

Monthly Labour Market Fact Sheet — May 2021

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 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 17 June 2021.

Overview

Headline statistics

Measures	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Employment	2,749,500	2,725,800	2,707,000	2,747,800	2,758,000
— Paid Employee or Employer	2,395,300	2,351,900	2,343,000	2,380,000	2,372,400
— Self-employed	330,300	346,300	336,900	343,900	355,000
Employment Rate	67.7%	67.1%	66.5%	66.8%	67.1%
Participation Rate	70.7%	69.9%	70.2%	70.2%	70.4%
Underutilisation	310,000	355,000	391,000	351,000	366,000
— Unemployment	122,000	115,000	151,000	140,000	135,000
— Underemployment	93,000	127,000	134,000	116,000	124,000
— Potential Labour Force	95,000	114,000	106,000	95,000	107,000
Underutilisation Rate	10.5%	12.0%	13.1%	11.8%	12.2%
Unemployment Rate	4.3%	4.0%	5.2%	4.9%	4.7%
Not in the Labour Force	1,188,000	1,226,000	1,220,000	1,218,000	1,215,000
Youth Not in Employment, Education or Training (NEET)	93,000	83,000	82,000	81,000	85,000
NEET Rate	14.1%	12.6%	12.5%	12.4%	13.1%
Average Weekly Hours Paid (per FTE)	38.57	38.32	38.12	38.18	38.30

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 March 2021, next release on 04/08/2021)*

The recent story

While the effects of economic restrictions related to COVID-19 continue to be felt, New Zealand's labour market has held up better than expected, although it remains weaker than pre-COVID-19 levels. Headline labour market measures generally improved in the March 2021 quarter, with the unemployment rate falling to 4.7 per cent and the participation rate increasing slightly to 70.4 per cent as employment grew by 15,000 (seasonally adjusted) people over the quarter. However the gains have been uneven, with border closures continuing to have mixed effects for industries and regions.

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 usual historical 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. Use of the original Wage Subsidy peaked in June 2020 and covered 1.65 million unique jobs; use of the Wage Subsidy Extension peaked in July 2020 and covered 587,000 unique jobs; and use of the Resurgence Wage Subsidy peaked in September 2020 and covered 291,000 unique jobs. As of the start of May 2021, the COVID-19 Wage Subsidy March 2021 was covering 170,000 unique jobs.

The number of main benefit recipients has fallen slightly in the last two months (in line with historical patterns), 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 grown very strongly (up 340 per cent) on an annual basis, recovering from a large drop in April to May 2020.

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

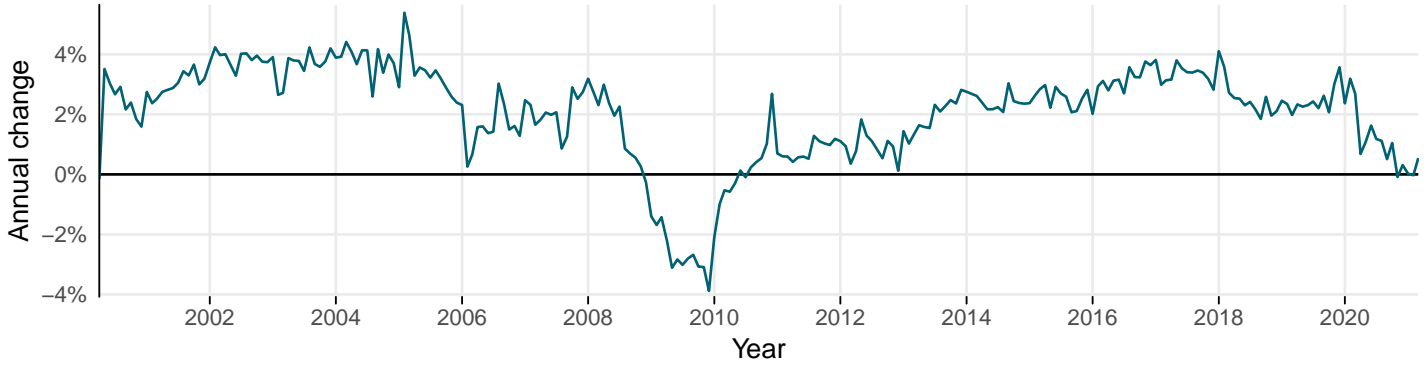
²<https://www.mbie.govt.nz/business-and-employment/economic-development/covid-19-data-resources/covid-19-economic-data/>



