



This monthly fact sheet summarises 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 information on sectors and regions, see MBIE's *COVID-19 economic data*².

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

Overview

Headline quarterly statistics

Measures	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
Employment	2,714,000	2,732,000	2,747,000	2,775,000	2,830,000
— Paid Employee or Employer	2,340,500	2,377,000	2,368,100	2,399,000	2,439,800
— Self-employed	336,400	343,400	354,400	342,800	352,200
Employment Rate	66.4%	66.8%	67.1%	67.6%	68.8%
Participation Rate	70.1%	70.2%	70.4%	70.5%	71.2%
Underutilisation	391,000	351,000	362,000	314,000	278,000
— Unemployment	151,000	139,000	133,000	116,000	98,000
— Underemployment	134,000	116,000	123,000	107,000	97,000
— Potential Labour Force	106,000	96,000	106,000	91,000	84,000
Underutilisation Rate	13.2%	11.8%	12.1%	10.5%	9.2%
Unemployment Rate	5.3%	4.8%	4.6%	4.0%	3.4%
Not in the Labour Force	1,220,000	1,217,000	1,213,000	1,211,000	1,185,000
Youth Not in Employment, Education or Training (NEET)	86,000	80,000	79,000	80,000	80,000
NEET Rate	13.2%	12.3%	12.2%	12.3%	12.4%
Average Weekly Hours Paid (per FTE)	37.93	38.29	38.41	39.05	38.86

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 September 2021, next release on 02/02/2022)*

The recent story

Labour Market indicators improved to record levels in the September 2021 quarter. The unemployment rate, at 3.4 per cent, was the lowest recorded since December 2007, when it was also 3.4 per cent. Among 38 OECD countries, New Zealand ranked fifth equal for the lowest unemployment rate in the quarter (up from ranking eighth last quarter).

The underutilisation rate which broadly measures spare labour market capacity in the economy, fell from 10.5 per cent (in the June 2021 quarter) to 9.2 per cent, with 36,000 fewer people underutilised in the September 2021 quarter compared to the previous quarter. This reduction in underutilisation is the result of 18,000 fewer people unemployed, 10,000 fewer people underemployed (people in part-time employment who would like to work more hours and are available to work), and 7,000 fewer people who were seeking work but unavailable to work right away or available but not actively seeking jobs.

The employment rate for the September 2021 quarter was at a record high at 68.8 per cent (seasonally adjusted). There were 54,000 more people employed compared with the previous quarter, with 39,000 more women and 15,000 more men in work. In the September quarter 2021 the highest ever employment rate was recorded for women, at 64.6 per cent.

The impact of higher alert levels introduced halfway through the September quarter was not reflected in employment indicators. The improved labour market outlook is a reflection of businesses adopting flexible working arrangements and ongoing support in the form of Wage Subsidy payments. There were more people working from home during Alert Levels 3 and 4 this year compared to last year (see MBIE's report on *The Workforce Under Alert Level 4 and 3 in 2021*³ and 2020⁴). As at 05 November 2021, there were 1,290,603 jobs being supported by August's Wage Subsidy schemes.

The All Vacancies Index, reflecting jobs advertised online, peaked during the month of July 2021. This translated into increased employment numbers during the September 2021 quarter. However, since July 2021 the annual growth in jobs advertised online has declined. Despite improved labour market indicators in September 2021 quarter, uncertainty remains with higher alert levels in the Auckland and Waikato regions, continuing border restrictions and vaccination rollouts.

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/16922-the-workforce-under-alert-levels-4-and-3-september-2021-factsheet>

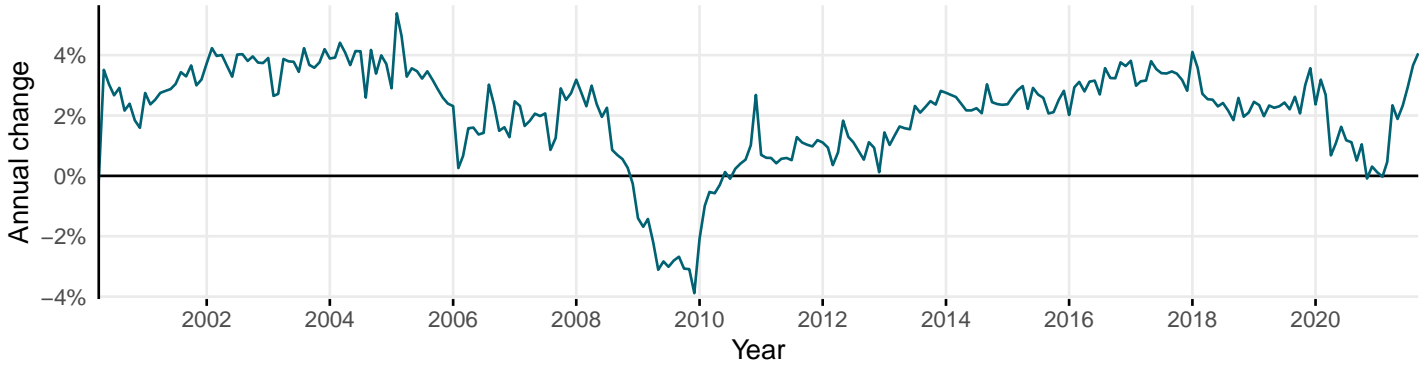
⁴<https://www.mbie.govt.nz/assets/essential-services-workforce-factsheet.pdf>



