

# Monthly Labour Market Fact Sheet — December 2021



MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT  
HĪKINA WHAKATUTUKI

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 focuses on the most recent monthly changes and complements MBIE's quarterly *Labour Market Statistics Snapshot*<sup>1</sup>. For more information on sectors and regions, see MBIE's *COVID-19 economic data*<sup>2</sup>.

The *Monthly Labour Market Fact Sheet* will next be updated on 26 January 2022.

## 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

The labour market recorded the lowest unemployment rate, at 3.4 per cent, in the September quarter since December 2007, when it was also 3.4 per cent. This improved labour market outlook continues with the increase in number of filled jobs for the month of October 2021 (annual increase of 3.5 per cent and monthly increase of 0.1 per cent). However, this increase is not uniform across all age groups and industries. The number of filled jobs decreased by 0.4 per cent for 45 – 49 years old and decreased by 0.2 per cent for 25 – 29 years old compared to October 2020. The number of filled jobs decreased in Agriculture, forestry & fishing and Public administration & safety by 1.8 per cent and 7.2 per cent respectively while the number increased by 8.6 per cent in the Construction sector compared to October 2020.

The number of people on all main benefits since mid September 2021 continues to be less than 2020 numbers (standing at 358,044 people as of 3 December 2021). The trend in weekly Jobseeker Support numbers is as usual during this time of the year, showing an increase in new recipients (3,195) and a decrease in cancellations (2,919). However, a peak in Jobseeker Support cancellations is observed as of 12 November 2021, reaching 8,280 which is due to 1,779 people obtaining work, 5,886 transferring to another benefit and 612 cancelling for other reasons. The percentage of the population on Jobseeker Support reduced in all regions compared to last year while Northland still has the highest percentage of people on Jobseeker Support benefit (9.9 per cent).

With the COVID-19 Protection Framework (traffic lights) in place and the explicit guidelines for all businesses, economic activity has seen an increase<sup>3</sup>. As of 3 December 2021<sup>4</sup>, 103,000 jobs are supported by the #8 August Wage Subsidy program, with a reduction in the proportion of jobs supported in the Auckland region (8 per cent under #8 August Wage Subsidy program compared to 45 percent under #1 August Wage Subsidy program). Seek NZ, a job advertisement board, reported an 8 per cent increase in jobs advertised for the Auckland region during November 2021 compared to October 2021 which is higher than the National increase of 5 per cent<sup>5</sup>.

The labour market continues to show signs of tightness during November 2021 as *Seek NZ* reported a 3 per cent decrease in applications per job received compared to October and a decrease of 36 per cent compared to November 2019.

<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/>

<sup>3</sup>[https://mbienz.shinyapps.io/card\\_spend\\_covid19/](https://mbienz.shinyapps.io/card_spend_covid19/)

<sup>4</sup>This is half way through the number 8 August Wage Subsidy program

<sup>5</sup><https://www.seek.co.nz/about/news/seek-nz-employment-report-unseasonably-late-boost-to-job-ads-in-november>

