



This monthly fact sheet summarises highlights from the latest labour market information, including changes since the start of the COVID-19 alert levels in March 2020. It focusses on the most recent monthly changes and complements MBIE's quarterly *Labour Market Statistics Snapshot*¹. For more detail about sectors and regions, see the fact sheets available at MBIE's *COVID-19 economic data*².

The *Monthly Labour Market Fact Sheet* will next be updated on 22 October 2021.

Overview

Headline quarterly 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

Labour market outcomes improved in the second quarter of 2021 with key labour market indicators reaching pre-COVID-19 levels (as noted in the *Monthly Labour Market Factsheet - August 2021*³). However, the move to Alert Level 4 on a nation-wide basis (commencing on 18 August 2021) had an impact. During August 2021, the annual growth in the jobs advertised online decreased compared to the previous two months. Also, the number of Job Seeker Support recipients increased and cancellations on Job Seeker Support decreased during Alert Level 4 in August 2021.

However, compared to Alert Level 4 in 2020, the labour market has continued to show signs of resilience. Businesses seem to have made changes to their working arrangements or were better able to adapt working arrangements, as during this year's Alert Levels 4 and 3 there were more people working from home (see MBIE's report on *The Workforce Under Alert level 4 and 3 in 2021*⁴ and 2020⁵). The following industries: Agriculture, forestry & fishing, Public administration & safety, Rental, hiring & real estate services, Information, media & telecommunications, and Mining, have seen increases in the number of people working from home during this year's nation-wide Alert Level 4 compared to Alert Level 4 in 2020. The number of jobs supported by the August 2021 Wage Subsidy scheme peaked at about 820,000 as at 3 September 2021. However, this is only around half the peak number of jobs supported by the original COVID-19 Wage Subsidy payments introduced in the first half of 2020.

Although the labour market has shown signs of resilience, economic activity has been affected by decreased consumer spending during August 2021 (see MBIE's *Consumer Spending Dashboard - COVID-19 Response*⁶). This reduced spending, along with the continued Alert Level 4 in the Auckland region, has implications for businesses and is likely to affect the economic growth in the September quarter of 2021 and also the recently observed improving trend in labour market indicators in June quarter 2021.

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/>

³<https://www.mbie.govt.nz/business-and-employment/employment-and-skills/labour-market-reports-data-and-analysis/monthly-labour-market-fact-sheet/>

⁴<https://www.mbie.govt.nz/dmsdocument/16922-the-workforce-under-alert-levels-4-and-3-september-2021-factsheet;>

⁵<https://www.mbie.govt.nz/assets/essential-services-workforce-factsheet.pdf>

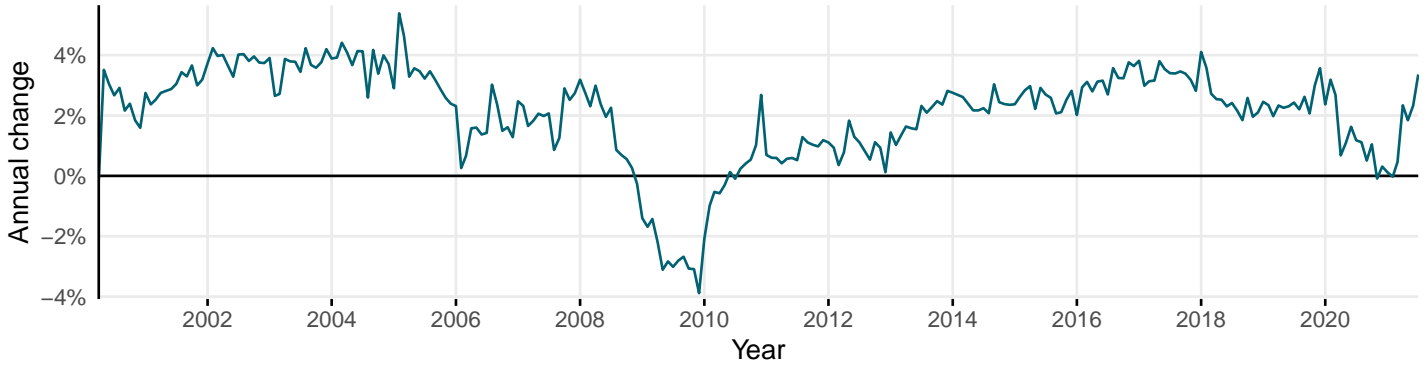
⁶https://mbienz.shinyapps.io/card_spend_covid19/