Filled Jobs

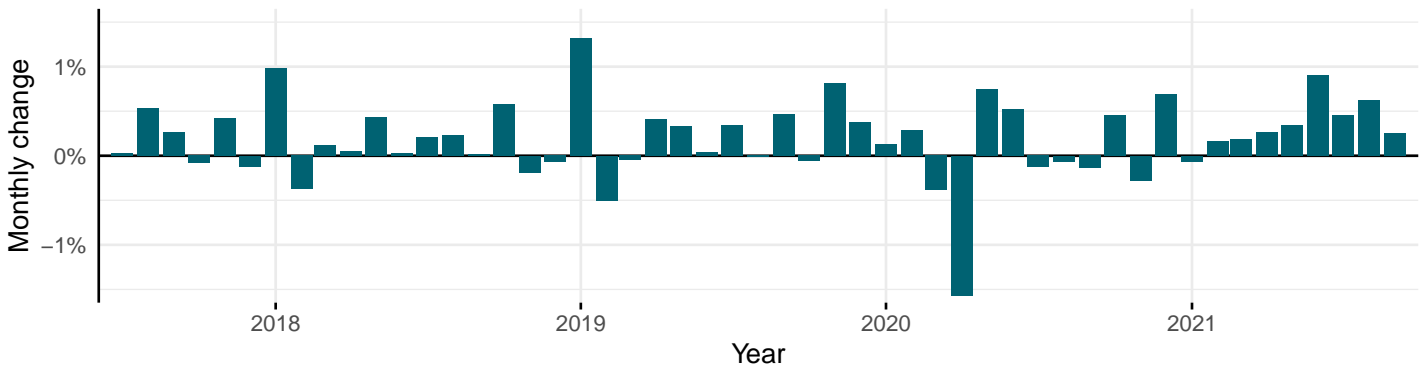
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, they do not necessarily represent full-time or permanent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

Annual percentage change in the number of filled jobs



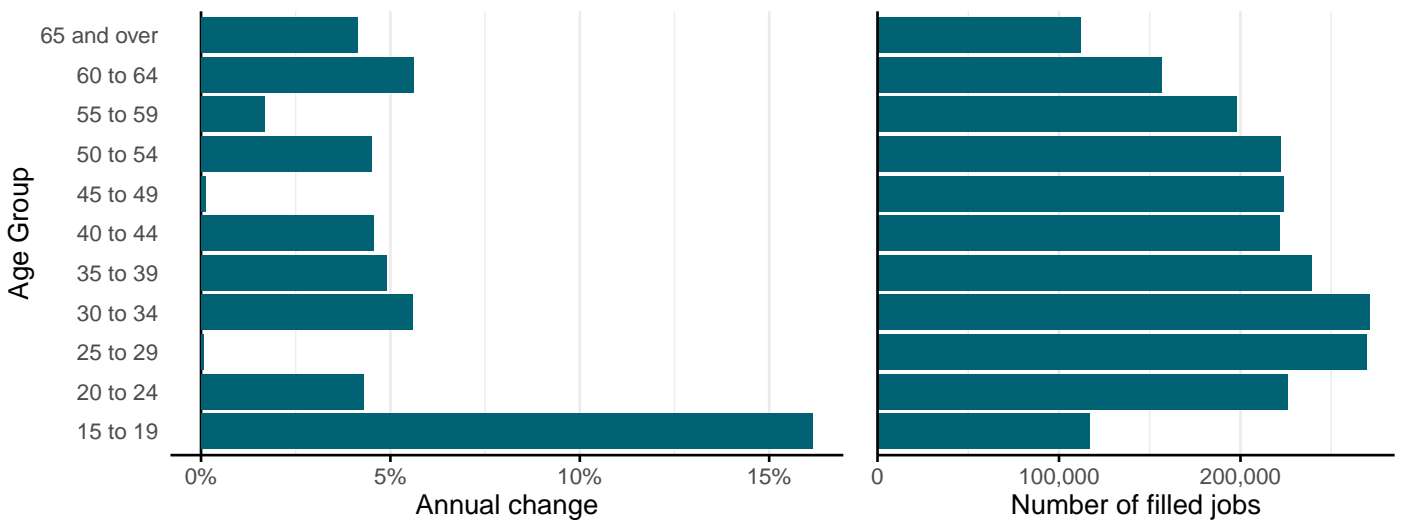
Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to September 2021, next release on 29/11/2021)

