

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 most recent changes and complements MBIE's *Labour Market Statistics Snapshot*¹, 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 *COVID-19 economic data*².

The *Monthly Labour Market Fact Sheet* will next be updated on 16 April 2021.

Overview

Headline statistics

Measures	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
Employment	2,715,000	2,743,000	2,736,000	2,717,000	2,734,000
— Paid Employee or Employer	2,395,500	2,395,600	2,351,700	2,342,200	2,378,900
— Self-employed	313,800	330,500	346,500	337,000	343,900
Employment Rate	67.6%	67.7%	67.1%	66.4%	66.8%
Underutilisation	294,000	309,000	355,000	391,000	352,000
— Unemployment	116,000	121,000	114,000	151,000	141,000
— Underemployment	92,000	93,000	127,000	134,000	116,000
— Potential Labour Force	86,500	94,700	113,900	105,500	95,700
Underutilisation Rate	10.1%	10.5%	12.0%	13.2%	11.9%
Unemployment Rate	4.1%	4.2%	4.0%	5.3%	4.9%
Not in the Labour Force	1,188,000	1,188,000	1,226,000	1,221,000	1,218,000
Youth Not in Employment, Education or Training (NEET)	78,000	93,000	83,000	82,000	81,000
NEET Rate	11.9%	14.1%	12.6%	12.5%	12.4%
Average Weekly Hours Paid (per FTE)	38.63	38.64	37.46	38.20	38.29

All measures are from the Household Labour Force Survey except for average hours worked from the Quarterly Employment Survey. *Labour Market Statistics, Stats NZ (Data to December 2020, next release on 05/05/2021)*

The recent story

While the effects of economic restrictions related to COVID-19 continue to be felt, New Zealand's labour market has generally been more resilient than expected. Labour market measures generally improved in the December 2020 quarter, with the unemployment rate falling to 4.9 per cent and the participation rate increasing slightly to 70.2 per cent as employment grew by 17,000 people over the quarter. However the gains have been uneven, with the industries most reliant on international travel or trade, and historically disadvantaged groups, continuing to struggle.

During April 2020, 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 rebounded and monthly changes are now within the usual historic patterns, although annual growth remains below that of recent years. November 2020 was the first time since the Global Financial Crisis that the annual change in filled job numbers has been negative.

It is likely that the COVID-19 Wage Subsidy supported employment levels by allowing businesses to keep paying their staff during the Alert Level restrictions. The original Wage Subsidy covered 1.65 million unique jobs; the Wage Subsidy Extension covered 587,000 unique jobs; and the Resurgence Wage Subsidy covered 291,000 unique jobs. Data is not yet available about wage support for the recent Alert Level restrictions in late-February to early-March 2021.

The number of main benefit recipients has fallen slightly in February 2021, and the COVID-19 Income Relief Payment has wrapped up, with the last payments made in the week ending 5 February 2021. The number of advertised job vacancies has begun to grow again on an annual basis, recovering from a large drop in April and May.

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

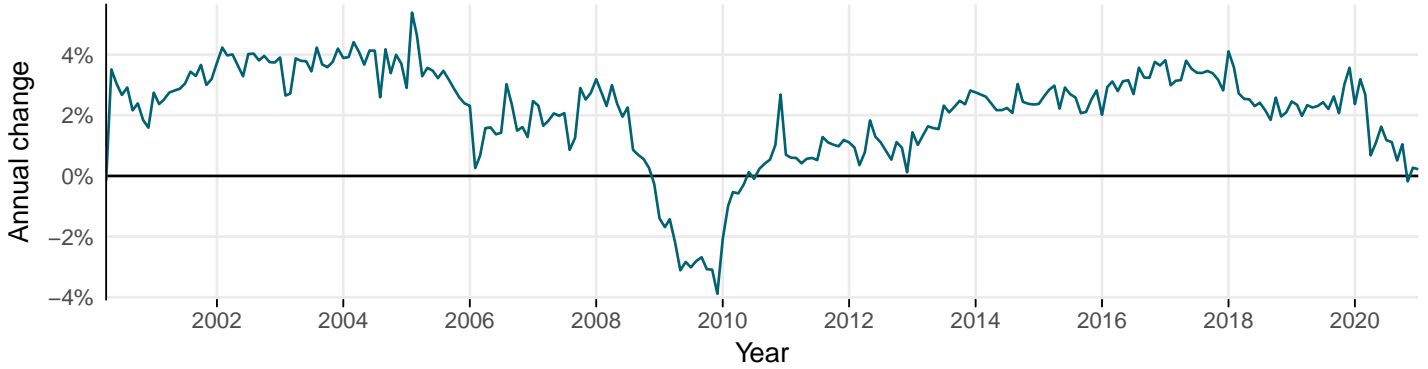
²<https://www.mbie.govt.nz/business-and-employment/economic-development/covid-19-data-resources/covid-19-economic-data/>



