

**KĀHUA RĀNGAI KĀWANATANGA  
TE ROHE O MANAWATŪ  
MANAWATŪ REGION  
GOVERNMENT SECTOR PROFILE**

HARATUA 2022  
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# Executive Summary

**The purpose of these economic sector profiles for the Manawātū region is to describe the contribution of key sectors to the economic wellbeing of the region. Seven 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, public administration (including defence), logistics, construction, tourism, professional, scientific and technical services, and manufacturing. The region's large and diverse rural sector also contributes substantially to the resilience and diversity of the regional economy.**

The government sector profile is different from the profiles based on industry classification because it is based on government ownership of institutions that operate in a wide range of industries. The government is the largest employer in the region, contributing 17,963 jobs in February 2021 (26.9% of the total workforce in the region, including the self-employed). Annual salaries and wages were \$1,244 million in the year ended March 2020. The sector accounted for 36.6% of salaries and wages paid in the region and 31.4% of total earnings, which include the incomes of self-employed people. Government employment contributes significantly more to the region's economy than nationally, where it accounts for 18.6% of jobs in New Zealand.

The number of government sector employees in the region increased by 3,435, or 23.6% between 2011 and 2021, significantly more than the national increase in government jobs of 13.9%. Most of this growth is due to central government, where the number of jobs increased by 3,315 jobs or 24.4%. The number of jobs in local government increased by 55 jobs, or 5.4%. The total workforce (employees and self-employed) across all sectors in the region increased by 11.8% between 2011 and 2021.

Government sector salaries and wages in the region increased by 37% between 2011 and 2020, a smaller increase than in the private sector, where salaries and wages increased by 55%. Total salaries and wages in the region increased by 46%. Government sector salaries and wages increased by 39% in Palmerston North while Manawātū District salaries and wages increased by 15%.

There were 122 government entities operating in the region in 2021, a decline of 10.5% from 2011. These accounted for 2.1% of total organisations in the region. These entities were operating from 255 different locations within the region. Statistics New Zealand classifies government entities into:

- Government owned trading entity (non-profit or for-profit) or crown entity (GOTE)**
- Central government**
- Local Authority Trading Enterprise (LATE)**
- Local government**
- Local government society**



## Public administration and safety

Public administration and safety is the largest industry sector for government employment in the region, with 8,015 employees in February 2021, an increase of 2,275 employees or 39.6% from 2011. In 2021 the region accounted for 5.5% of national employees in this sector. This is significantly higher than the region's 2.7% share of total national employment. A small number (430) of public administration and safety employees in the region were employed in the private sector (mostly in investigation and security). Salaries and wages paid to government employees were \$549 million in the year to March 2020, while just \$17 million was paid to non-government organisation employees.

The Defence Force is the largest employer in this sector, with 3,970 employees recorded in the region at Linton, Hokowhitu and Ohakea. There was an increase of 1,200 Defence personnel between 2011 and 2021, an increase of 43%. National employment in the Defence sector declined by 2.2% over this period, a significant redistribution of the national Defence workforce to the region.

Central government administration was also a strong contributor to growth, with employment increasing by 71% between 2011 and 2021, an additional 710 jobs. Major employers include Waka Kotahi, Inland Revenue Department (IRD), Ministry of Social Development (MSD), and Ministry of Business, Innovation and Employment (MBIE). There were 1,384 employees in central government administration in 2021.

Local government institutions (Palmerston North City Council, Horizons Regional Council and Manawātū District Council) contributed 1,050 jobs to the Manawātū region in 2021, increasing by 13% from 2011. Salaries and wages paid to local and regional government employees were \$76 million in the year to March 2020, an increase of 44% from 2011.

## Healthcare and social assistance

There were 8,700 employees in the health and social assistance sector in 2021, an increase of 17% from 2011. Salaries and wages paid in the sector were \$453 million in the year to March 2020, with \$216 million of that coming from government sector wages.

Government employees accounted for 36% of total employees in the sector and 48% of salaries and wages paid. There were 3,100 government employees in the sector in 2021, an increase of 44% from 2011. Salaries

and wages for government employees in the sector increased by 42% between 2011 and 2020, while total wage growth in the sector was 50%. The Government is a significant funder of health services in the region, but that financial contribution to the health and care services provided by non-profit and private organisations is not reflected in the government sector wage data.

## Education and training

In the Manawātū region there are a wide variety of government educational institutes, including kindergartens, primary schools, secondary schools and tertiary institutions. In 2021, 5,500 people were employed in government educational institutions, which was 8.8% of the total jobs in the Manawātū region. Salaries and wages paid through government educational institutions were \$367 million in the year to March 2020, while salaries and wages paid in non-government educational institutions were \$45 million.

## Arts and recreation

There were 128 government employees in arts and recreation in 2021, an increase of 38% from 2011. Salaries and wages were \$7 million in the year to March 2020, increasing by 91% from 2011. The largest central government employer in this sector is the Department of Conservation, while council-controlled Te Manawa is also included in this sector.

## Other sectors

There were 1,220 government employees in other industry sectors in the region in 2021, with total salaries and wages of \$105 million in the year to March 2020. Job numbers declined by 9% between 2011 and 2021 but salaries and wages increased by 30% between 2011 and 2020. Major employers in these other sectors include New Zealand Post, KiwiRail, Airways New Zealand, Palmerston North Airport, AgResearch, Plant and Food, Landcare Research, ACC, KiwiBank, and Kainga Ora.