Filled Jobs

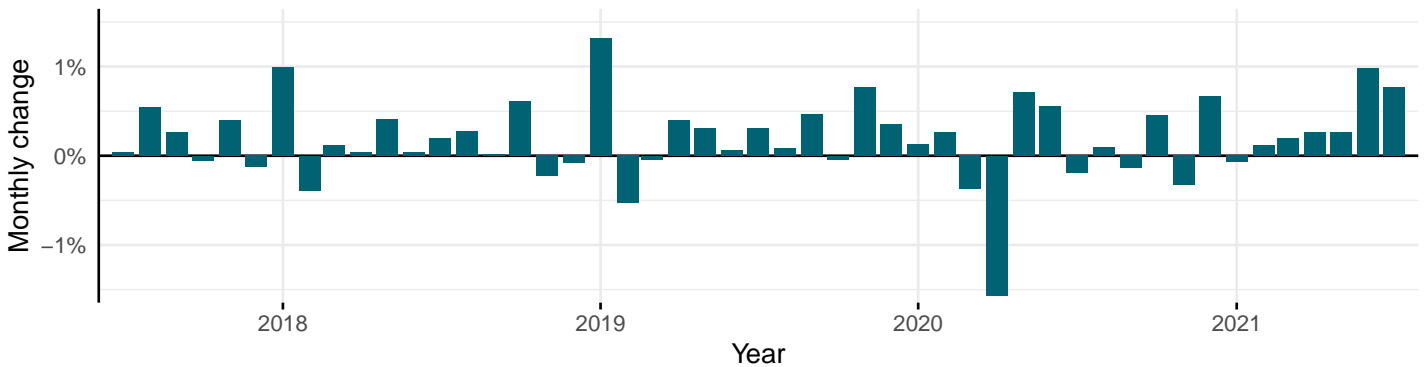
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, they do not necessarily represent full-time or permanent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

Annual percentage change in the number of filled jobs



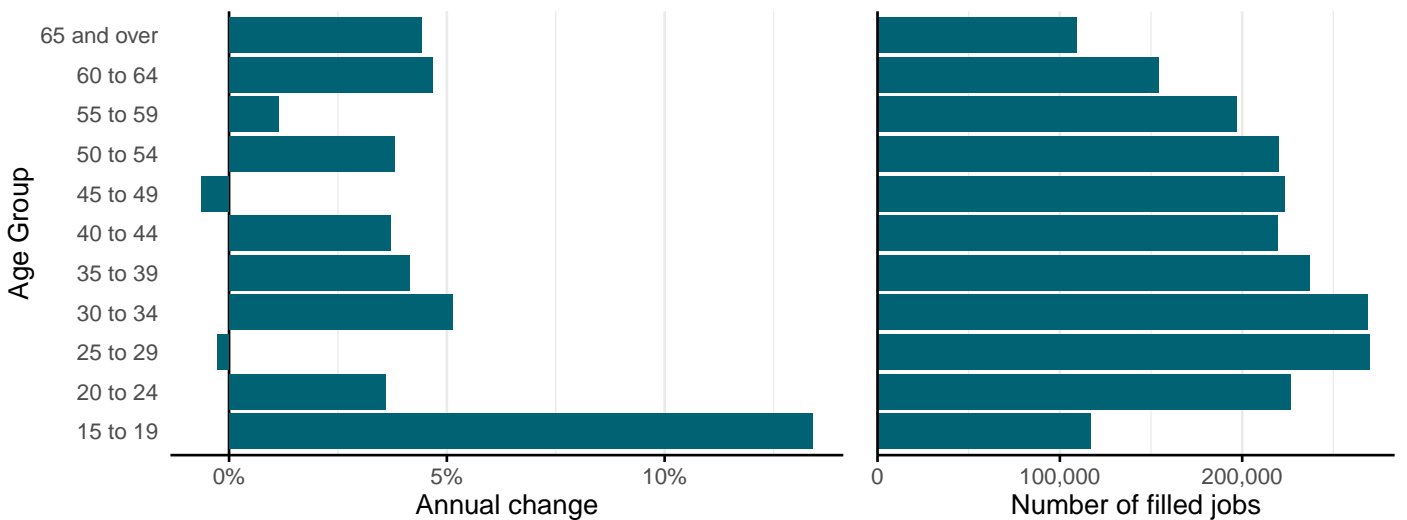
Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to July 2021, next release on 28/09/2021)

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



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to July 2021, next release on 28/09/2021)

