

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 monthly changes and complements MBIE's *Labour Market Statistics Snapshot*<sup>1</sup>, which is produced every quarter. For more detail about sectors and regions, see the fact sheets available at MBIE's *COVID-19 economic data*<sup>2</sup>.

The *Monthly Labour Market Fact Sheet* will next be updated on 17 September 2021.

## Overview

### Headline statistics

Measures	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Employment	2,731,000	2,715,000	2,733,000	2,749,000	2,778,000
— Paid Employee or Employer	2,350,300	2,341,200	2,378,000	2,369,900	2,401,400
— Self-employed	345,900	336,500	343,500	354,600	343,100
Employment Rate	67.0%	66.5%	66.8%	67.1%	67.6%
Participation Rate	69.9%	70.1%	70.2%	70.4%	70.5%
Underutilisation	357,000	391,000	351,000	363,000	315,000
— Unemployment	117,000	151,000	139,000	133,000	117,000
— Underemployment	127,000	134,000	117,000	123,000	107,000
— Potential Labour Force	114,000	106,000	95,000	107,000	92,000
Underutilisation Rate	12.1%	13.1%	11.8%	12.1%	10.5%
Unemployment Rate	4.1%	5.3%	4.8%	4.6%	4.0%
Not in the Labour Force	1,227,000	1,220,000	1,217,000	1,214,000	1,212,000
Youth Not in Employment, Education or Training (NEET)	86,000	86,000	81,000	79,000	80,000
NEET Rate	13.2%	13.1%	12.4%	12.2%	12.3%
Average Weekly Hours Paid (per FTE)	37.20	37.94	38.29	38.39	39.04

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 June 2021, next release on 03/11/2021)*

### The recent story

Despite on-going economic uncertainties due to COVID-19, key labour market measures have recovered to pre-COVID-19 levels. The headline employment measures substantially improved during the June 2021 quarter. The unemployment rate decreased to 4.0 per cent and the labour force participation rate increased to 70.5 per cent. There were 29,000 (seasonally adjusted) more people employed during the June quarter compared to last quarter. The underutilisation rate decreased to 10.5 per cent during the June quarter with 315,000 people underutilised.

There are signs of growing economic activity as the demand for workers increases. There has been a substantial growth in jobs advertised during July compared to the same time last year. There were also 24,000 (seasonally adjusted) more jobs filled during July 2021 compared to last month. However, the pattern of growth is not uniform across industries and regions.

The wage subsidy has been a factor in New Zealand's path of economic recovery. The latest data for the COVID-19 Wage Subsidy March 2021 covered 170,000 unique jobs at the start of July 2021. Wage Subsidy Programmes were introduced in March 2020 and 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. The percentage of jobs supported by the original Wage Subsidy was highest in Construction followed by Accommodation and food services, and Wholesale trade.

Although the number of people receiving a main benefit has been decreasing since February 2021, it is still higher than pre-COVID-19 levels. As of 30 July 2021, there were 352,000 people on the main benefit compared to 356,000 at the same time in 2020 and 294,000 at the same time in 2019. The number of Jobseeker Support cancellations has generally exceeded the number of new recipients since February 2021.

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

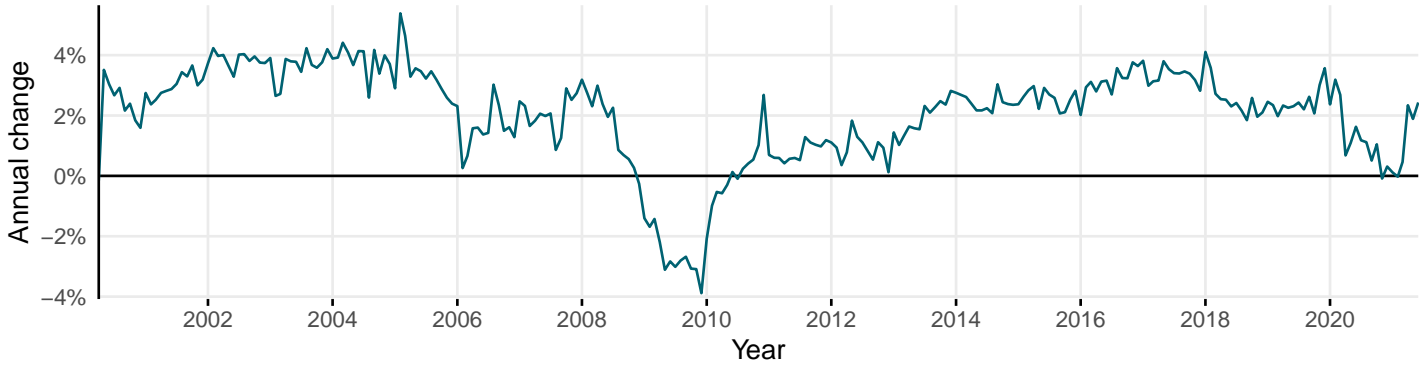
<sup>2</sup><https://www.mbie.govt.nz/business-and-employment/economic-development/covid-19-data-resources/covid-19-economic-data/>



