



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

Māori in Business

A report on Māori running
their own business

December 2014



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Executive Summary

Māori in Business provides an analysis of Māori who run their own business. This is based on Māori who are self-employed, either working alone or employing others. The report uses data from the 2013 and 2006 Censuses of Population and Dwellings.

The key results are:

- **Over 21,000 Māori run their own business.** In 2013, there were 21,700 Māori in business; of which 14,900 were sole traders (self-employed and without employees) while the remaining 6,800 were employers. The total self-employed population was 365,800, with 235,900 sole traders and 129,900 employers.
- **There was a 2.8 per cent increase in the number of Māori who work for themselves between 2006 and 2013.** This increase compares with a 3.2 per cent decrease for the total population. The increase in the number of self-employed Māori was spread across most regions.
- **Māori are half as likely to be self-employed as the total population.** In 2013, self-employment as a percentage of total employment for Māori was 10 per cent, compared to 19.8 per cent and 18.7 per cent for non-Māori and the total population, respectively.
- **Median income gaps with the total population tend to be smaller for Māori who run their own business than for Māori employees.** The median income gap with the total population was 14.8 per cent for wage and salary earners in 2013. Amongst employers, the gap was 8.7 per cent. Median incomes amongst sole traders tend to be similar for Māori and the total population.
- **More self-employed Māori worked in the service sector than any other sector.** There were 13,000 self-employed Māori in the service sector, making up over 60 per cent of all self-employed Māori in 2013; over 5,000 (or 25.2 per cent) and 2,400 (or 11.7 per cent) were in the goods-producing sector and the primary sector, respectively.
- **Māori females are less likely to be self-employed than Māori males.** The rates for females were 7.6 per cent (Māori) and 13.7 per cent (total population); 12.4 per cent and 23.3 per cent for males, respectively in 2013.
- **Self-employment rate amongst Māori differs by region.** The Māori self-employment rate was highest (11.8 per cent) in the South Island (excluding Canterbury) and Northland (11.5 per cent) regions while lowest (7.5 per cent) in the Gisborne/Hawke's Bay region.

Overall, the Census results suggest Māori are less likely to be self-employed than the total population of employed. In part, this is due to certain demographic influences – Māori are relatively younger, with lower qualification levels than other New Zealanders. These differences also partly reflect the industry and sector where most self-employed Māori operate.

In the context of promoting Māori economic development through entrepreneurial activities, self-employment is an important measure of their role in the New Zealand

economy. It is important to know how many Māori own and run their business, the industry and region they are in, and how they compare with other New Zealanders.

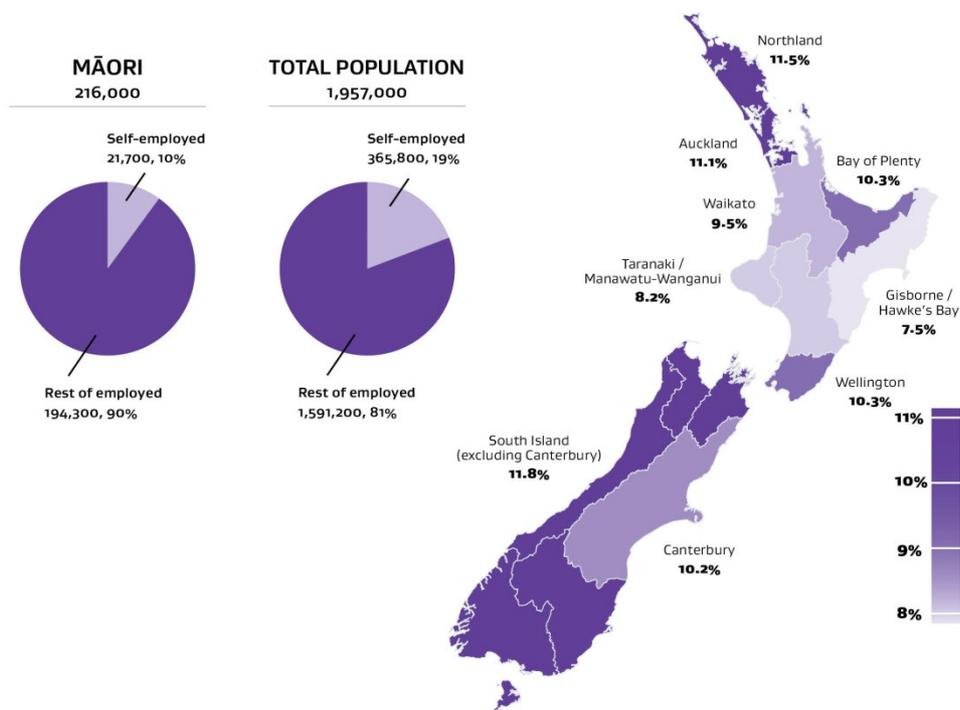
Māori in Business 2013

21,700

self-employed Māori of whom, **14,900** were sole traders
and **6,800** were employers

Māori are half as likely to be self-employed as the total population

Self-employment as a % of total employment, 2013



Source: Statistics New Zealand, 2013 Census of Population and Dwellings

Introduction

'Māori in Business' is an analysis of Māori who run their own business using data from the 2013 and 2006 Censuses of Population and Dwellings. It aims to support information needs of central, regional and local government agencies that are providing services to developing Māori businesses. The report covers three broad areas:

- **Profile of self-employed Māori** - to describe Māori who own and run their businesses by demographic characteristics, regional council area and iwi groupings.
- **Industry concentration** - to identify the sectors and industries where Māori self-employed are in.
- **Relative performance** - to compare self-employed Māori with the total population of people who are self-employed in New Zealand.

The report focuses on people who identified themselves as Māori and whose status in employment¹ is either 'employer' or 'self-employed without employees' in the 2006 and 2013 Censuses of Population and Dwellings:

- **Employer** - *a self-employed person who hires one or more employees*
- **Self-employed without employees** - *a person who operates his or her own economic enterprise or engages independently in a profession or trade (including partnerships) and hires no employees.* (Statistics New Zealand, 2013) This report uses 'sole traders' to refer to this group of people who are running their business and working alone.

Background

Māori are important partners to achieving prosperity for all New Zealanders. They supply skills and capabilities essential in the labour market. Māori also add value to the economy through their assets. These assets generate capital inflows to New Zealand, and create employment for Māori and all of New Zealand.

In 2010, the total value of the asset base of Māori enterprises was estimated at \$36.9 billion. This asset contributed \$10.3 billion (or about 5%) of the \$187 billion national GDP in 2010 (BERL, 2012). Of the \$36.9 billion, \$5.4 billion was attributed to enterprises of self-employed (without employees) Māori and \$20.8 billion for Māori employers, making up over 70 per cent of the total estimated Māori asset base. Given the relative size of their assets, Māori self-employed and employers are key in achieving better outcomes for Māori. In the context of promoting Māori economic development through entrepreneurial activities, self-employment becomes an important aspect of the Māori economy and as part of the New Zealand economy.