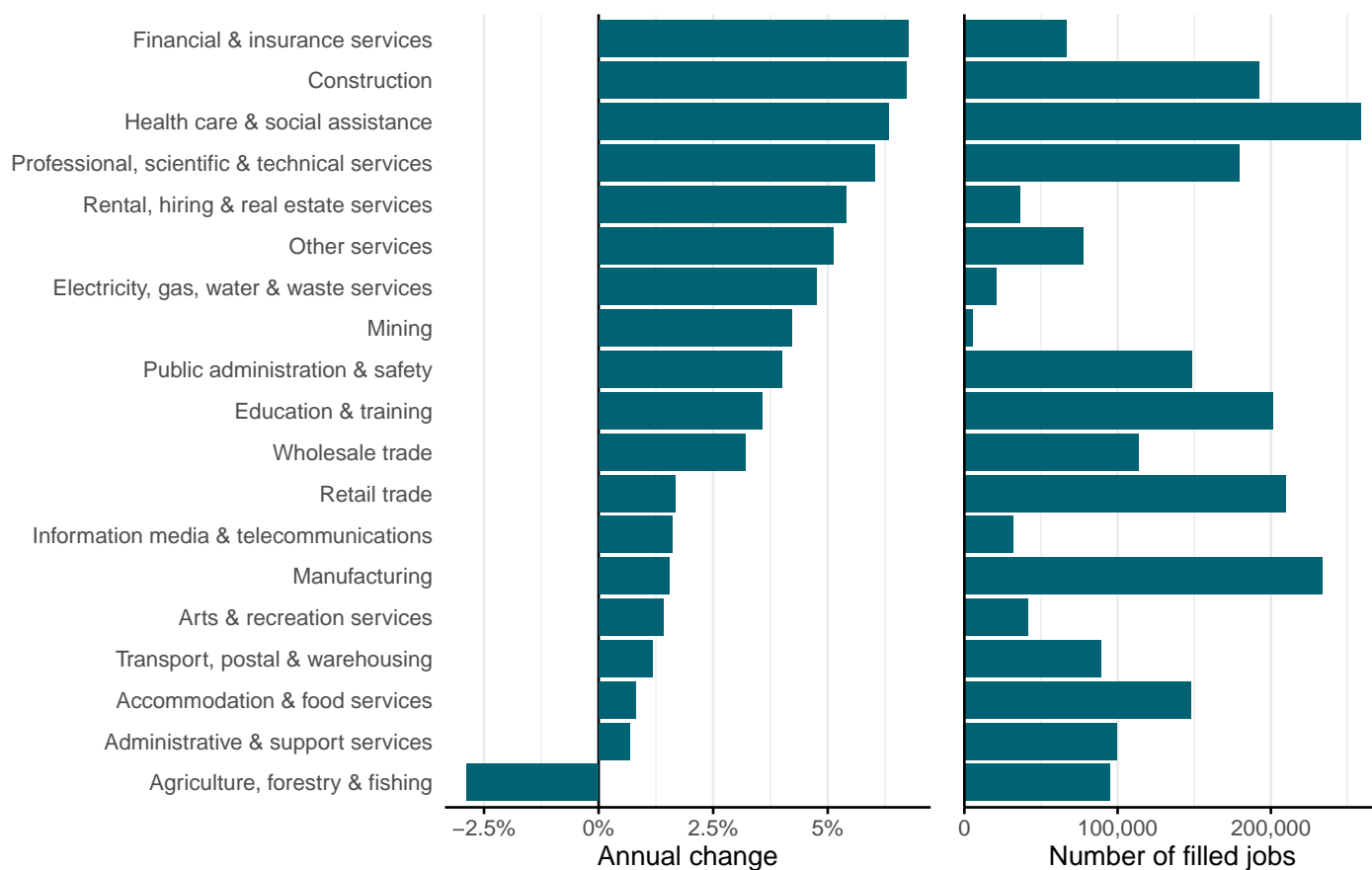
Filled jobs by age group



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to July 2021, next release on 28/09/2021)