## Filled Jobs

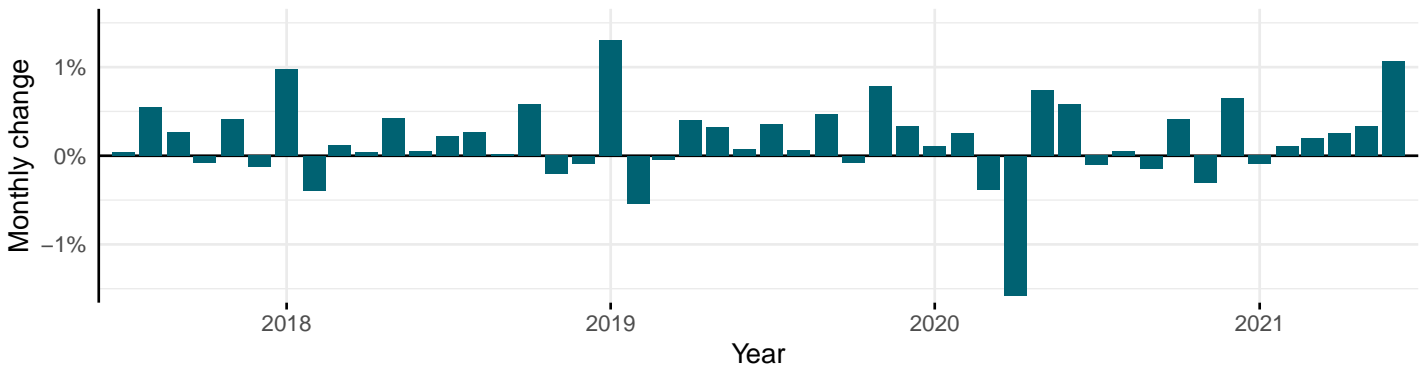
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, they do not necessarily represent full-time or permanent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

### Annual percentage change in the number of filled jobs



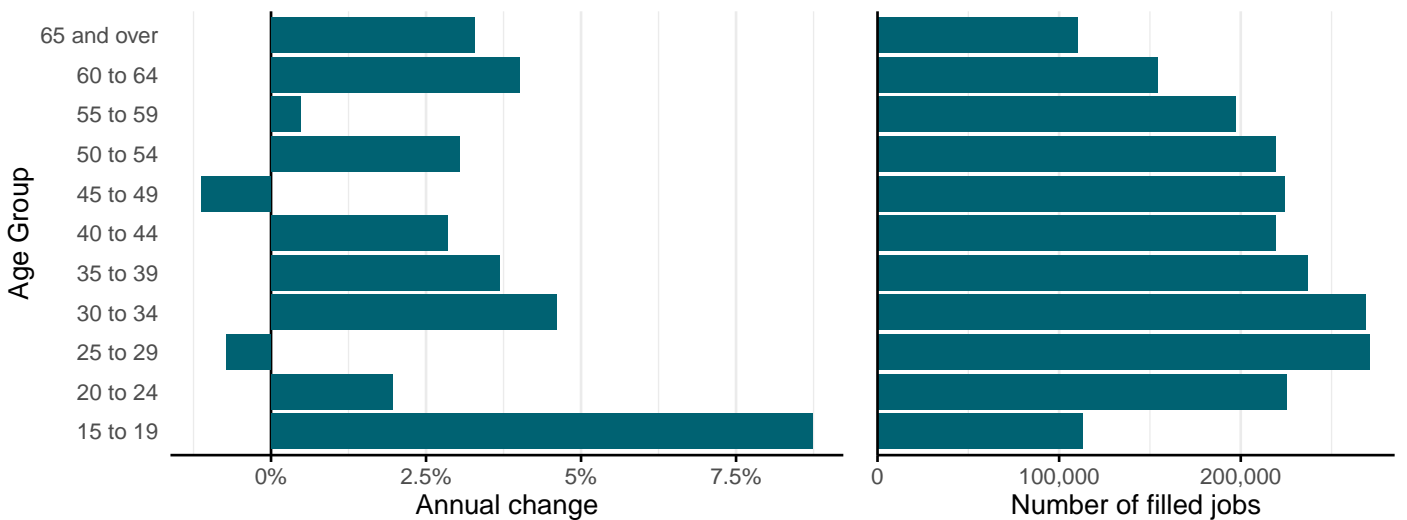
Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to June 2021, next release on 27/08/2021)