Filled jobs

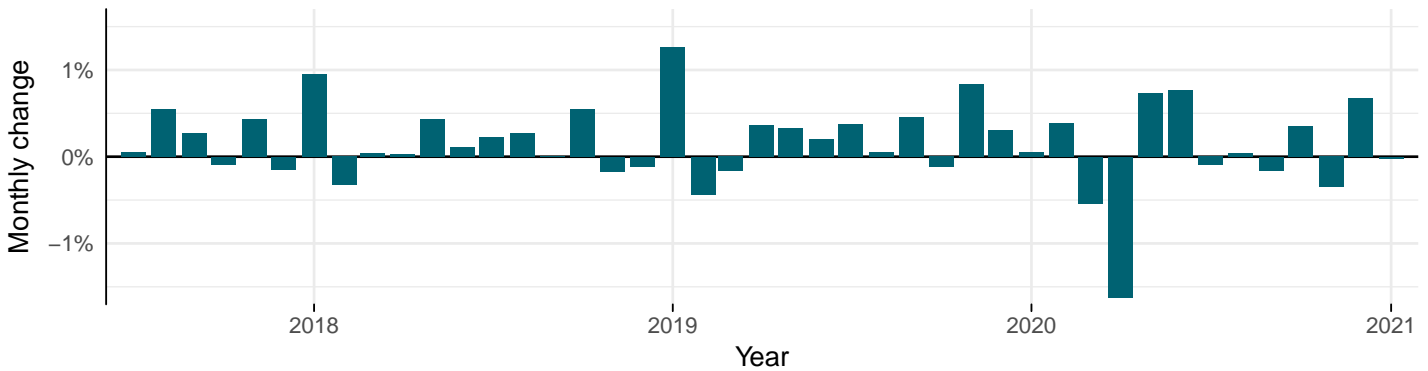
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, they don't necessarily represent full-time or permanent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

Annual percentage change in filled jobs



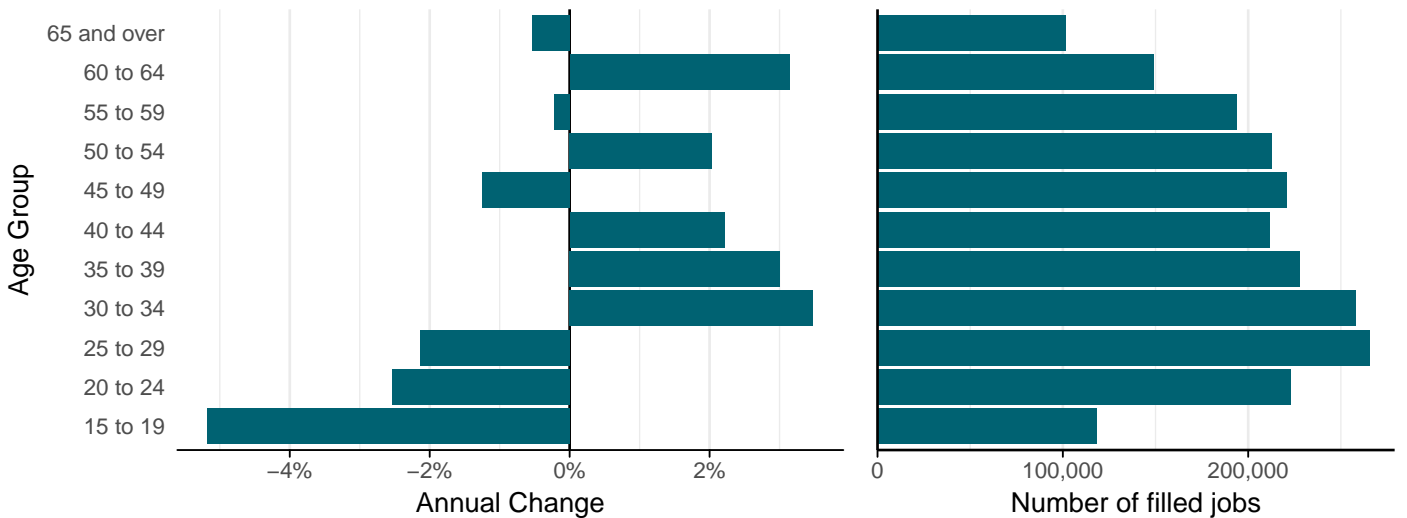
Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to January 2021, next release on 29/03/2021)

Monthly change in the number of filled jobs, seasonally adjusted



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to January 2021, next release on 29/03/2021)

