

This monthly fact sheet summarises highlights from the latest labour market information, including changes since the start of the COVID-19 Alert Levels. It focusses on the latest changes and data to complement MBIE's *Labour Market Statistics Snapshot*<sup>1</sup>, which is produced every quarter and uses the traditional Labour Market official statistics. For more detail about sectors and regions, see fact sheets available at MBIE's *Sector Report Series*<sup>2</sup>.

The *Monthly Labour Market Fact Sheet* will next be updated on 12 November 2020.

## Overview

### Headline statistics

Measures	Sep-19	Dec-19	Mar-20	Jun-20
Employment	2,703,000	2,711,000	2,741,000	2,732,000
— Wages or Salaried	2,369,400	2,393,900	2,391,600	2,346,400
— Self-employed	300,400	313,600	330,000	345,800
Employment Rate	67.7%	67.5%	67.7%	67.1%
Underutilisation	303,000	293,000	308,000	354,000
— Unemployment	118,000	116,000	120,000	114,000
— Underemployment	95,000	91,000	93,000	126,000
— Potential Jobseekers	90,900	86,500	94,600	113,700
Underutilisation Rate	10.4%	10.1%	10.4%	12.0%
Unemployment Rate	4.2%	4.1%	4.2%	4.0%
Not in the Labour Force	1,170,000	1,188,000	1,186,000	1,224,000
Youth Not in Employment, Education or Training (NEET)	71,000	77,000	93,000	83,000
NEET Rate	10.9%	11.8%	14.1%	12.6%
Average Hours Worked	38.60	38.66	38.62	37.44

*Labour Market Statistics, Stats NZ (Data to June 2020, next release on 04/11/2020)*

### The recent story

The effects of COVID-19 and Alert Level economic restrictions continue to affect New Zealand's labour market. Both the unemployment and employment rates fell in the June 2020 quarter. Over the same period, the number of people not in the labour force (NILF) increased by 38,000 as fewer people were able to actively seek work under Alert Levels 3 and 4 and so were classified as NILF rather than unemployed. This lowered the average unemployment rate measured over the June quarter.

During April, the number of people receiving Jobseeker Support Work-Ready benefits increased markedly and filled jobs fell by a record 1.6 per cent. From May onwards the number of filled jobs has rebounded and monthly changes are now within the usual historic patterns, although annual growth remains below recent years. The number of benefit recipients has continued to grow slowly, although the number of people receiving the COVID-19 Income Relief Payment halved during September to under 12,000. The number of advertised job vacancies has continued to fall, but the reductions from June onwards have been far lower than in April and May.

It is likely that the COVID-19 Wage Subsidy has supported current employment levels by allowing businesses to keep paying their staff during lockdown. The original Wage Subsidy peaked in late May, covering 1.66 million jobs; the Wage Subsidy Extension peaked in late July, covering 480,000 jobs; and the Resurgence Wage Subsidy peaked in early September, covering 230,000 jobs. Although the wage subsidy schemes are concluding, filled job levels have not shown any change as yet.

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

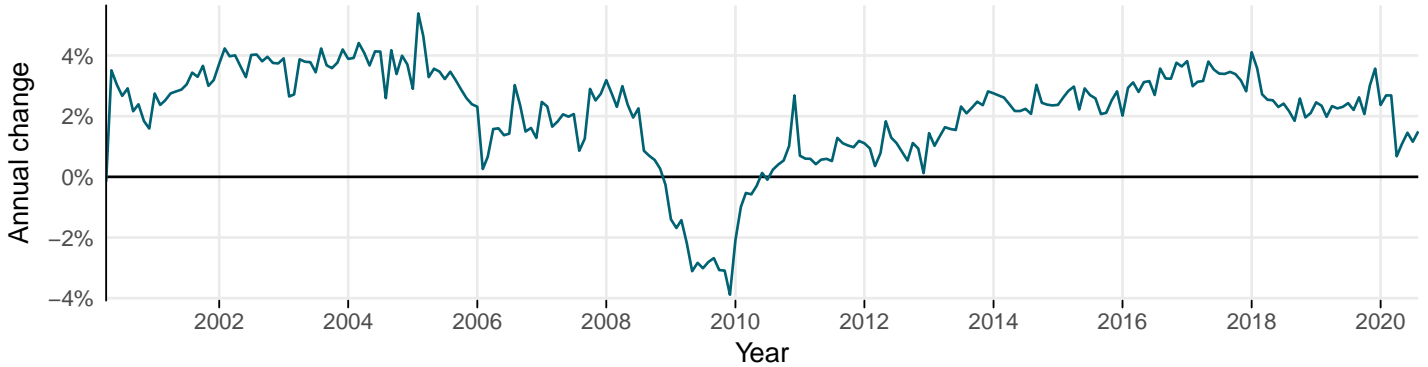
<sup>2</sup><https://www.mbie.govt.nz/business-and-employment/economic-development/sector-reports-series/>