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



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to June 2021, next release on 27/08/2021)

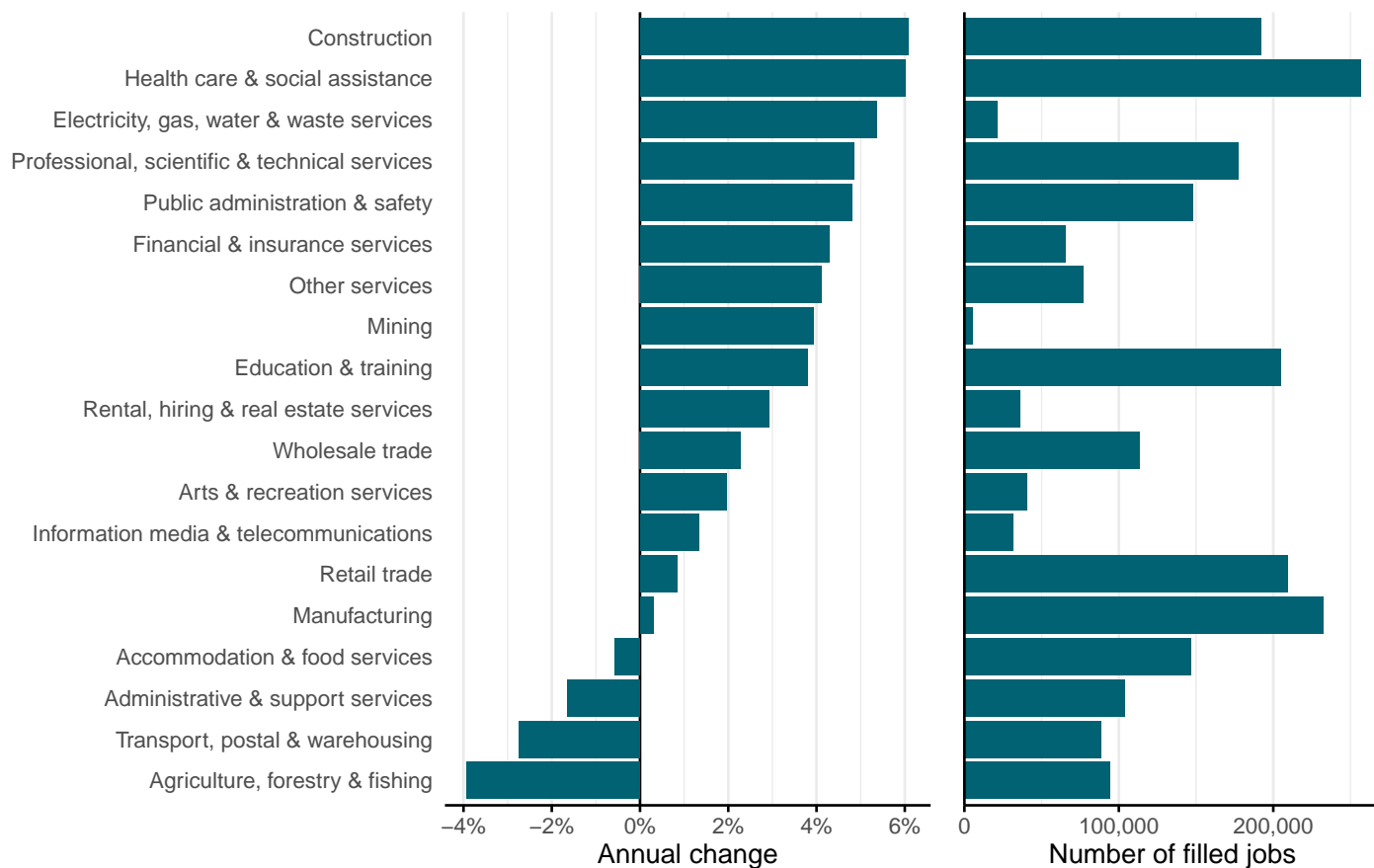
### Filled jobs by age group



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to June 2021, next release on 27/08/2021)

