



This monthly fact sheet summarises the latest labour market information, including changes since the start of the COVID-19 alert levels in March 2020. It focuses on the most recent monthly changes and complements MBIE's quarterly *Labour Market Statistics Snapshot*¹. For more information on sectors and regions, see MBIE's *COVID-19 economic data*². The *Monthly Labour Market Fact Sheet* will be updated next on 18 February 2022.

Overview

Headline quarterly statistics

Data up to Sep-21 quarter

Measures	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
Employment	2,714,000	2,732,000	2,747,000	2,775,000	2,830,000
— Paid Employee or Employer	2,340,500	2,377,000	2,368,100	2,399,000	2,439,800
— Self-employed	336,400	343,400	354,400	342,800	352,200
Employment Rate	66.4%	66.8%	67.1%	67.6%	68.8%
Participation Rate	70.1%	70.2%	70.4%	70.5%	71.2%
Underutilisation	391,000	351,000	362,000	314,000	278,000
— Unemployment	151,000	139,000	133,000	116,000	98,000
— Underemployment	134,000	116,000	123,000	107,000	97,000
— Potential Labour Force	106,000	96,000	106,000	91,000	84,000
Underutilisation Rate	13.2%	11.8%	12.1%	10.5%	9.2%
Unemployment Rate	5.3%	4.8%	4.6%	4.0%	3.4%
Not in the Labour Force	1,220,000	1,217,000	1,213,000	1,211,000	1,185,000
Youth Not in Employment, Education or Training (NEET)	86,000	80,000	79,000	80,000	80,000
NEET Rate	13.2%	12.3%	12.2%	12.3%	12.4%
Average Weekly Hours Paid (per FTE)	37.93	38.29	38.41	39.05	38.86

All measures are from the Household Labour Force Survey except for average hours worked, which is from the Quarterly Employment Survey. *Labour Market Statistics, Stats NZ (Data to September 2021, next release on 02/02/2022)*

The recent story

In the September quarter 2021, the employment rate hit a record high of 68.8 per cent – the highest rate recorded since the Household Labour Force Survey (HLFS) began in 1986. In line with this result, there was continued growth in the number of filled jobs both on an annual and monthly basis for October and November 2021. Since April 2021, the highest annual growth in filled jobs has continued to be for those aged 15 to 19 years. This growth in filled jobs for rangatahi follows a decrease in labour force participation for youth during the higher Covid-19 alert levels in 2020. The increase in filled jobs varies across industries and regions. The Agriculture, forestry & fishing industry has experienced negative annual growth in filled jobs since May 2021. Over the same period, there has been an increase in jobs advertised in the Agriculture, forestry & fishing sector.

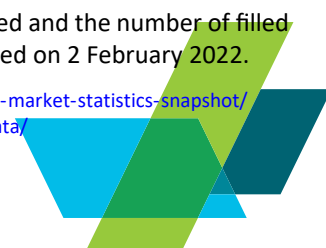
The All Vacancies Index (AVI) grew by 36 per cent in December 2021 compared to December 2020 (when New Zealand moved to Alert Level 1). The growth in the AVI highlights the growing demand for labour. The main occupations driving the annual growth in the AVI were Community & personal services (55 per cent), Clerical & administration (53 per cent) and Sales (52 per cent), while the Professionals which registered the highest growth for November 2021 fell to 32 per cent in December 2021. The transition to the COVID-19 Protection Framework, with more permissive guidelines for businesses, seems to have increased labour demand in occupations related to the service sector (like the Sales, Tourism and Business services industries which had the highest annual growth in online job advertising). However, there were still around 206,000 jobs being supported by the Wage Subsidy Scheme as at 9 December 2021, when only Northland was at the 'red' setting in the COVID-19 Protection Framework but the rest of New Zealand was at 'orange'.

Since mid-September 2021, the number of people on all main benefits has been lower than last year (367,557 as at 7 January 2022 compared to 391,227 as at 8 January 2021). Although the number of new recipients has been declining since 24 December 2021, it is still higher than the number of cancellations. However, there is a very strong seasonal pattern for benefit numbers in December each year, so things like the low number of cancellations are not surprising. While the proportions of the population on the Jobseeker benefit reduced in all regions compared to the last year, the Northland region still has the highest proportion (10.2 per cent).

In summary, the labour market continues to show signs of tightness with continued growth in jobs advertised and the number of filled jobs. Stats NZ's HLFS data for the December quarter 2021, including main labour force data, will be published on 2 February 2022.

¹<https://www.mbie.govt.nz/business-and-employment/employment-and-skills/labour-market-reports-data-and-analysis/labour-market-statistics-snapshot/>

²<https://www.mbie.govt.nz/business-and-employment/economic-development/covid-19-data-resources/covid-19-economic-data/>