## Filled jobs

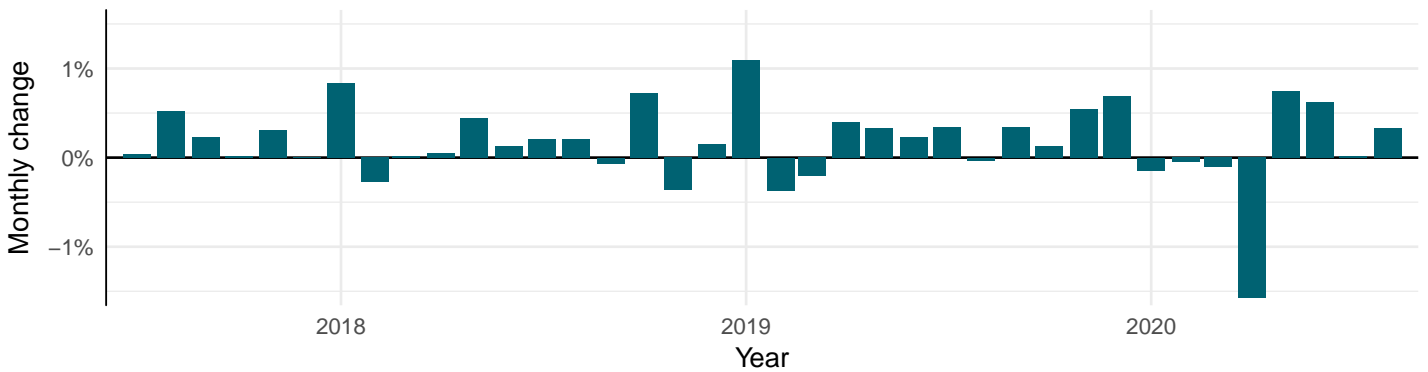
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed and recent results can be subject to fluctuations due to different employers' payroll schedules. While jobs numbers are continuing to grow annually (unlike in 2009-10 during the Global Financial Crisis), the overall annual growth remains below recent years.

### Annual percentage change in filled jobs



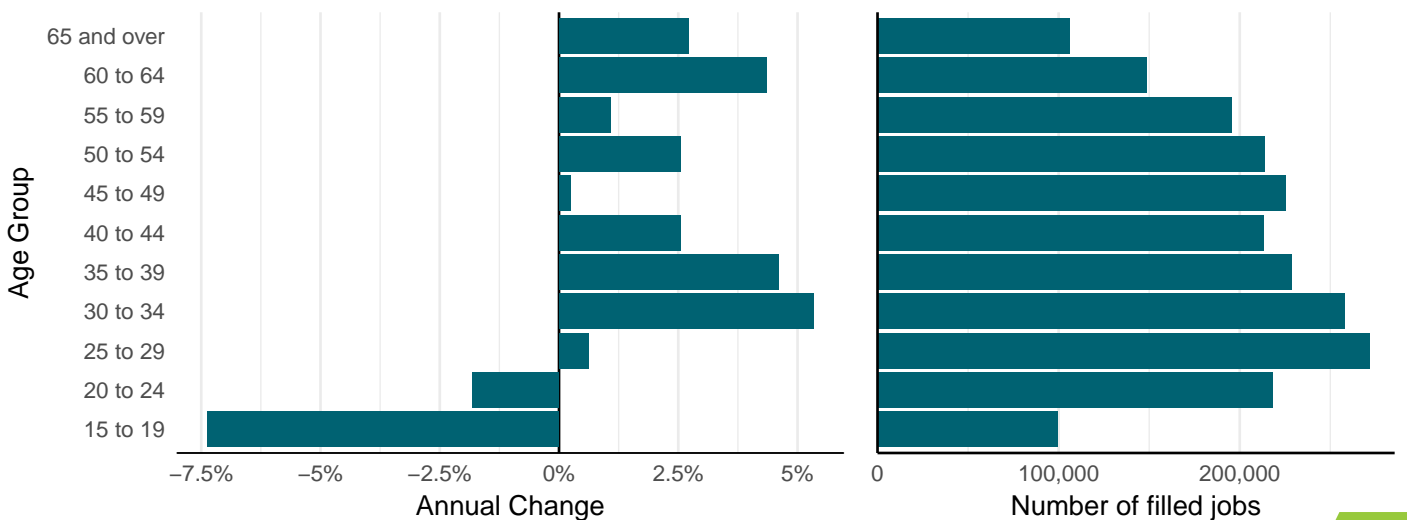
Monthly Economic Indicator - Filled Job Series, Stats NZ (Data to August 2020, next release on 28/10/2020)

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



Monthly Economic Indicator - Filled Job Series, Stats NZ (Data to August 2020, next release on 28/10/2020)