Filled jobs

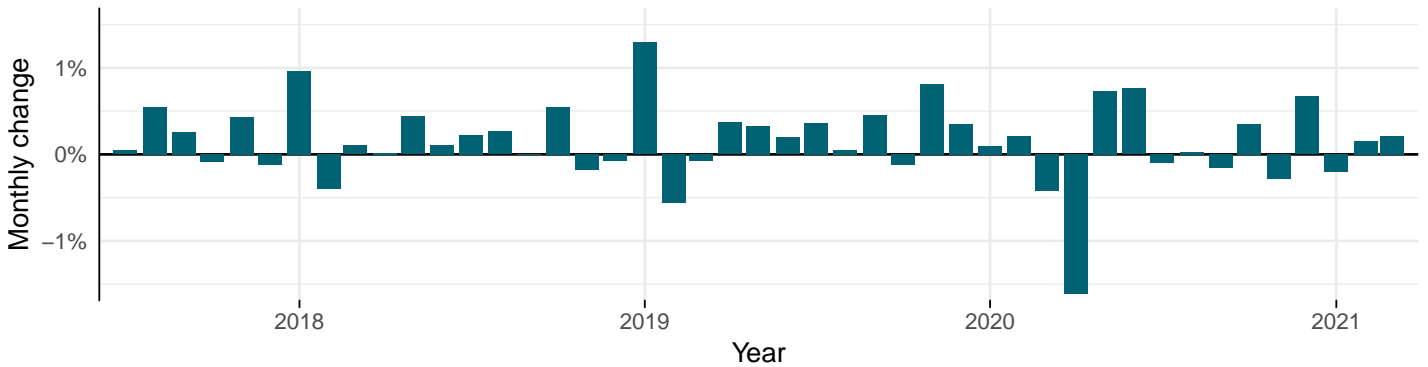
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, they do not necessarily represent full-time or permanent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

Annual percentage change in the number of filled jobs



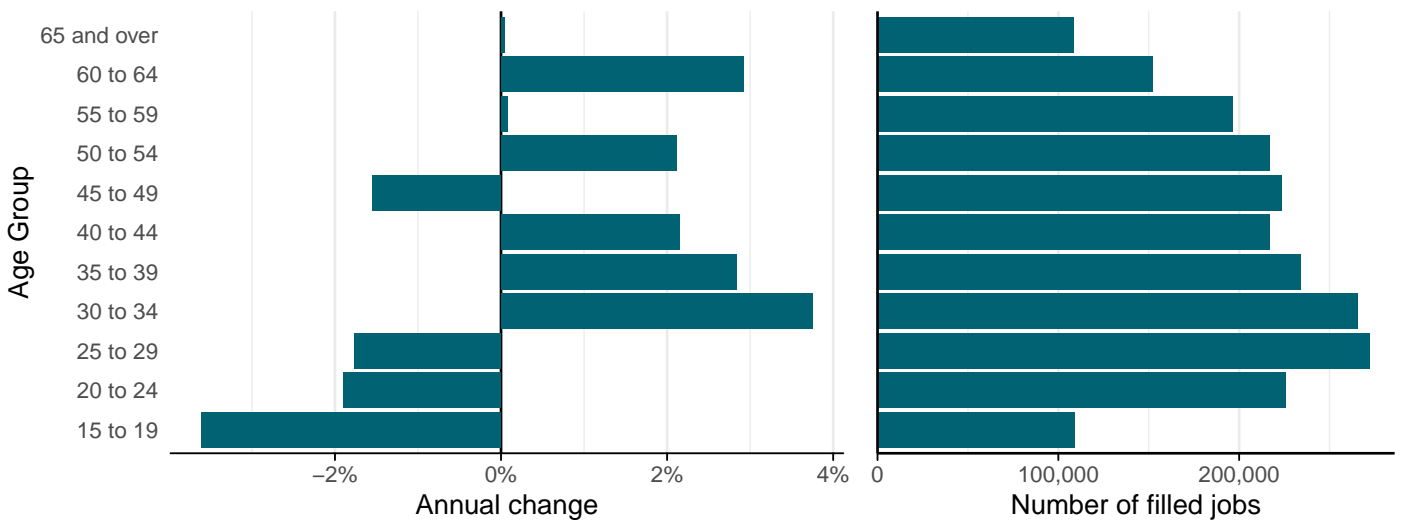
Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to March 2021, next release on 28/05/2021)

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



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to March 2021, next release on 28/05/2021)

