3 SOCIAL AND ECONOMIC INDICATORS

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Introduction

In Aotearoa/New Zealand and internationally there is increasing recognition of the role that various social, economic, environmental, and political factors play in determining health experiences and outcomes for individuals and social groups (Howden-Chapman & Tobias 2000; Wilkinson & Marmot 2003). These factors include such determinants as income, employment status, housing, education, social position, and social exclusion. They can have both direct and indirect impacts on health, as well as having interrelated and cumulative effects over lifetimes.

In many countries there is evidence of a social gradient in health, with those in more advantaged positions enjoying generally better health and lower mortality (Wilkinson & Marmot 2003). In addition, there is growing acknowledgement that disparities in health between different ethnic groups are a consequence of inequalities in the way in which the determinants of health are distributed in society (Robson 2004). In Aotearoa/New Zealand there is clear evidence of the differential distribution of social, environmental, economic, and political determinants of health for Māori and non-Māori.

The right to health cannot be realised if structural inequities in the presence of social, economic, environmental and political determinants of health exist. This chapter focuses on some social and economic indicators of health for Māori, including education, employment and unemployment, income, housing, living standards, deprivation, justice, racism, and language. These indicators need to be understood within the context of the underlying fundamental causes of the differential distribution of social and economic determinants by ethnicity in Aotearoa/New Zealand, namely colonisation and racism.

Education

“Indigenous peoples have the right to establish and control their educational systems and institutions providing education in their own languages, in a manner appropriate to their cultural methods of teaching and learning. Indigenous individuals, particularly children, have the right to all levels and forms of education of the State without discrimination.” United Nations Declaration on the Rights of Indigenous Peoples, Article 14 (UN 2007).

Education is fundamental to the full development of human potential. Māori communities have made a major contribution to education in Aotearoa/New Zealand with the development of the kohanga reo movement, kura kaupapa, wharekura and wānanga. Kaupapa Māori education has led to greater participation in education by Māori at all levels (Te Tāhuhu o te Mātauranga 2006). In addition, programmes such as Te Kotahitanga (Bishop et al 2003) have been developed to mitigate the inequitable
teaching provided to Māori students for many decades (Alton-Lee 2003) and lift the teacher performance and engagement with Māori students. However, such programmes are not yet widespread and recent statistics show that too many schools are still failing to provide high quality education to Māori children.

- In 2005 Māori secondary school students were more than twice as likely as non-Māori students to be granted an early-leaving exemption (13% compared to 5%), three times more likely to be suspended from school, and twice as likely to have left school by age 16 (Te Tāhuhu o te Mātauranga 2006).

- In 2005 49% of Māori secondary school students left school without an NCEA qualification, compared to 22% of non-Māori. Only 9% of Māori students left school with an NCEA qualification allowing them to enter university, compared to 34% of non-Māori students (Ministry of Education 2007).

- Between 1997 and 2006 the number of kohanga reo decreased from 675 to 486 and the number of children participating decreased from 13,000 to 9,500. 26,340 Māori students (16%) and 3,000 non-Māori students were enrolled in Māori-medium schools in 2006, 17,000 receiving at least half the curriculum in te reo Māori (Ministry of Education 2007).

- In 2003 the age-standardised tertiary education participation rate for Māori was 20.2%, higher than any other ethnic group. However, a large proportion of Māori students were studying at certificate level. Certificate level students carry a larger student loan debt five years after study, reflecting notably lower earnings. Māori with bachelors’ degrees or postgraduate qualifications also had notably higher average leaving loan balances than non-Māori (Te Tāhuhu o te Mātauranga 2006).

During the past 20 years educational qualifications have become an increasingly critical determinant of employment and occupational status. University qualifications now confer a 62% lifelong privilege in earnings (Salmond 2003). The three wānanga, Te Wānanga o Raukawa, Te Wānanga o Awanuiārangi and Te Wānanga o Aotearoa, have been critical in providing Māori controlled and Māori medium tertiary education and staircasing Māori students to higher education. Nevertheless, failure of the school system to perform equitably for Māori transfers the cost of attaining an education onto Māori. The lifetime cost of obtaining an education is thus disproportionately higher on average for Māori.

**Employment and unemployment**

"Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and protection against unemployment." Universal Declaration of Human Rights, Article 23 (1) (UN 1948).