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



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to September 2021, next release on 29/11/2021)

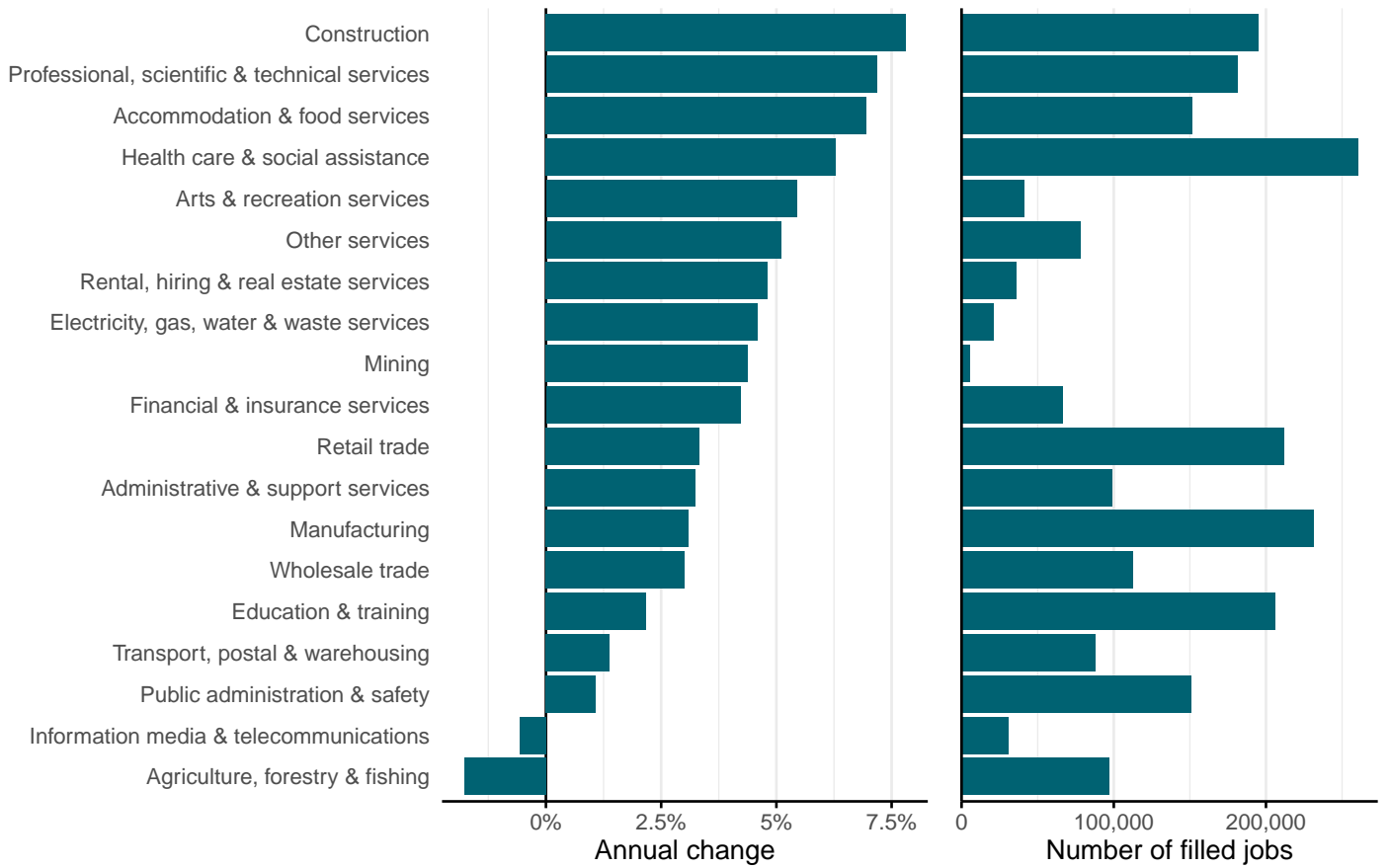
Filled jobs by age group



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to September 2021, next release on 29/11/2021)