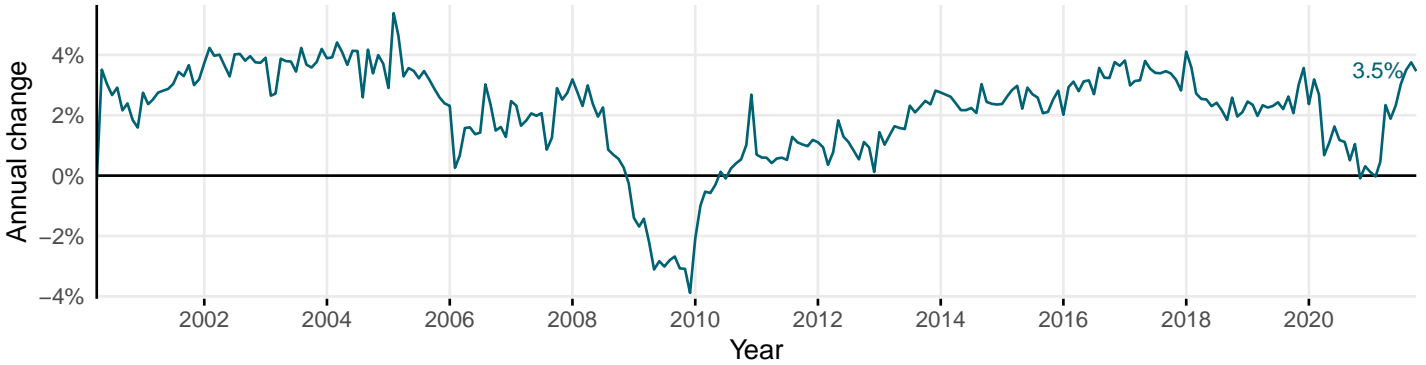


# Filled Jobs

October 2021

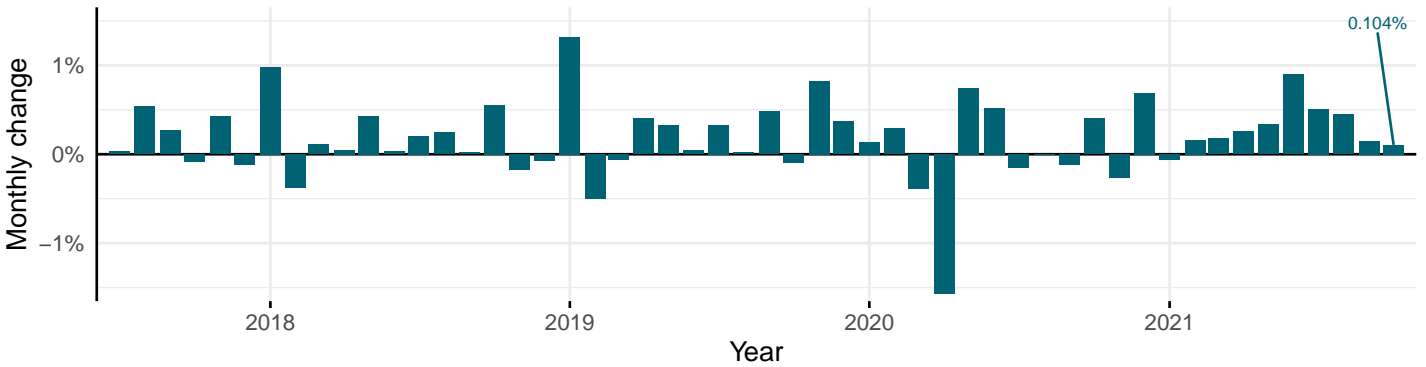
Stats NZ's Monthly Employment Indicators (MEIs) count filled jobs, using employer payroll filing tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed, they do not necessarily represent full-time or permanent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

Annual percentage change in the number of filled jobs



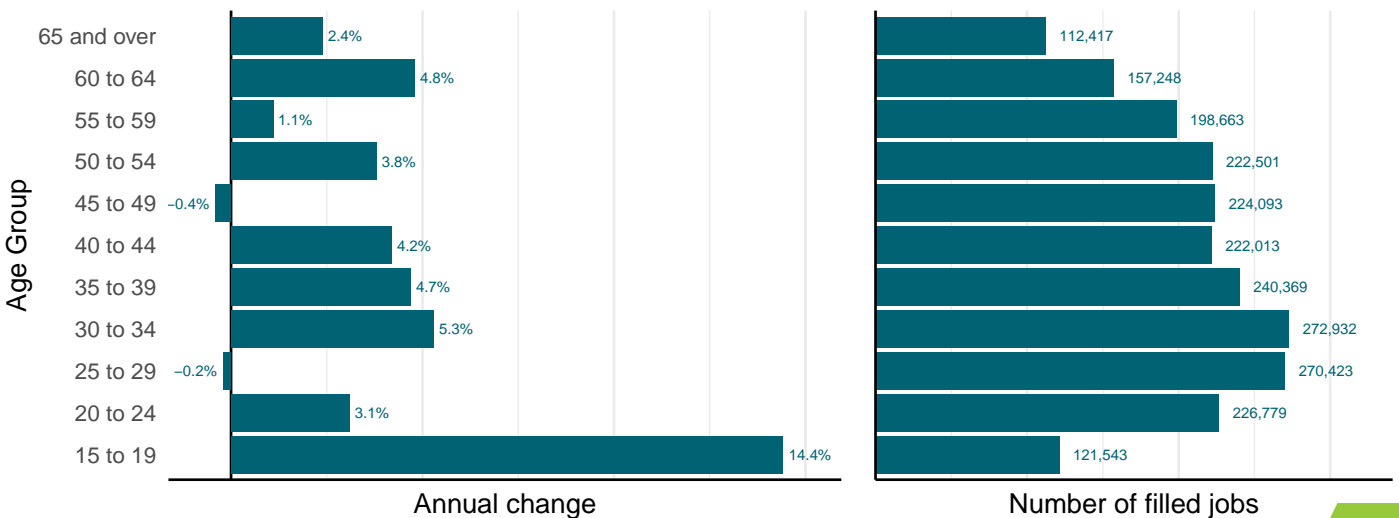
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to October 2021, next release on 12/01/2022)