The right to work underpins the realisation of other rights including the right to housing, education, and a standard of living adequate for maintaining health and wellbeing (Human Rights Commission 2004). Occupational gradients in health have
been well-described, with poorer health among those in unsafe, insecure, low-control and poorly paid jobs (Shaw et al 1999). Redundancy and unemployment are associated with poorer health outcomes (Keefe et al 2002; Blakely et al 2003). Māori work opportunities and work conditions were differentially impacted by economic and social policies of the 1980s and 1990s. The differential position of Māori in the labour market (i.e., both having a job or not and the type of job or occupation) accounted for a significant proportion of the widening gaps in mortality rates between Māori and non-Māori during the 1980s and 1990s (Ministry of Health & University of Otago 2006).

- Unemployment rates for Māori have decreased from 13.0% in 2001 to 7.6% in June 2007 but remain three times higher than that of Pākehā aged 15 years and over (2.6%), and similar to that of the Pacific population (7.8%) (Statistics NZ 2007a; Department of Labour 2007).
- Youth unemployment is particularly high, with 21.4% of Māori aged 15–19 years unemployed in June 2007. This compares to 11.4% of Pākehā and 25.7% of Pacific youth (Statistics NZ 2007b).
- There are differences in the occupational distribution of Māori and non-Māori. In 2006 Māori were most likely to be employed in service industries (16.7%), and as plant/machine operators and assemblers (16.4%) (Department of Labour 2006).
- There is evidence that Māori face discrimination in the labour market – in getting a job, in the type of job obtained, and the wages paid for a particular type of work (Sutherland and Alexander 2002; Alexander et al 2003).

**Income**

> “Everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family.” Universal Declaration of Human Rights, Article 23(1) (UN 1948)

There is well-established evidence of the relationship between income and health. In general, lower incomes are associated with higher morbidity and mortality for many illnesses and injuries. In addition, among both Māori and non-Māori, death rates of those on high incomes declined more sharply in recent years than those of people with low or middle incomes (Blakely et al 2007). The income gap between Māori and non-Māori remains substantial:

- The median annual income for Māori adults (those aged 15 years and over) in 2006 was $20,900, compared with $24,400 for the total population. The median annual income was $25,900 for Māori males and $17,800 for Māori females (Statistics New Zealand 2007a).
- The average weekly income (from all sources) for Māori was $471 for the June 2005 quarter, compared with $637 for European/Pākehā, $412 for Pacific peoples and $415 for Other ethnic groups (Statistics New Zealand 2005). According to Statistics New Zealand, this is in part reflective of differences in age structure.
The average hourly rate of pay for Māori grew from $13.8 in 2000 to $17.3 in 2006, while the total New Zealand wage grew from $15.6 to $20.0 (Department of Labour 2006). While there is a gender pay gap in Aotearoa/New Zealand, the ethnic pay gap is larger than the gender pay gap, with Māori women experiencing both an ethnic and gender pay gap (Ministry of Women’s Affairs 2001).

Māori were disproportionately represented in the lowest equivalised household income quintile (25% compared to 15% of European/Pākehā people) and under-represented in the highest income quintile (12% of Māori compared to 24% of European/Pākehā) in 2004. Pacific and Other ethnic groups were also skewed to the lowest income quintile (Perry 2007).

The proportion of Māori children living in poverty (a household income below 60% of the median, after housing costs) peaked at around 50% in 1994 then declined by 2004 but remains very high at 27% (compared to 16% of European and 40% of Other ethnic groups) (Perry 2007).

Living standards

“States parties recognise the right of every child to a standard of living adequate for the child’s physical, mental, spiritual, moral and social development.” United Nations Convention on the Rights of the Child, Article 27 (1) (UN 1989).

In Aotearoa/New Zealand the Ministry of Social Development measures living standards of ‘economic family units’ through a national survey, using the Economic Living Standard Index (ELSI). This Index considers a range of indicators, including income, assets, access to amenities and services, activities and so on (Jensen et al 2006). Childhood hardship not only affects the health of the child, but also has long-term negative impacts over the life course. The living standards of children are therefore of particular significance.

Living standards for Māori in 2004 were significantly lower on average than for the total population, a pattern also evident in the 2000 Living Standards Survey (Jensen et al 2006).

Although there was little change overall in average living standards for Māori between 2000 and 2004, there was an increase in the proportion of Māori experiencing ‘severe hardship’ from 7% in 2000 to 17% in 2004. Forty percent of Māori families and 19% of European families were living in hardship in 2004. Over half of Pacific families were living in some degree of hardship (58%) (Jensen et al 2006).