In general, little information on self-employed Māori is available from quarterly data collections. The report is an attempt to respond to this information gap. It is important to

¹ Status in employment classifies employed people aged 15 years and over according to whether they were working for themselves or for other people in their main job in the seven days ending 5 March 2006 and 3 March 2013).

know how many Māori are running their own business, the industry they are in and how they compare with other New Zealanders who run their own business. This will inform decisions of iwi leaders and the Government around lifting outcomes for Māori and all of New Zealand.

Key terms and data limitations

For the purposes of this report, we adopted the following definitions.

- **Māori** population is the Māori ethnic group census usually resident population count. It includes those people who stated Māori as being either their only ethnic group or one of several ethnic groups.
- **Self-employed** are the employed census usually resident population aged 15 years and over whose status in employment is classified as either 'employer' or 'self-employed without employees'. It refers to the combined totals of two status in employment categories: 1) 'employer' and 2) 'self-employed without employees' in the census. Statistics New Zealand (SNZ) distinguishes self-employed from paid employees using economic risks and control as criteria.

'*Self-employed Māori*' is used to refer to those people who identify with the Māori ethnicity and were self-employed. Other publications such as those released by Te Puni Kōkiri (TPK) and SNZ refer to them as Māori entrepreneurs.

The report uses self-employment data from the census to provide an indication of the Māori engagement in business activities. Census data is useful in this regard because it allows people to be identified according to the standard industry (ANZSIC) and occupation (ANZCO) classifications. However, self-employment figures and change cannot be used to infer activities of business because there is no direct concordance between people and business. Due to the limitations of the self-employment data, the report does not cover Māori entities that collectively manage Māori assets. Statistics New Zealand has published *Tatauranga Umanga Māori 2014* that provides a compilation of statistics on Māori authorities.

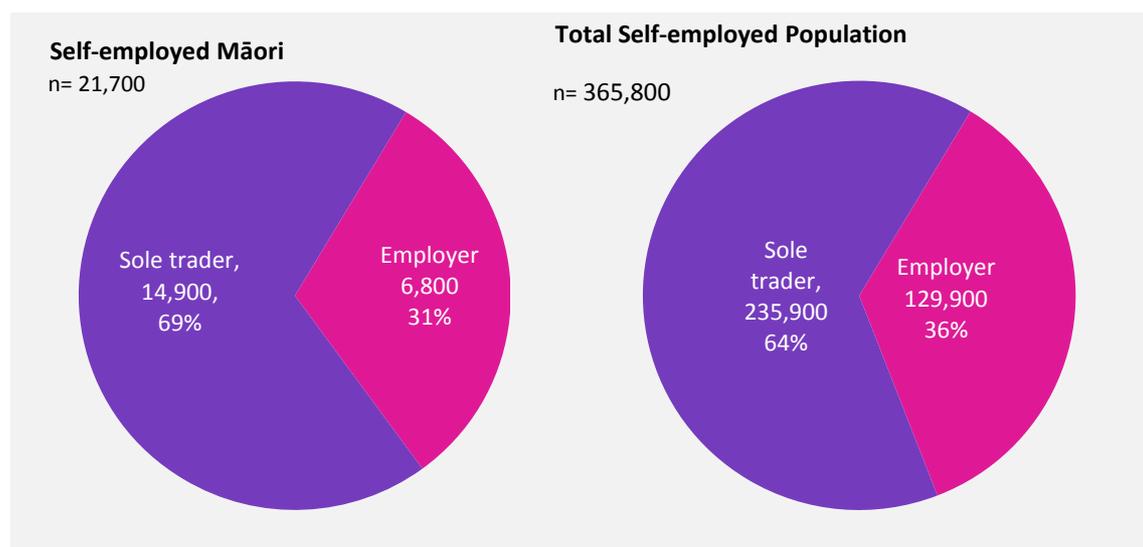
People who were self-employed can also be identified in the Household Labour Force Survey (HLFS). While SNZ uses a similar criteria for identifying people who were self-employed, data on self-employment from the HLFS and the Census cannot be directly compared due to differences in scope, coverage, question wording and method of delivery.²

² A technical note about this variable is available at: <http://www.stats.govt.nz>.

Over 21,000 Māori were running their business

In 2013, there were 21,700 Māori were self-employed, either as an employer or a sole trader (without employees). This represented about 10 per cent of the 223,900 Māori in employment. Self-employed Māori made up 5.9 per cent of all people who were employers or sole traders in New Zealand in 2013.

Figure 1: Composition of self-employed workers, Māori and Total Population, 2013 Census



Source: Statistics New Zealand, Census of Population and Dwellings, 2013

Māori are half as likely to be self-employed as the total population

Self-employed Māori as a percentage of total employed population (the self-employment rate) increased marginally from 9.8 per cent in 2006 to 10 per cent in 2013. This compares with a decrease for non-Māori, from 20.8 per cent in 2006 to 19.8 per cent in 2013, and for the total population, from 19.6 per cent in 2006 to 18.7 per cent in 2013.

Of the total self-employed Māori, 6,800 (31%) were employers and 14,900 (69%) were self-employed without employees. Compared with the self-employed total population, the proportion of Māori who were sole traders was higher (69% to 64%) while proportionately lower for employers (31% to 36%) in 2013.

Self-employment, analysed by iwi, showed that as at 2013 Census, there were 22,500 self-employed people of Māori descent³ who were affiliated with at least one iwi while 5,800

³ This refers to a person of the Māori race of New Zealand; including those with Māori ancestors. Māori descent relates to genealogy while Māori ethnic group relates to cultural affiliation. Thus, the totals for Māori descent may differ from the totals for Māori ethnic group presented throughout this the report. See <http://www.stats.govt.nz>.

