

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 16 November 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

The September 2021 quarter has indicated a mixed picture of the labour market. The first month of the quarter (July) continued the trend of improved labour market outcomes from the June 2021 quarter³. Whereas, the second month (August) was affected by the move half-way through to Alert Level 4 nation-wide⁴. The annual growth in jobs advertised during August decreased compared to the previous two months. The last month of the quarter (September) showed some signs of improvement, compared to the labour market situation in the month of August. However, the improvement does not reach the level observed for July 2021.

In July 2021, before the recent changes to Alert Levels, the annual growth in jobs advertised was strong at 86 per cent, whereas a much lower 35 per cent growth is recorded in the month of September 2021. This growth has not been uniform across regions. The Auckland region, which stayed at higher alert levels during September, had the lowest annual growth in jobs advertised amongst all regions.

The Wage Subsidy scheme has continued to support businesses to retain their employees. As of 8th October, 2021, there are 1,260,852 jobs supported by all of August's Wage Subsidy schemes. However, the continued uncertainty around COVID-19 restrictions has had an impact on businesses' plans. Consumer spending, after coming out of Alert Level 4, has not picked up at the pace observed when the country moved to Alert Level 3 last year⁵. Some businesses in retail and tourism are impacted to a level that they are closing their operations permanently⁶.

Although the last two months signal weaker labour market prospects for the September 2021 Quarter, the impact of the higher Alert Levels will be known when Stats NZ's Household Labour Force Survey data is released on the 3rd of November 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/dmsdocument/16643-monthly-labour-market-fact-sheet-august-2021>

⁴<https://www.mbie.govt.nz/dmsdocument/17073-monthly-labour-market-fact-sheet-september-2021>

⁵https://mbienz.shinyapps.io/card_spend_covid19/

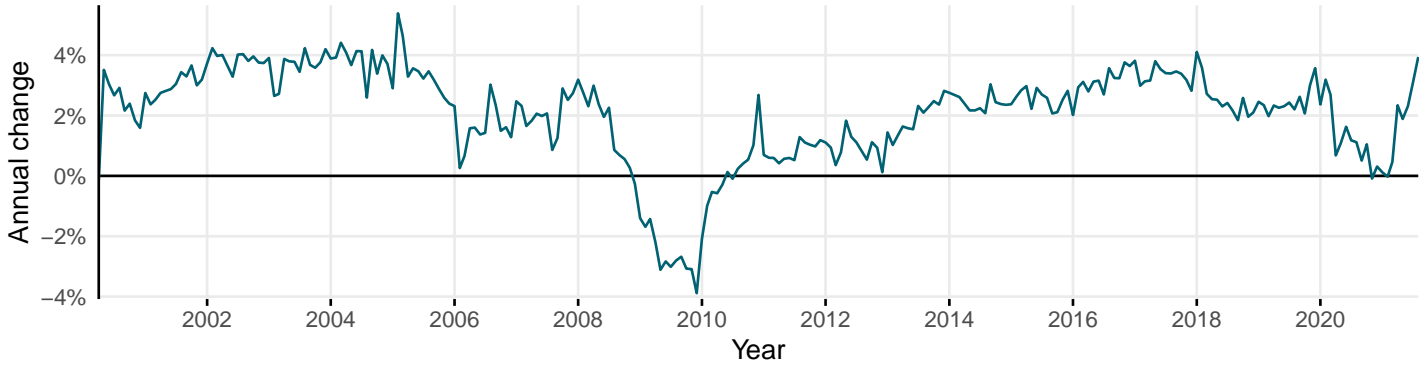
⁶<https://www.mbie.govt.nz/dmsdocument/17235-tai-poutini-west-coast-local-insights-report-september-2021;%20https://www.mbie.govt.nz/dmsdocument/17232-nelson-tasman-local-insights-report-september-2021>