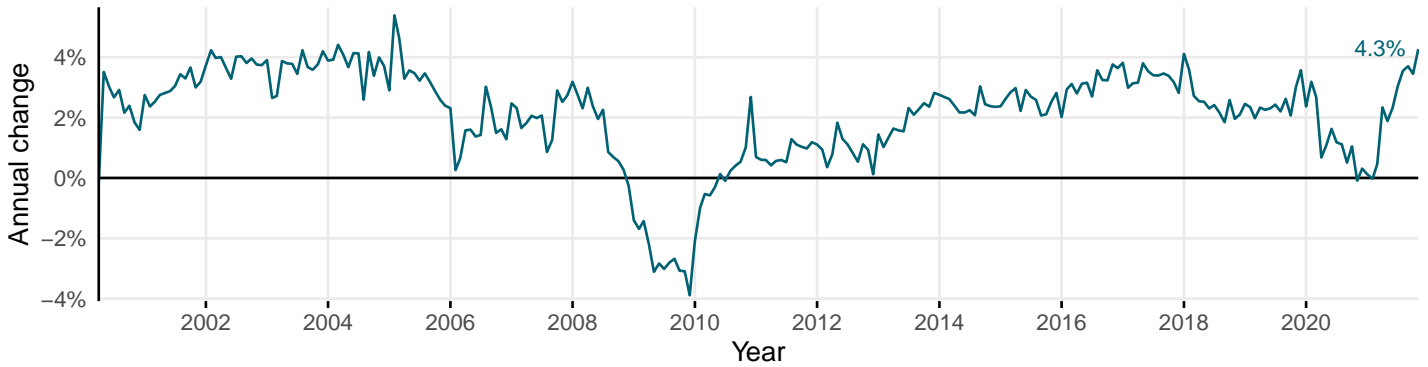


Filled Jobs

Data up to November 2021

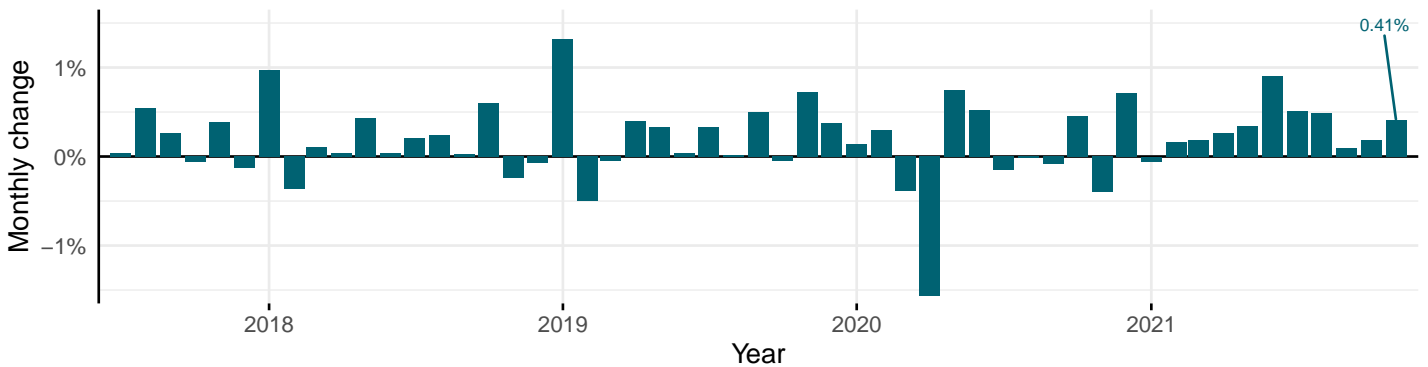
Stats NZ's Monthly Employment Indicators (MEIs) count of filled jobs, uses employer payroll filing of tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, do not necessarily represent full-time or permanent jobs, and recent results can be subject to fluctuations due to different employers' payroll schedules.

Annual percentage change in the number of filled jobs



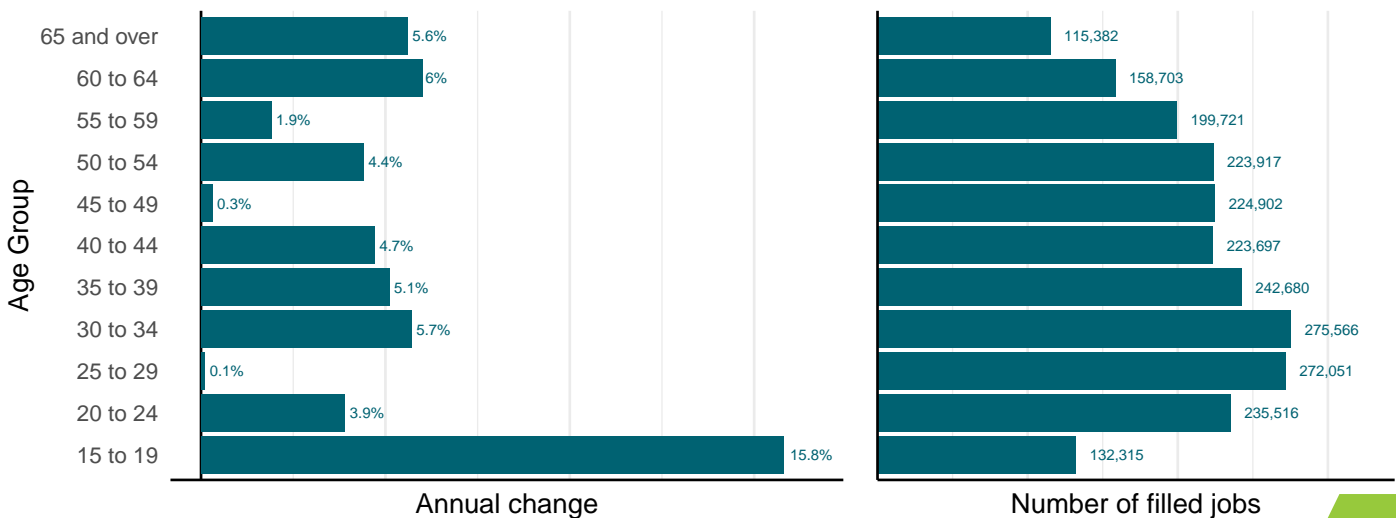
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to November 2021, next release on 28/01/2022)