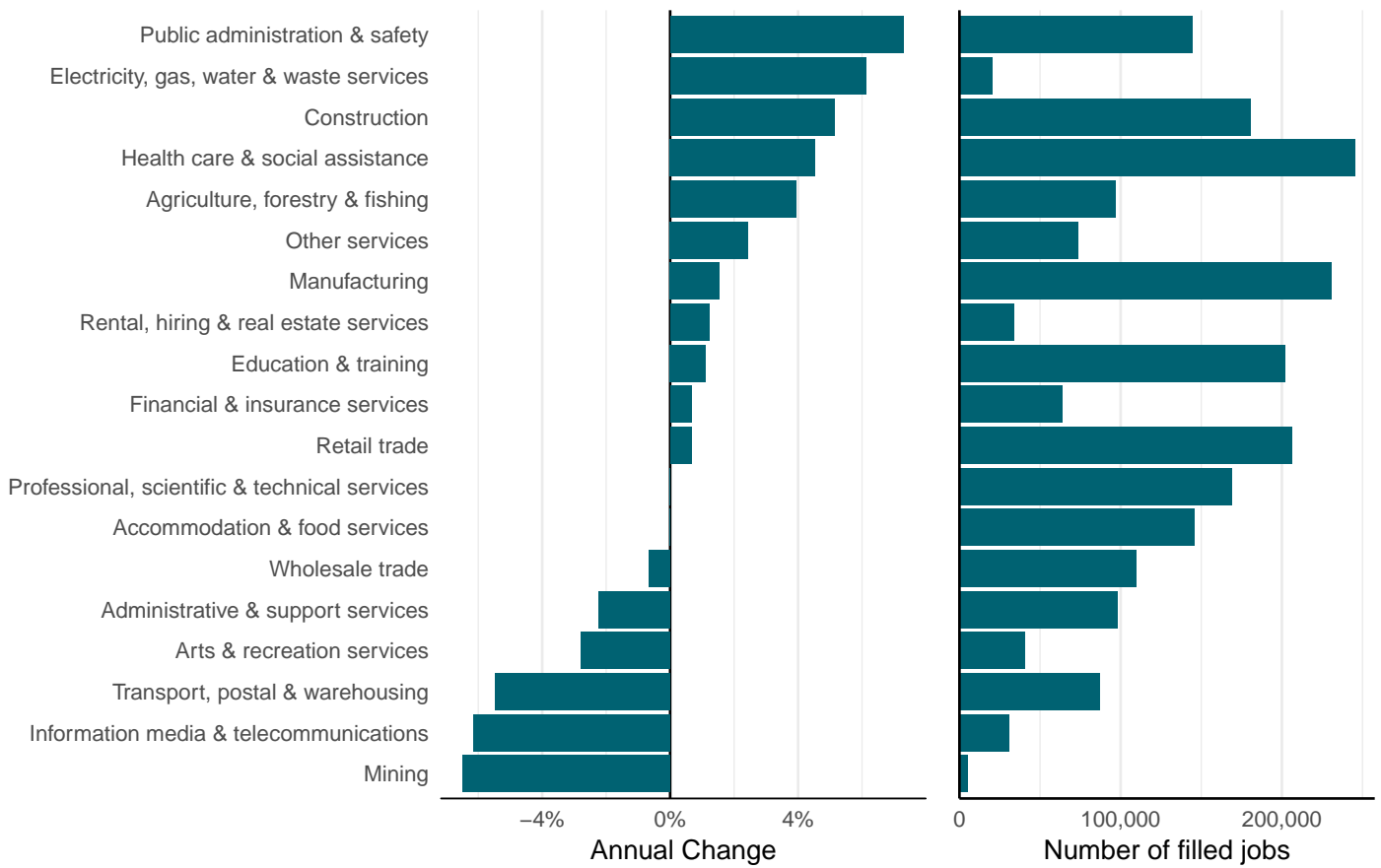
### Filled jobs by age group



Monthly Economic Indicator - Filled Job Series, Stats NZ (Data to August 2020, next release on 28/10/2020)

