Objective: We use the Household Labour Force Survey to characterise New Zealand’s underutilised workforce between June 2016-2018.

Method: Descriptive analysis is used for Aim 1; transition probability matrices are employed for Aim 2; and a multinomial logistic regression is used for Aim 3.

To understand social, economic, demographic and work-related characteristics of underutilised workers in New Zealand

<table>
<thead>
<tr>
<th>AIM 1</th>
<th>Underemployed Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Underemployed</td>
</tr>
<tr>
<td></td>
<td>Individuals who are employed but are willing to work more hours</td>
</tr>
<tr>
<td>4.1%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unemployed</td>
</tr>
<tr>
<td>4.4%</td>
<td>Individuals who are not employed but are available and actively seeking</td>
</tr>
<tr>
<td></td>
<td>Potential Labour Force</td>
</tr>
<tr>
<td>3.6%</td>
<td>Individuals who are available but not seeking, or unavailable and seeking</td>
</tr>
</tbody>
</table>

- Of the underemployed say that the main reason is not enough work available.
- Underemployed workers desire 1.6 times as many hours per week, relative to current hours.
- Women are 4 times more likely than men to be underemployed as a result of difficulty finding suitable childcare.
- 60% of the underemployed say that the main reason is not enough work available.
- 53% have a post-school qualification.
- Nearly 70% women.
- 38% ethnic minorities.
- 71% have permanent roles.
To explore the transience of underutilisation

Underutilisation is often a short-term phenomenon

To identify risk factors associated with underutilisation intensity and unemployment duration.

**Underutilisation**

**INTENSITY**

Low intensity: < 50% of time; High intensity: ≥ 50% of time.
Reference group: fully utilised

- Women are 1.8 times as likely as men to experience high intensity underutilisation.

- Education is a significant factor. Individuals with school qualifications are 73% as likely to experience high intensity underutilisation relative to no qualifications; this risk drops to 37% if holding a bachelor’s qualification.

- The likelihood of underutilisation initially decreases with age, before increasing in later years.

**Unemployment**

**DURATION**

Short-term: < 1 month; Medium-term: 1-12 months; Long-term: ≥ 12 months. Reference group: fully utilised

- Unlike ethnicity and education, there is no significant relationship between age and long-term unemployment.

- Compared to workers in a rural area, living in an urban area is associated with an increase in medium-term unemployment, but not long-term unemployment.

- Non-Europeans are more likely to experience unemployment of any duration.

Read the full report here.