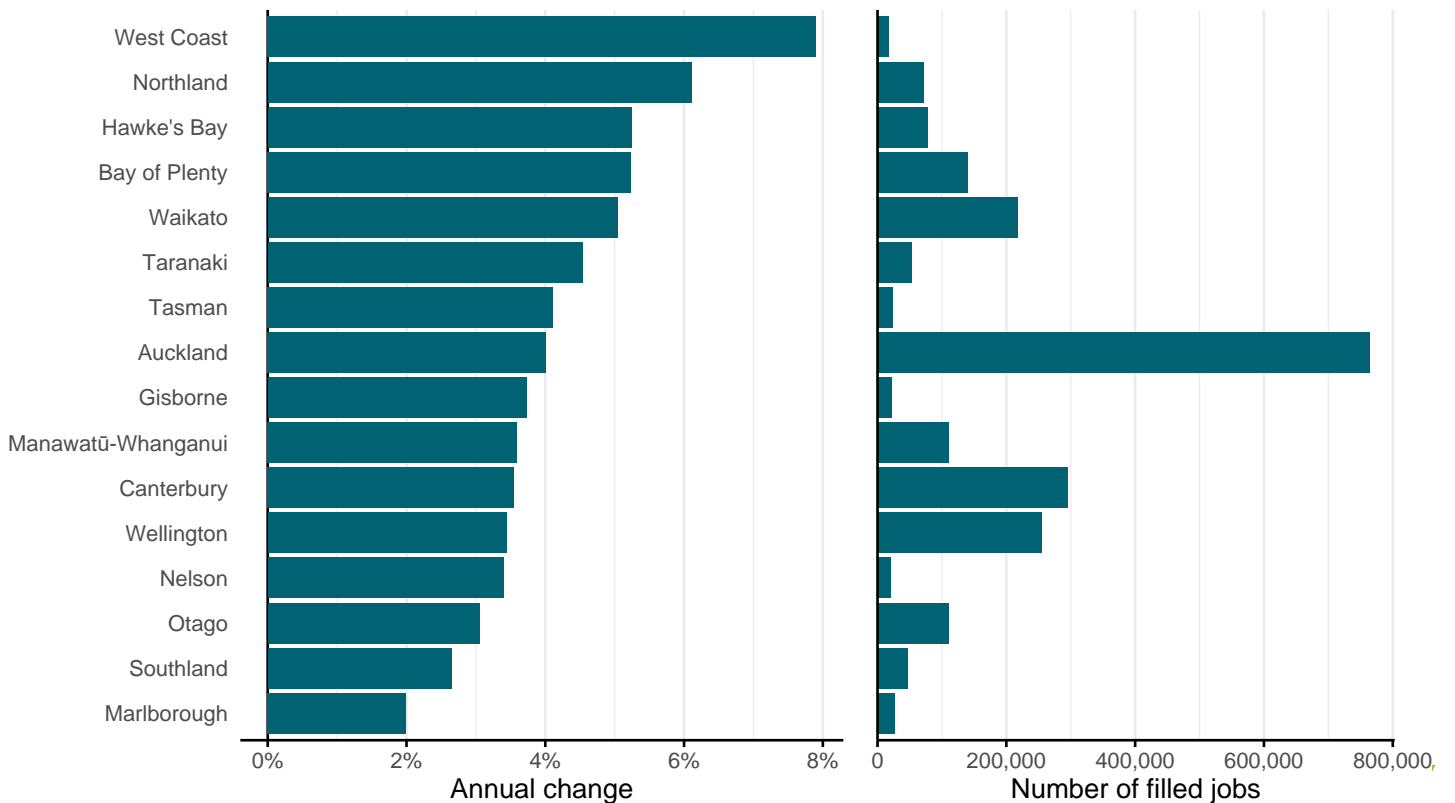


Filled jobs by industry



Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to September 2021, next release on 29/11/2021)

Filled jobs by region

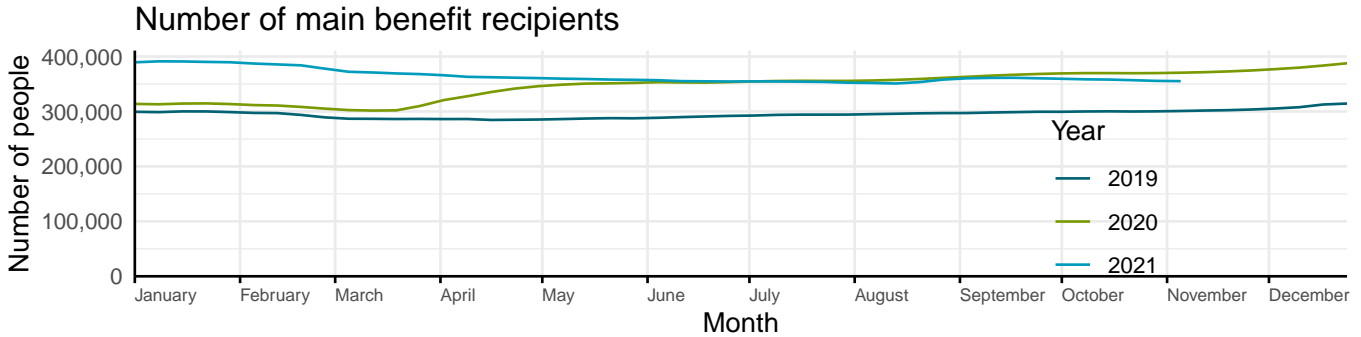


Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to September 2021, next release on 29/11/2021)