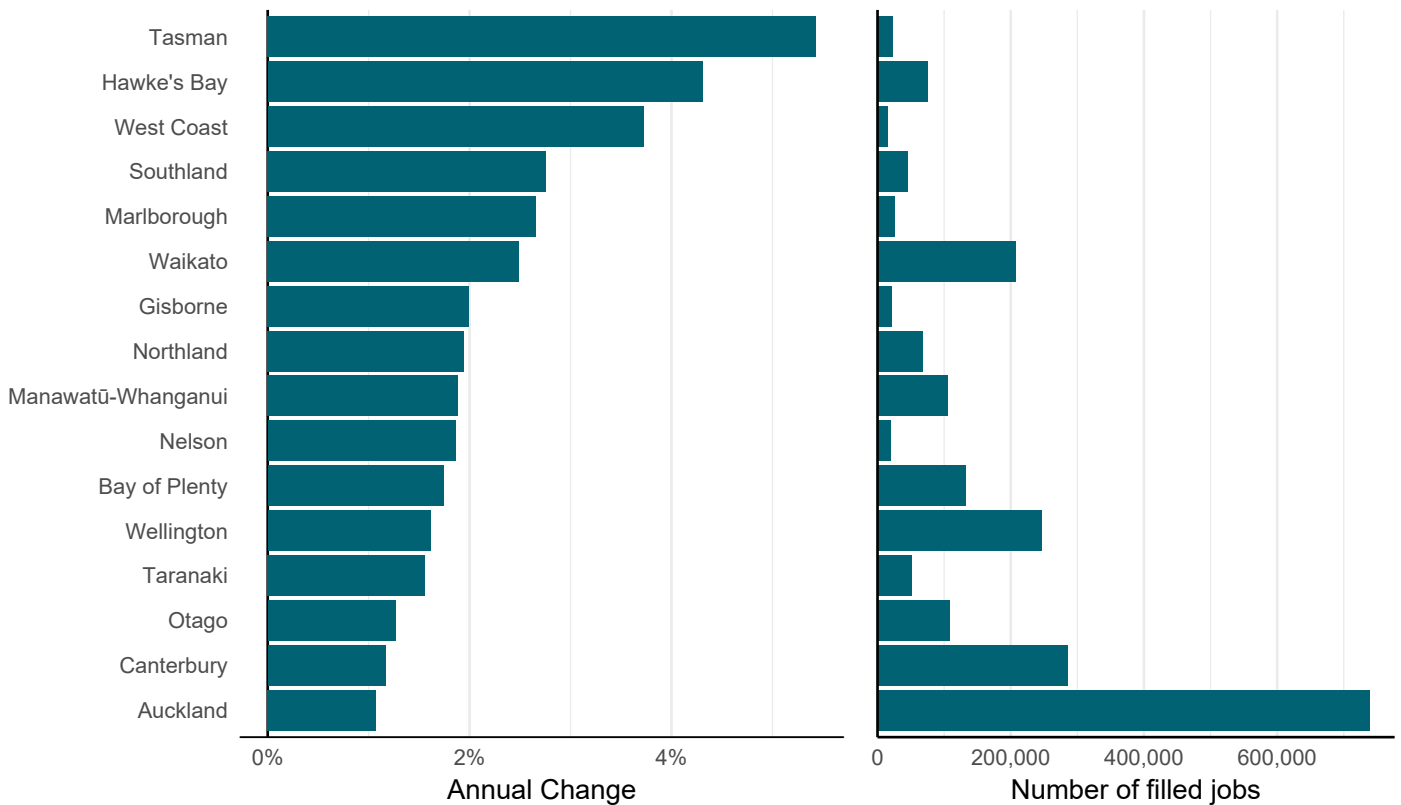


### Filled jobs growth by industry



Monthly Economic Indicator - Filled Job Series, Stats NZ (Data to August 2020, next release on 28/10/2020)

### Filled jobs growth by region

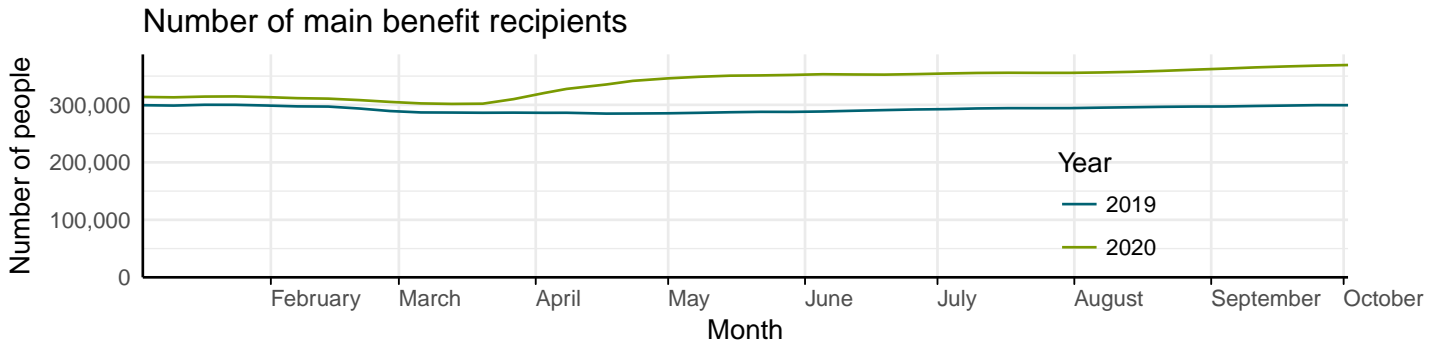


Monthly Economic Indicator - Filled Job Series, Stats NZ (Data to August 2020, next release on 28/10/2020)