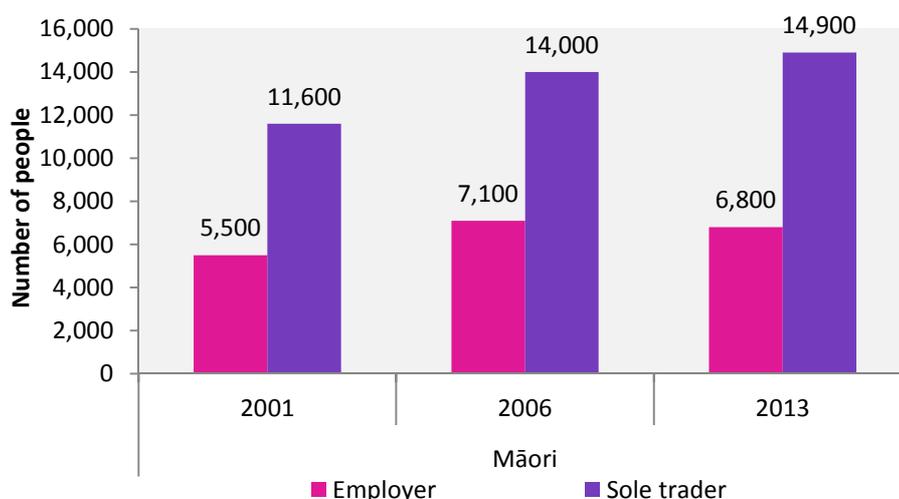
were in the Ngā Hotahota o te Whaitau (people of Māori descent who ‘don’t know’ their iwi) iwi grouping in 2013. The five most common iwi groupings of those who were self-employed were Ngai Tahu Whanui (3,500), Ngati Kahungunu (2,100), Te Arawa (1,600), Waikato-Tanui (1,600) and Te Atiawa (1,300).

Māori self-employment rose by 2.8 per cent

Figure 2 shows that the 2.8 per cent increase in self-employment between 2006 and 2013 is small compared to the 23.4 per cent rise between 2001 and 2006. This increase in the number of self-employed Māori was spread across most regions, with the largest increases seen in the Waikato (up 8.0 per cent) and Canterbury (12.5 per cent) regions. Overall, the number of self-employed in New Zealand has decreased by 3.2 per cent from 366,800 in 2006 to 365,800 in 2013.

Between 2006 and 2013, there was a slight change in the composition of those Māori in business. The increase in the number of sole traders in 2013 was offset by a similar fall in the number of Māori employers (down 900 from 2006). This fall in the number of Māori employers happened against a backdrop of the onset of the economic downturn in 2009, affecting those industries where Māori employers and sole traders were more concentrated.

Figure 2: Māori employers and sole traders, 2001, 2006 and 2013 Censuses

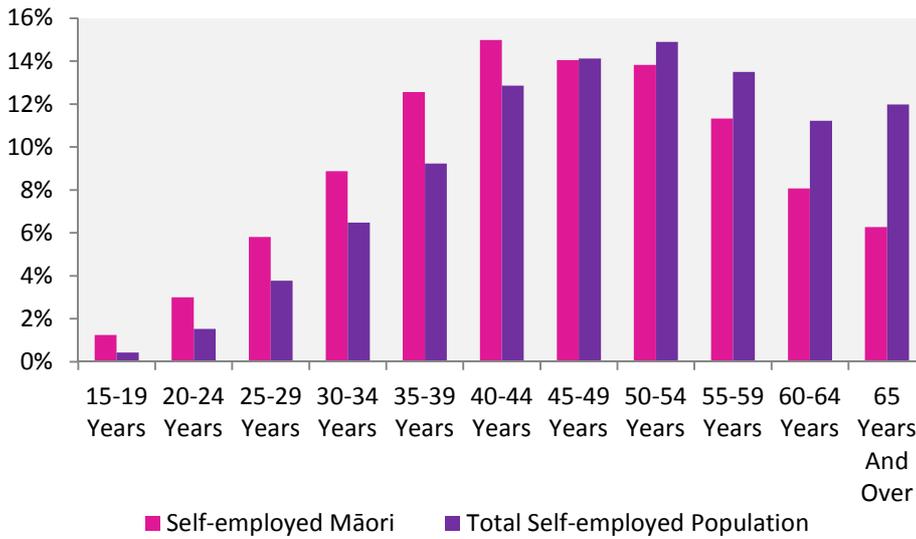


Source: Statistics New Zealand, *Census of Population and Dwellings, 2013*

Māori self-employed tend to be young

Self-employed Māori tend to be young; more than half (or 56 per cent) were under 50 years, compared with 48 per cent of the total population of self-employed. The median age of Māori self-employed in 2013 was about 46 years, four years lower than the median age of all self-employed in New Zealand.

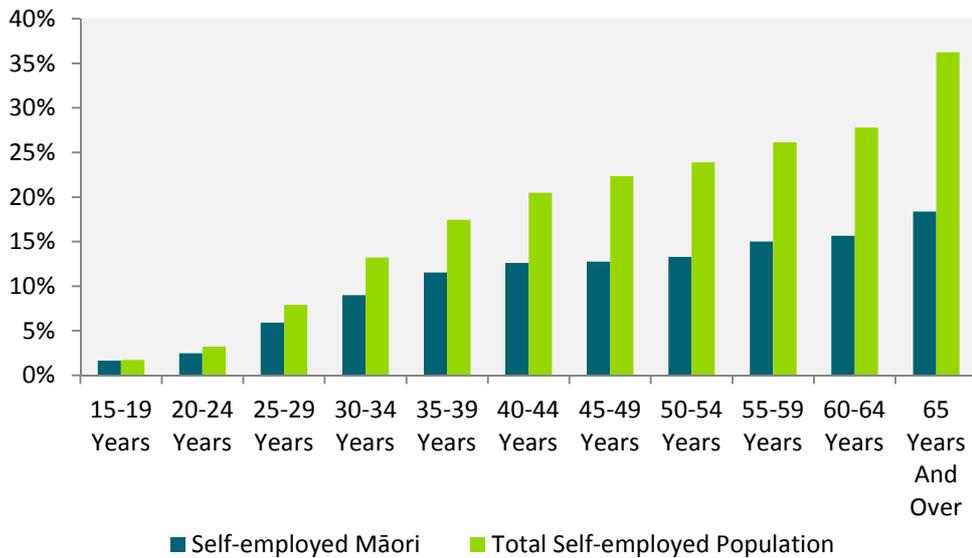
Figure 3. Distribution of self-employed workers by age-group, 2013 Census



Source: Statistics New Zealand, 2013 Census of Population and Dwellings

The self-employment rate tends to be higher in older age-groups, although somewhat less so for Māori. This suggests that Māori are less likely to be self-employed than the total population as they age. Self-employment rates for Māori are at least 10 percentage points lower than the national rates for older age groups. For example, in the 50-54 age group the rate was 13.3 per cent for Māori and 23.9 per cent for the total population; 15.6 per cent and 27.8 per cent in the 60-64 years, respectively in 2013 (see Figure 4).