Filled Jobs

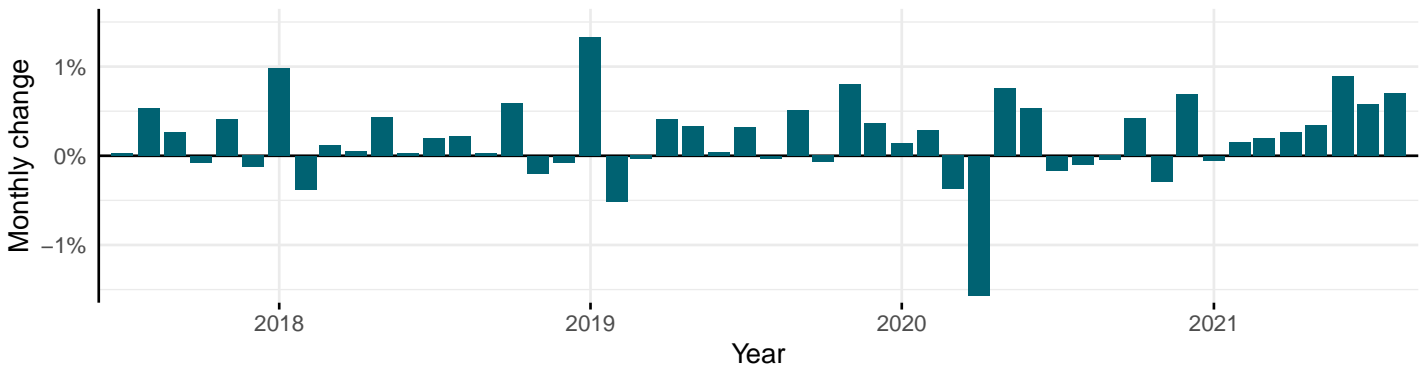
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, they do not necessarily represent full-time or permanent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

Annual percentage change in the number of filled jobs



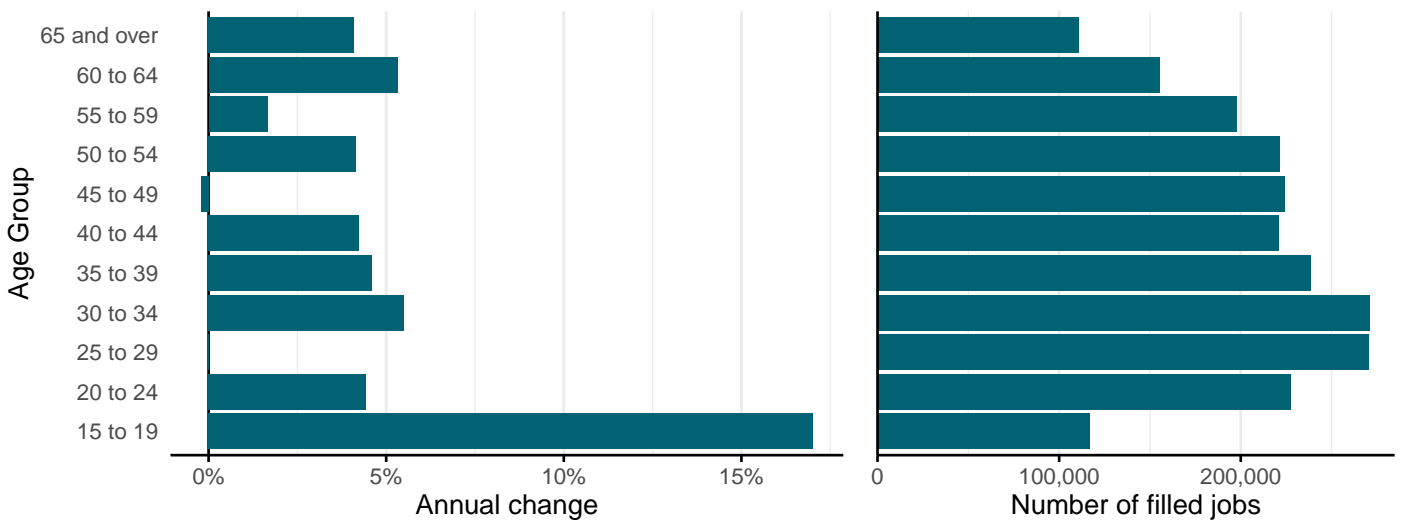
Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to August 2021, next release on 29/10/2021)

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



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to August 2021, next release on 29/10/2021)