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



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to October 2021, next release on 12/01/2022)

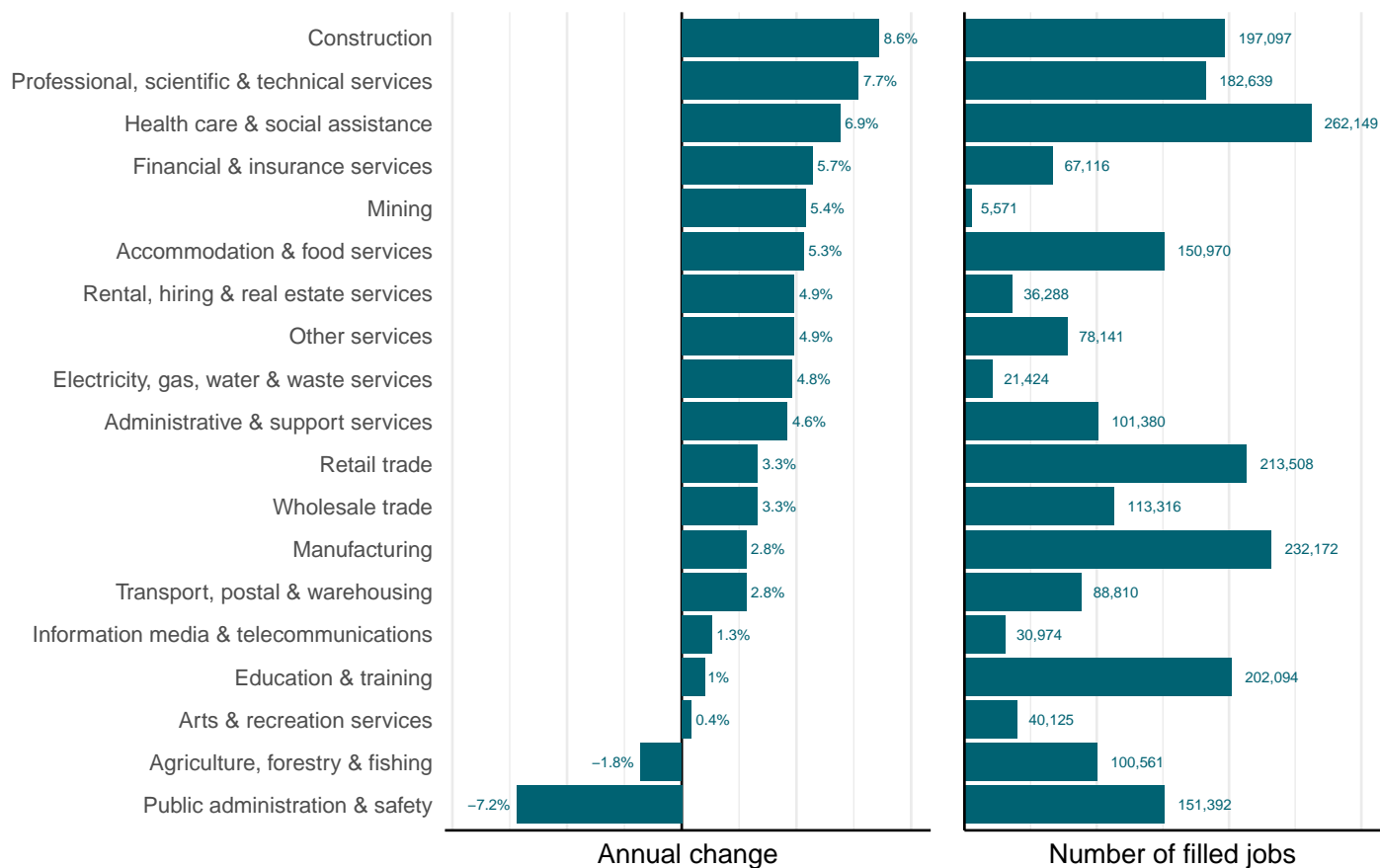
## Filled jobs by age group



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to October 2021, next release on 12/01/2022)