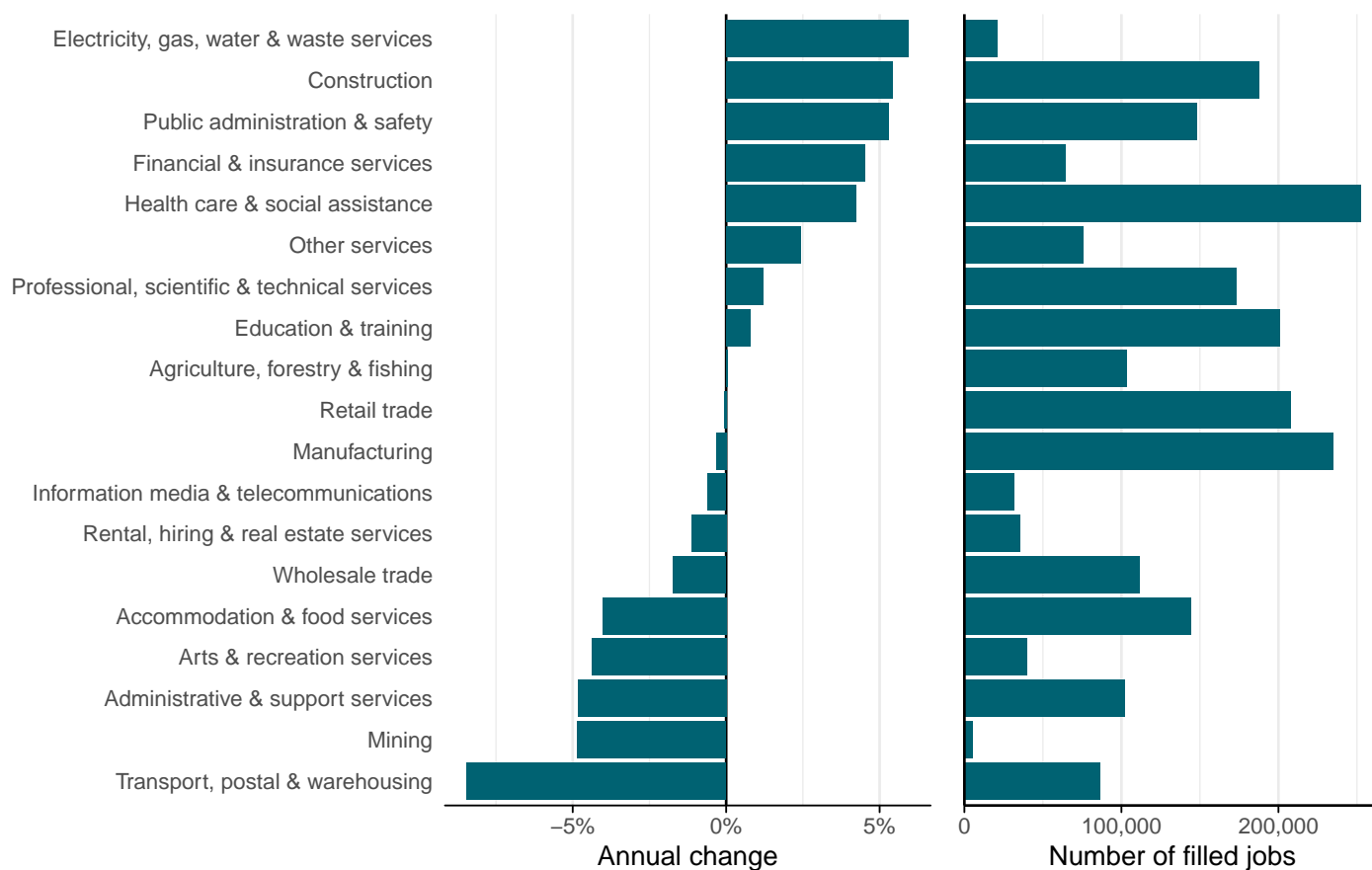
Filled jobs by age group



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to March 2021, next release on 28/05/2021)

