

TE RĀNGAI MONIHUA-KORE
TE ROHE O MANAWATŪ

MANAWATŪ REGION
NON PROFIT SECTOR

WHAKARĀPOPOTO
EXECUTIVE SUMMARY

PIPIRI 2022
JUNE 2022

Executive Summary

Non-profit institutions make a significant contribution to the Manawatū region economy and play an important role in fostering volunteering and giving by the local community. They operate across all sectors of the economy. This profile is different from other sector profiles for the Manawatū region because the sector is defined by its institutional structure and not by activity. While non-profit institutions may make profits (surpluses), they do not have profit-making as a goal, do not distribute any profits to their members and are often reliant on the voluntary provision of free labour and resources to operate successfully.

The term “non-profit institutions” is recognised as “for-purpose organisations” in this region and cover charities, social enterprise, incorporated societies and other non-governmental entities that deliver a public benefit and reinvest all surplus funds into achieving their goals. They may include special interest or advocacy groups for a particular sector of the community.

The purpose of these economic sector profiles for the Manawatū region is to describe the contribution of key sectors to the economic wellbeing of the region. Seven economic sectors are expected to contribute to a significant share of future growth in the number of jobs and incomes in the region over the next 25 years. They are healthcare, tourism, logistics, public administration (including defence), professional, scientific and technical service, construction and manufacturing.

Until recently there has been very little information on the direct and indirect economic contribution of the non-profit sector, with the majority of economic statistics collected on an activity basis and not based on organisational structure. However, the Statistics New Zealand Non-profit Institutions Satellite Account: 2018 report offers significant insights on the non-profit sector.

The contribution of the non-profit sector to society and economic activity goes beyond the delivery of public services to members of our local community. Community participation and volunteering through non-profit institutions brings people together in social networks and communities and provides opportunities for people to express their interests, values and culture. Research on volunteering shows that voluntary work produces

benefits for both the volunteer and the recipients of voluntary support.

Based on the national estimates prepared by Statistics New Zealand for the non-profit sector the following estimates for 2018 have been prepared for Manawatū region:

- There were estimated to be nearly 3,559 non-profit institutions in Manawatū region in 2018 with a paid workforce of 3,713 employees, and annual salaries of \$162 million;
- The annual direct contribution to economic activity (GDP) by the sector was estimated to be \$214 million, 2.8% of GDP in the region;
- 25,000 Manawatū region people volunteered in for-purpose organisations.;
- 2,110 estimated full-time equivalent volunteers contributed an estimated 4.2 million volunteer hours in 2018.
- Ascribing an economic value to the voluntary labour contributed to for-purpose organisations adds a further \$105 million to estimated economic activity in the region (1.4% of total GDP).

WORKFORCE



3,713

5.9% of total employment

ORGANISATIONS



3,550

SALARIES + WAGES



\$162M

5.5% of total salaries + wages

GDP



\$214M

2.8% of total GDP

Manawatū District Council and Palmerston North City Council provide support such as direct financial grants, training and governance support to the non-profit sector. The activities of non-profit organisations also support the Council's provision of a broad range of recreational and community facilities in the region.

They are made up of the following institutions:



Culture, sport, and recreation

- the largest group, this includes institutions such as film societies, community theatres, toy libraries, historical associations, garden societies, operatic societies, pipe bands, Māori performing arts groups, sports clubs, regional sports trusts, racing clubs, tramping clubs, and vintage car clubs.



Social services

- includes a wide range of social service providers, emergency and relief services, and institutions providing income support and maintenance. Examples include early intervention services, services for people with disabilities and older people, food banks, self-help and other personal social services.



Development and housing

- includes institutions working towards enhancing the quality of life to improve general public well-being. This includes community centres, community development trusts, neighbourhood support groups, employment services, and tangata whenua governance institutions that manage the affairs of iwi, hapū, and marae.



Religion

- includes churches and associations promoting religion or administering religious services. Examples include chapels, churches, and temples. Service agencies with religious affiliations, in fields such as health, education, and social services, are grouped with other relevant service providers rather than being included here.



Business and professional associations, unions

- brings together three distinct types of membership institutions. It includes institutions that promote, regulate, and safeguard the interests of businesses, professionals, and workers, such as trade unions, professional associations, chambers of commerce, and industry associations.



Education and research

- includes kindergartens, playcentres, kōhanga reo, private primary and secondary schools, private tertiary providers, other education providers such as English for speakers of other languages, and research institutions. Public education institutions such as universities, colleges of education, polytechnics, and state and integrated schools, are not included in the non-profit sector.



Census 2018 data on voluntary activities shows a higher level of participation in voluntary activities in the Manawatū region compared with the average for New Zealand. There were 9% of people aged 15 years and older who reported helping someone who is ill or has a disability who does not live in their own household compared with 8.2% for New Zealand. In addition, 15.9% of people reported either helping or volunteering for or through any organisation, group or marae compared with 15.2% for New Zealand.



Employment data for large organisations in the non-profit sector

In 2021, the non-profit sector in the Manawatū region had 396 large organisations with GST turnover greater than \$30,000/year. They employed 2,750 workers. In 2020, their earnings were \$96.6m in annual salaries and wages.

Manawatū region: Large organisations in non-profit sector

Period	2018	2021	2018-2021 % change
Large organisations (no.)	417	396	-5.0%
Employees (no.)	2,620	2,750	+5.0%

Period	2018	2020	2018-2020 % change
Annual salaries and wages (\$m)	97.3	96.6	-0.7%

Source: Statistics New Zealand