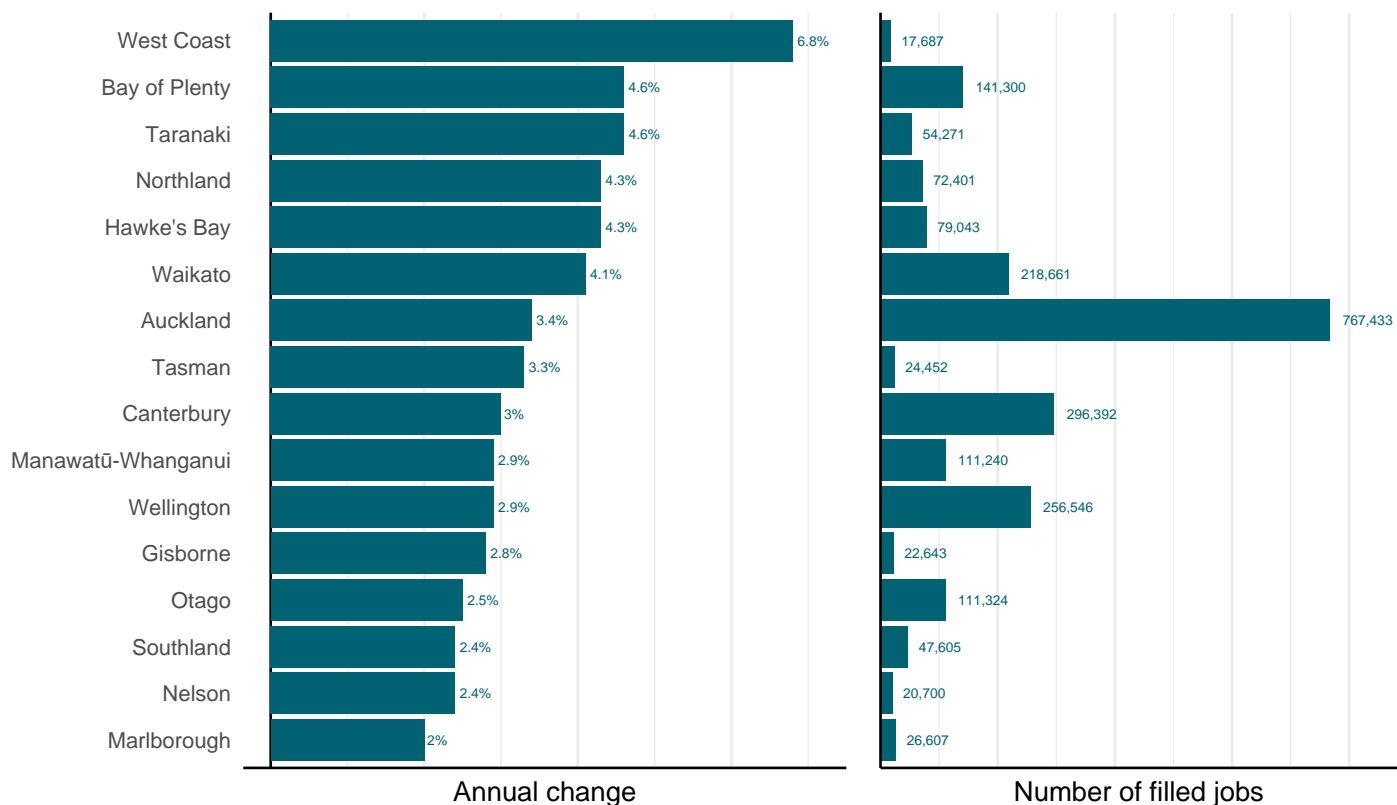


### Filled jobs by industry



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to October 2021, next release on 12/01/2022)

### Filled jobs by region



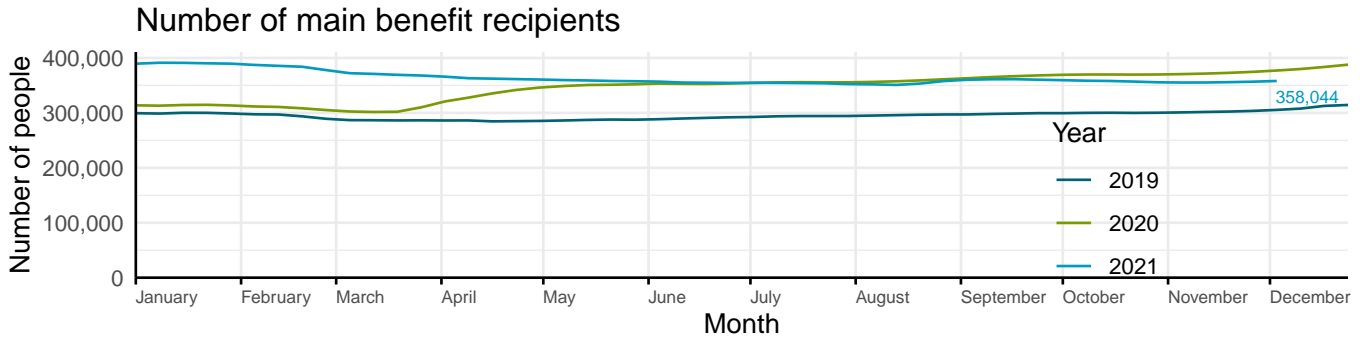
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to October 2021, next release on 12/01/2022)