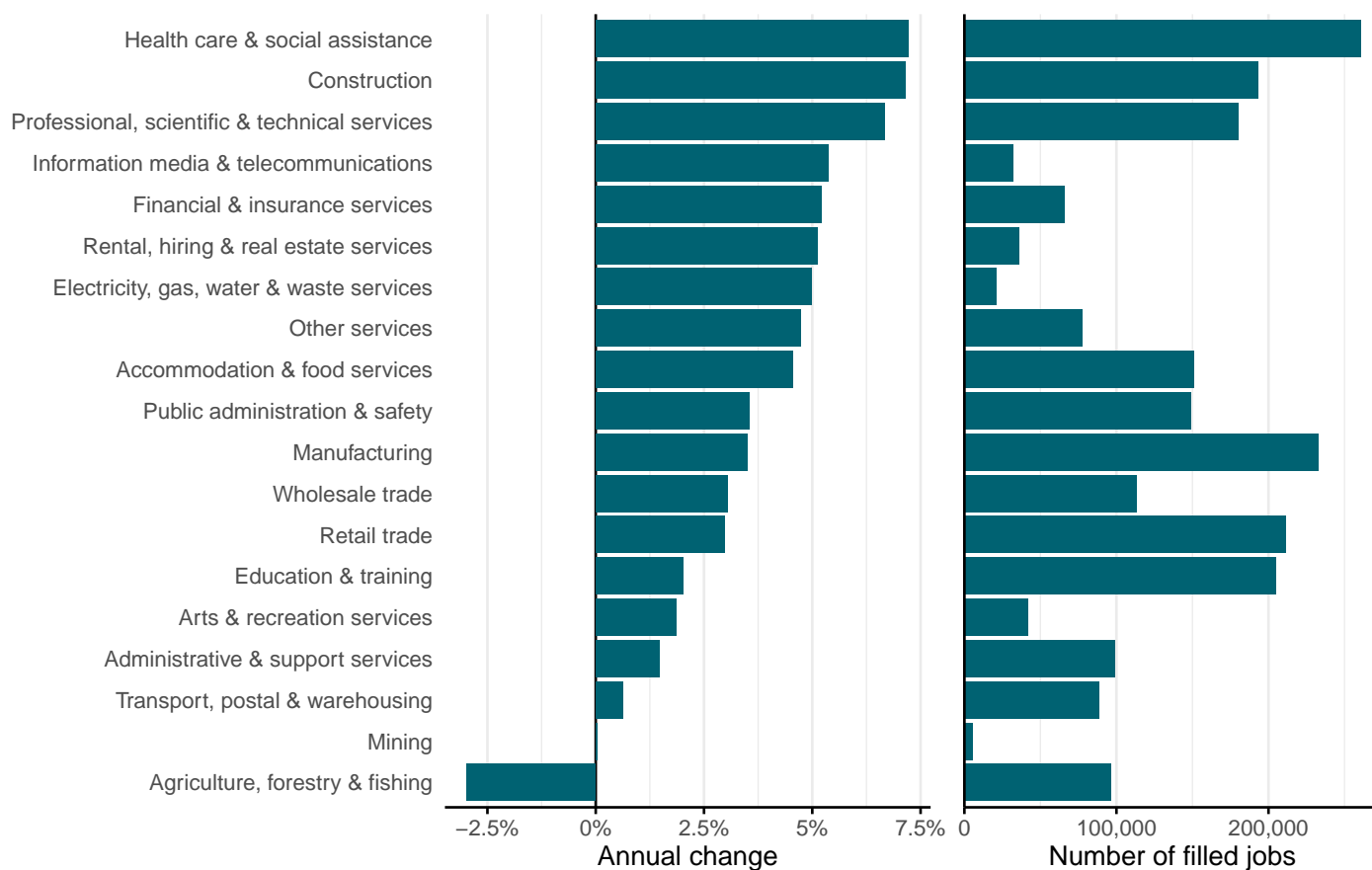
Filled jobs by age group



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to August 2021, next release on 29/10/2021)

