appendix D: Ethnic breakdown of school leaver data on NCEA attainment in four local board areas



# Appendix E. Rate of driver license by geographic area and ethnic group, 15-25 year olds, 2018