Figure 4. Self-employment rate by age group, Māori and Total Population, 2013 Census



Source: Statistics New Zealand, 2013 Census of Population and Dwellings

Māori females are less likely to be self-employed than Māori males

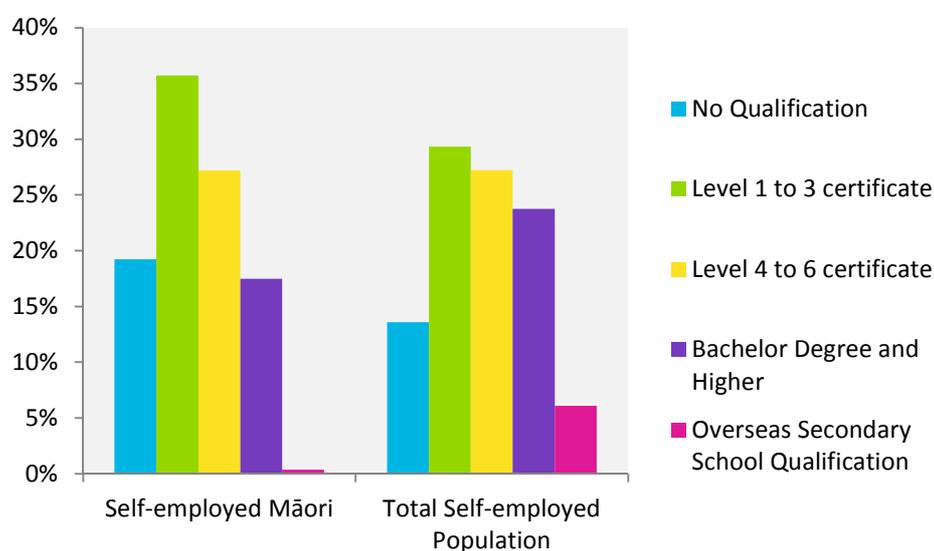
In 2013, Māori females made up 37 per cent (or 8,100) of the total self-employed Māori, and 6.3 per cent of all females who were self-employed (127,900) in New Zealand. Of the total self-employed Māori females, 2,500 (or 30.8 per cent) were employers.

Compared with Māori males, Māori females were less likely to be self-employed. The self-employment rates for Māori females were lower than the rates for Māori males in 2013. The rates for females were 7.6 per cent (Māori) and 13.7 per cent (total population); 12.4 per cent and 23.3 per cent for males, respectively.

Self-employed Māori have lower level qualifications than the total population

Of those Māori who were self-employed, 17.5 per cent reported bachelor's degree or higher qualification as their highest qualification while 35.6 per cent reported Levels 1 to 3 as their highest (see Figure 5). This compares with 23.7 per cent and 29.3 per cent, respectively for all people who were self-employed in New Zealand in 2013. A greater proportion of self-employed Māori also reported no school qualification (19.2 per cent) as their highest qualification, compared with the total self-employed population (13.6 per cent).

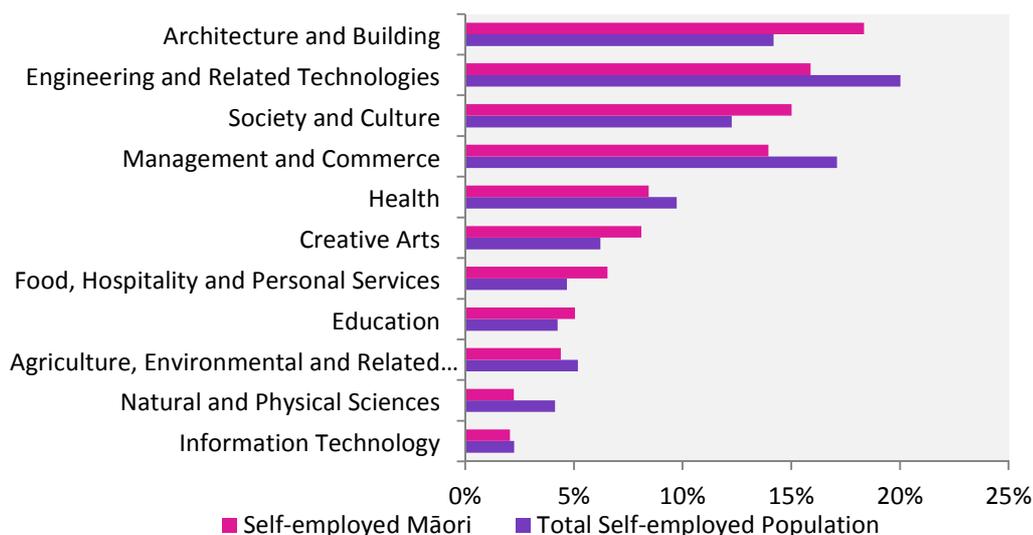
Figure 5. Highest qualification for Māori and Total Population workers who were employers and sole traders, 2013 Census



Source: Statistics New Zealand, 2013 Census of Population and Dwellings

The three most common post-school qualification fields of study among self-employed Māori were architecture and building, engineering and related technologies, and society and culture in 2013. Compared with the total self-employed population, there were proportionately more self-employed Māori with qualifications related to food, hospitality and personal services, creative arts and education (see Figure 6).

Figure 6. Self-employed by post-school qualification⁴ fields of study, 2013 Census



Note: The totals used to calculate the percentages in Figure 5 exclude 'not elsewhere included' and 'field not given' responses.

Source: Statistics New Zealand, 2013 Census of Population and Dwellings

More self-employed Māori worked in the service sector

The primary sector⁵ made up about 12 per cent of the total self-employed Māori in 2013. There were 2,400 self-employed Māori in this sector, of whom over half were Māori employers (1,400).

In 2013, over 5,000 (or 25.2 per cent) self-employed Māori were in the goods-producing sector⁶. Of this total, 4,100 workers were in the utilities and construction industry while 1,100 workers were in the manufacturing industry. Overall, the number of self-employed Māori in this sector remained at the 2006 level, with fewer Māori employers and more Māori sole traders.

There were 13,000 self-employed Māori in the service sector⁷, making up over 60 per cent of all self-employed Māori in 2013. Those who were in this sector were mainly in the professional, scientific and technical services (2,100), administrative and support services (1,200), retail trade (1,100), health care and social assistance (1,100), and transport, postal and warehousing service (1,100) industries. Since 2006, there has been a net increase (7.4 per cent) in the number of self-employed Māori in the service sector. There was also a larger

⁴ Post-school qualification is the highest qualification gained over and above any school qualifications and is collected for people aged 15 years and over. It includes qualifications awarded by training and educational institutions, as well as those gained from on-the-job training.

⁵ The primary sector consists of agriculture, forestry, fishing and mining industries.

⁶ The goods-producing sector includes industries related to manufacturing, utilities and construction.

⁷ Service-producing industries consist of wholesale trade; retail trade; transportation and warehousing; information; finance; insurance, real estate, rental, and leasing; professional and business services; educational services, health care, and social assistance; arts, entertainment, recreational, accommodation and food services; and other services (except public administration). For this report, the service-producing sector includes self-employment counts for public administration and safety. Industries were based on the Australia and New Zealand Standard Industrial Classification 2006 (ANZSIC06 V1.0).

increase in the number of self-employed in service industries for Māori (up 7.8 per cent) than for the total population (2.2 per cent) between 2006 and 2013.