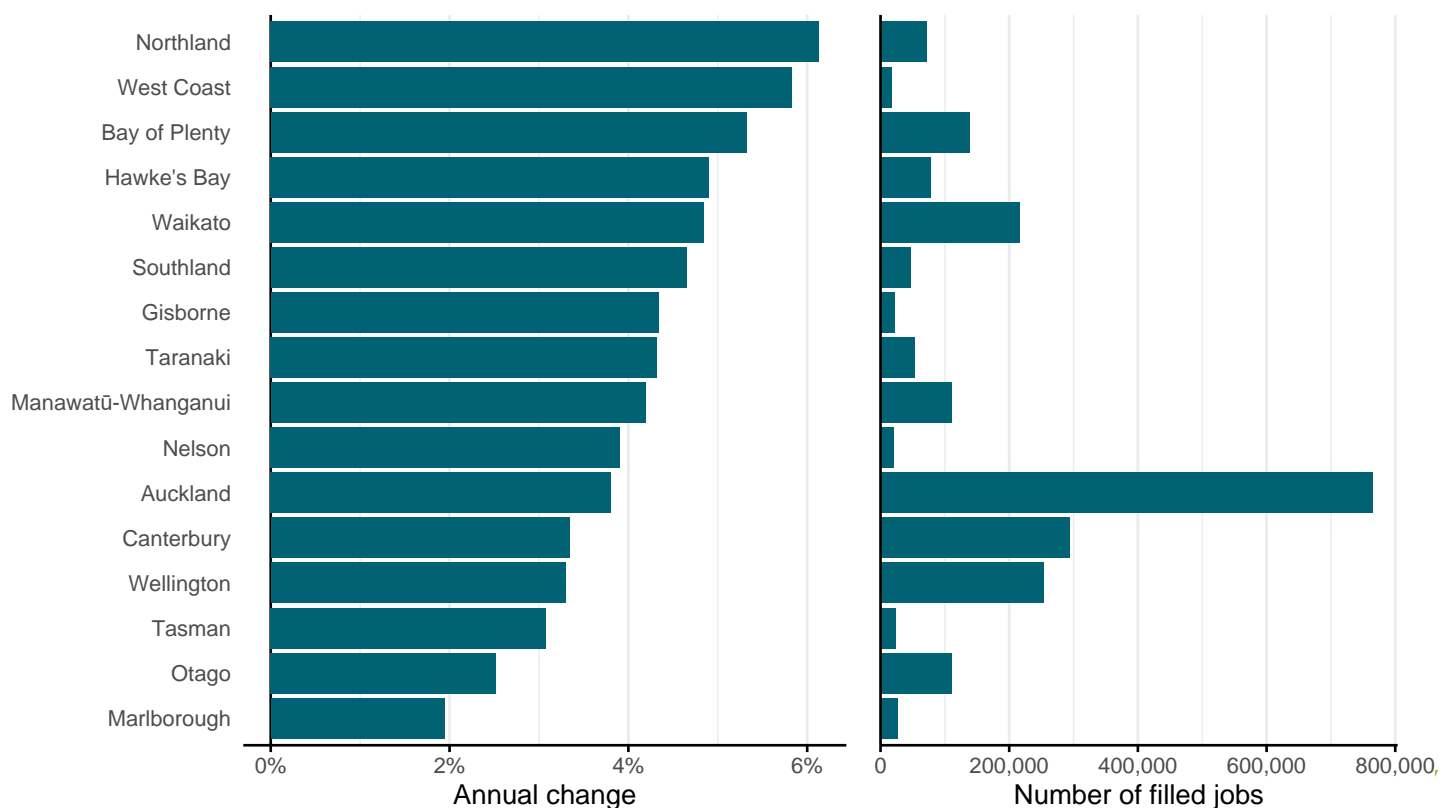


Filled jobs by industry



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to August 2021, next release on 29/10/2021)

Filled jobs by region

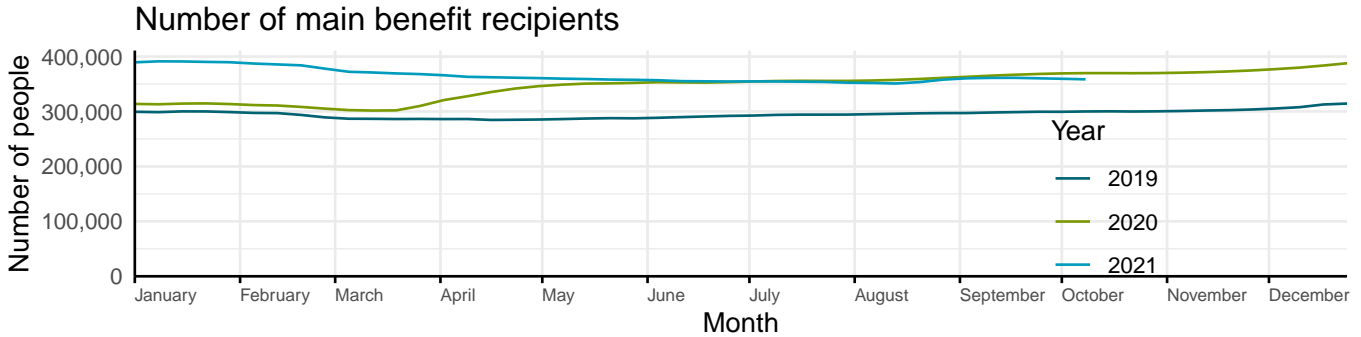


Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to August 2021, next release on 29/10/2021)