Monthly percentage change in the number of filled jobs, seasonally adjusted



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to November 2021, next release on 28/01/2022)

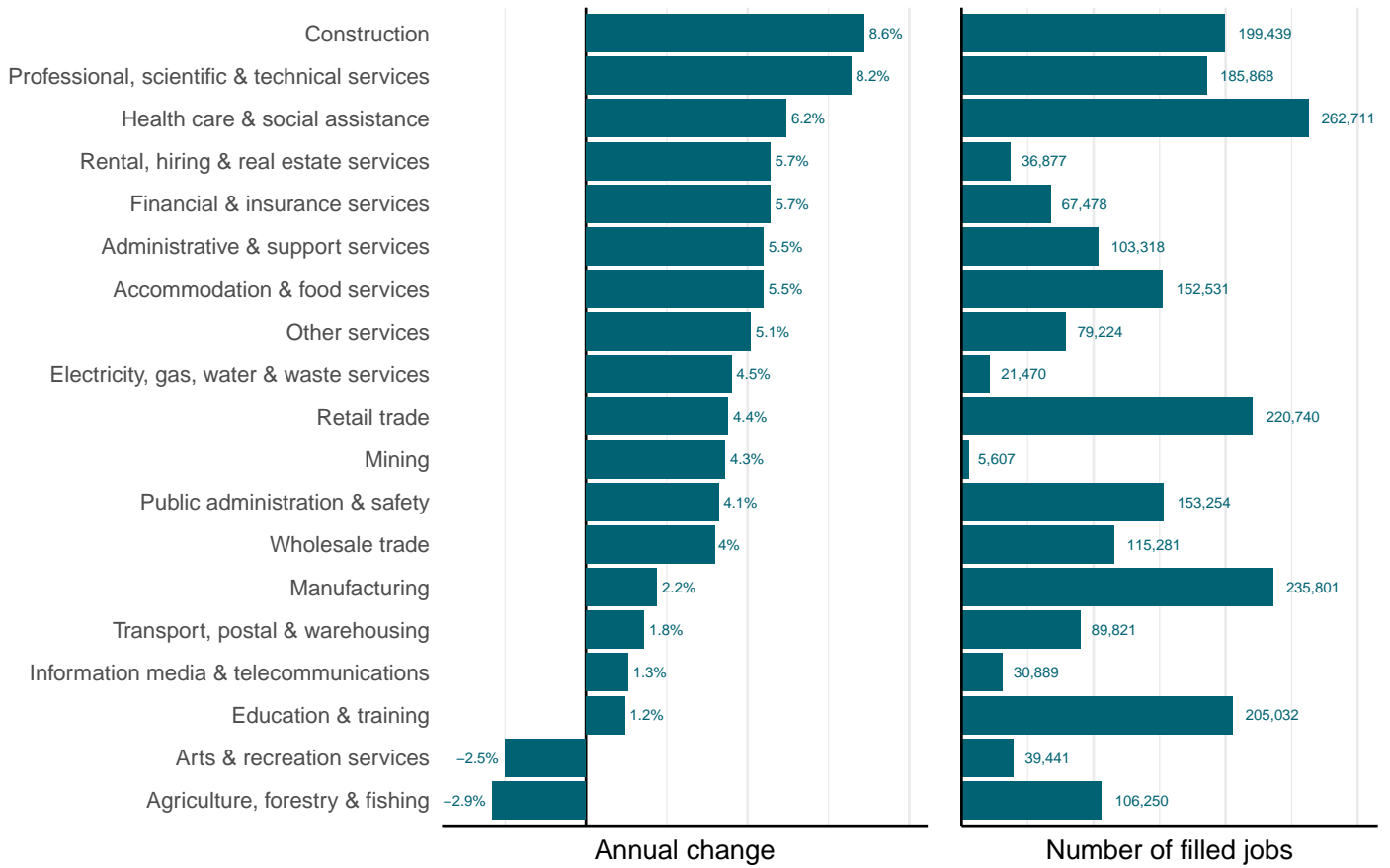
Filled jobs by age group



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to November 2021, next release on 28/01/2022)