Table 1. Māori self-employment by broad sector, 2013 Census⁸

| Sector | Total employment stated ¹ | Self-employment | Self-employment share in each sector | Distribution of self-employment | Change in self-employment from 2006 Census |
|--|--------------------------------------|-----------------|--------------------------------------|---------------------------------|--|
| Primary sector | 15,900 | 2,400 | 15.1% | 11.7% | — no change |
| Goods-producing sector | 46,500 | 5,200 | 11.2% | 25.2% | — no change |
| Service sector | 146,600 | 13,000 | 8.9% | 63.1% | ▲ 7.4% |
| All sectors (total industries stated) | 209,100 | 20,500 | 9.8% | | ▲ 5.1% |
| All sectors³ | 216,000 | 21,700 | 10.0% | | ▲ 2.8% |

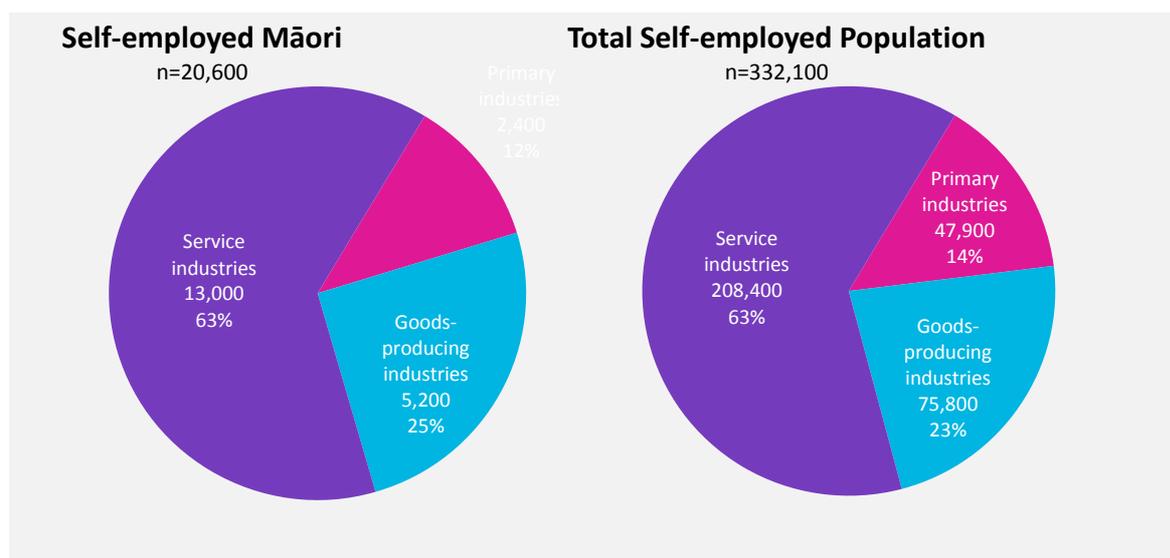
¹Total employment for all industries referred to people aged 15 years and over who are usually resident in New Zealand and employed in either the full-time or part-time labour force. It excludes people who are unemployed and seeking work, those not in the labour force, and those whose employment status was not known.

²The total for all industries includes people who did not state the industry where they work.

Source: Statistics New Zealand, Census of Population and Dwellings, 2013

The figure below shows that sector composition of self-employed Māori reflects the national picture for all self-employed New Zealanders.

Figure 7: Māori and Total Population self-employment by sector, 2013 Census

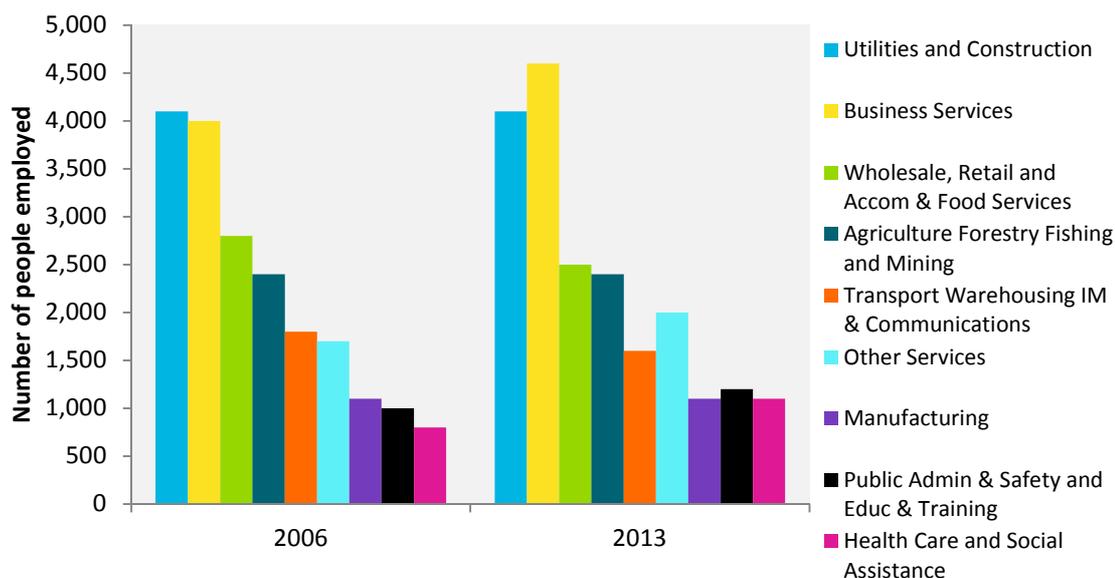


Source: Statistics New Zealand, Census of Population and Dwellings, 2013

⁸ The data in this table has been rounded, and individual figures may not add to totals. Values for the same data may also vary in different tables and in other publications due to rounding.

By industry, there were proportionately more self-employed Māori in the business services (21 per cent or 4,600), utilities and construction (19 per cent or 4,100) industries in 2013. Between 2006 and 2013, the health care and social assistance industry had the largest growth, up 37.5 per cent to 1,100 self-employed for Māori. The biggest decline was in the wholesale, retail trade, accommodation, and food services industry. This was a reflection of the overall slowdown of the national economy following the global financial crisis (GFC) in 2008. Figure 8 shows that this coincides with a fall in the number of employers during the inter-census periods.

Figure 8. Number of Māori who were self-employed by industry, 2006 and 2013 Censuses



Note: Industry classification was based on the ANZSIC 2006. Some industries were combined to form broader industry groupings such as business services and utilities and construction.

Source: Statistics New Zealand, *Censuses of Population and Dwellings, 2006 and 2013*

Between 2006 and 2013 Censuses, self-employment as a percentage of total employment in each industry has increased in most industries for Māori (Table 2). The wholesale, retail trade, and accommodation and food service industry and other services had the largest growth in self-employment for Māori. Table 2 shows that self-employment rates for Māori were lower, but have increased in most industries since the 2006 Census.