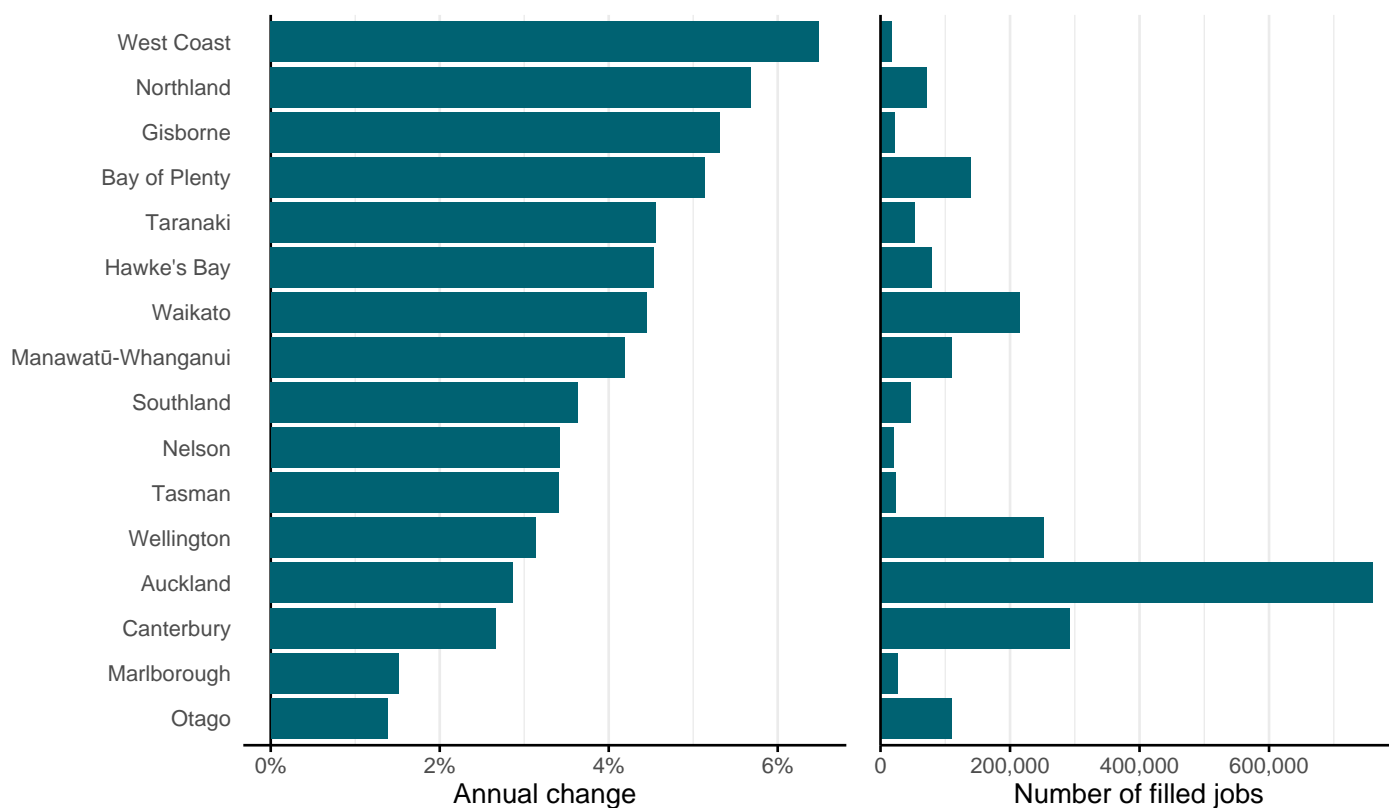


Filled jobs by industry



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to July 2021, next release on 28/09/2021)

Filled jobs by region

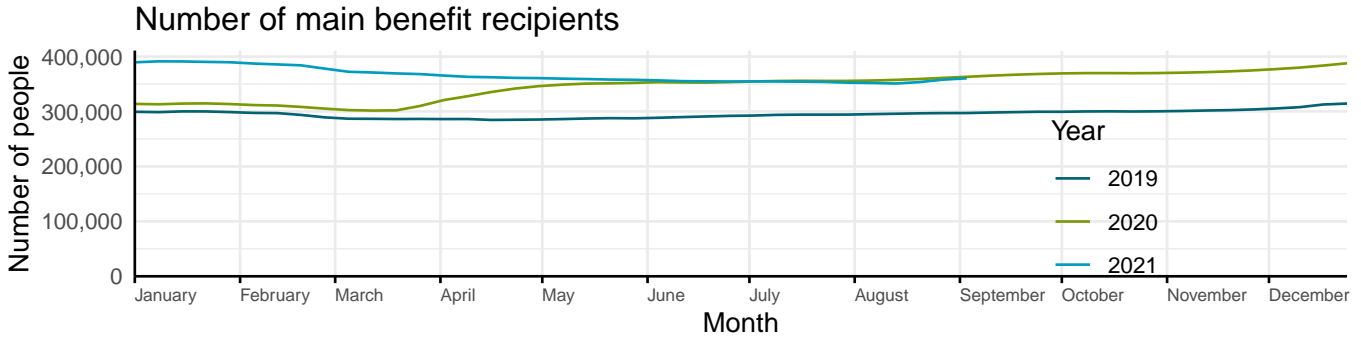


Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to July 2021, next release on 28/09/2021)