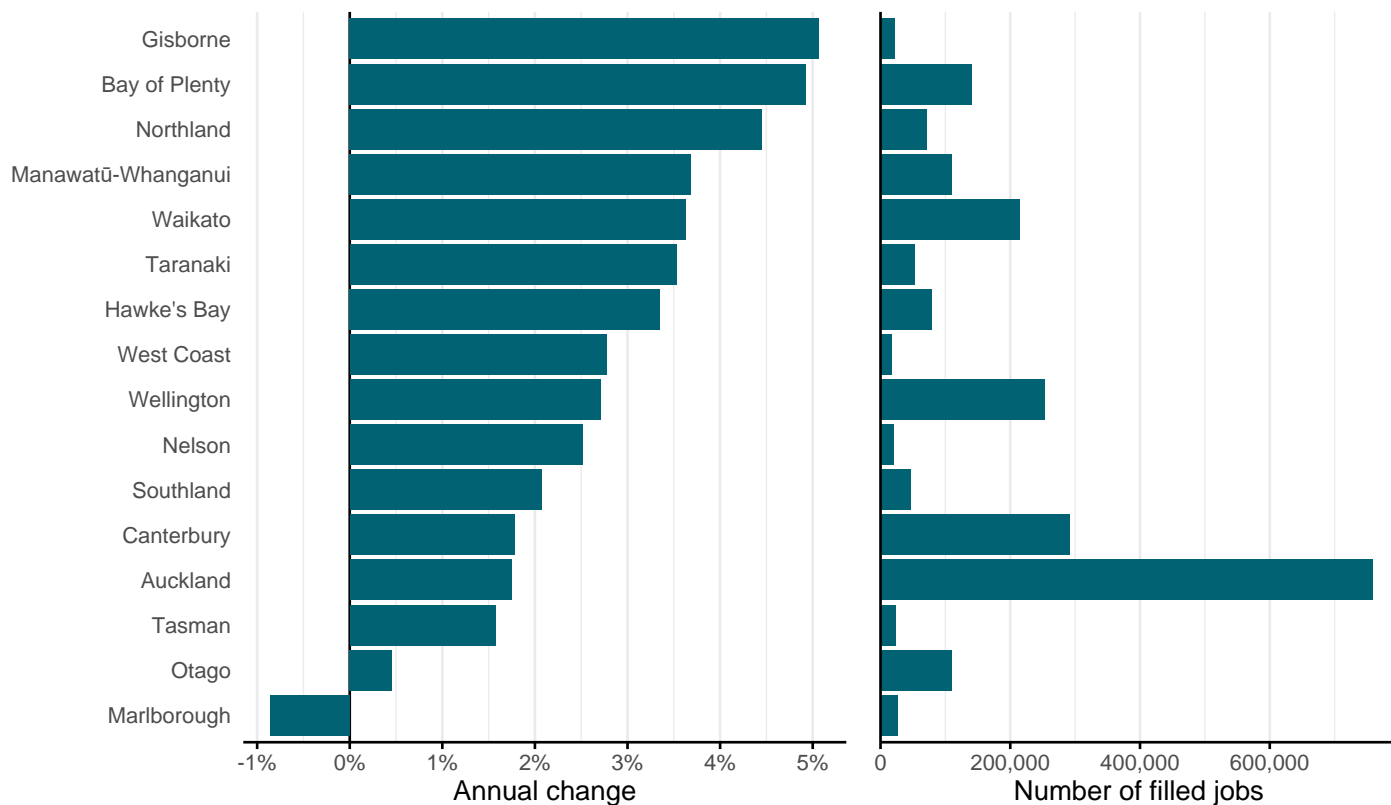


### Filled jobs by industry



Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to June 2021, next release on 27/08/2021)

### Filled jobs by region

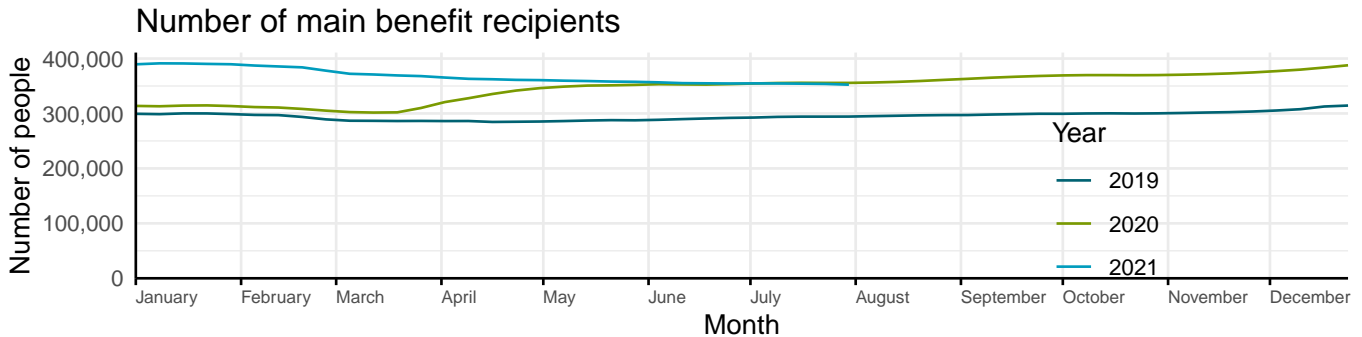


Monthly Employment Indicator - Filled Job Series, Stats NZ (Data to June 2021, next release on 27/08/2021)

