

Snapshot of the Service sector

The Service sector is a vital component of everyday life, encompassing a diverse range of industries that are fundamental to people's daily routines. An estimated two out of every three people working in one of our many industries at some point in their careers.

WORKFORCE

Our people are our biggest taonga. Our workforce represents a diverse range of people, and this includes our Māori, Pacific peoples and tāngata whaikaha | disabled people workers.

2018 Service sector workforce



The sector currently has 946,000 people, over a third of the New Zealand workforce

This number could be as large as

1.17 Million

including non-conventional workers, such as part-time, casual, temporary, and seasonal workers.

These workers play a crucial role in the economy and are represented by young persons, women, and Māori.



12.8% MĀORI

Māori-owned businesses

7,000

of businesses in the sector total

306,000



6.9% PACIFIC PEOPLES

19.4% ASIAN WORKFORCE



2.4% TĀNGATA WHAIKAHA of the Service sector workforce.

We acknowledge that data on tāngata whaikaha is limited and it is important that we create more growth opportunities within the sector for our tāngata whaikaha workforce.



20.2% RANGATAHI (15-24 year olds)

This number varies significantly between each Service industry.

BUSINESSES

The Service sector is a core part of the New Zealand economy.

30% estimate of the country's total economic activity.



Contributing approximately **\$109,500 million** per year to New Zealand's Gross Domestic Product



↑9%

GPD increase in 2022

Shows a strong recovery after a 1% drop in 2021.

306,000

Businesses representing approximately half of all businesses in the country.



Most businesses within the Service sector are small businesses employing, on average, three people.

DYNAMICS

Most of the workforce can move quickly and easily between jobs.

The backgrounds of those who enter the Service sector is diverse. Many who join the Service sector will be entering the workforce for the first time, others might be making career shifts from outside or within the Service sector, and some may stay within the sector.

Our workforce is dynamic and mobile, and many seem to move quickly and easily between jobs. However, the overall size of the Service sector workforce remains relatively stable, and this diverse mix of people and skills helps to strengthen the sector.

The workforce has proven its resilience after recent weather events. This is a critical characteristic that will support the sector in recovering from current and future shocks.

In 2022, the service sector grew by 2.2% compared to the previous year - reaching 946,000. This is a 3% increase since 2019.

After that, the workforce in the services sector slowly recovered from COVID-19.

Number of employees increased 1% Compared to 2021 – reaching 835,900 However, this is still 0.6% lower than in 2019.



A yearly turnover of over **1 in 3** across the core Service sector workforce.



The most significant percentage **New entrants = Industry changers**

Rather than tertiary or secondary education or otherwise.

Hospitality Services highest proportion comes from overseas.

38% Workers who changed industries continue to work within the Service sector.

80% People left the industry transitioned into another industry, in 2020.

A similar proportion of people managed to transition into a new job within three months.