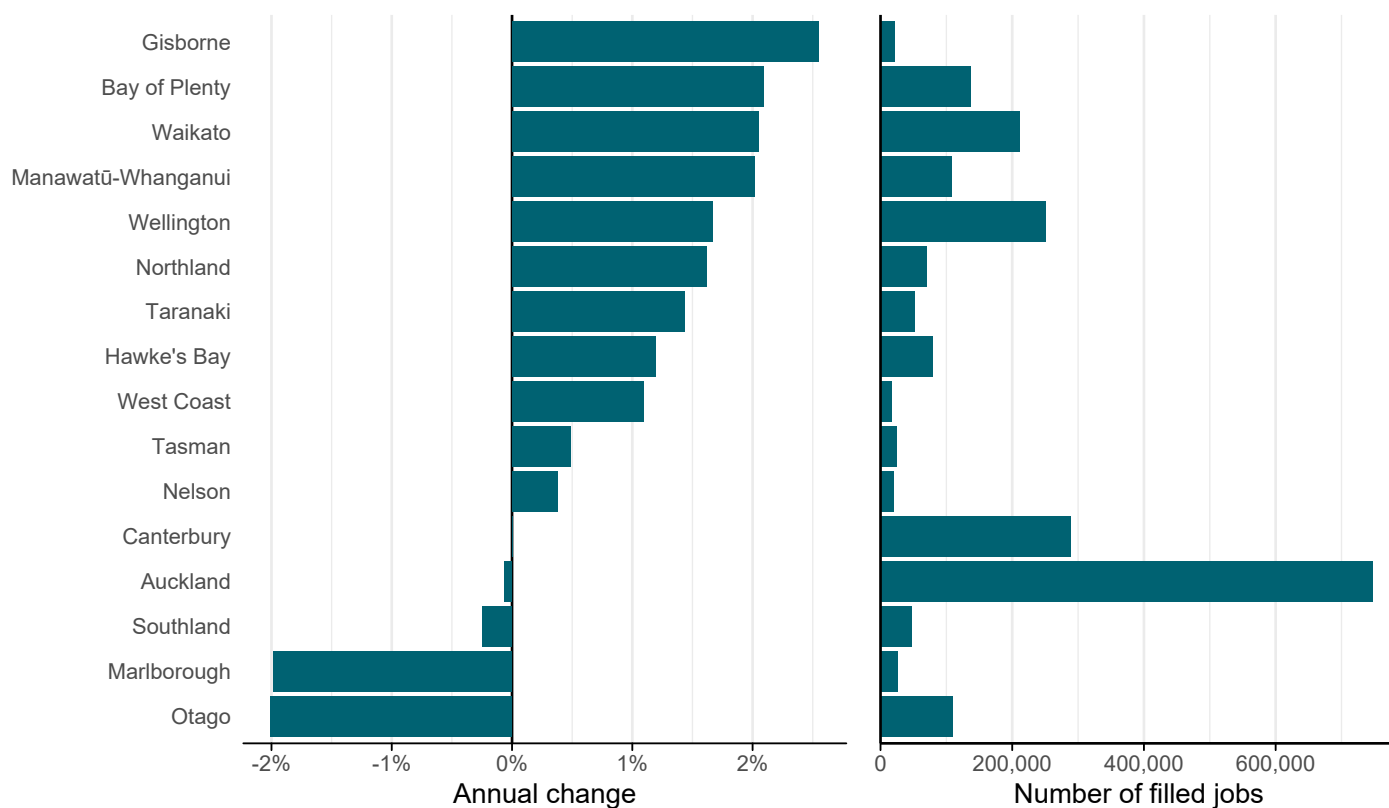


Filled jobs by industry



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to March 2021, next release on 28/05/2021)

Filled jobs by region

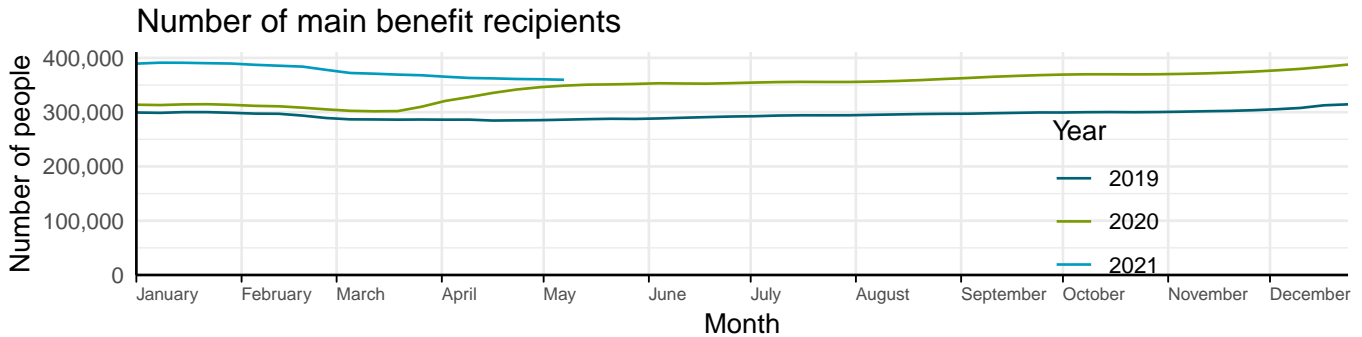


Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to March 2021, next release on 28/05/2021)