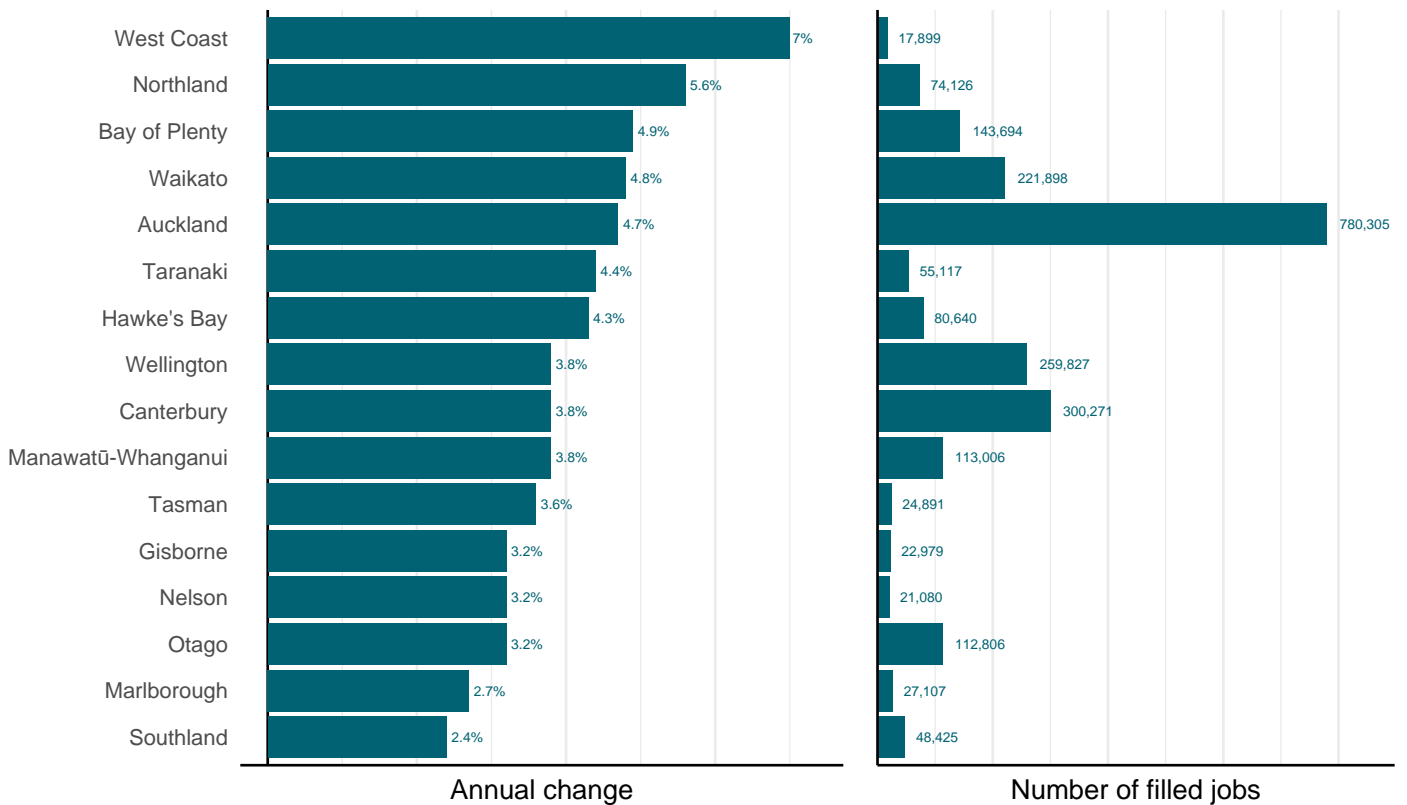


Filled jobs by industry



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to November 2021, next release on 28/01/2022)

Filled jobs by region



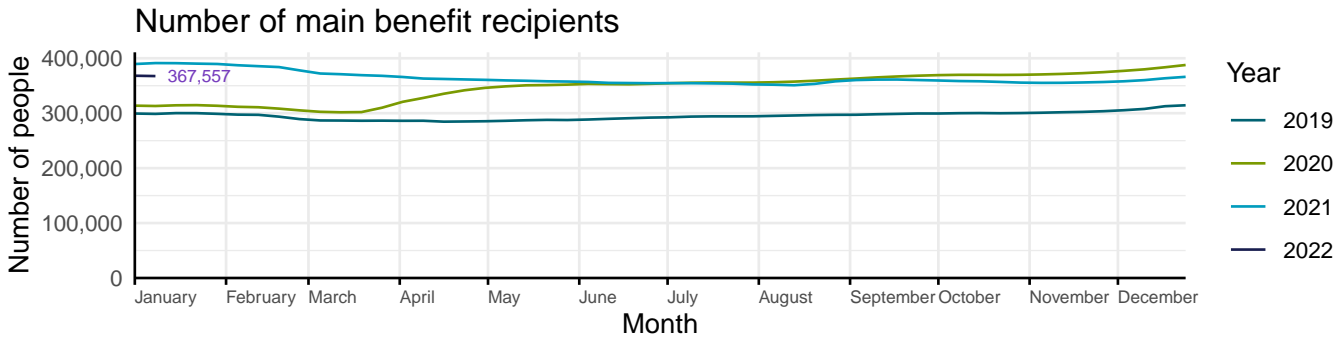
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to November 2021, next release on 28/01/2022)