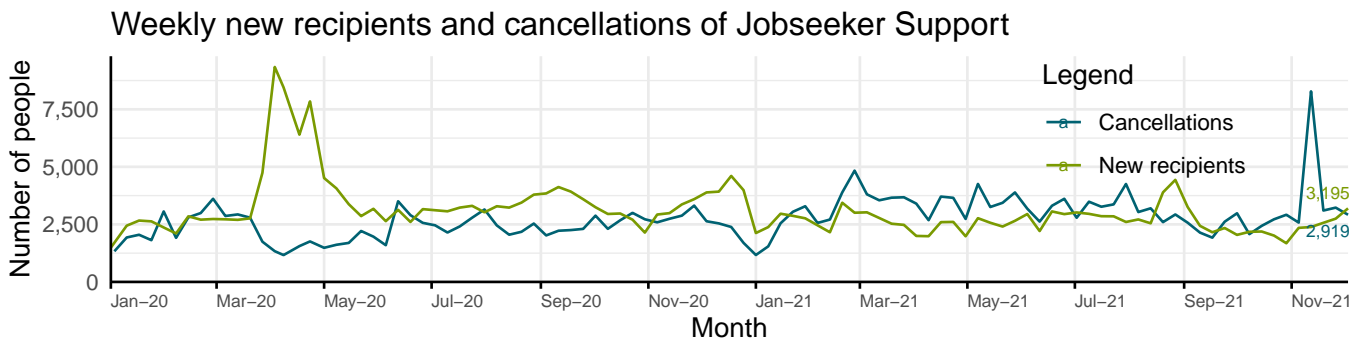
# Benefit Recipients

As of 3rd December, 2021

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.