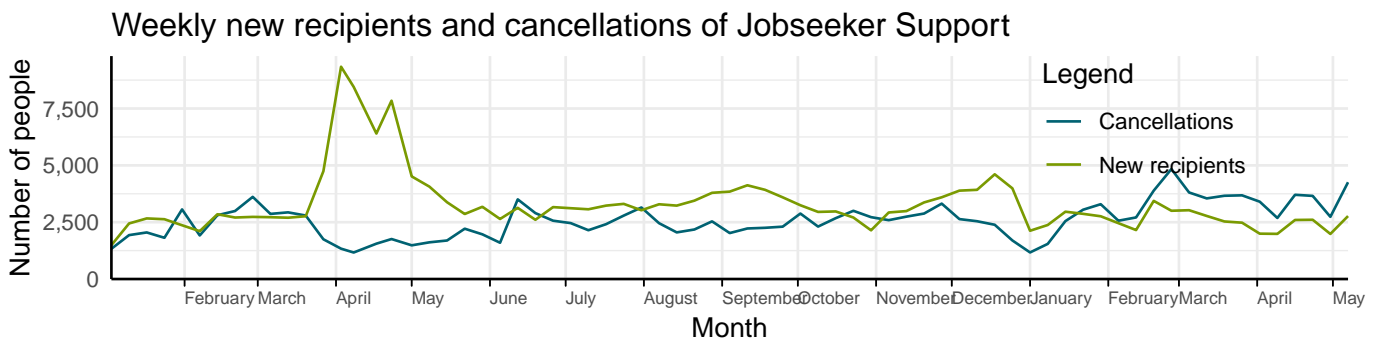


Benefit Recipients

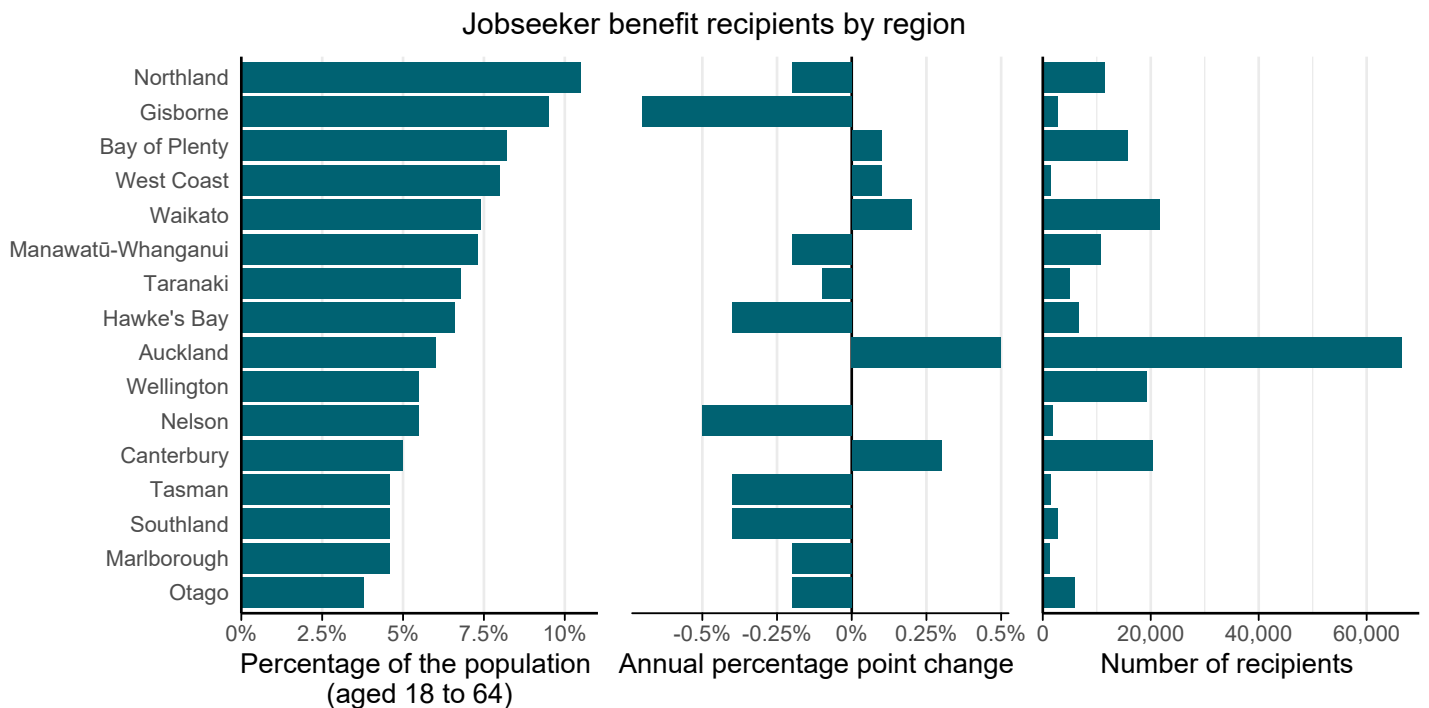
Benefits are primarily a measure of how many people are receiving income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional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