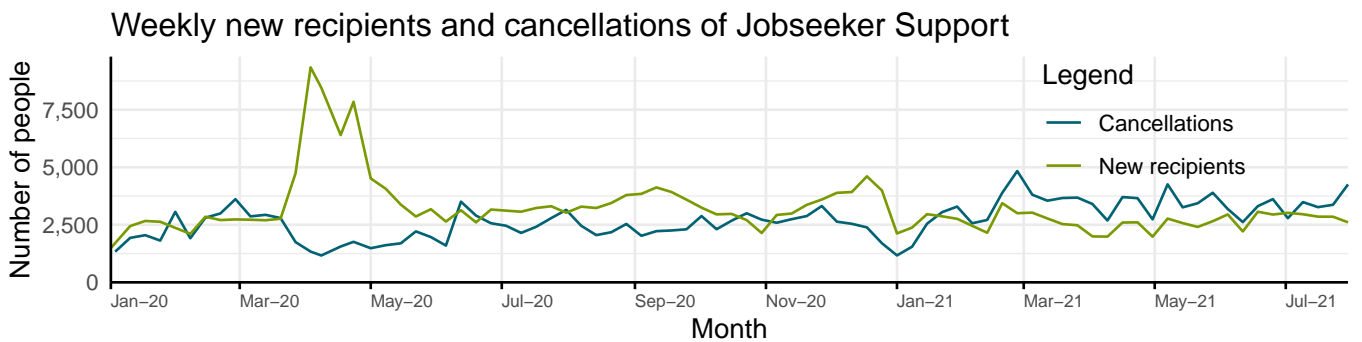


## Benefit Recipients

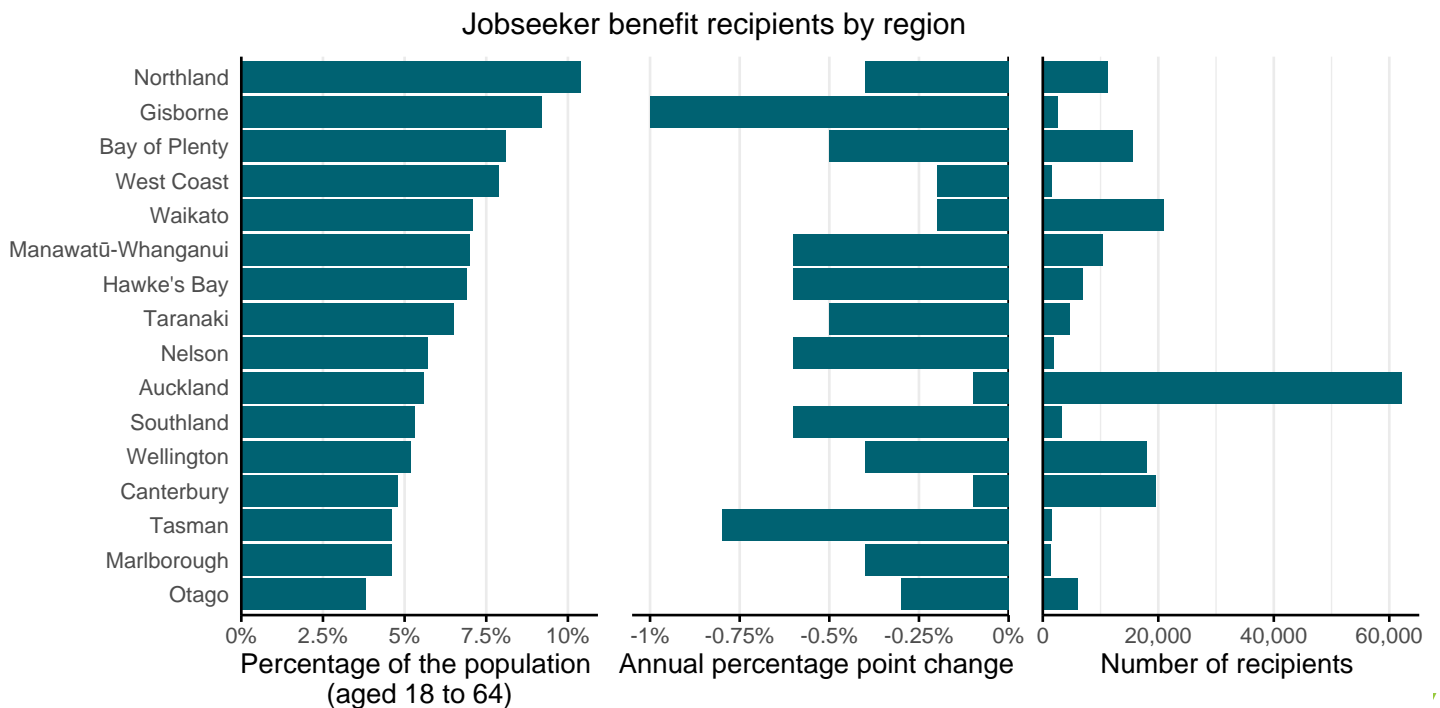
Benefits are primarily a measure of how many people are receiving income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional 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 30/07/2021, released every Friday)