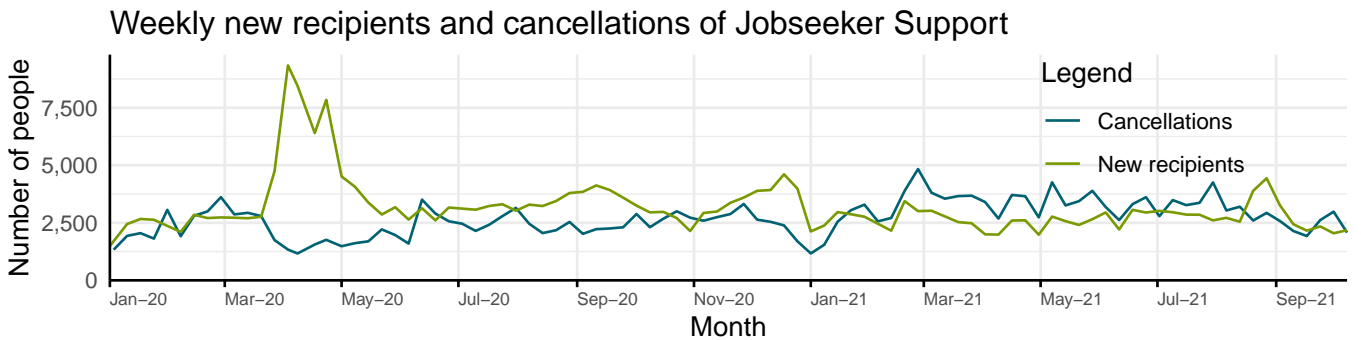


Benefit Recipients

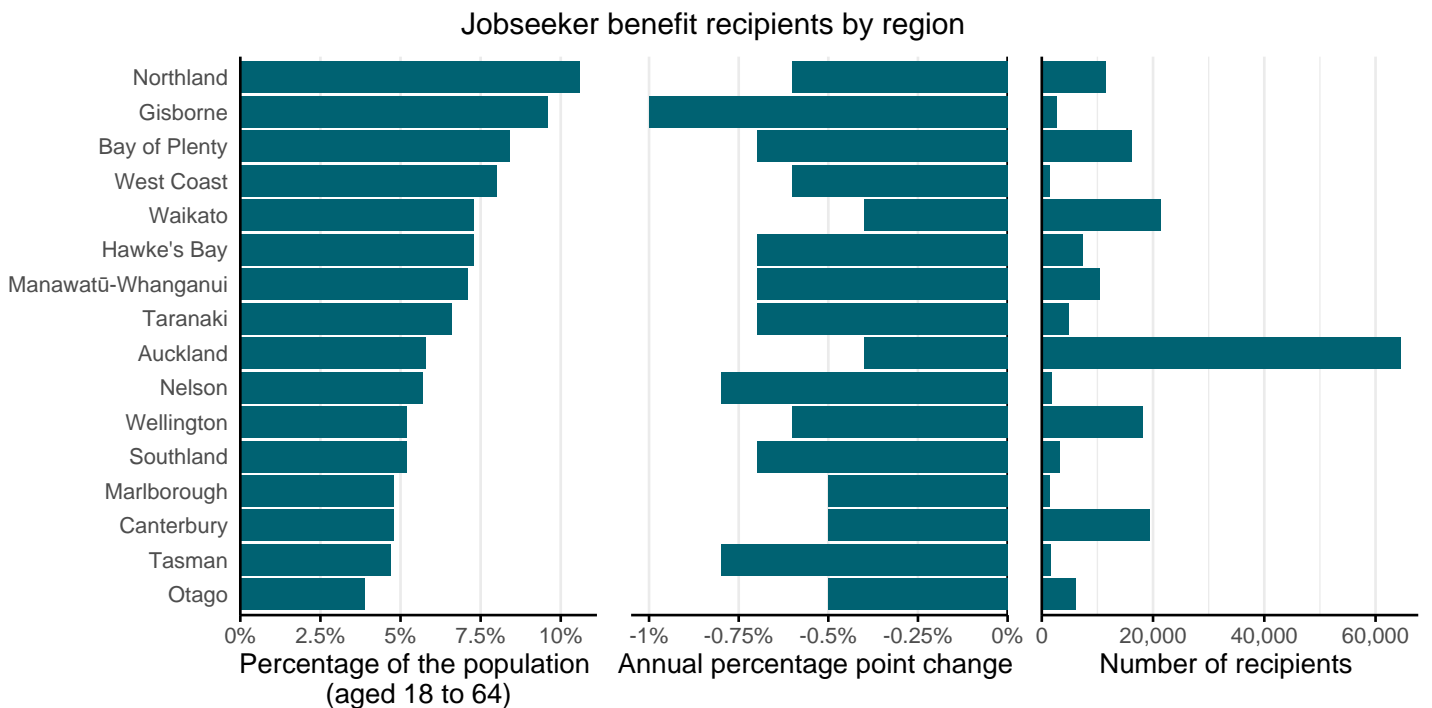
Benefits are primarily a measure of how many people are receiving income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional 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 08/10/2021, released every Friday)