Beneficiary families with dependent children were particularly vulnerable to depressed living standards, experiencing a fall in living standards between 2001 and 2004 with 74% living in hardship by 2004 (Jensen et al 2006). In 2006, 93,423 Māori children (45.9%) were living in families dependent on an income-tested benefit compared to 29.6% of Pacific and 12.3% of Pākehā children (Wynd 2006).
Current family assistance policies have a discriminatory impact disadvantaging Māori children. Children of beneficiaries are excluded from the “In Work Payment” that replaced the child tax credit in April 2006. Yet, due to economic policies that put more Māori out of work in the 1980s and 1990s, an education system that continues to fail Māori at an unacceptable rate, and a discriminatory job market and housing market, a relatively high proportion of Māori families require a benefit to survive (whether ACC, sickness, unemployment, domestic purposes or student allowance). Susan St John (in press) identifies that social welfare policies designed to reward work rather than alleviate child poverty have introduced “an unfortunate degree of discrimination against the non-working poor”. Māori children and their future wellbeing continue to be most affected.

**Figure 3.1: Living standards distributions by ethnicity, 2004**

![Figure 3.1: Living standards distributions by ethnicity, 2004](image)

Source: Jensen et al. 2006

**Housing**

““The International Covenant on Economic, Social and Cultural Rights (ICESCR) provides the most significant legal source of the right to adequate housing. Article 11(1) recognises the right of everyone to an adequate standard of living for himself and his family, including housing, and to the continuous improvement of living conditions.” (Human Rights Commission 2004).

Access to safe, secure and good quality housing is an important determinant of good health (Howden-Chapman & Carroll 2004). Household crowding, poor dwelling conditions, and insecure tenure impacts on education, health and access to local services (James 2007). There are significant differences in access to high quality housing for Māori and non-Māori in Aotearoa/New Zealand.
• The Ministry of Women’s Affairs identified that Māori are more likely to be in rental or temporary accommodation, and to be living in crowded housing environments than non-Māori (Ministry of Women’s Affairs 2001).

• There was an increase in renting among all ethnic groups between 1991 and 2001. In 2001 over 50% of Māori households (households with one or more people of Māori ethnicity) were renting, up from approximately 45% in 1991. Although the percentage of European households renting increased from 28.9 in 1991 to 32.2 in 2001, the proportion remains lower than for other ethnic groups including Māori (Statistics New Zealand 2002).

• In 2001, 31.7% of Māori owned or partly owned their home. This compared with 59.7% of Europeans, 38.8% of Asians, 26.0% of Pacific peoples, and 24.2% of Other ethnic groups (Statistics New Zealand 2002).

• Discrimination in renting or buying a house was the most frequent type of ‘unfair treatment’ discrimination reported by Māori in the 2002/03 New Zealand Health Survey (Harris et al 2006a). Housing discrimination was significantly associated with a higher risk of smoking and poor mental health (Harris et al 2006b).

**Small area socioeconomic deprivation**

Small area deprivation is one way of measuring socioeconomic position and has a clear association with mortality and morbidity in New Zealand. The NZDep index uses the population census to measure area-based relative deprivation (see Appendix 1: Methods, for further discussion). It draws on nine variables from the five-yearly population census to assign a deprivation score to each meshblock in Aotearoa/New Zealand, with 1 being the least deprived areas and 10 being the most deprived. In an equitable society, 10% of the Māori population and 10% of the non-Māori population would reside in each decile.

• There is a significant disparity in the distribution of deprivation in Aotearoa/New Zealand. The proportion of Māori living in very deprived areas is significantly higher for Māori than for non-Māori, with over half of the Māori population represented in the most deprived deciles.

• This trend has changed little since 1996.
Justice

“All are equal before the law and are entitled without any discrimination to equal protection of the law.” Universal Declaration of Human Rights, Article 7 (UN 1948).

There is evidence of bias against Māori within the justice system in Aotearoa/New Zealand. Māori are more likely to be apprehended by the police than non-Māori at a level not explained by self-reported offending (Fergusson et al 1993). A higher level of public and police vigilance against Māori is likely to be a contributing factor, supported by evidence that young Māori are more likely to come to notice for less serious offences than non-Māori (Maxwell et al 2004).

- Although Māori youth are arrested on average for less severe offences, they are more frequently referred by the police to the Youth Court for minor offences, rather than directly for family group conference. This results in more serious outcomes for young Māori (Maxwell et al 2004). High arrest rates are likely to be contributing to Māori employment disadvantage (Hunter 2005).
- Māori offenders have higher rates of conviction than non-Māori offenders with similar offending history and socioeconomic background (Fergusson et al 2003).
- Differential access to legal information, legal advice and legal representation limits Māori access to justice (Law Commission 2004).
- The Ministry of Justice forecasts an increase of 19% to 25% in the size of the imprisoned population (Wang 2006). This has serious implications for Māori
futures given the current extremely high incarceration rates for young Māori men – 2% for those aged 20–29 years in 2003 (Table 3.1). These high imprisonment rates also mask the true unemployment rate for Māori men.