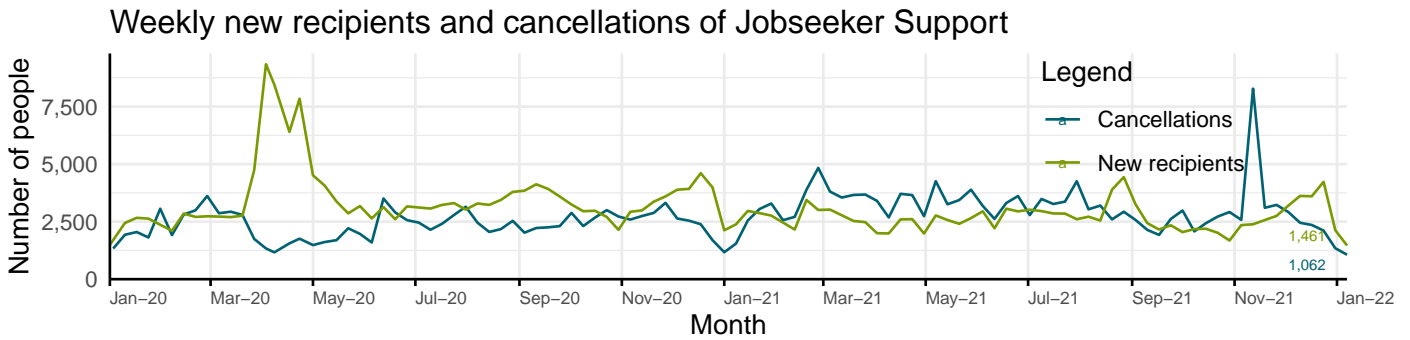
Benefit Recipients

Data up to 7 January 2022

Benefits are primarily a measure of how many people are receiving income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional circumstances in which someone could need extra income and is a better proxy for the underutilisation rate, which is a more useful measure of “slack” in the labour market than the unemployment rate alone.

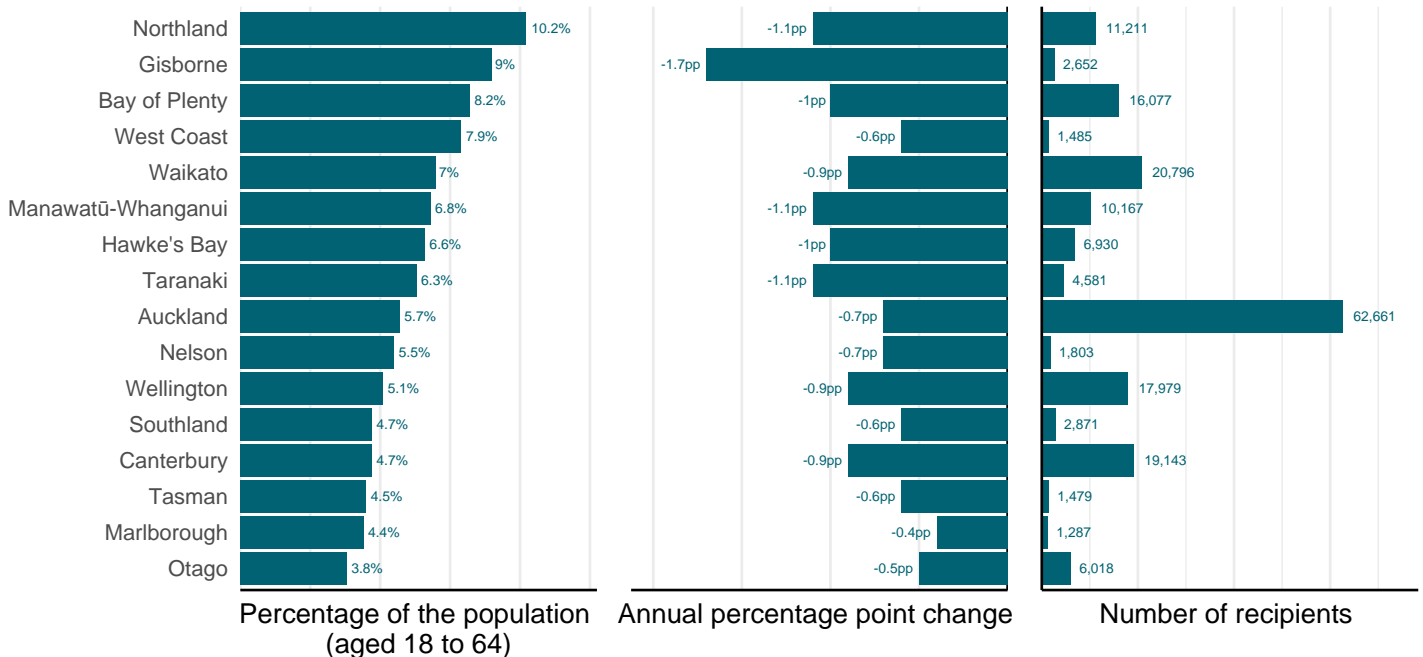


Source: Working-age main benefits, MSD (Data to 07/01/2022, released every Friday)



Source: Working-age main benefits, MSD (Data to 07/01/2022, released every Friday)

Jobseeker benefit recipients by region



Source: Working-age main benefits, MSD (Data to 07/01/2022, released every Friday)