Table 2. Percentage of self-employed to total employed by industry, 2013 Census

| Industry (ANZSIC 06) | Māori | Change from 2006 Census (percentage points) | Total Population | Change from 2006 Census (percentage points) |
|---|-------|---|------------------|---|
| Agriculture Forestry Fishing and Mining | 14.5% | ▼0.5 | 35.8% | ▼3.5 |
| Manufacturing | 3.0% | ▲0.3 | 3.7% | ▼0.4 |
| Utilities and Construction | 4.4% | ▲0.3 | 12.2% | ▼0.3 |
| Wholesale, Retail and Accommodation & Food Services | 17.2% | ▲2.3 | 25.2% | ▲0.5 |
| Transport Warehousing IM & Communications | 10.9% | ▼0.2 | 16.7% | ▼0.1 |
| Business Services ¹ | 16.4% | ▲0.9 | 25.5% | ▲0.2 |
| Public Admin & Safety and Education & Training | 3.6% | ▲0.4 | 5.4% | ▲0.2 |
| Health Care and Social Assistance | 5.3% | ▲0.7 | 9.5% | ▼0.3 |
| Other Services ² | 17.2% | ▲2.3 | 25.2% | ▲0.5 |
| All industries stated | 9.8% | ▲0.3 | 18.3% | ▼0.8 |
| All industries ³ | 10.0% | ▲0.2 | 18.7% | ▼0.9 |

¹ Business services include: finance and insurance; rental, hiring and real estate services; professional, scientific and technical services; and administrative and support services.

² Includes arts and recreation services.

³ Includes don't know, refused to answer, response unidentifiable, response outside of scope, and not stated.

Source: Statistics New Zealand, *Censuses of Population and Dwellings, 2006 and 2013*

Māori are half as likely to be self-employed as the total population

Self-employment rates for Māori increased marginally from 9.8 per cent in 2006 to 10 per cent in 2013. This compares with a decrease for non-Māori, from 20.8 per cent in 2006 to 19.8 per cent in 2013, and for the total population, from 19.6 per cent in 2006 to 18.7 per cent in 2013. This difference in self-employment is in-part due to structural attributes of the Māori workforce- they tend to be younger and have lower qualification levels compared with the total population⁹. A number of studies (Lofstrom, 2009; Fox, 1998) have shown that self-employment tends to rise with age and educational attainment.

⁹ <http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-about-Māori-english.aspx>

Table 3: Self-employment as a percentage of total employment (self-employment rate) by major ethnic group, 2006 and 2013 Censuses

| | Self-employment ¹ | | Total employment | | Self-employment rate | | Change from 2006 (percentage point) |
|-------------------------------------|------------------------------|---------|------------------|-----------|----------------------|-------|-------------------------------------|
| | 2006 | 2013 | 2006 | 2013 | 2006 | 2013 | |
| Māori | 21,100 | 21,700 | 214,600 | 16,000 | 9.8% | 10.0% | ▲ 0.2 |
| Non-Māori | 354,400 | 342,500 | 1,703,100 | 1,732,900 | 20.8% | 19.8% | ▼ 1.0 |
| Not elsewhere included ² | 2,300 | 1,700 | 11,000 | 8,100 | 20.9% | 21.0% | ▲ 0.1 |
| Total Employed Population | 377,800 | 365,800 | 1,928,700 | 1,957,000 | 19.6% | 18.7% | ▼ 0.9 |

¹Includes all people working for themselves. Total employment refers to people aged 15 years and over who are usually resident in New Zealand and employed in either the full-time or part-time labour force.

²Includes don't know, refused to answer, response unidentifiable, response outside of scope, and not stated.

Source: Statistics New Zealand, Censuses of Population and Dwellings, 2006 and 2013

Self-employment rate amongst Māori differs by region

The Māori self-employment rate was highest (11.8 per cent) in the South Island (excluding Canterbury)¹⁰ and Northland (11.5 per cent) regions while lowest (7.5 per cent) in the Gisborne/Hawke's Bay region (see Figure 9). For the total employed population, the self-employment rates were highest in the Northland region (24.8 per cent), Waikato region (20.8 per cent) and Gisborne/Hawke's Bay (20.7 per cent).

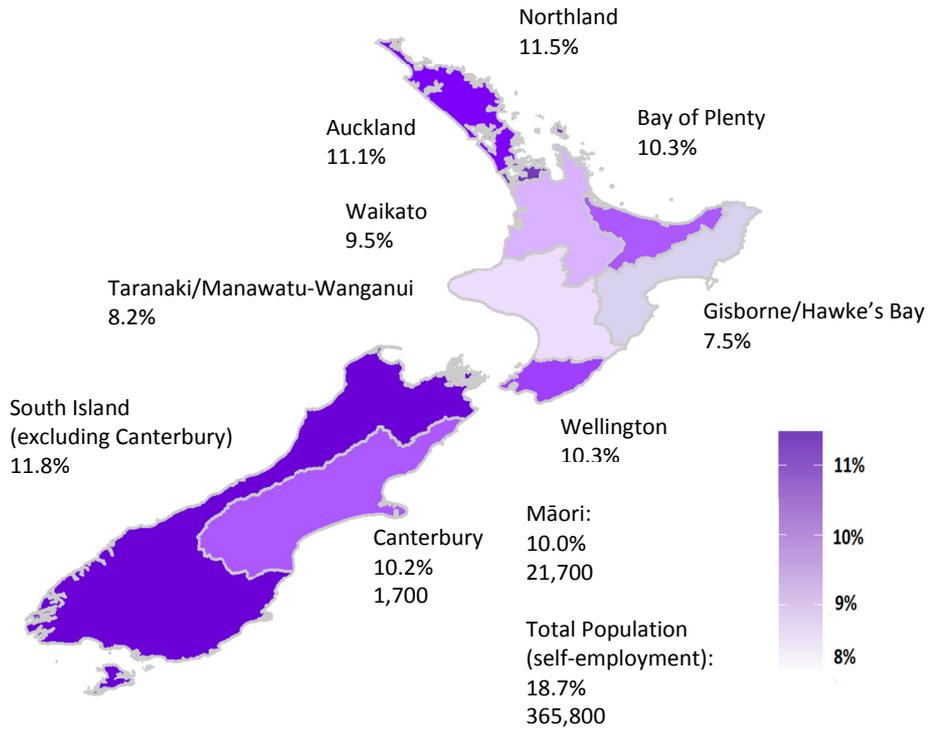
Between 2006 and 2013, the region with the largest change (up 1.0 percentage point) in the concentration of self-employed workers was South Island (excluding Canterbury), followed by the Waikato region (up 0.5 percentage points) and Northland region (up 0.4 percentage points). The self-employment rates for Wellington and Canterbury regions fell 0.1 and 0.2 percentage points, respectively over the census periods.