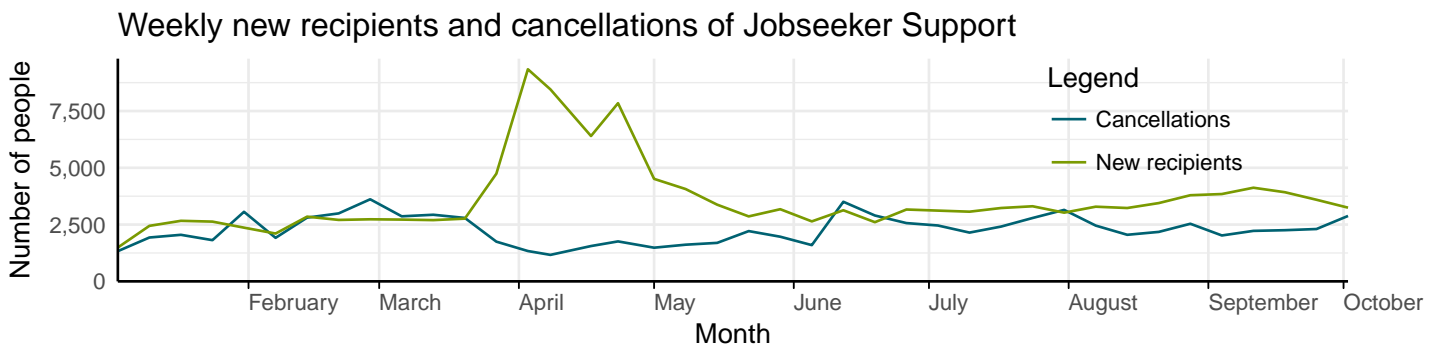


## Benefit Recipients

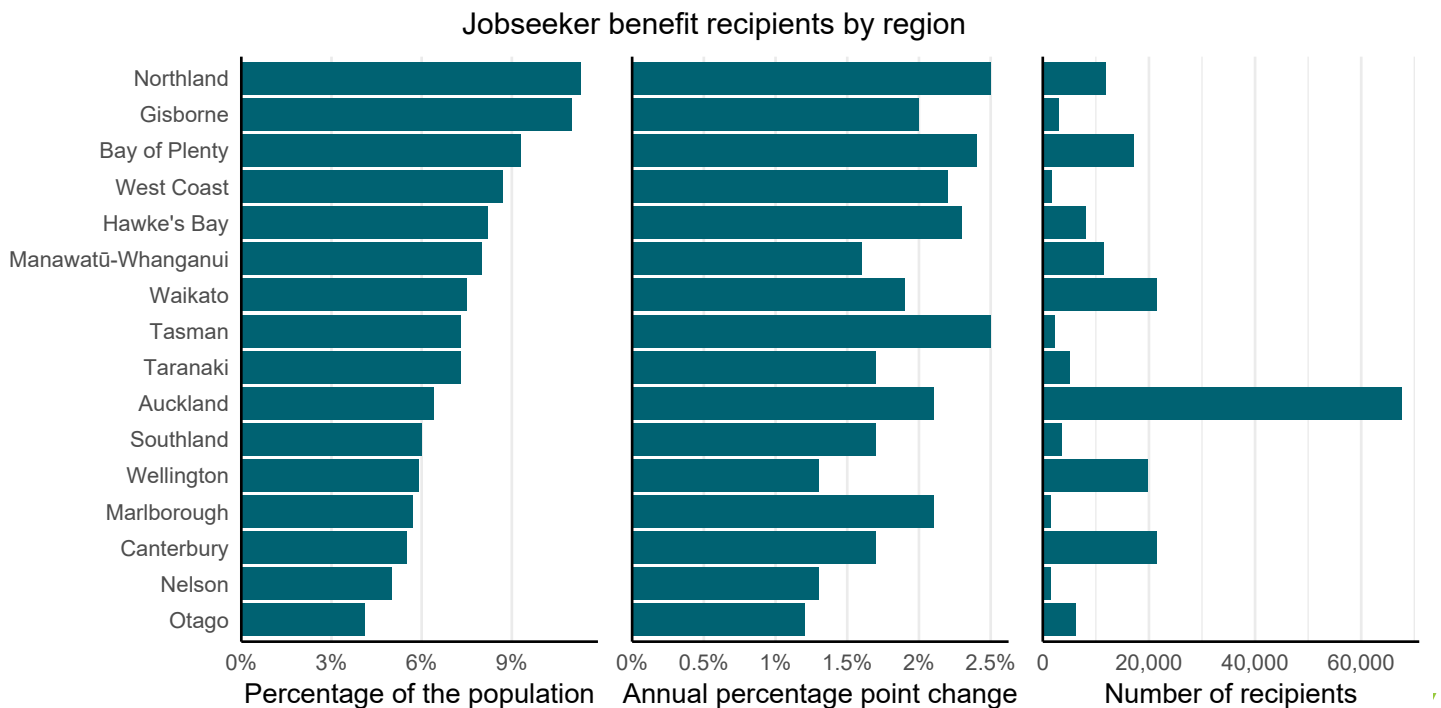
Benefits are primarily a measure of how many people require income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional circumstances 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 unemployment alone.