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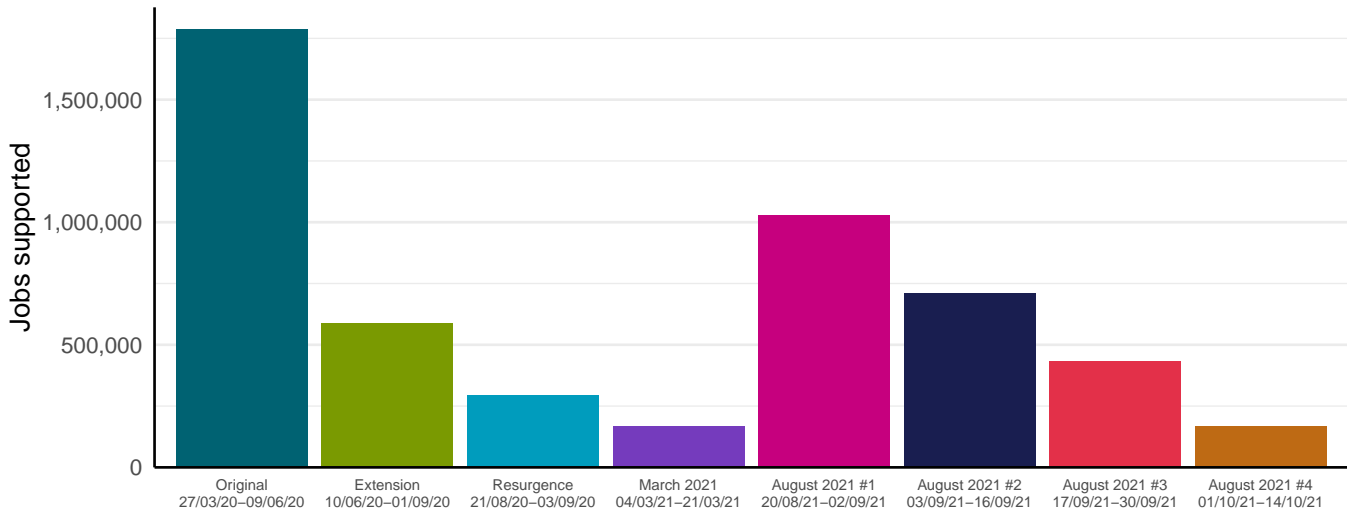
Wage Subsidy

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.