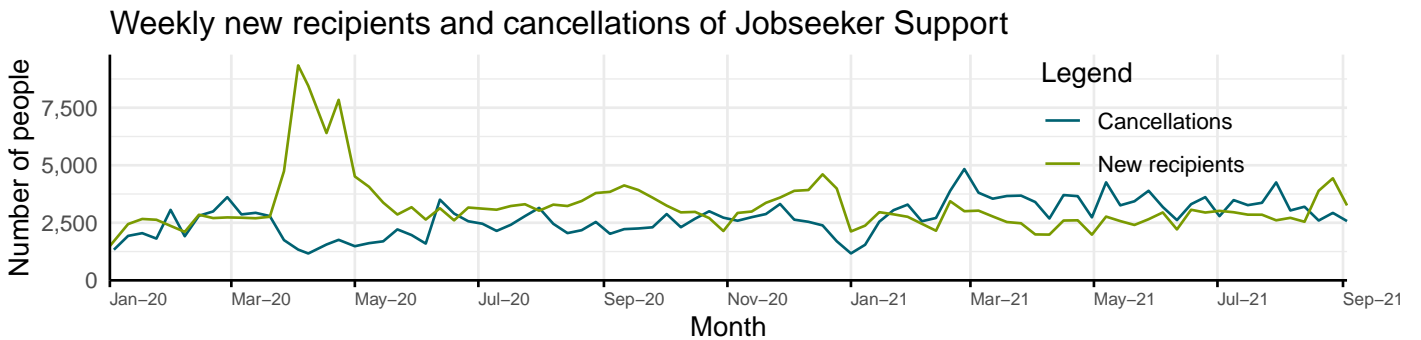


Benefit Recipients

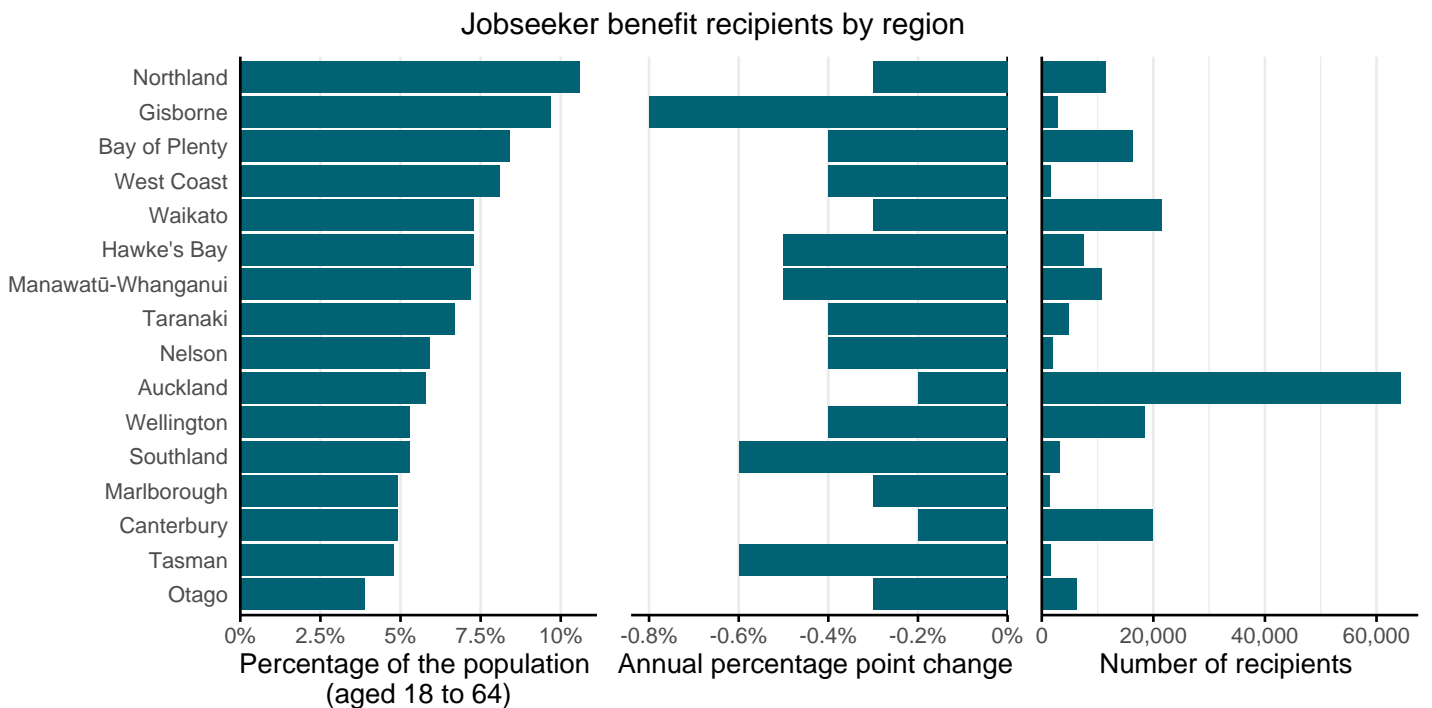
Benefits are primarily a measure of how many people are receiving income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional 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 03/09/2021, released every Friday)