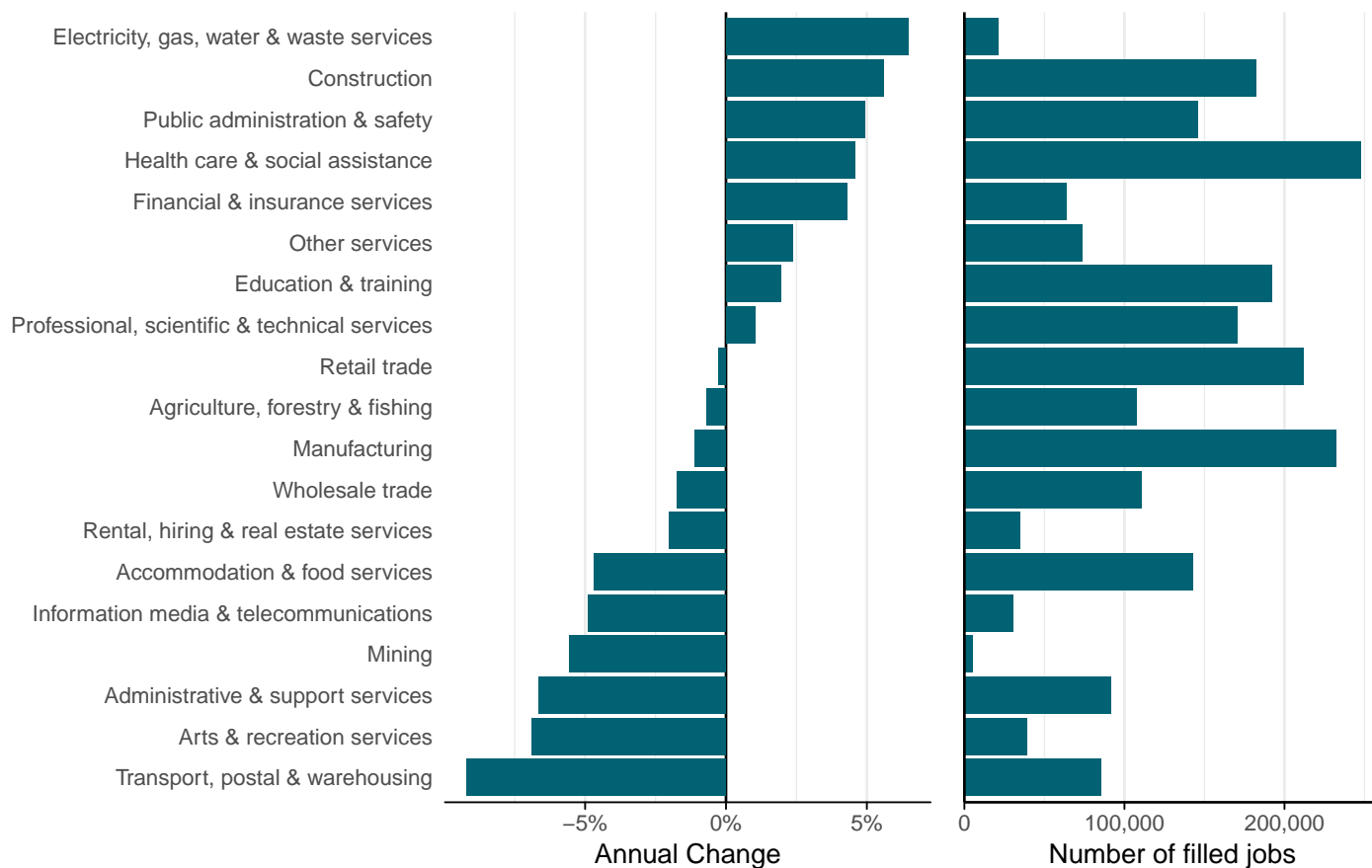
Filled jobs by age group



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to January 2021, next release on 29/03/2021)