Working-age main benefits, MSD (Data to 02/10/2020, released every Friday)



Working-age main benefits, MSD (Data to 02/10/2020, released every Friday)



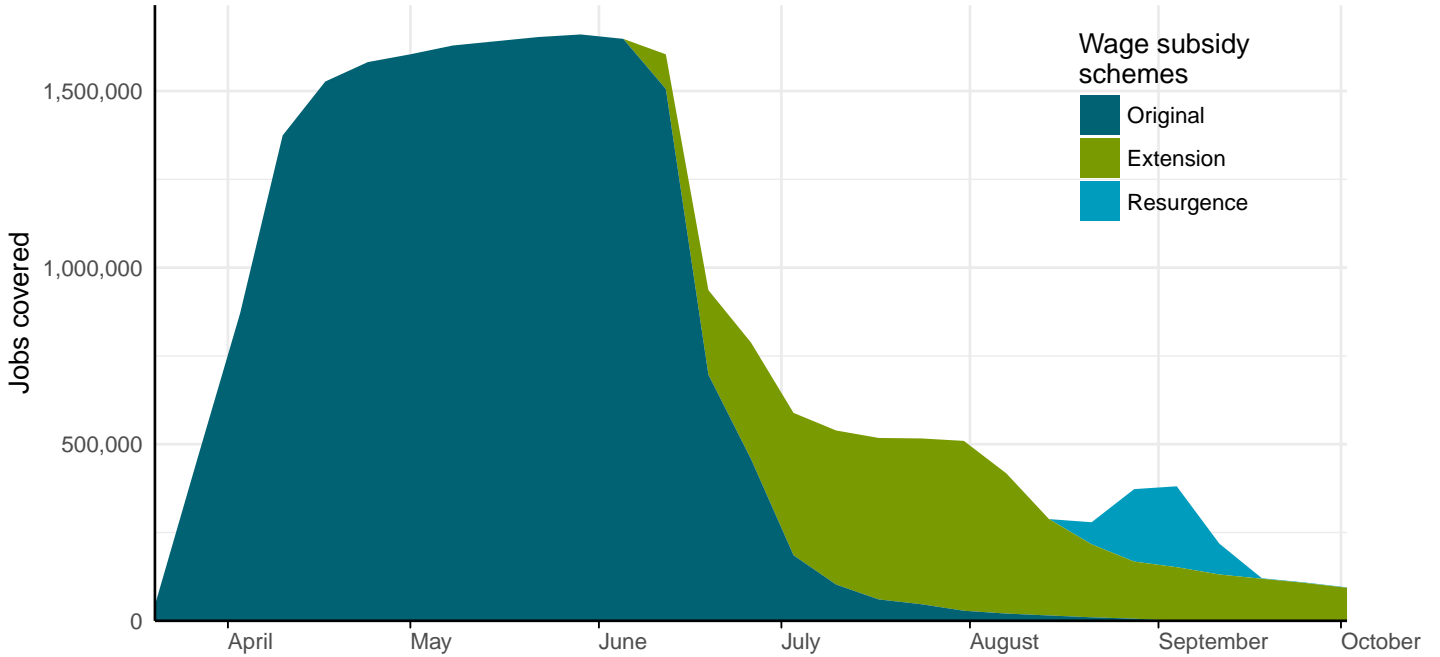
Working-age main benefits, MSD (Data to 02/10/2020, released every Friday)