- Māori were at greater risk of being a victim of a crime in 2005 than other groups, particularly confrontational offences. Risk of victimisation was also associated with sole parenthood, being unemployed or on a benefit, living in rented accommodation, living in socioeconomically deprived areas, and being of younger age (15–29 years) (Mayhew & Reilly 2007).

Table 3.1:  
Sentenced male prisoners, 2003

<table>
<thead>
<tr>
<th>Age (years)</th>
<th>Māori</th>
<th>Non-Māori</th>
<th>Rate ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Rate per 1,000 population</td>
<td>Number</td>
</tr>
<tr>
<td>14–19</td>
<td>176</td>
<td>4.76</td>
<td>141</td>
</tr>
<tr>
<td>20–24</td>
<td>486</td>
<td>20.32</td>
<td>412</td>
</tr>
<tr>
<td>25–29</td>
<td>475</td>
<td>22.11</td>
<td>390</td>
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<tr>
<td>30–34</td>
<td>397</td>
<td>18.29</td>
<td>409</td>
</tr>
<tr>
<td>35–39</td>
<td>315</td>
<td>15.62</td>
<td>317</td>
</tr>
<tr>
<td>40–49</td>
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<tr>
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<td>87</td>
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<td>227</td>
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<tr>
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<td>34</td>
<td>2.08</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Department of Corrections 2004

Racism

“States parties condemn racial discrimination and undertake to pursue by all appropriate means and without delay a policy of eliminating racial discrimination in all its forms and promoting understanding among all races.”

International Convention on the Elimination of All Forms of Racial Discrimination, Article 2 (UN 1965).

Within New Zealand and internationally racism is recognised as an important social determinant of health and inequalities (Jones 2001, Krieger 2003, Nazroo 2003, Williams 1997, Ministry of Health 2002). There are many forms of racial discrimination that can affect health in different ways. In New Zealand there is direct evidence linking self-reported experience of interpersonal racial discrimination to poorer health outcomes (Harris et al 2006b).

Results from a national survey asked adults (15 years and older) about their experiences of racial discrimination in various settings (Harris et al 2006b). It showed that Māori reported the highest prevalence of ‘ever’ experiencing racial discrimination compared to other ethnic groups.

- 8.5% of Māori reported ‘ever’ being the victim of an ethnically motivated physical attack compared to 3.4% of Europeans. 24.5% of Māori reported ‘ever’ being the victim of an ethnically motivated verbal attack compared to 10.3% of Europeans (Harris et al 2006a).
- Māori were more likely than Europeans to report ‘ever’ being treated unfairly because of their ethnicity by a health professional (4.5% versus 1.5%), at work
(5.6% versus 2.1%) and when renting or buying a house (9.5% versus 0.7%) (Harris et al. 2006a).

- Māori were almost ten times more likely to experience racial discrimination in three or more settings than were European participants (4.5% versus 0.5%) (Harris et al. 2006a).
- Overall, a third of Māori reported ‘ever’ experiencing any of the types of racial discrimination asked about in this study (Harris et al. 2006a, Harris et al. 2006b).

**Language**

“Indigenous peoples have the right to revitalize, use, develop and transmit to future generations their histories, languages, oral traditions, philosophies, writing systems and literature, and to designate and retain their own names for communities, places and persons.” United Nations Declaration on the Rights of Indigenous Peoples, Article 13 (UN 2007).

- According to the 2006 Census, almost a quarter of Māori (23.8%) speak more than one language (Statistics NZ 2007a).
- The 2006 Māori language survey shows an increase in proficiency among Māori adults as well as increasing use of the Māori language. In 2006, 27% of Māori adults reported speaking te reo Māori with some degree of proficiency and 43% reported listening proficiency (Te Puni Kōkiri 2007).
- There is a high degree of support among Māori adults for te reo Māori and significant increases in support from non-Māori, although non-Māori participation in te reo increased only slightly between 2000 and 2006 (Te Puni Kōkiri 2006).

_Tōku reo, tōku ohooho. Tōku reo, tōku māpihi maureka._

**Conclusion**

The right of everyone to the enjoyment of the highest attainable standard of physical and mental health encompasses the essential conditions of health, including the right to be free from discrimination. Inequity in the distribution of social, economic, environmental, cultural and political resources must be addressed for the full potential of Māori health to be realised.

**References**