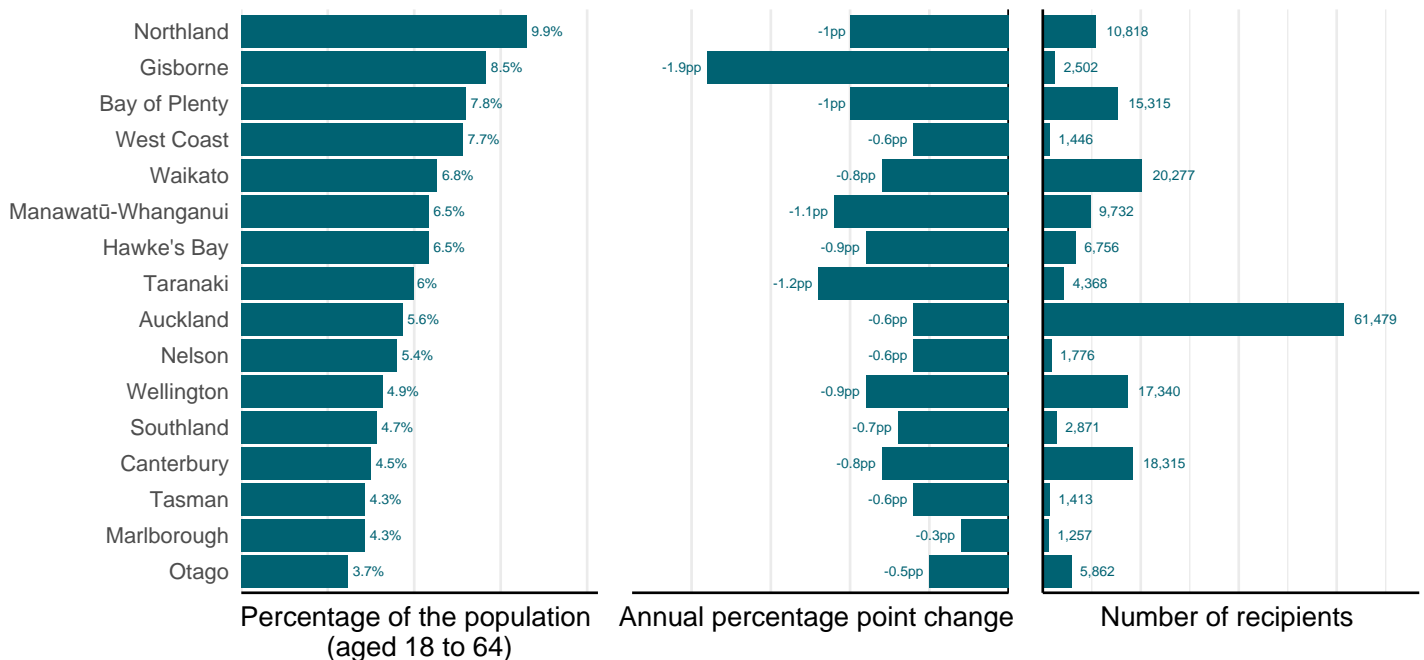


Source: Working-age main benefits, MSD (Data to 03/12/2021, released every Friday)



Source: Working-age main benefits, MSD (Data to 03/12/2021, released every Friday)

## Jobseeker benefit recipients by region



Source: Working-age main benefits, MSD (Data to 03/12/2021, released every Friday)



# Wage Subsidy

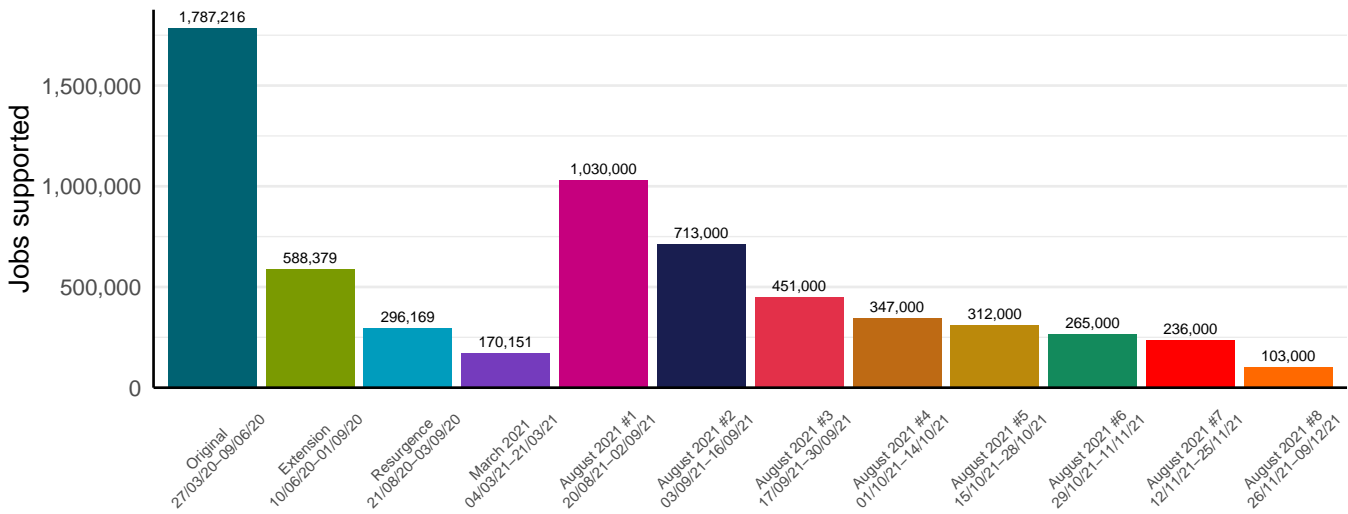
As of 3rd December, 2021

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.