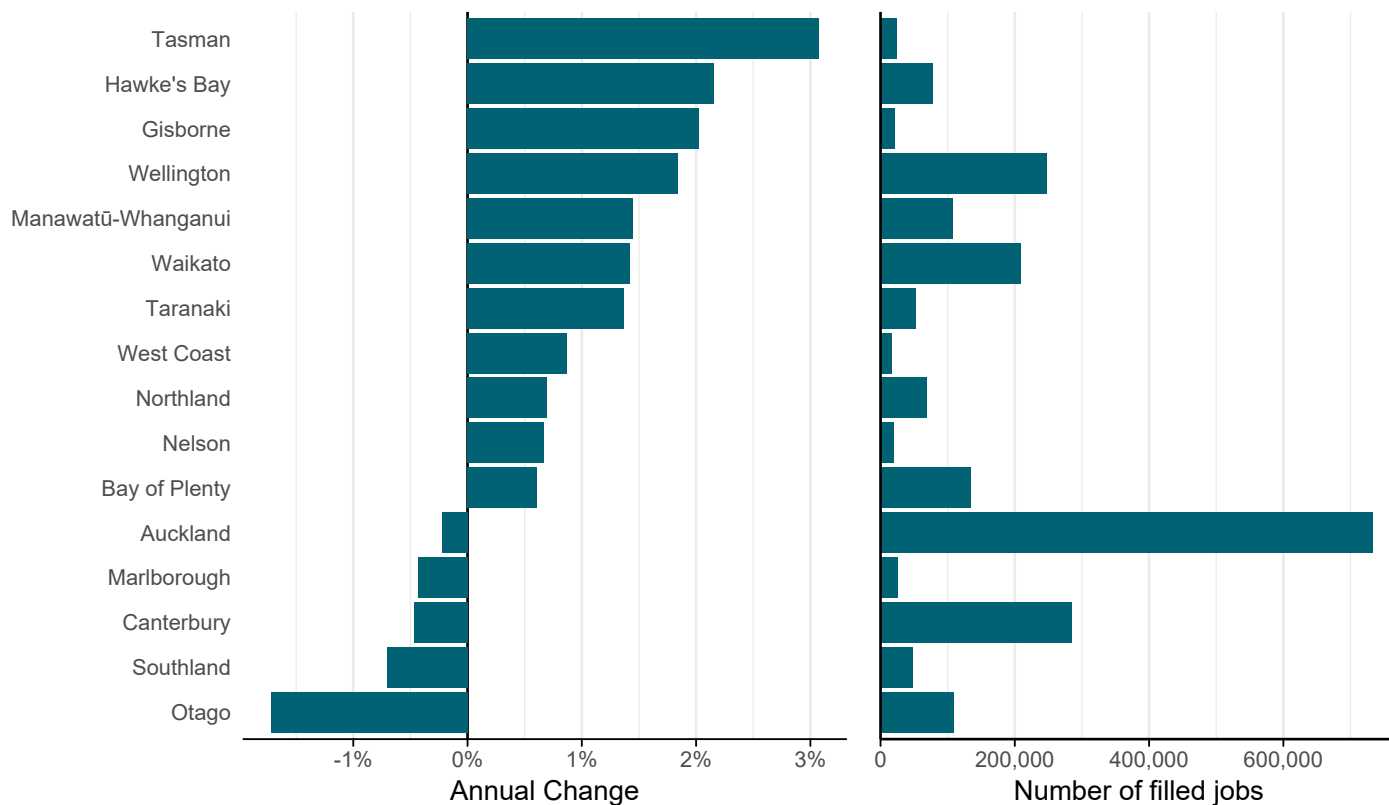


Filled jobs by industry



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to January 2021, next release on 29/03/2021)

Filled jobs by region

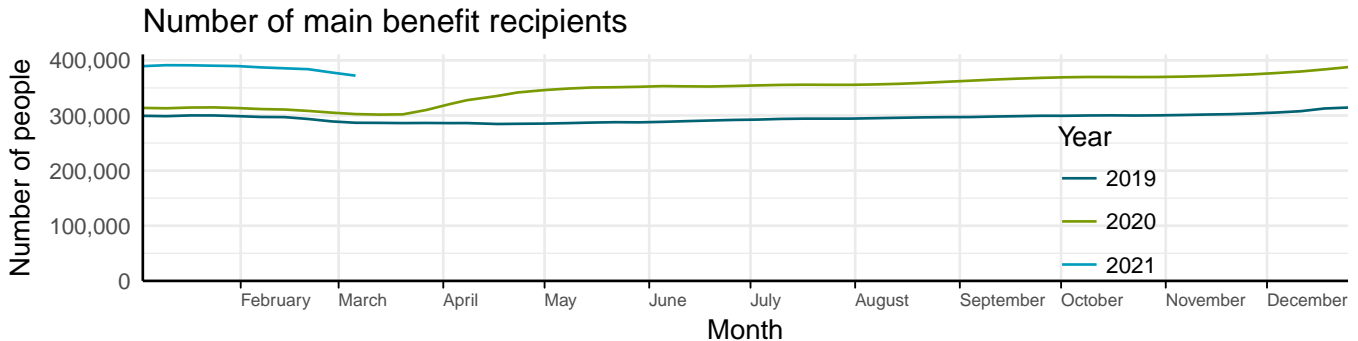


Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to January 2021, next release on 29/03/2021)