# Wage Subsidy

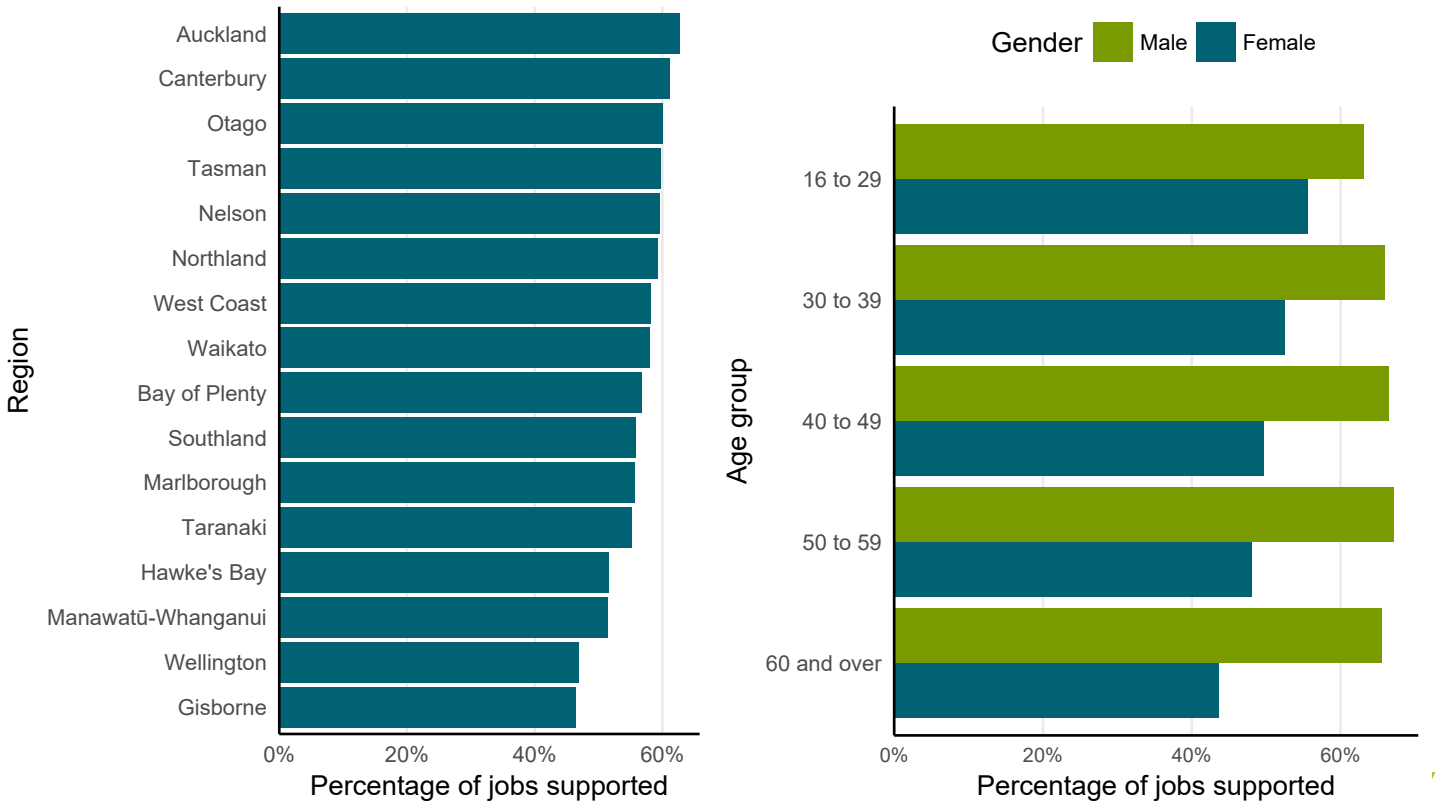
The COVID-19 Wage Subsidy and Leave Payment Scheme was introduced to assist businesses in paying their staff, allowing businesses to claim \$585.80 per week per full-time employee (\$350 per part-time employee) for up to 12 weeks. The Wage Subsidy Extension scheme was introduced on 10 June, covering jobs for up to 8 weeks and a Resurgence Wage Subsidy payment was available for the last two weeks in August as Auckland was placed at Alert Level 3 and the rest of the country moved back into Alert Level 2.

Number of jobs supported by wage subsidy schemes



Income Support and Wage Subsidy Weekly Update, MSD (Data to 02/10/2020, released every Friday)

Proportion of jobs supported by wage subsidy schemes



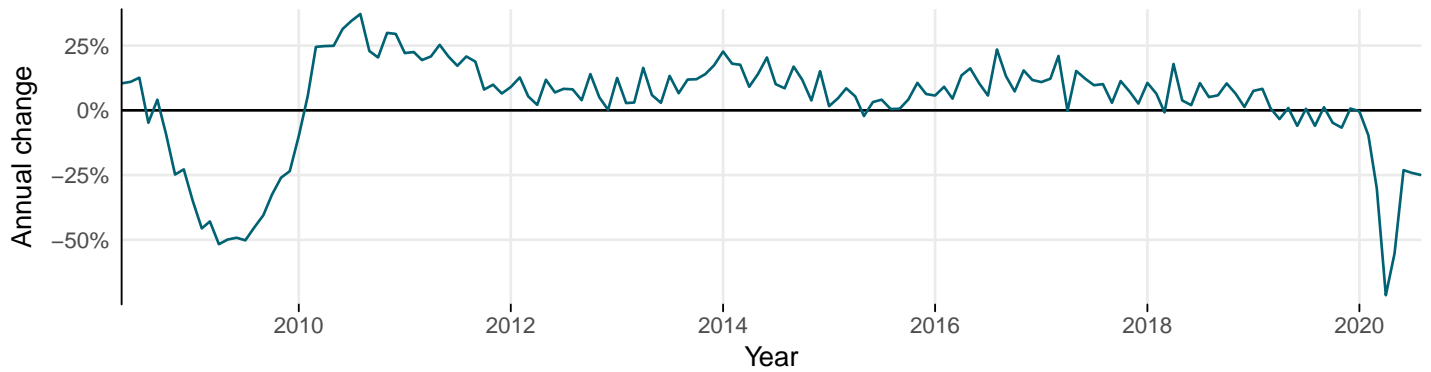
COVID-19 evidence, MSD (Data as at 24/07/20)