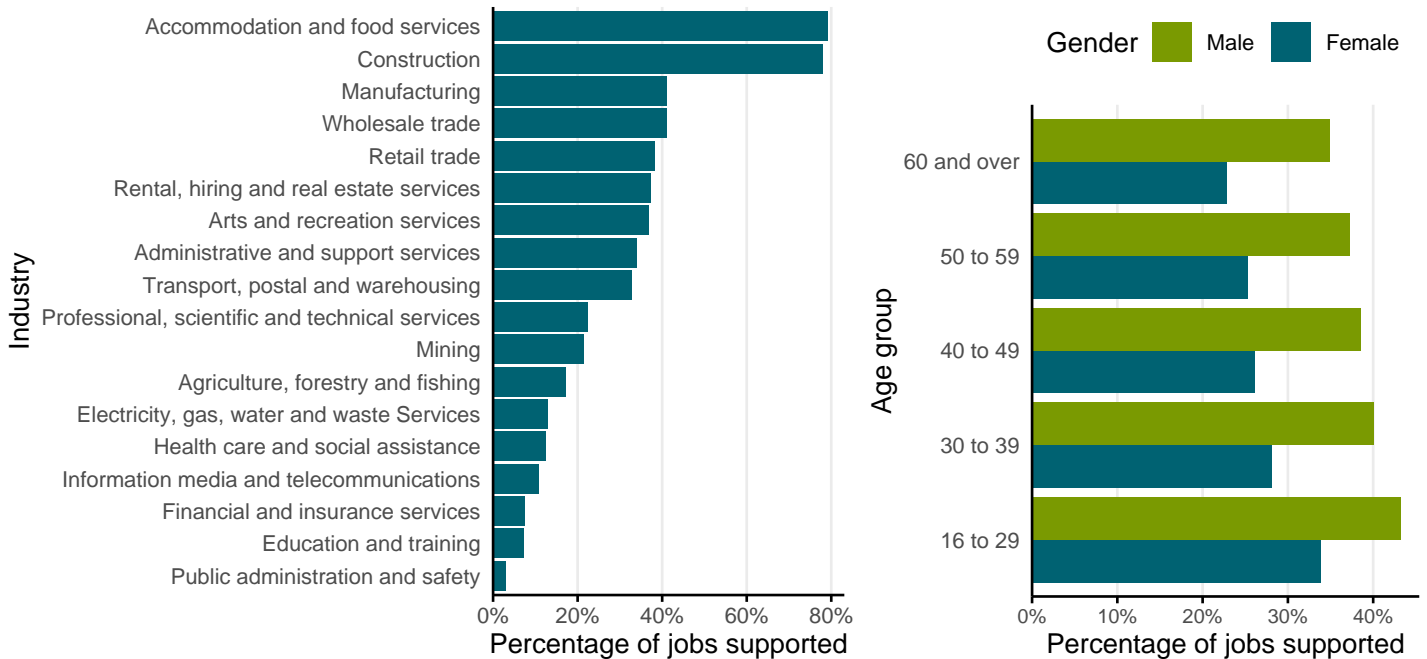
On 17th August 2021, New Zealand moved to Alert Level 4, after which the Wage Subsidy August 2021 was introduced. There are four wage subsidies related to the August Alert Level changes, which were open from 20 August 2021 through to 14 October 2021.

Number of jobs supported by wage subsidy schemes (as of 8th October, 2021)



Income Support and Wage Subsidy Weekly Update, MSD (Data to 08/10/2021, released every Friday)

Proportion of unique jobs supported by the Wage Subsidy August 2021



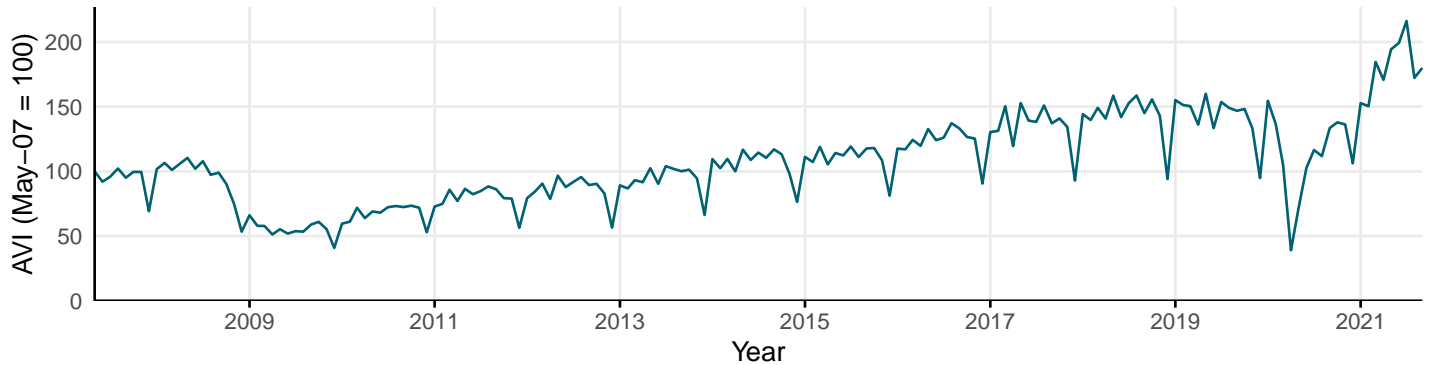
Take-up rates of Wage Subsidy, MSD (Data as at 03/09/21)