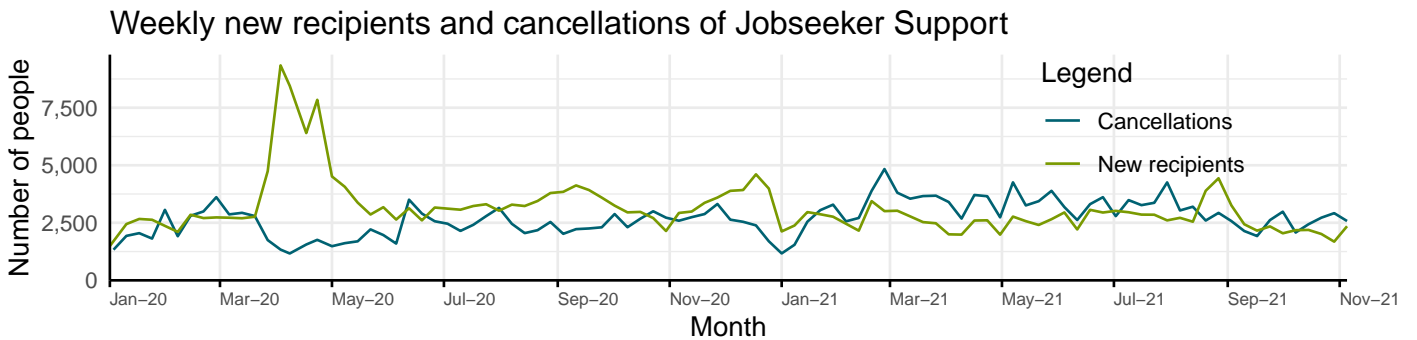


Benefit Recipients

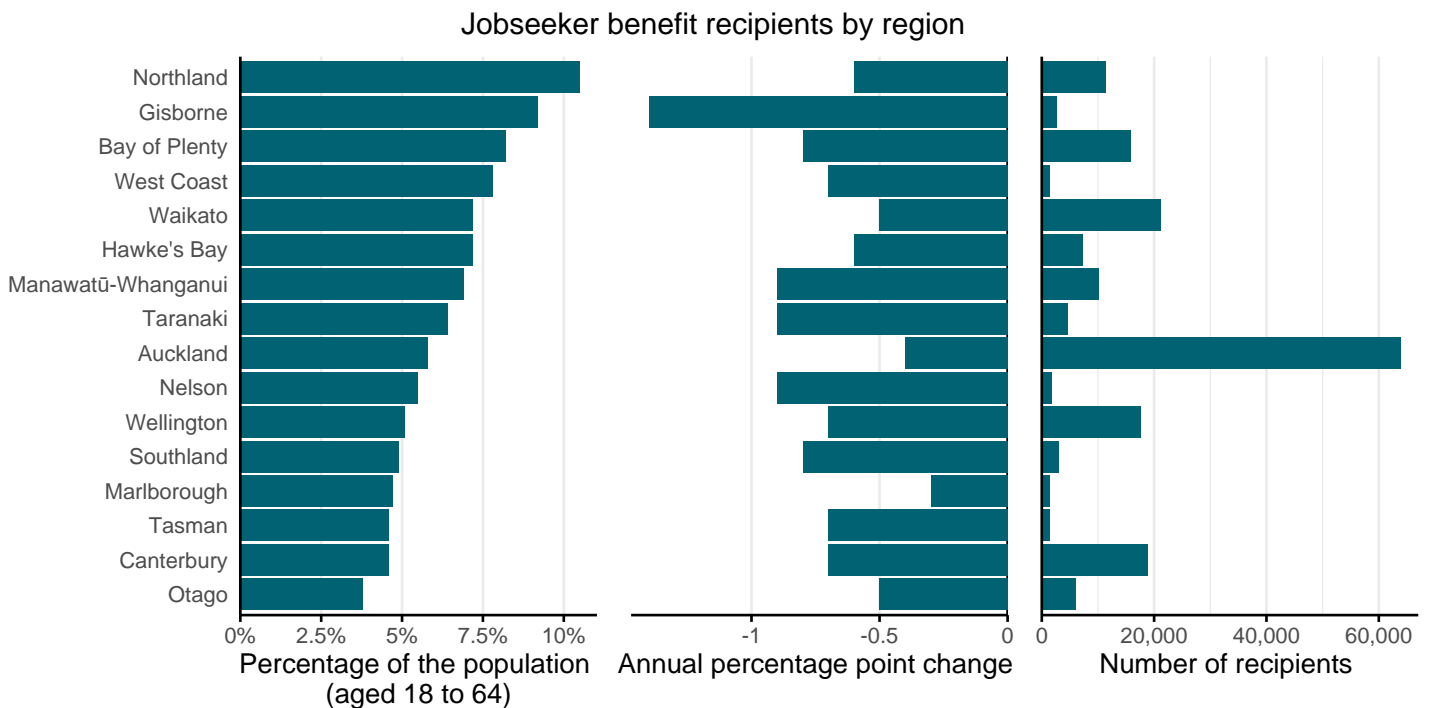
Benefits are primarily a measure of how many people are receiving income support rather than a measure of unemployment, but since 2008 the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals. Measuring all working-age main benefits covers additional 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 05/11/2021, released every Friday)