Wage Subsidy

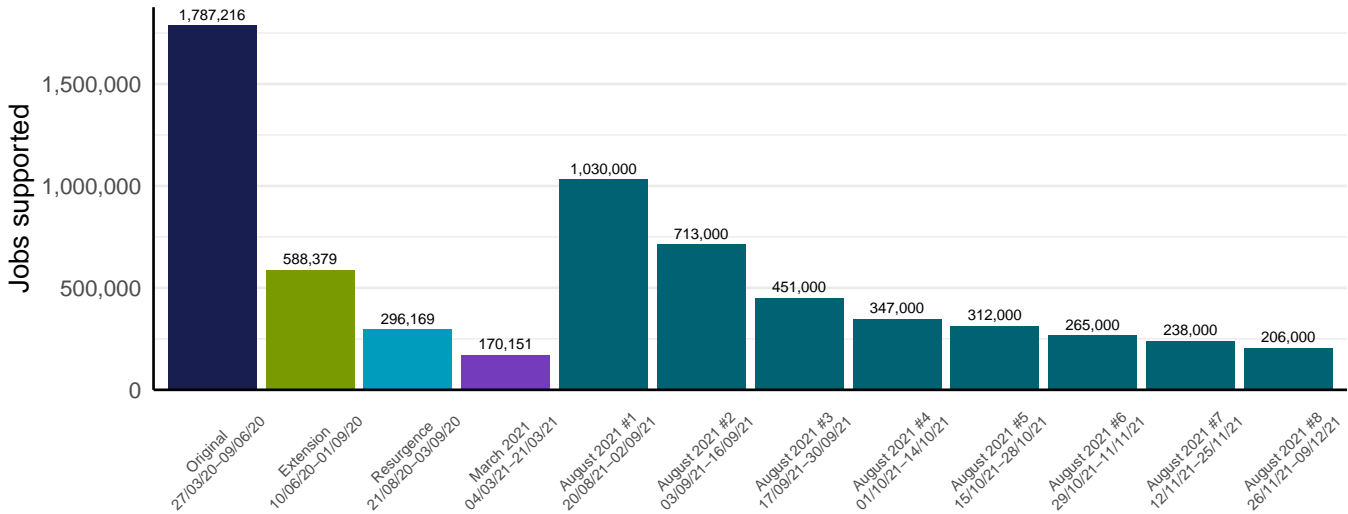
Data up to 9 December 2021

The COVID-19 Wage Subsidy and Leave Payment Scheme was introduced on 27 March 2020 to assist employers and self-employed people who would otherwise have had to lay off staff or reduce their hours due to COVID-19. The scheme allowed businesses to claim \$585.80 per week per full-time employee (\$350 per part-time employee) for up to 12 weeks. The Wage Subsidy Extension Scheme was introduced on 10 June 2020, covering jobs for up to 8 weeks, and a Resurgence Wage Subsidy payment was available for the last two weeks in August 2020 when Auckland was placed at Alert Level 3 and the rest of the country moved back into Alert Level 2.

The COVID-19 Wage Subsidy March 2021 payment was introduced after the alert level changes on 28 February 2021, when Auckland moved to Alert Level 3 and the rest of the country moved to Alert Level 2.

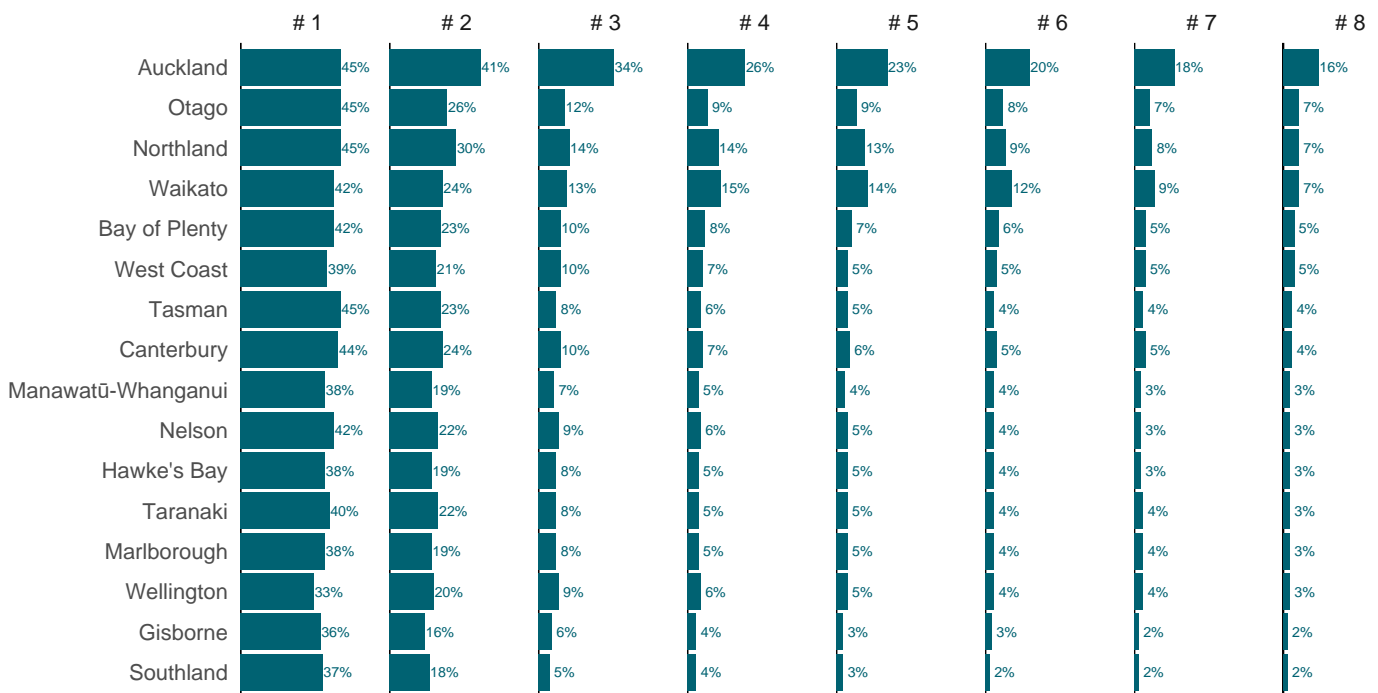
On 17 August 2021, New Zealand moved to Alert Level 4, after which the Wage Subsidy August 2021 was introduced. The Wage Subsidy August 2021 payments support employers to continue to pay employees and protect jobs for businesses affected by changes in COVID-19 alert levels. There are eight wage subsidies related to the August Alert Level changes, which were open from 20 August 2021 and continued through to 9 December 2021. The application periods for the Wage Subsidy Schemes are mentioned in the labels.