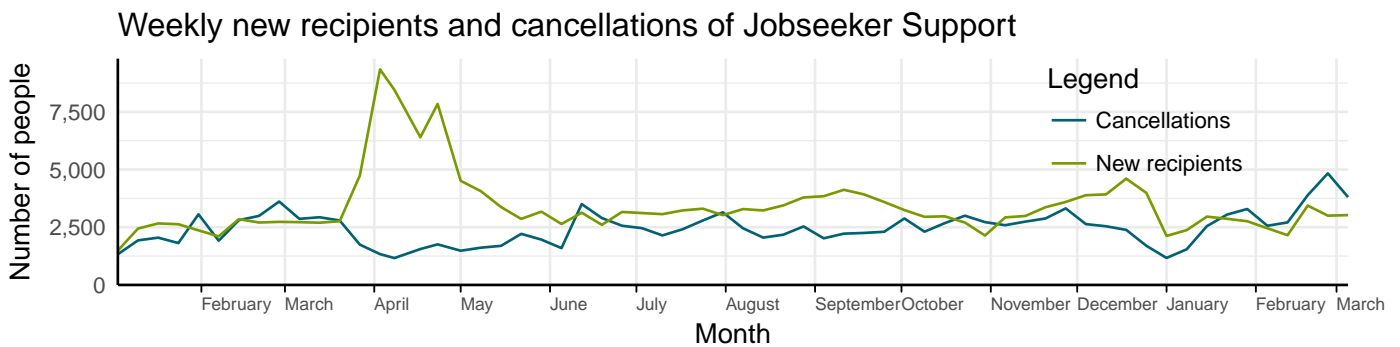


Benefit Recipients

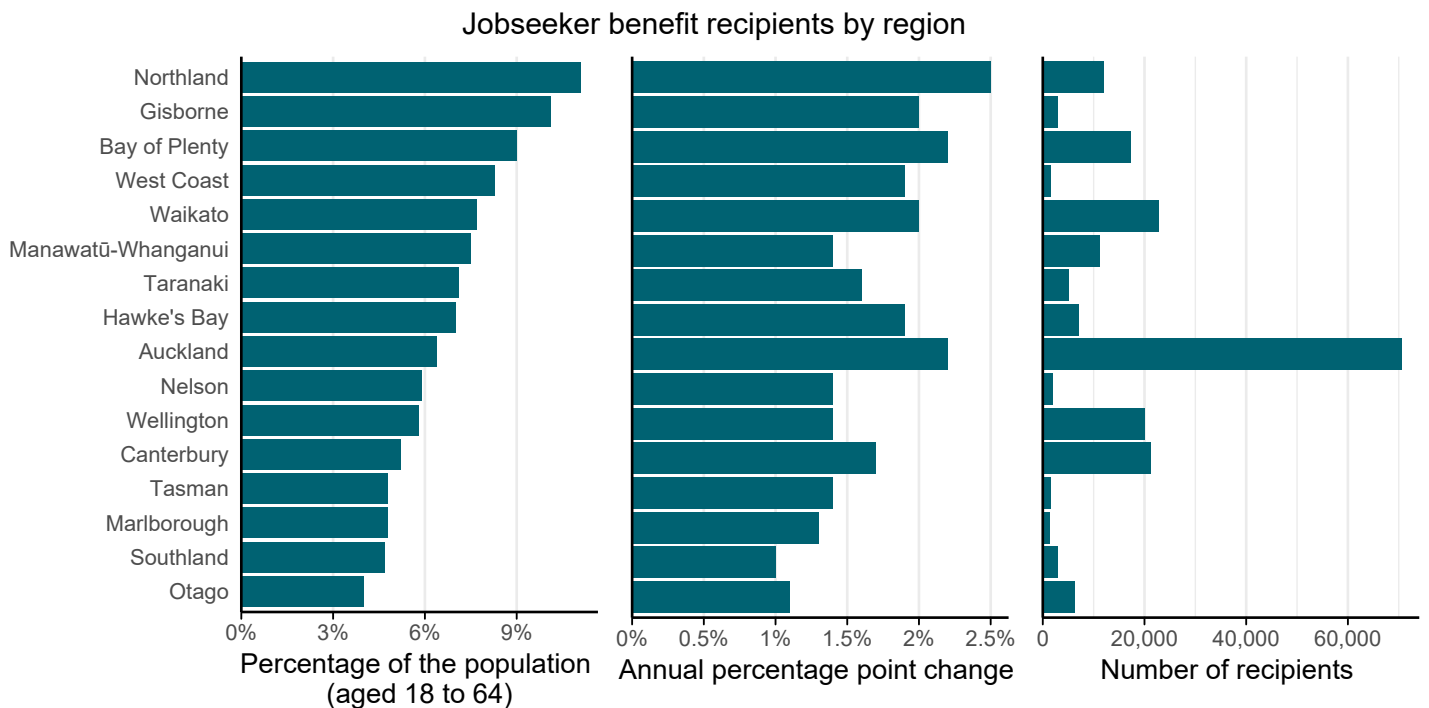
Benefits are primarily a measure of how many people require income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional circumstances 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 05/03/2021, released every Friday)



