New data on Māori businesses

The business activities of Māori Authorities and other Māori enterprises come under the spotlight in <u>new data</u> produced by Statistics NZ, contributing to a growing kete of information.



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Among the highlights are:

- There are 1227 Māori Authorities and subsidiaries with a quarter operating in the primary sector and one third in the commercial property sector, including leasing rural land
- A further 780 self-identified Māori enterprises are spread across various industries
- Of the 2,000 total,10% are involved in tourism
- 11,000 people are employed by Māori Authorities and 10,000 employed by other Māori enterprises
- Sales by Māori Authorities for 2021 totalled \$4 billion, with a before-tax surplus of \$1 billion and operating profit of \$630 million
- Māori Authorities exported \$870 million of goods, with 44% to China
- Assets were valued at \$22 billion; \$15 billion of equity and \$6.6 billion of liabilities
- The average return on assets was 4.9% and the return on equity was 6.9%.

Māori Authorities are defined as businesses that receive, manage, and/or administer assets held in common ownership by iwi and Māori. The term business includes companies, partnerships, sole traders, and non-profit organisations.

The report also highlights the new government definition of a Māori business as one owned by people with Māori whakapapa, and a representative of that business identifies it as Māori. This definition, emphasising whakapapa Māori, has been developed following significant consultation over the last year and will be used by government agencies when engaging with Māori businesses in future.

The new definition does not impact the definition used for <u>progressive</u> <u>procurement</u> purposes, which includes Māori Authorities (as classified by Inland Revenue) or a business with a minimum of 50 percent Māori ownership for other types of entity.

Chief Advisor Economic Development Richard Laverty said the new data provides rich insights into Māori Authorities, which represent a significant pillar of the Māori economy, and complements our latest <u>Te Matapaeroa</u> report, released in July, which identified 23,000 economically significant Māori-owned businesses.

Relative to the Te Matapaeroa results for Māori-owned businesses, the Stats NZ data on Māori businesses is significantly lower. Stats NZ data covers self-identified Māori businesses, while Te Matapaeroa reports on businesses whose owners have Māori ethnicity but with no requirement for self-identification.

The latest statistics sit alongside the ongoing mahi by Te Puni Kōkiri, Ministry of Business Innovation and Employment and Stats NZ rolling out a change to the Māori Business Identifier (MBI) in the New Zealand Business Number (NZBN) to align with the new Stats NZ definition, with 1700 businesses so far self-identifying as Māori businesses.

NZBNs are globally unique identifiers that link to business information such as trading name, phone number or email, making doing business faster and easier.