Number of jobs supported by wage subsidy schemes



Source: Income Support and Wage Subsidy Weekly Update, MSD (Data to 09/12/2021, released every Friday)

Proportion of unique jobs supported by the Wage Subsidy August 2021



Source: Income Support and Wage Subsidy Weekly Update, MSD (Data to 09/12/2021, released every Friday)

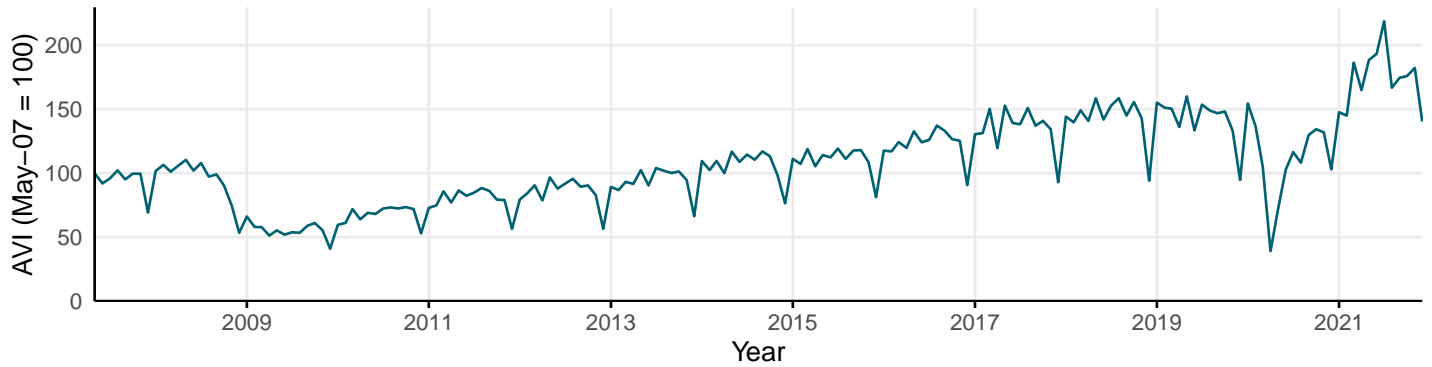


Job Vacancies

Data up to December 2021

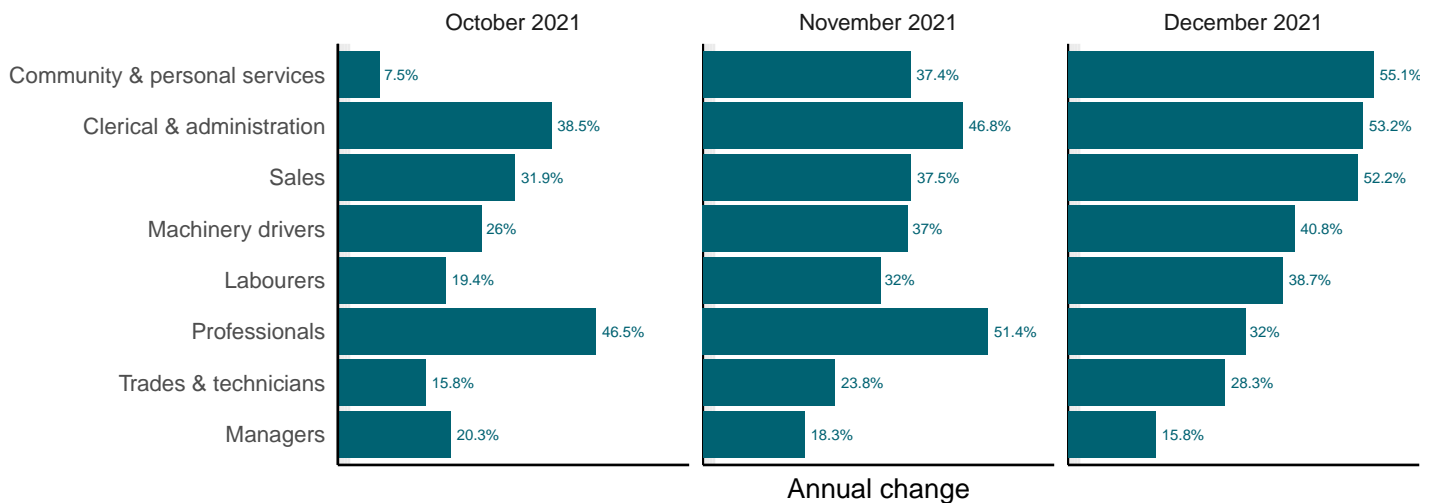
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements and labour demand is complex.