Working-age main benefits, MSD (Data to 05/03/2021, released every Friday)



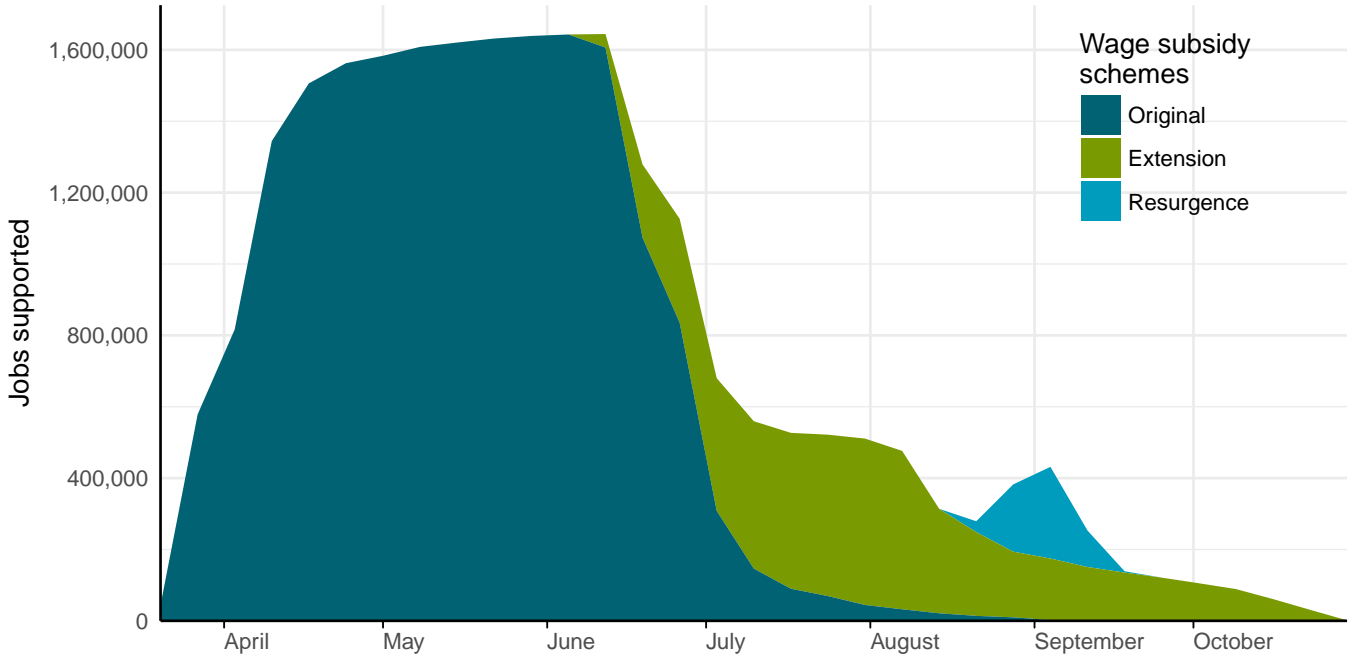
Working-age main benefits, MSD (Data to 05/03/2021, released every Friday)