Working-age main benefits, MSD (Data to 07/05/2021, released every Friday)



Working-age main benefits, MSD (Data to 07/05/2021, released every Friday)



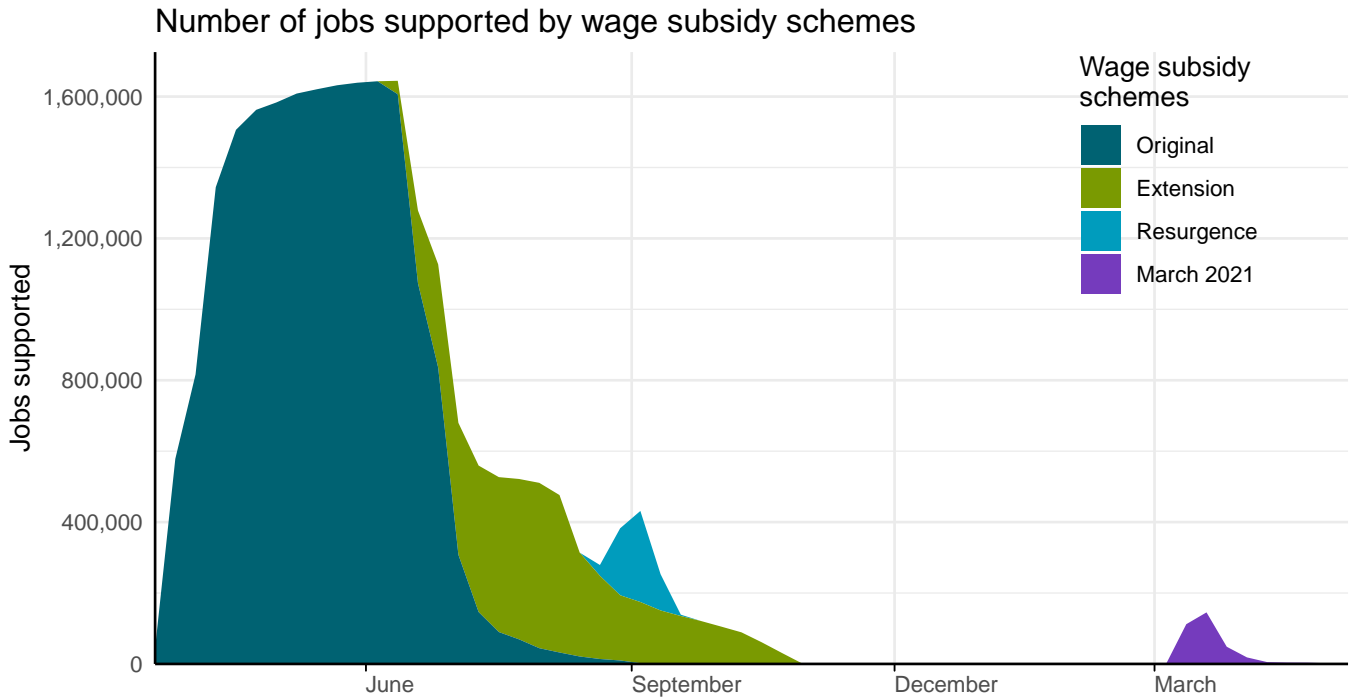
Working-age main benefits, MSD (Data to 07/05/2021, released every Friday)