Working-age main benefits, MSD (Data to 30/07/2021, released every Friday)



Working-age main benefits, MSD (Data to 30/07/2021, released every Friday)

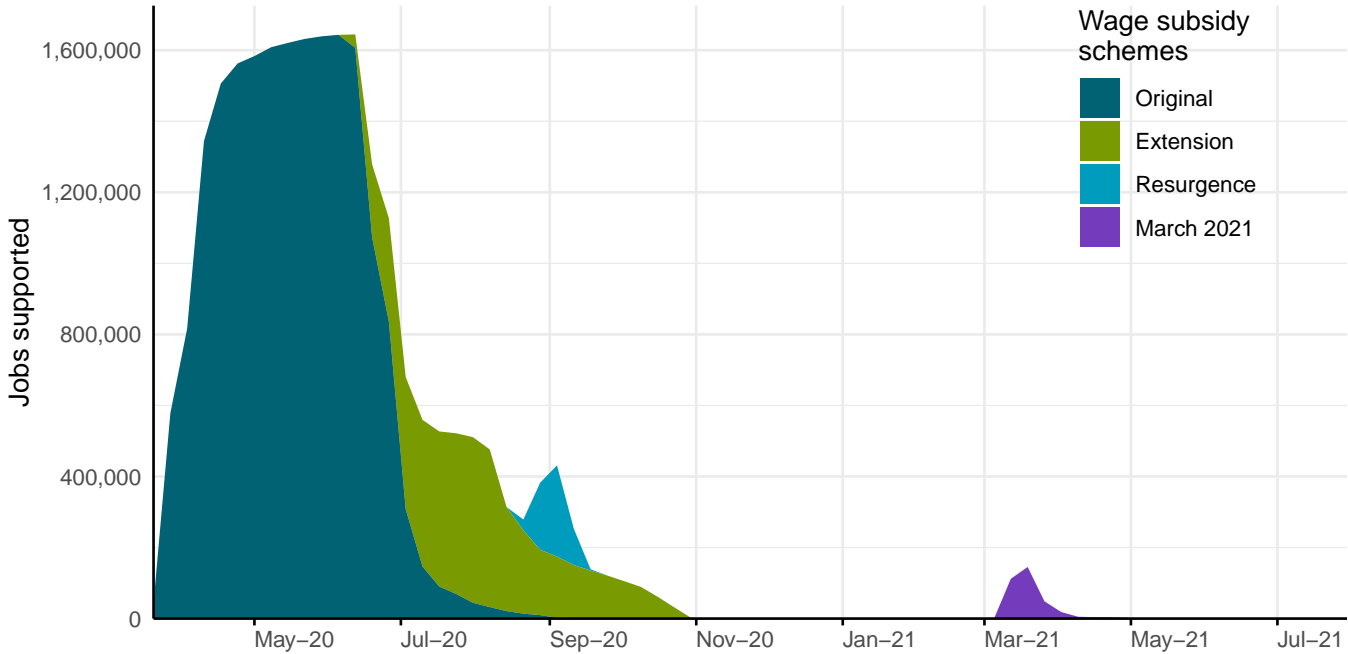


# Wage Subsidy

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.