## Job Vacancies

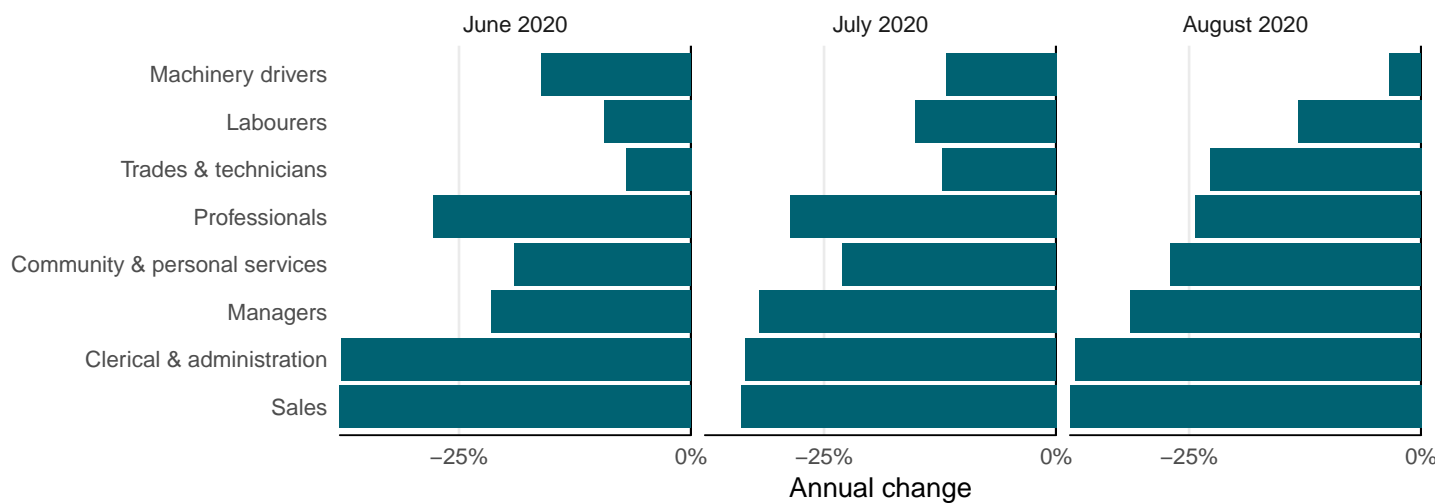
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

### Annual change in online job advertising



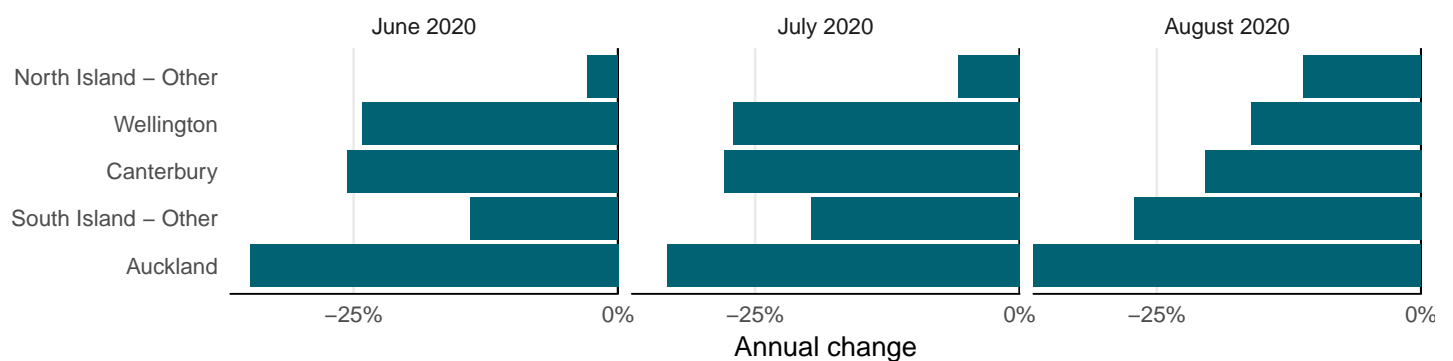
Jobs Online, MBIE (Data to August 2020, next release mid-October)

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



Jobs Online, MBIE (Data to August 2020, next release mid-October)

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



Jobs Online, MBIE (Data to August 2020, next release mid-October)



---

## 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. The HLFS is also good for making comparisons of 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.

## Previous editions

The Monthly Labour Market Fact Sheet brings together the latest available data and surveys. July's edition<sup>3</sup> 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*. August's edition<sup>4</sup> 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](mailto:LabourMarketInsights@mbie.govt.nz).

### 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>

---

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

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