Wage Subsidy

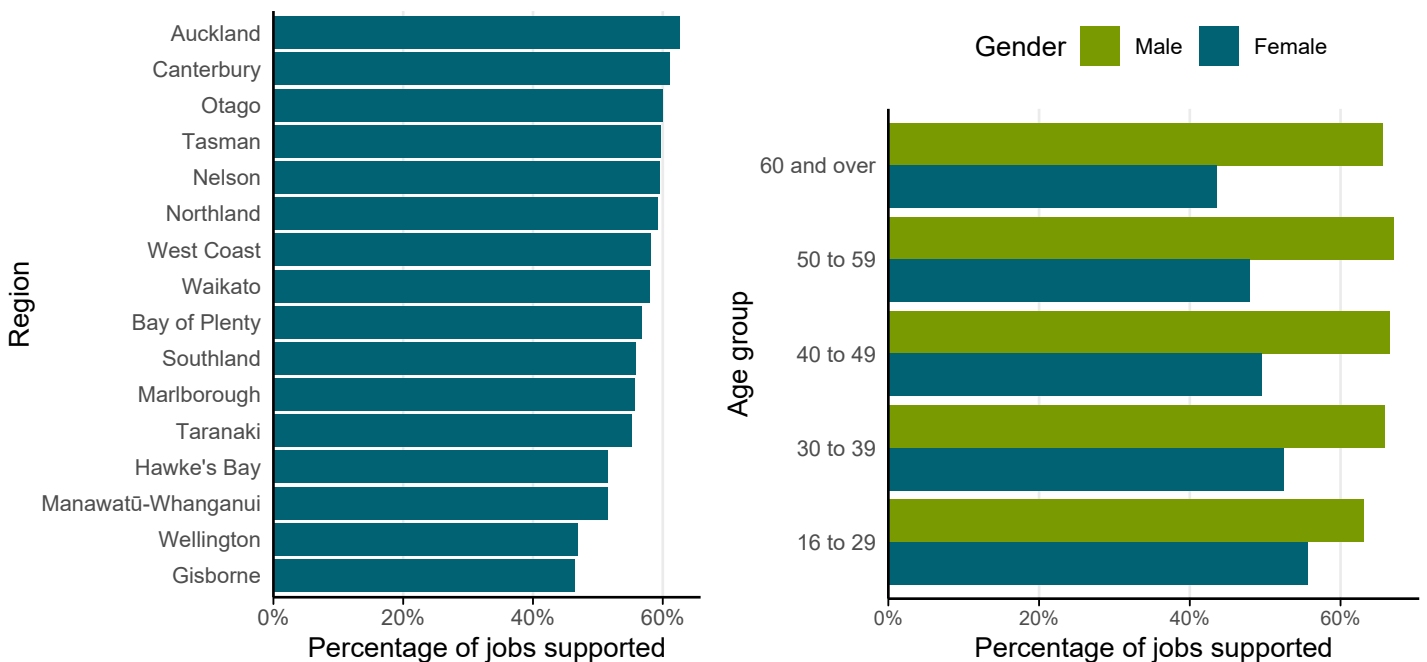
The COVID-19 Wage Subsidy and Leave Payment Scheme was introduced to assist businesses in paying their staff, allowing businesses to claim \$585.80 per week per full-time employee (\$350 per part-time employee) for up to 12 weeks. The Wage Subsidy Extension scheme was introduced on 10 June 2020, covering 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.

Data for the COVID-19 Wage Subsidy March 2021 is now available. This payment was introduced after the Alert Level changes on 28 February 2021, when Auckland was placed at Alert Level 3 and the rest of the country moved back into Alert Level 2.



Income Support and Wage Subsidy Weekly Update, MSD (Data to 07/05/2021, released every Friday)

Proportion of jobs supported by wage subsidy schemes



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

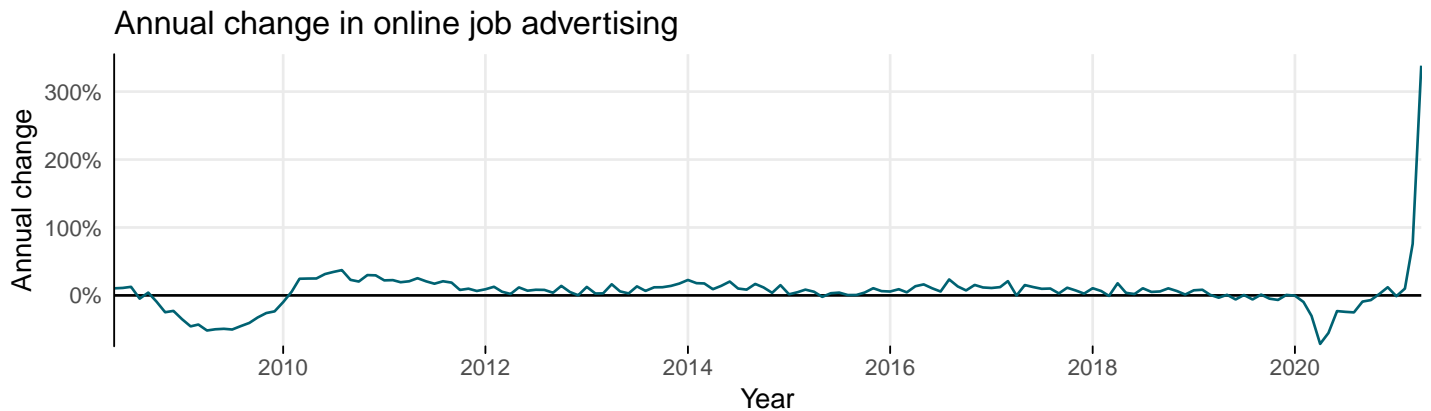
³<https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/covid-19-evidence.html>