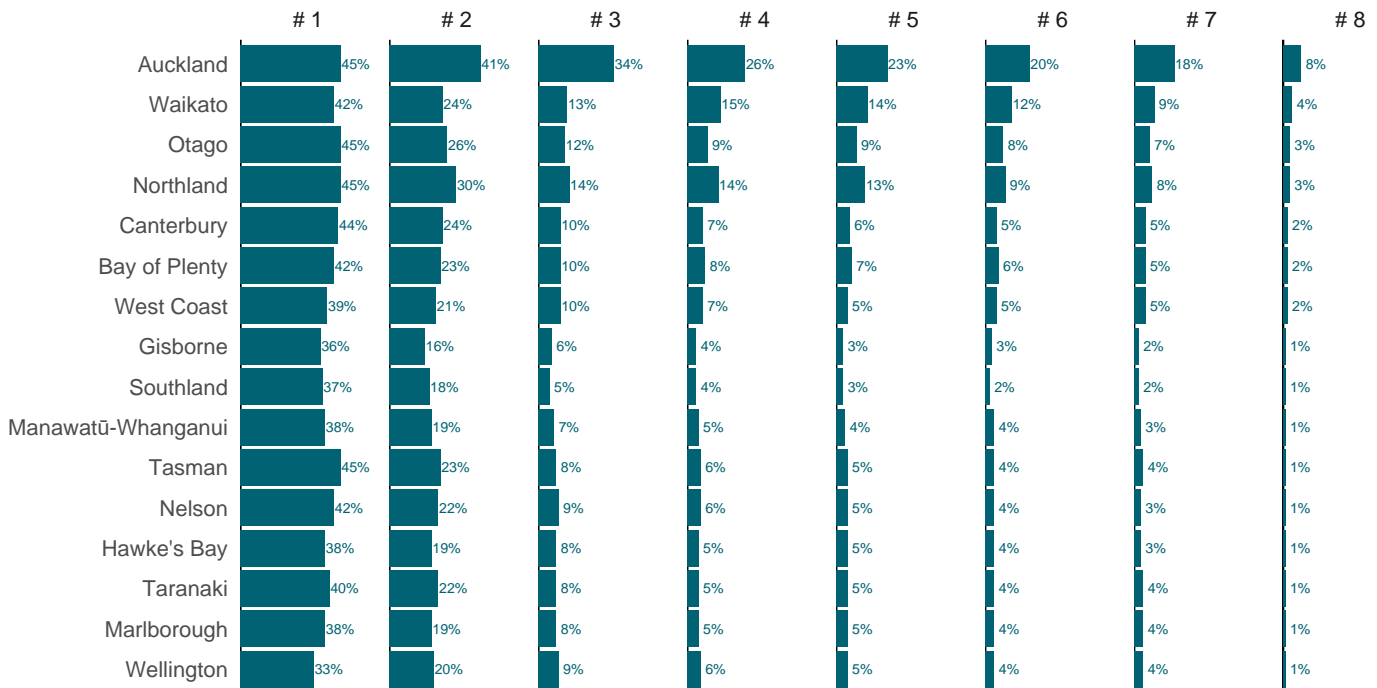
On 17 August 2021, New Zealand moved to Alert Level 4, after which the Wage Subsidy August 2021 was introduced. The Wage Subsidy August 2021 payments support employers to continue to pay employees and protect jobs for businesses affected by changes in COVID-19 alert levels. There are eight wage subsidies related to the August Alert Level changes, which were open from 20 August 2021 and continue through to 09 December 2021.

## Number of jobs supported by wage subsidy schemes



Source: Income Support and Wage Subsidy Weekly Update, MSD (Data to 03/12/2021, released every Friday)

## Proportion of unique jobs supported by the Wage Subsidy August 2021



Source: Income Support and Wage Subsidy Weekly Update, MSD (Data to 03/12/2021, released every Friday)



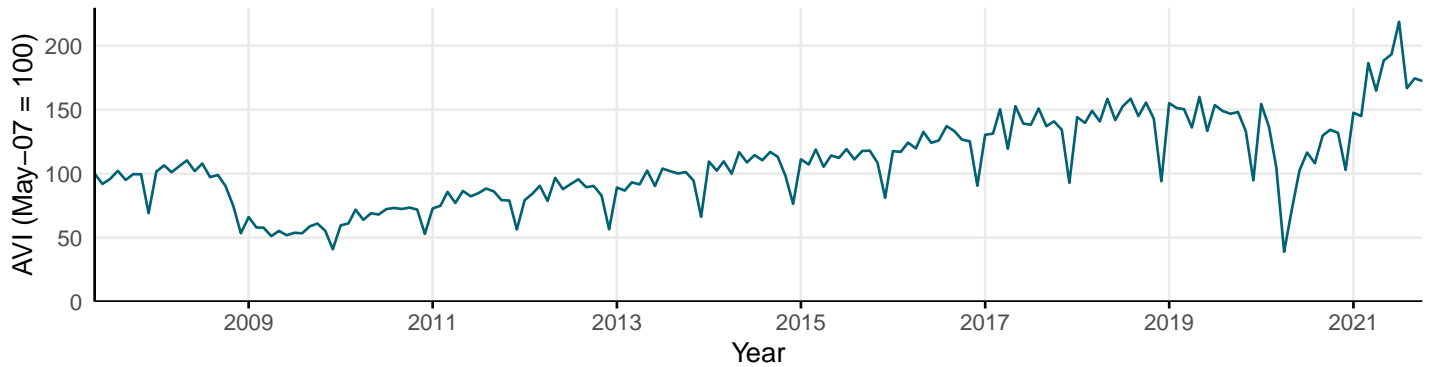
# Job Vacancies

## October 2021

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.