Job Vacancies

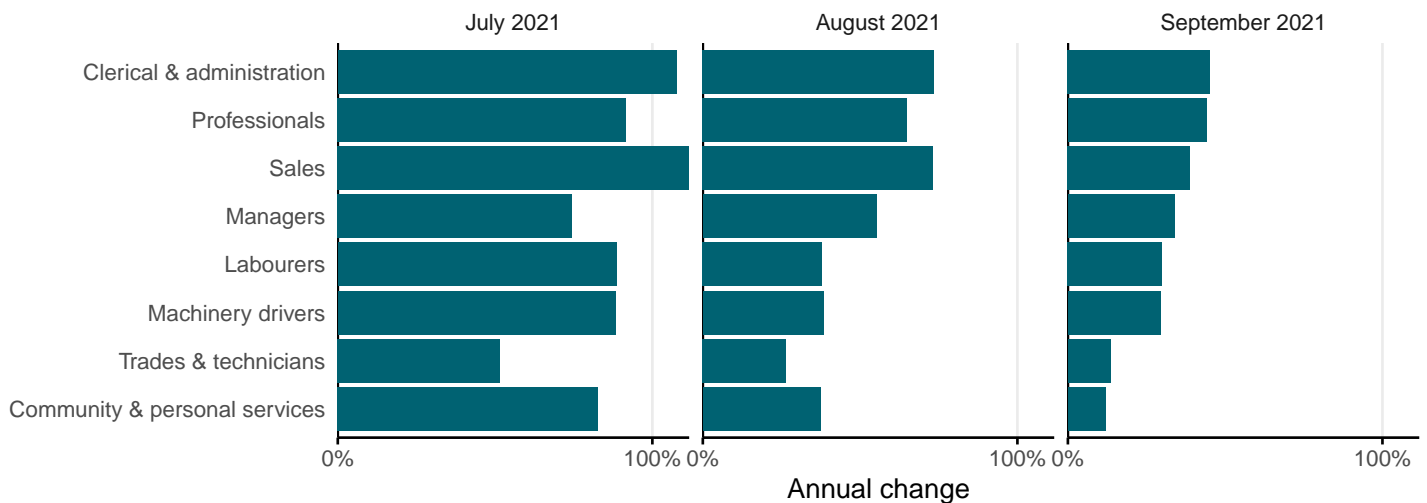
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

All Vacancies Index (AVI) – online job advertising



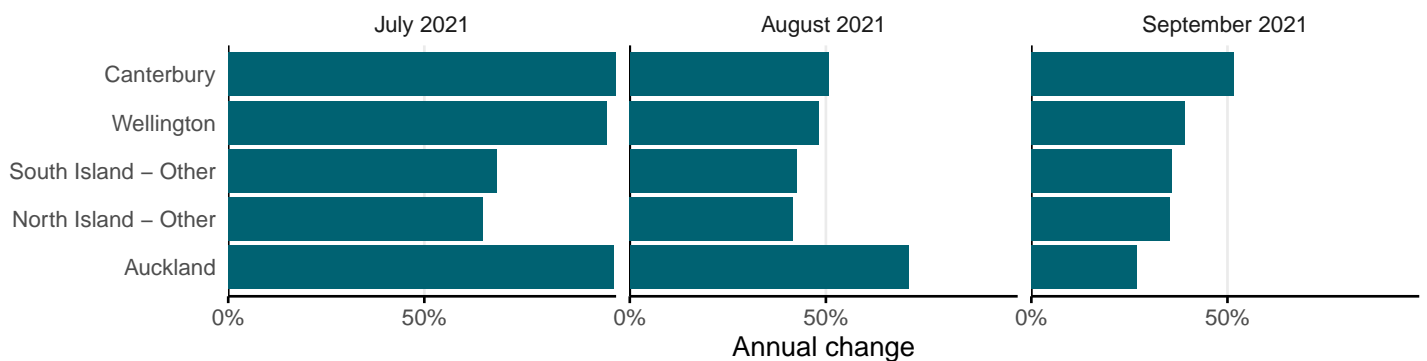
Jobs Online, MBIE (Data to September 2021, next release 10/11/2021)

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



Jobs Online, MBIE (Data to September 2021, next release 10/11/2021)

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



Jobs Online, MBIE (Data to September 2021, next release 10/11/2021)



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>

Quarterly Employment Survey (QES) | Stats NZ

The QES is a quarterly survey run by Stats NZ. It measures employment, earnings and hours paid of economically significant businesses in New Zealand. The purpose of the Quarterly Employment Survey is to provide a short-term indicator of employment and earnings. In addition, the data is used for compiling the business services industry component of the quarterly national accounts (on the production side). Results from the survey provide a valuable guide to the labour market and general economic conditions within New Zealand.

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>