Wage Subsidy

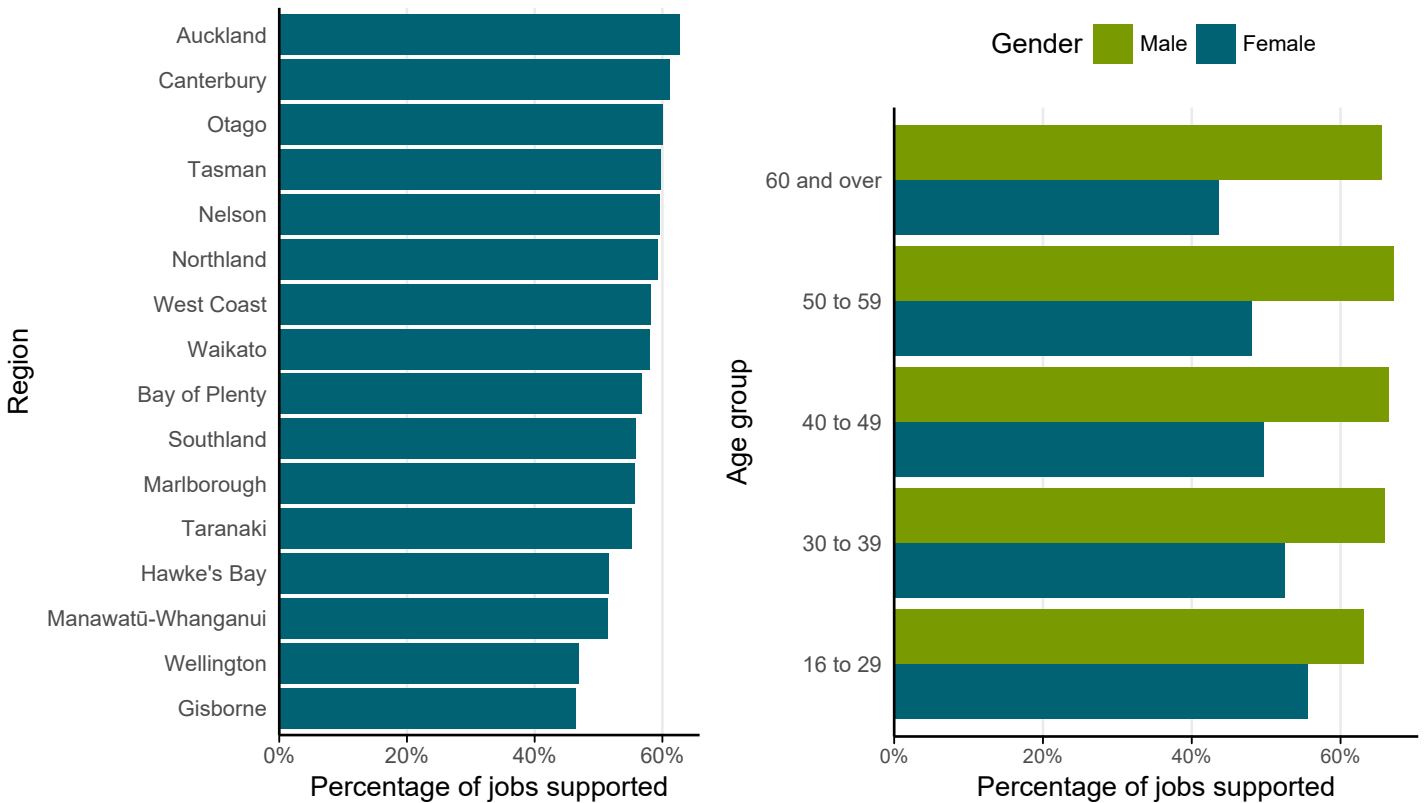
The COVID-19 Wage Subsidy and Leave Payment Scheme was introduced to assist businesses in paying their staff, allowing businesses to claim \$585.80 per week per full-time employee (\$350 per part-time employee) for up to 12 weeks. The Wage Subsidy Extension scheme was introduced on 10 June, covering jobs for up to 8 weeks, and a Resurgence Wage Subsidy payment was available for the last two weeks in August when 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 as at 30/10/2020)

Proportion of jobs supported by wage subsidy schemes



COVID-19 evidence,³ MSD (Data as at 24/07/20)

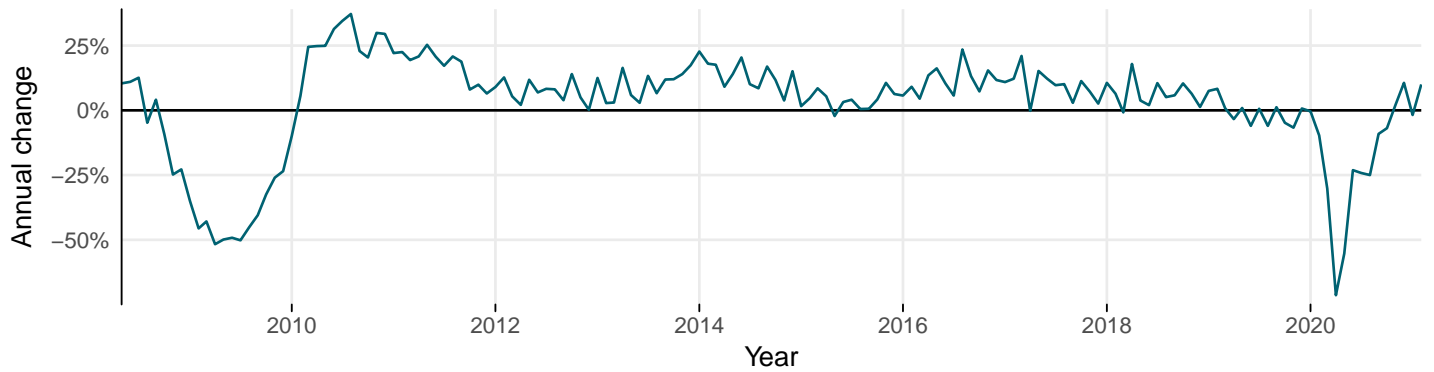
³<https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/covid-19-evidence.html>