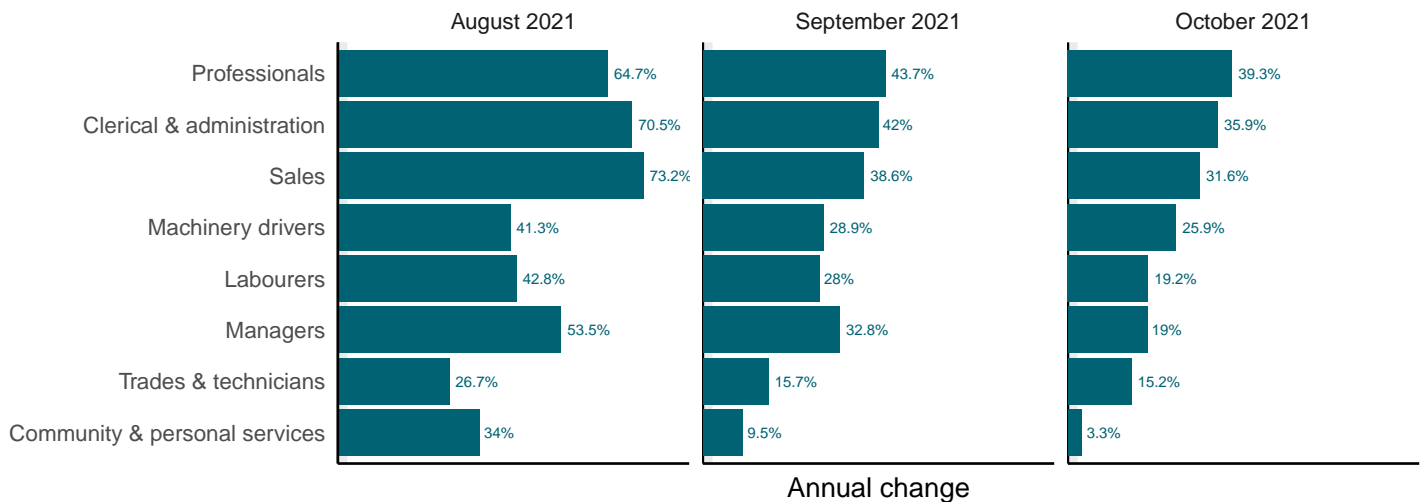
UPDATE: The vacancy data for the month of November 2021 is not available at the time of publication.

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



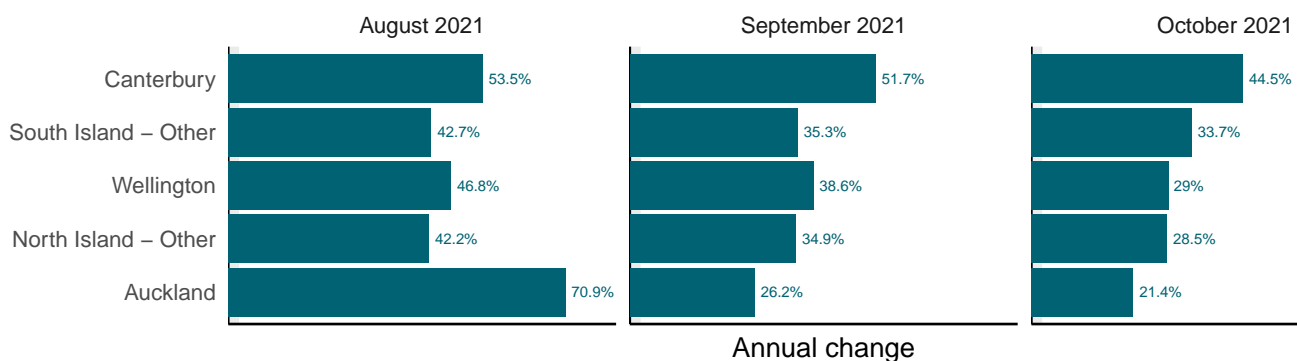
Source: Jobs Online, MBIE (Data to October 2021, next release 21/01/2022)

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



Source: Jobs Online, MBIE (Data to October 2021, next release 21/01/2022)

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



Source: Jobs Online, MBIE (Data to October 2021, next release 21/01/2022)



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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>

### 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 edition<sup>6</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>7</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>6</sup><https://www.mbie.govt.nz/dmsdocument/11556-monthly-labour-market-fact-sheet-july-2020>

<sup>7</sup><https://www.mbie.govt.nz/dmsdocument/11637-monthly-labour-market-fact-sheet-august-2020>