All Vacancies Index (AVI) – online job advertising



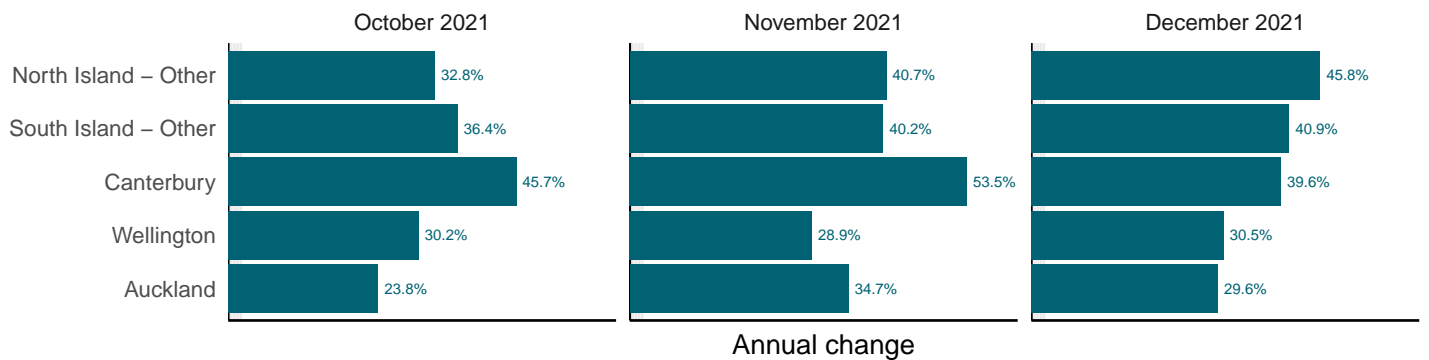
Source: Jobs Online, MBIE (Data to December 2021, next release 15/02/2022)

Annual change in online job advertising by occupation, latest three months



Source: Jobs Online, MBIE (Data to December 2021, next release 15/02/2022)

Annual change in online job advertising by region, latest three months



Source: Jobs Online, MBIE (Data to December 2021, next release 15/02/2022)



Data sources

Household Labour Force Survey (HLFS) | Stats NZ

The HLFS is a nationwide, quarterly survey of households run by Stats NZ. It is the official measure of employment and unemployment in New Zealand. Data from the HLFS is used as an indicator of the overall health of the economy, particularly the unemployment rate. HLFS data is also used to compare labour force variables across demographic characteristics.

Monthly Employment Indicator (MEI) | Stats NZ

The MEI series from Stats NZ provides an early indication of changes in the labour market. These indicators use a combination of data from two different Inland Revenue sources: the Employer Monthly Schedule (EMS) and payday filing. This data is used to produce the filled jobs and gross earnings indicator series, published four to five weeks after the end of the reference month.

Monthly Benefits Update | Ministry of Social Development (MSD)

The Monthly Benefits Update from MSD provides an overview of benefit and supplementary assistance data. The report presents monthly benefit receipt numbers, and the accompanying data file provides additional information and breakdowns.

Income Support and Wage Subsidy Weekly Update | Ministry of Social Development (MSD)

The Income Support and Wage Subsidy Weekly Update provides an overview of income support, including COVID-19 Income Relief Payment data. MSD's COVID-19 reporting is available at: <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/index.html>

Jobs Online | Ministry of Business, Innovation and Employment (MBIE)

Jobs Online is a regular data series published quarterly by MBIE that measures changes in online job advertisements from four internet job boards — Seek, Trade Me Jobs, Education Gazette and Kiwi Health Jobs. A monthly series is available at <https://www.mbie.govt.nz/business-and-employment/employment-and-skills/labour-market-reports-data-and-analysis/jobs-online/#jobs-online-monthly-data-release>

Quarterly Employment Survey (QES) | Stats NZ

The QES is a quarterly survey run by Stats NZ. It measures employment, earnings and hours paid of economically significant businesses in New Zealand. The purpose of the Quarterly Employment Survey is to provide a short-term indicator of employment and earnings. In addition, the data is used for compiling the business services industry component of the quarterly national accounts (on the production side). Results from the survey provide a valuable guide to the labour market and general economic conditions within New Zealand.

Previous editions

The Monthly Labour Market Fact Sheet brings together the latest available administrative and survey data. The July 2020 edition³ included findings from the Ministry of Health's *COVID-19 Health and Wellbeing Survey*, the Ministry of Social Development's *Wage Subsidy Survey* and Auckland Tourism, Events and Economic Development's (ATEED) *COVID-19 Business Survey*. The August 2020 edition⁴ included findings from Victoria University's *Life in Lockdown* survey.

Contact us

For further information on the data contained in this fact sheet, please email us: LabourMarketInsights@mbie.govt.nz.

³<https://www.mbie.govt.nz/dmsdocument/11556-monthly-labour-market-fact-sheet-july-2020>

⁴<https://www.mbie.govt.nz/dmsdocument/11637-monthly-labour-market-fact-sheet-august-2020>