Job Vacancies

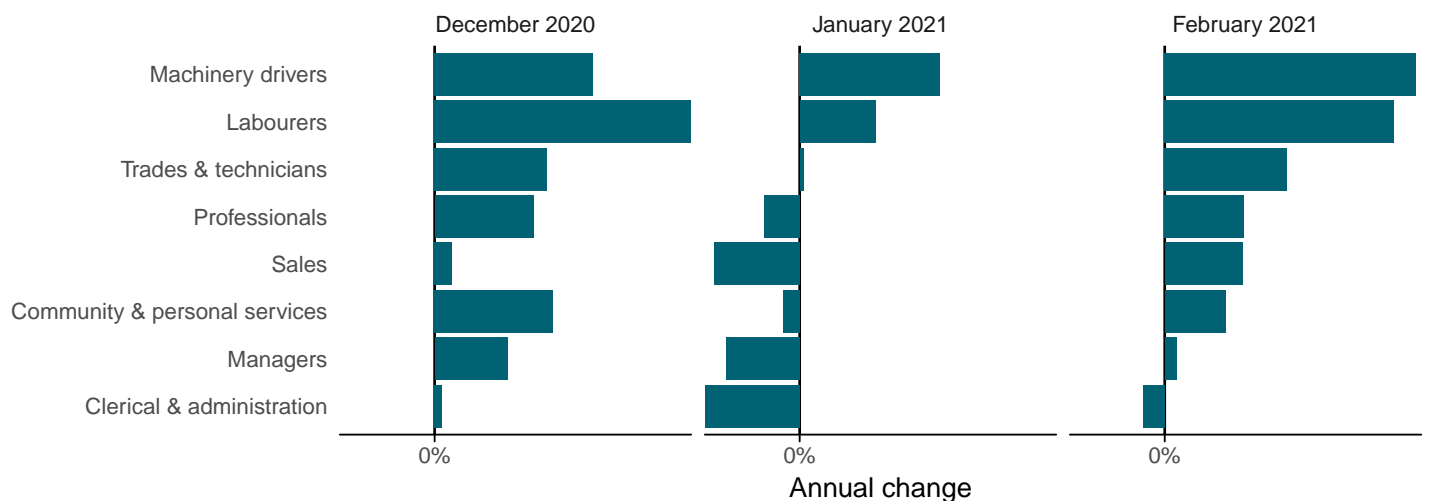
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

Annual change in online job advertising



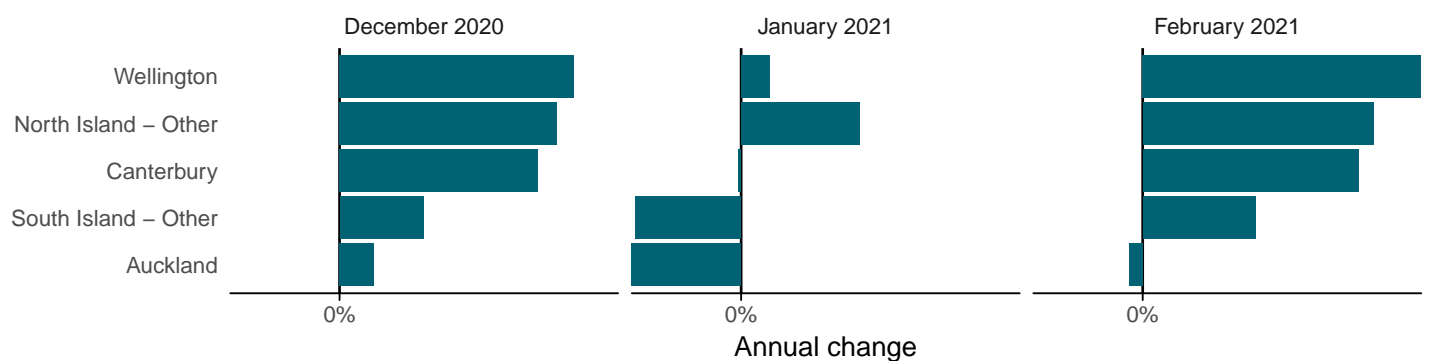
Jobs Online, MBIE (Data to February 2021, next release 14/04/2021)

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



Jobs Online, MBIE (Data to February 2021, next release 14/04/2021)

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



Jobs Online, MBIE (Data to February 2021, next release 14/04/2021)



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>

Previous editions

The Monthly Labour Market Fact Sheet brings together the latest available data and surveys. July's edition⁴ 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 edition⁵ 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.

⁴<https://www.mbie.govt.nz/dmsdocument/11556-monthly-labour-market-fact-sheet-july-2020>

⁵<https://www.mbie.govt.nz/dmsdocument/11637-monthly-labour-market-fact-sheet-august-2020>