Job Vacancies

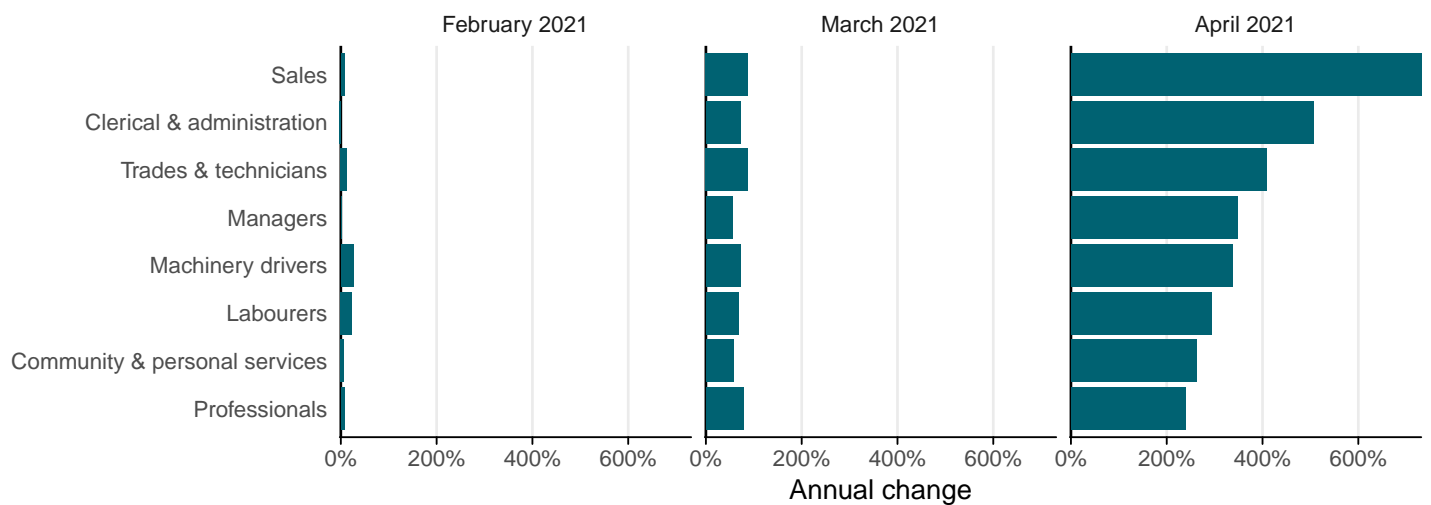
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

The large annual growth in jobs advertised in April 2021 is due to this figure being compared to April 2020, when job advertising was strongly affected by the Alert Level 4 lockdown.



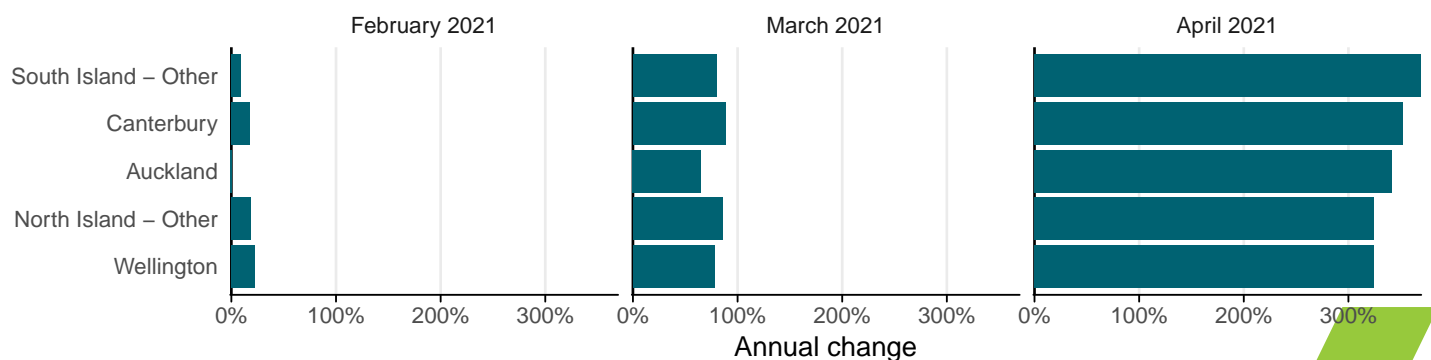
Jobs Online, MBIE (Data to April 2021, next release 14/06/2021)

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



Jobs Online, MBIE (Data to April 2021, next release 14/06/2021)

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



Jobs Online, MBIE (Data to April 2021, next release 14/06/2021)



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>