Working-age main benefits, MSD (Data to 05/11/2021, released every Friday)



Working-age main benefits, MSD (Data to 05/11/2021, released every Friday)



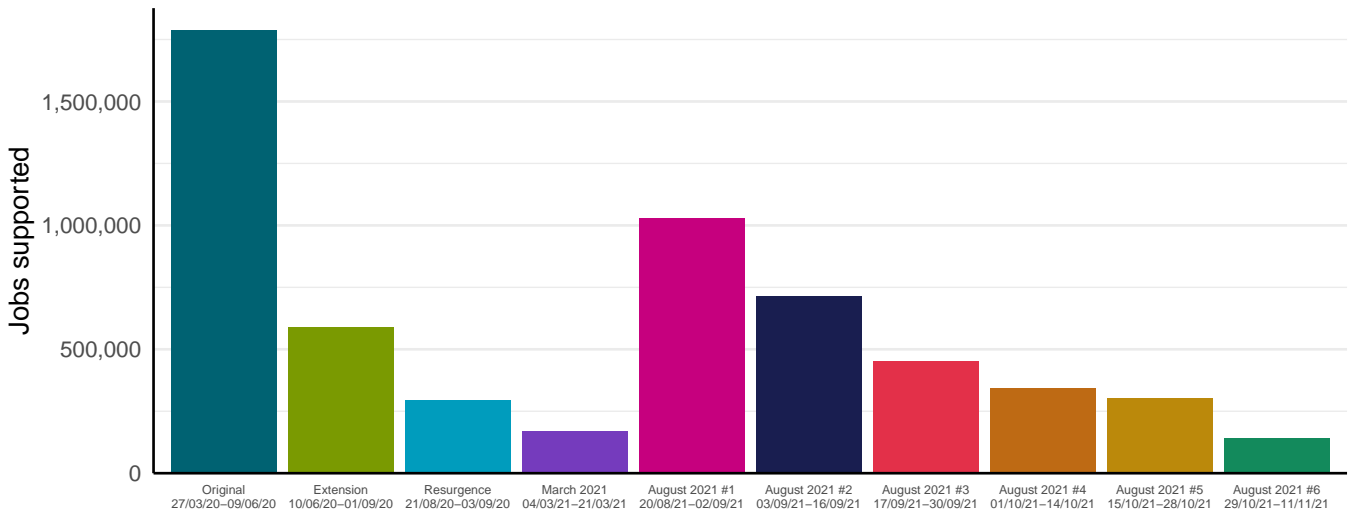
Wage Subsidy

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 2020 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.