Working-age main benefits, MSD (Data to 03/09/2021, released every Friday)



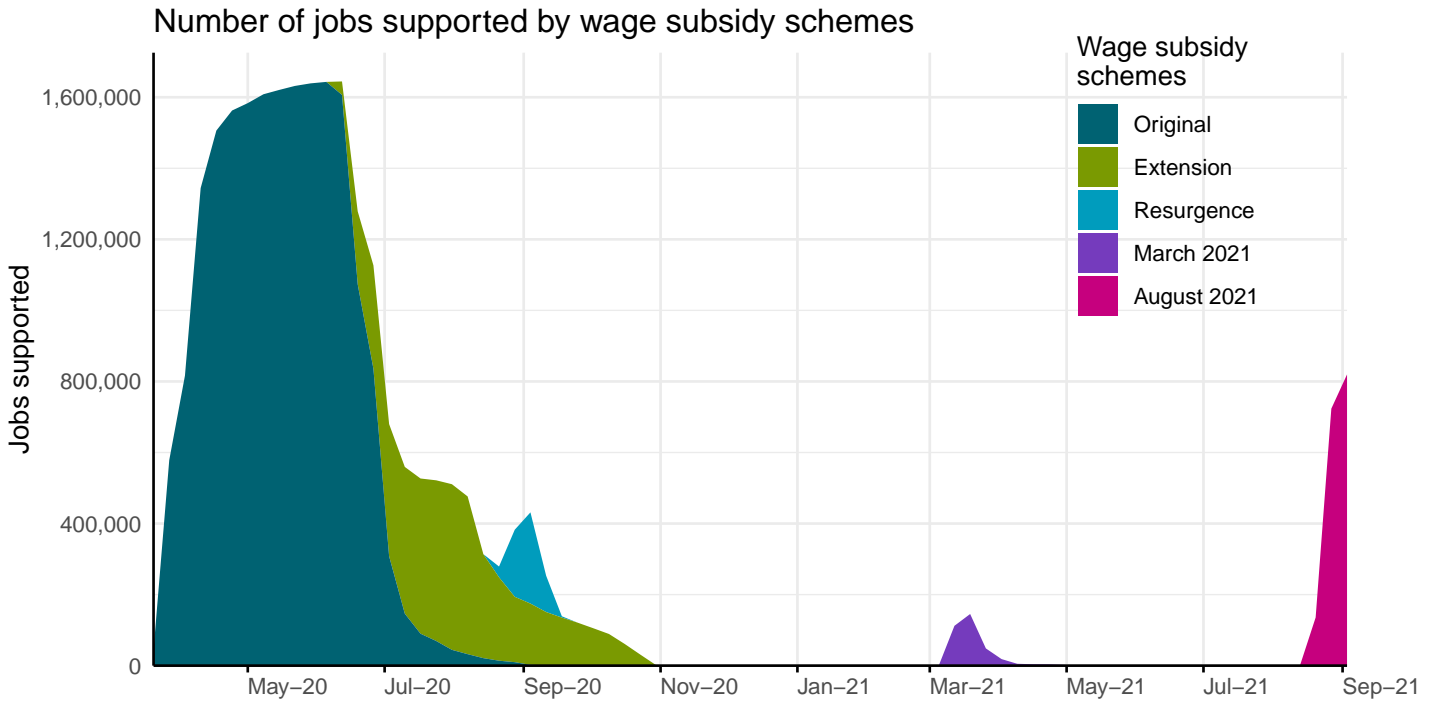
Working-age main benefits, MSD (Data to 03/09/2021, released every Friday)