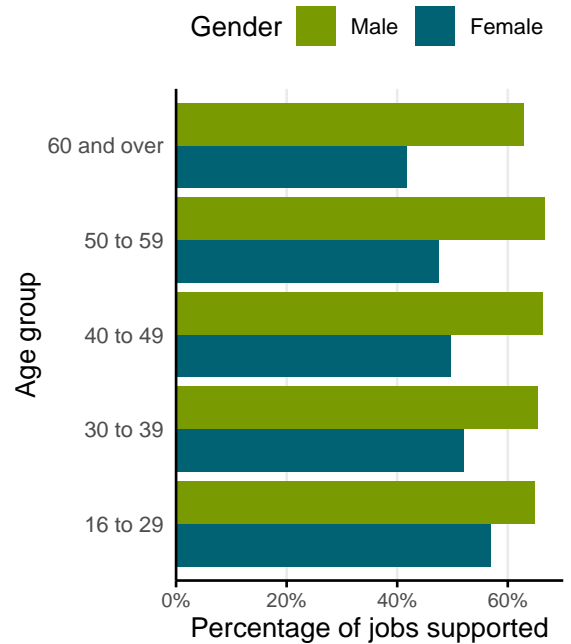
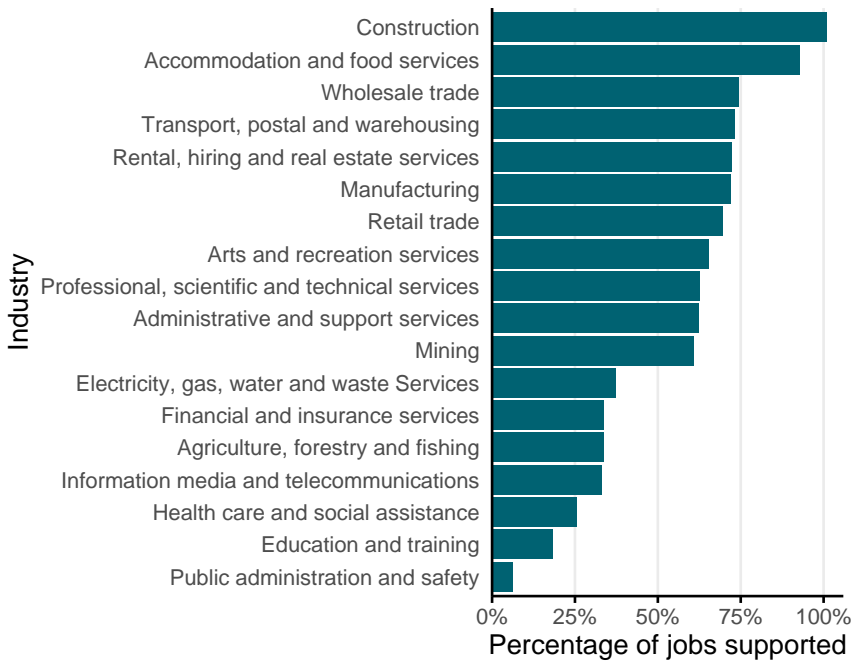
Data for the COVID-19 Wage Subsidy March 2021 is now available. This payment was introduced after the Alert Level changes on 28 February 2021, when Auckland moved to Alert Level 3 and the rest of the country moved to Alert Level 2.

Number of jobs supported by wage subsidy schemes



Income Support and Wage Subsidy Weekly Update, MSD (Data to 30/07/2021, released every Friday)

Proportion of jobs supported by original wage subsidy scheme



COVID-19 evidence,<sup>3</sup> MSD (Data as at 11/09/20)

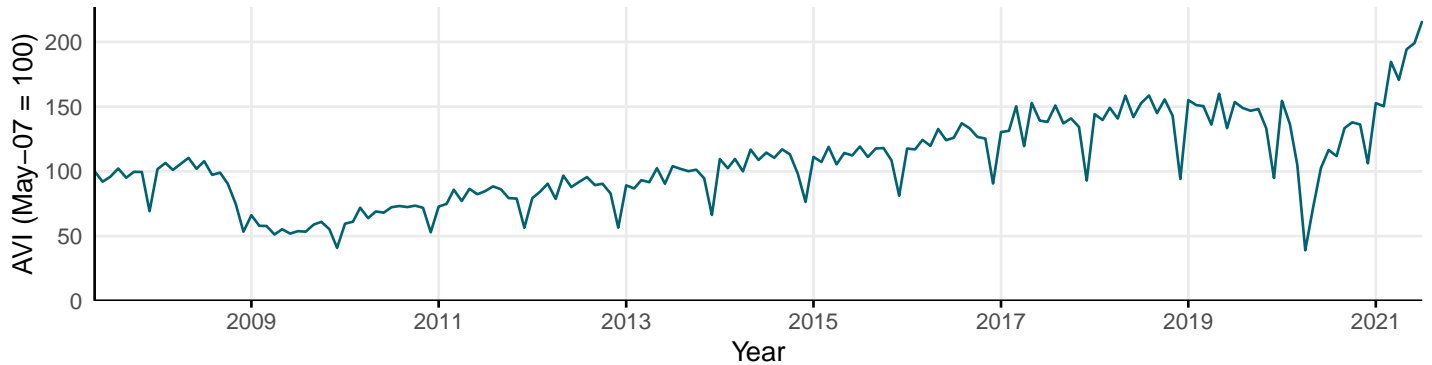
<sup>3</sup><https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/who-received-the-covid-19-wage-subsidies-september-2020.html>