Figure 10 shows that differences in self-employment rates in regions where Māori is relatively more concentrated tend to be larger. For example, the rates were at least 10 percentage points lower for Māori in the Northland, Waikato, Bay of Plenty and Gisborne/Hawke's Bay regions.

In general, regional differences are in part likely due to structural differences within regions that are related to industry composition, level of economic growth and labour market conditions.

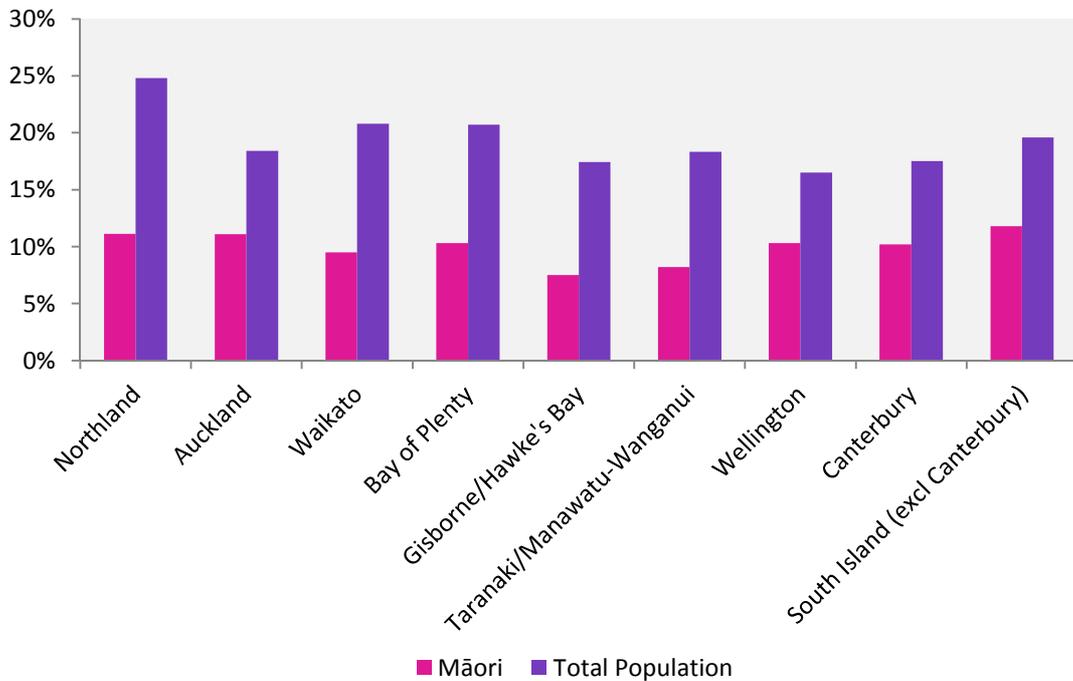
¹⁰ Regional councils in the South Island with less than 1,000 counts were summed to form this region category.

Figure 9: Self-employment as a % of total Māori employment by regional council, 2013 Census



Source: Statistics New Zealand, Census of Population and Dwellings, 2013

Figure 10. Self-employment rate by regional council, Māori and Total Population, 2013 Census



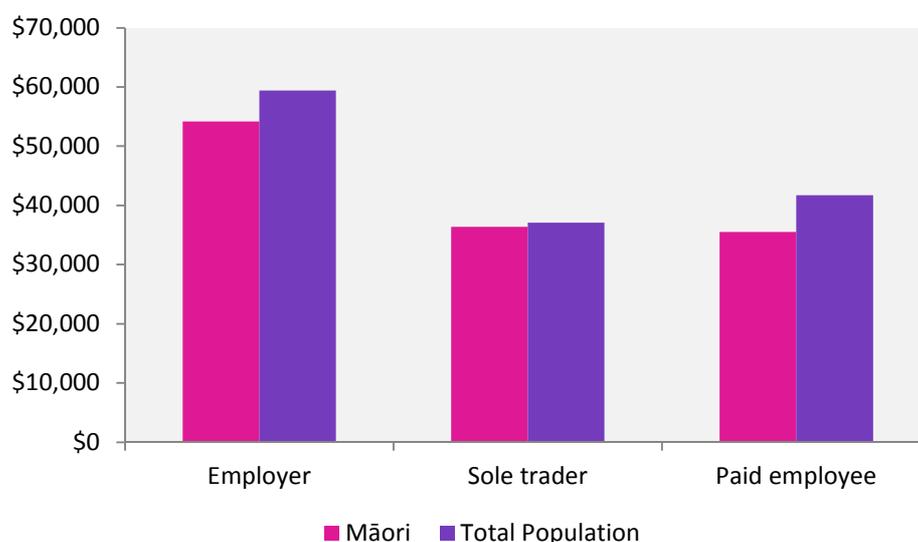
Source: Statistics New Zealand, Censuses of Population and Dwellings, 2013

Income gaps between Māori self-employed and all self-employed tend to be smaller than the gaps between paid employees - particularly for sole-traders

Median personal incomes¹¹ from all sources for self-employed Māori tend to be similar to those for all self-employed in 2013. Median income gaps between Māori and the total population were lower for Māori employers (8.7 per cent compared with 14.8 per cent for wage and salary earners). Median personal incomes amongst sole traders tend to be similar for Māori and the total population in 2013. Māori employers (\$54,200) had about 10 per cent lower median income compared to the median (\$59,400) amongst all employers while Māori sole traders (\$36,400) had median incomes similar to the total population of sole traders in New Zealand (\$37,100) in 2013. Amongst Māori, employers had higher median personal income from all sources compared with sole traders and paid employees in 2013.

Since 2006, median personal incomes for Māori employers and sole traders have increased by 22 per cent and 12 per cent, respectively. The incomes increased in nominal terms but were still lower than the incomes for the total population of self-employed in New Zealand over the same period.

Figure 11. Median personal income by status in employment, 2013 Census



Source: Statistics New Zealand, *Census of Population and Dwellings, 2013*

¹¹ This refers to personal income where half earn more and half earn less than the stated amount. Total personal income information was collected for people aged 15 years and over, who usually live in New Zealand and were present on census night. It includes those who stated not receiving any income. It relates to the 12 months ending 31 March, and includes income from all sources e.g. salary and wages, business, interest and dividends from investments, benefits etc. All income data is gross (before-tax) and has not been adjusted for inflation or other factors. The median income is calculated using mid-points of the income ranges. For zero income and loss, zero was used as mid-point.