Wage Subsidy

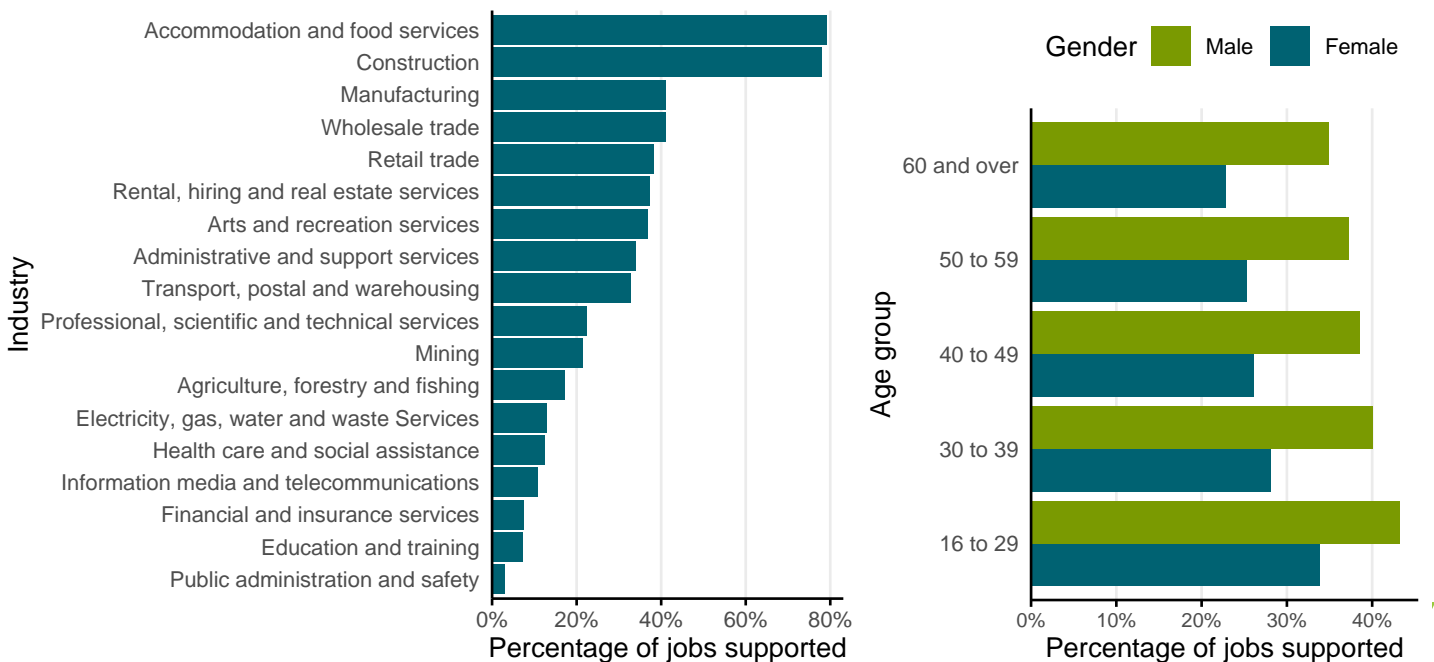
The COVID-19 Wage Subsidy and Leave Payment Scheme was introduced on 27 March 2020 to assist employers and self-employed people who would otherwise have had to lay off staff or reduce their hours due to COVID-19. The scheme allowed businesses to claim \$585.80 per week per full-time employee (\$350 per 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.

The COVID-19 Wage Subsidy March 2021 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. There are currently two COVID-19 Wage Subsidy payments available to employers. The first one started on 20 August 2021 and the second one started on 3 September 2021. These payments are aimed at helping employers and self-employed people to keep paying staff and protect jobs impacted by the alert level changes.



Income Support and Wage Subsidy Weekly Update, MSD (Data to 03/09/2021, released every Friday)

Proportion of unique jobs supported by the Wage Subsidy August 2021



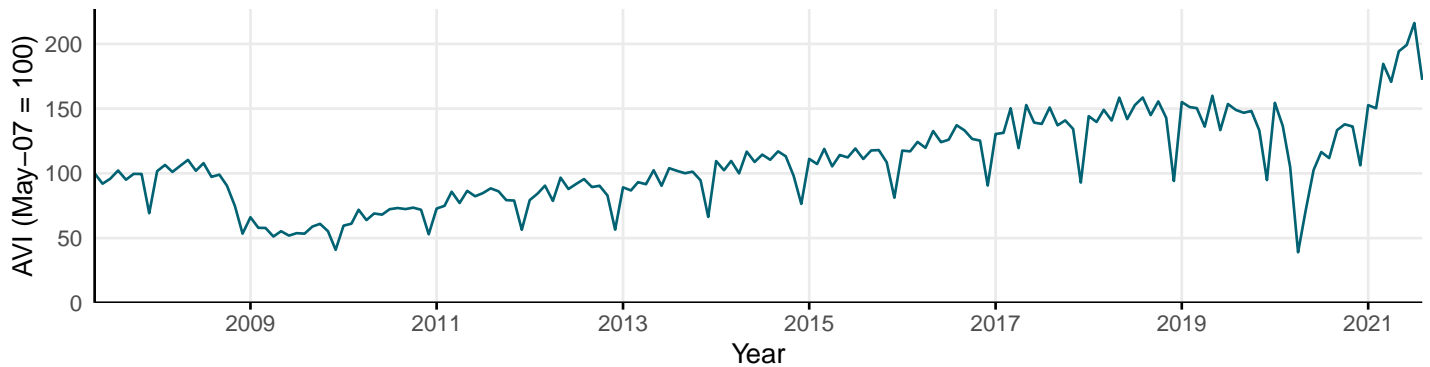
Take-up rates of Wage Subsidy, MSD (Data as at 03/09/21)