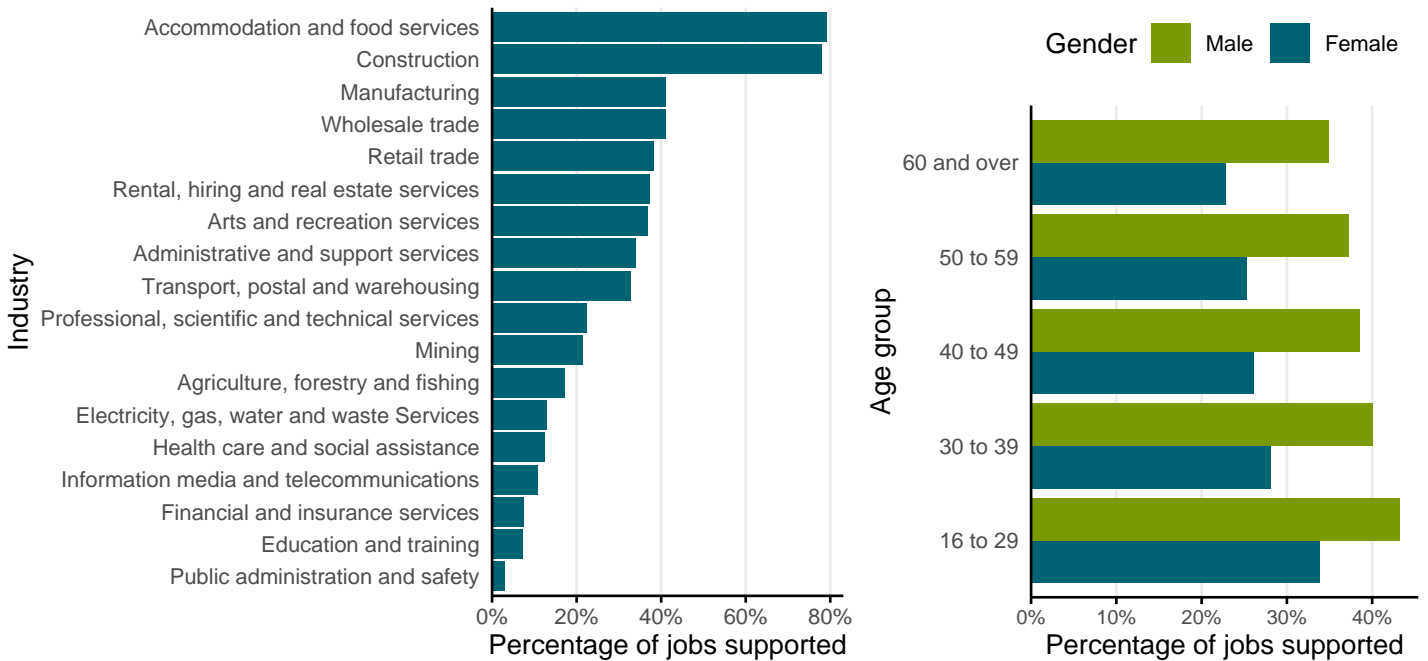
On 17 August 2021, New Zealand moved to Alert Level 4, after which the Wage Subsidy August 2021 was introduced. The Wage Subsidy August 2021 payments support employers to continue to pay employees and protect jobs for businesses affected by changes in COVID-19 alert levels. There are seven wage subsidies related to the August Alert Level changes, which were open from 20 August 2021 and continue through to 25 November 2021.

Number of jobs supported by wage subsidy schemes



Income Support and Wage Subsidy Weekly Update, MSD (Data to 05/11/2021, released every Friday)

Proportion of unique jobs supported by the Wage Subsidy August 2021



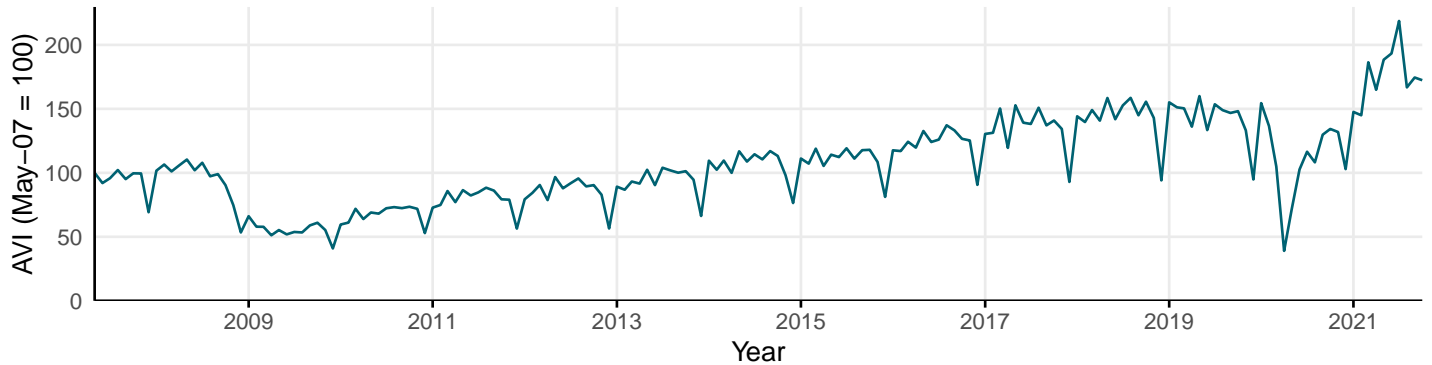
Take-up rates of Wage Subsidy, MSD (Data as at 03/09/21, reflects Wage Subsidy August 2021 #1)