By industry, the median personal incomes for Māori employers were highest in the professional, scientific and technical services (\$95,300) while public administration and safety (\$64,000) were highest for self-employed Māori. This compares to the median of about \$61,700 and \$40,700, respectively for all Māori employers and sole traders in 2013.

Auckland, Canterbury and Wellington regions had median incomes higher than the median income for all Māori who were employers and self-employed without employees in 2013 census. Table 4 shows that median personal incomes for self-employed Māori were similar to the median incomes for the total population in most regions in 2013. The income gap was small across most regions. The gap was widest in the Manawatu-Wanganui (0.84), Gisborne (0.87) and West Coast (0.87) regions amongst employers, and in the West Coast (0.83) and Marlborough (0.85) regions amongst sole traders. Incomes tend to be similar in the Canterbury (1.05) and Auckland (1.05) regions among sole traders, and in the Marlborough region (1.02) amongst employers. These differences in income are in part due to regional attributes related to demography, labour market conditions, and level of economic development.

Table 4: Median personal income (NZ\$)¹² by regional council, Māori and total employed population, 2013 Census

| Regional Council | Employer | | | Sole trader | | |
|--------------------------|---------------|------------------|--------------|---------------|------------------|--------------|
| | Māori | Total Population | Income ratio | Māori | Total Population | Income ratio |
| Northland | 45,000 | 48,800 | 0.92 | 30,000 | 31,100 | 0.96 |
| Auckland | 60,800 | 65,000 | 0.94 | 40,500 | 38,700 | 1.05 |
| Waikato | 51,100 | 56,500 | 0.90 | 35,600 | 36,500 | 0.98 |
| Bay of Plenty | 50,800 | 55,300 | 0.92 | 34,600 | 35,400 | 0.98 |
| Gisborne | 48,600 | 55,900 | 0.87 | 31,900 | 34,100 | 0.94 |
| Hawke's Bay | 49,400 | 55,800 | 0.89 | 31,600 | 34,000 | 0.93 |
| Taranaki | 50,700 | 56,400 | 0.90 | 36,100 | 38,700 | 0.93 |
| Manawatu-Wanganui | 43,500 | 52,000 | 0.84 | 30,000 | 32,200 | 0.93 |
| Wellington | 56,900 | 64,000 | 0.89 | 39,300 | 41,400 | 0.95 |
| Tasman | 49,000 | 51,500 | 0.95 | 29,500 | 29,500 | 1.00 |
| Nelson | 53,300 | 57,500 | 0.93 | 30,600 | 33,000 | 0.93 |
| Marlborough | 55,000 | 53,800 | 1.02 | 30,300 | 35,500 | 0.85 |
| West Coast | 45,000 | 51,500 | 0.87 | 23,100 | 27,900 | 0.83 |
| Canterbury | 61,400 | 63,500 | 0.97 | 39,500 | 37,500 | 1.05 |
| Otago | 53,500 | 55,900 | 0.96 | 35,200 | 36,300 | 0.97 |
| Southland | 50,700 | 56,600 | 0.90 | 34,200 | 39,400 | 0.87 |
| Total New Zealand | 54,200 | 59,400 | 0.91 | 36,400 | 37,100 | 0.98 |

Note: income ratio = Māori median personal income divided by median personal income for the 'total employers'/'self-employed without employees' population.

Median personal income for paid employees is \$35,500 for Māori while \$41,700 for the total population of paid employees. Median income (all status in employment) for Māori is \$35,200 while \$41,800 for the total employed population.

Source: Statistics New Zealand. *Census of Population and Dwellings, 2013*

¹² A person's income may come from a variety of sources e.g. salary and wages, business, interest and dividends from investments, benefits etc. Personal income is based on the before tax income for the 12 months prior to the census. The census is self-administered, based on recall, and asks for income in broad bands, so take care when interpreting results. Statistics New Zealand has randomly rounded counts to calculate the median incomes reported in the table.

Next Steps

The current report is the Ministry's initial step in providing a broad picture of Māori engagement in business activities. Using self-employment data from the 2006 and 2013 Censuses, the report has provided a profile of Māori who are running their own business, either working alone or employing others. The report also identified the industry they are in and regions in which they operate, and described their relative performance in terms of median incomes. More work is required to investigate how much difference between and within regions, combined with the geographical dispersion of Māori, contribute to the overall Māori self-employment rate.

As this is a work in progress, the Ministry looks forward to linking wider regional growth studies to levels of self-employment. From a policy standpoint, initiatives that support the transition to self-employment may need to provide a range of business facilitation services. This could include information services for Māori that cater to individual needs of businesses, business mentoring opportunities, and capability building for people who manage and run their own business.

The Ministry is also looking at exploring the use of Statistics New Zealand's Integrated Data infrastructure (IDI). This is because factors influencing self-employment are likely to vary on the broader context of cultural factors, personal circumstances and demographic, economic (such as the GFC) and labour market conditions within regions. The use of the IDI to provide a more comprehensive picture of Māori in business could enable better indicators to understand and monitor business performance, and also develop effective information services useable by Māori.

Appendices

Table 5: Self-employment rate by iwi groupings, 2006 and 2013 Censuses

| Iwi groupings | Self-employed | Total employment | Self-employed as a % of total employment * | Change from 2006 (pp= percentage points) |
|---|---------------|------------------|--|--|
| Te Hiku | 1,300 | 12,300 | 10.2% | ▲ 0.2 |
| Ngai Tahu Whanui | 3,400 | 24,800 | 11.8% | ▼ 0.3 |
| Ngati Kahungunu | 2,100 | 23,100 | 14.1% | ▲ 0.2 |
| Ngati Raukawa | 1,300 | 11,700 | 9.3% | ▲ 0.3 |
| Ngati Raukawa | 1,300 | 11,700 | 11.0% | ▲ 0.3 |
| Te Arawa | 1,600 | 15,800 | 16.0% | — no change |
| Te Atiawa | 1,300 | 9,900 | 10.0% | ▲ 0.3 |
| Waikato-Tainui | 1,600 | 18,200 | 13.4% | ▲ 0.1 |
| Other Iwi | 15,200 | 147,100 | 9.3% | ▲ 0.1 |
| Total people affiliated with at least one iwi | 22,500 | 206,000 | 8.7% | ▲ 0.1 |
| Nga Hotahota o te Whaitau | 5,800 | 43,000 | 12.4% | ▼ 0.8 |
| Total people stated | 28,300 | 249,000 | 11.2% | ▼ 0.1 |
| Total people, iwi | 29,200 | 256,300 | 10.0% | ▼ 0.1 |
| Total people, iwi groupings | 29,200 | 256,300 | 10.9% | ▼ 0.1 |

*Total employment (stated) includes employed people 15 years and over who are usually resident in New Zealand and stated their status in employment.

Source: Statistics New Zealand, Census of Population and Dwellings, 2006 and 2013

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