Job Vacancies

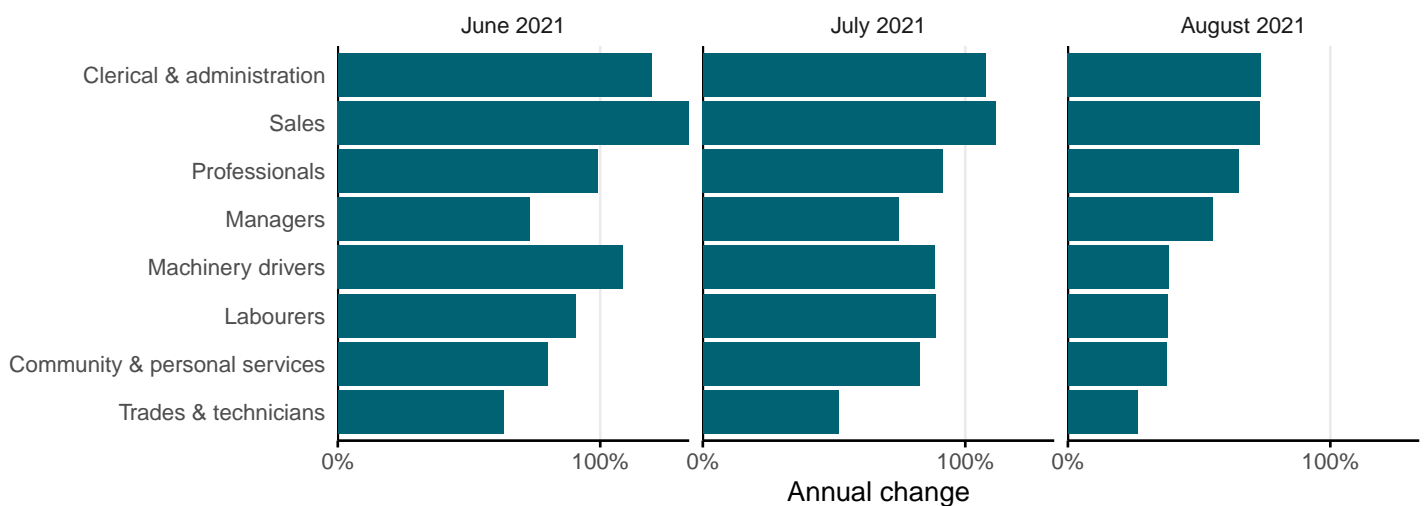
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

All Vacancies Index (AVI) – online job advertising



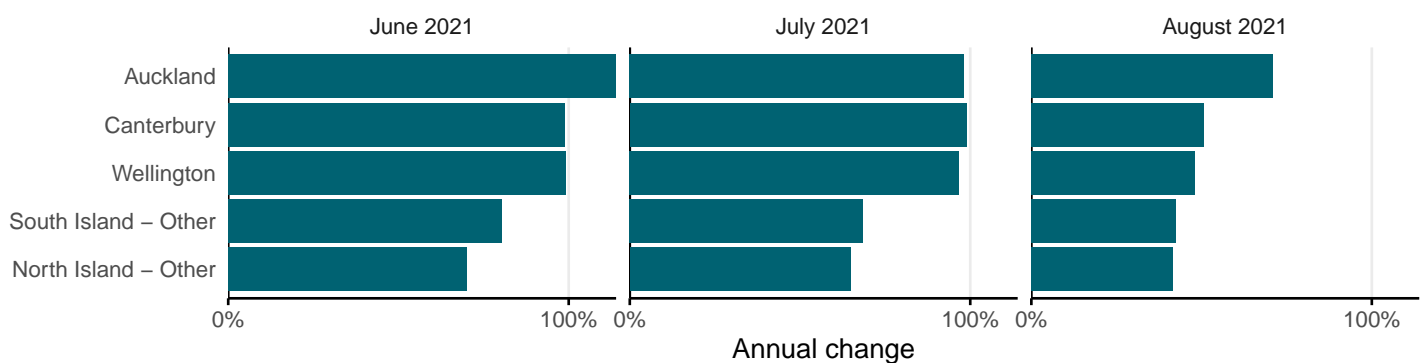
Jobs Online, MBIE (Data to August 2021, next release 12/10/2021)

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



Jobs Online, MBIE (Data to August 2021, next release 12/10/2021)

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



Jobs Online, MBIE (Data to August 2021, next release 12/10/2021)



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 administrative and survey data. The July 2020 edition⁷ 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 edition⁸ 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.

⁷<https://www.mbie.govt.nz/dmsdocument/11556-monthly-labour-market-fact-sheet-july-2020>

⁸<https://www.mbie.govt.nz/dmsdocument/11637-monthly-labour-market-fact-sheet-august-2020>