Job Vacancies

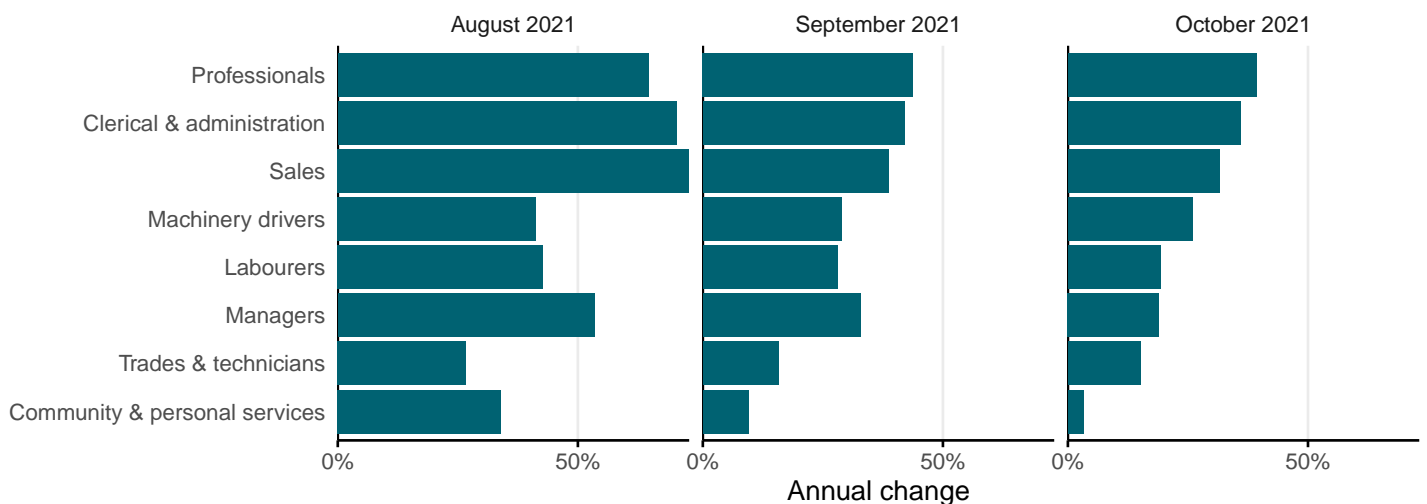
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

All Vacancies Index (AVI) – online job advertising



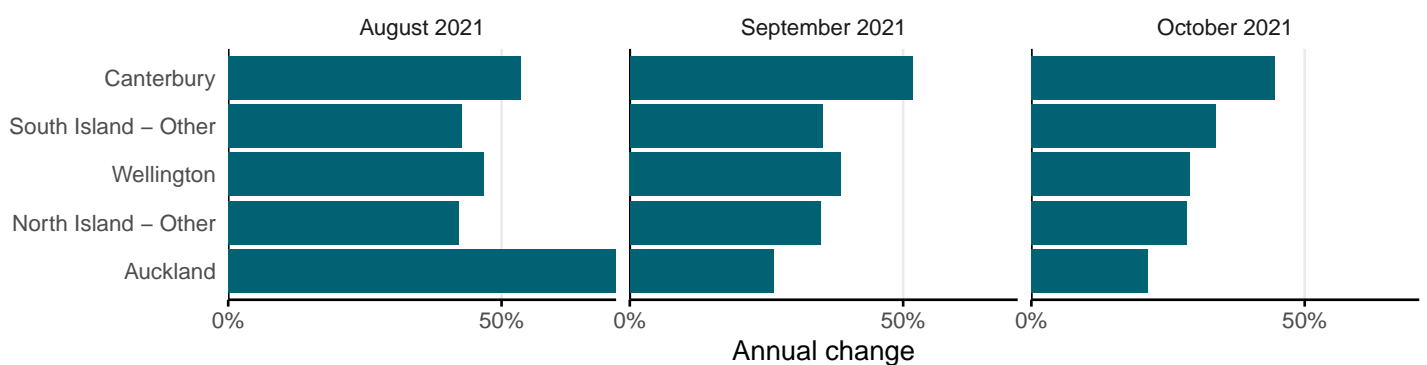
Jobs Online, MBIE (Data to October 2021, next release 10/12/2021)

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



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

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



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



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 edition⁵ 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 edition⁶ 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.

⁵<https://www.mbie.govt.nz/dmsdocument/11556-monthly-labour-market-fact-sheet-july-2020>

⁶<https://www.mbie.govt.nz/dmsdocument/11637-monthly-labour-market-fact-sheet-august-2020>