## Job Vacancies

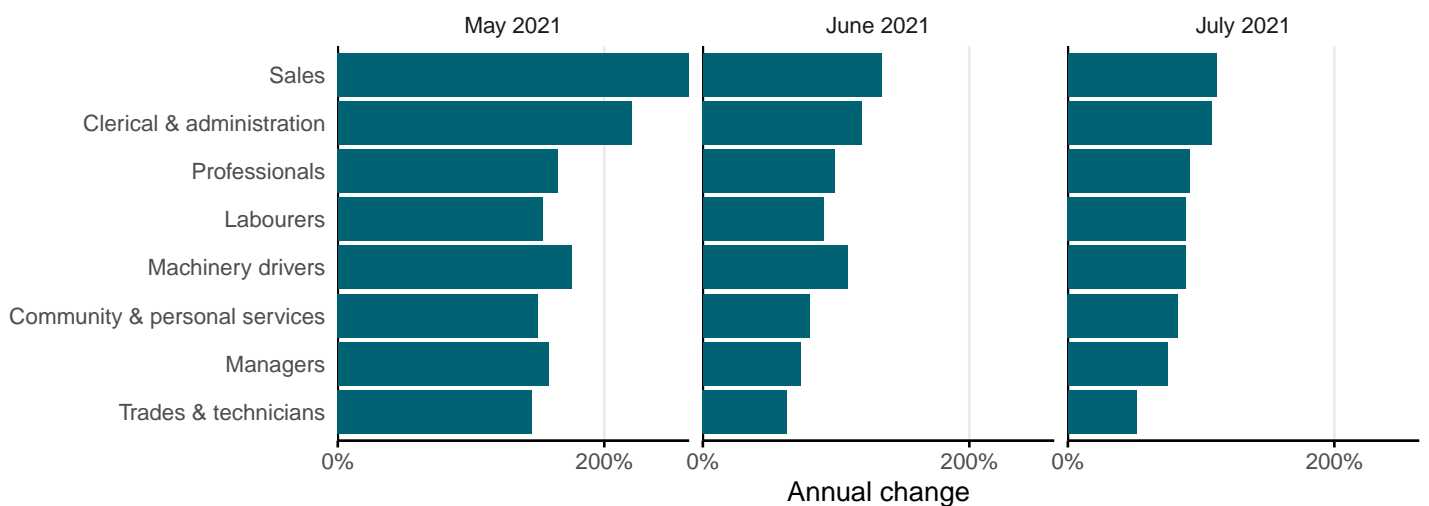
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

### All Vacancies Index (AVI) – online job advertising



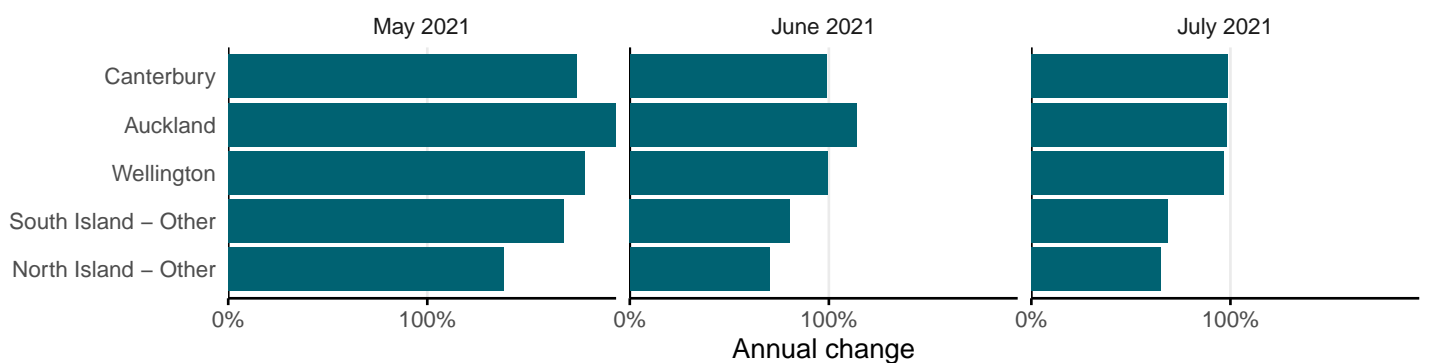
Jobs Online, MBIE (Data to July 2021, next release 10/09/2021)

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



Jobs Online, MBIE (Data to July 2021, next release 10/09/2021)

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



Jobs Online, MBIE (Data to July 2021, next release 10/09/2021)



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## Data sources

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### 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 administrative and survey data. The July 2020 edition<sup>4</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*. The August 2020 edition<sup>5</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).

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

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

