

Monthly Labour Market Fact Sheet — July 2022

This monthly fact sheet summarises the latest labour market information. It focuses 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 be updated next on 22 August 2022.

Overview

Headline quarterly statistics

Data up to March 2022 quarter

Measures	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Employment	2,748,000	2,774,000	2,824,000	2,824,000	2,826,000
— Paid Employee or Employer	2,366,800	2,396,400	2,435,000	2,458,000	2,448,300
— Self-employed	354,100	342,400	351,600	353,300	356,000
Employment Rate	67.1%	67.7%	68.8%	68.8%	68.6%
Participation Rate	70.4%	70.5%	71.2%	71.1%	70.9%
Underutilisation	361,000	312,000	277,000	276,000	280,000
— Unemployment	133,000	114,000	98,000	93,000	94,000
— Underemployment	122,000	107,000	97,000	102,000	95,000
— Potential Labour Force	106,000	91,000	83,000	82,000	91,000
Underutilisation Rate	12.1%	10.5%	9.2%	9.2%	9.3%
Unemployment Rate	4.6%	4.0%	3.3%	3.2%	3.2%
Not in the Labour Force	1,212,000	1,208,000	1,182,000	1,188,000	1,197,000
Youth Not in Employment, Education or Training (NEET)	79,000	79,000	79,000	70,000	74,000
NEET Rate	12.1%	12.3%	12.2%	10.9%	11.5%
Average Weekly Hours Paid (per FTE)	38.46	39.02	38.86	38.98	38.81

Source: 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 March 2022 quarter, next release on 03/08/2022)*. All the data except Paid Employee or Employer, Self-employed and Average Weekly Hours Paid (per FTE) are seasonally adjusted.

The recent story

The New Zealand labour market continues to show growth with the number of filled jobs increasing during the first two months of the June quarter 2022 (year to April (2.7 per cent) and year to May (2.8 per cent)). Over the year to May 2022, the number of filled jobs increased by 62,253. The following industries registered the highest increases in the number of filled jobs: Professional, scientific & technical services (13,192 more jobs), Construction (10,323 more jobs), and Retail trade (7,405 more jobs). However, both in April and May 2022 the annual growth in filled jobs continues to be negative for Arts & recreation services, Accommodation & food services, Agriculture, forestry & fishing, Education & training, and Information media & telecommunications industries.

Hiring intentions remained positive³. The growth in online job advertisements was 1.7 per cent over the year to June 2022, which is slower than recorded last month. However, this slower growth in online job advertisements is usual for this time of the year.

The proportion of the working-age population on main benefits continued since May 2022 to remain below the levels seen in 2021 and 2020. There were 344,622 people on all main benefits as at 1 July 2022, with 100,086 on the Jobseeker Support-Work Ready benefit. Overall, since February 2022, the number of new recipients of Jobseeker Support remained below the number of cancellations.

The continued support from the Government, along with other aspects such as businesses adopting flexible working arrangements and high demand in the economy, have helped the New Zealand labour market recover from the COVID-19 outbreak. New Zealand registered the lowest unemployment rate, 3.2 per cent in the March 2022 quarter, since the series began in 1986. During 2020 and 2021, there were different Wage subsidy programmes in place (see the details under the Wage Subsidy section). The proportions of jobs supported varied across different industries during those two years. The proportions of jobs supported during 2020 and 2021 remained highest, with almost 100 per cent coverage for Construction and Accommodation and food services. However, the proportions of jobs supported during 2021 as compared to 2020 substantially reduced for Transport, postal and warehousing, and Professional, scientific and technical services.

Despite the increase in filled jobs and continuing demand for labour, future labour market conditions remain uncertain amid geopolitical disturbances, high inflation, and uncertain inbound and outbound migration behaviours. The labour market statistics for June quarter 2022 will be released on 3 August 2022 which will present a clearer outlook of the labour market.

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/>

³https://www.bnz.co.nz/assets/markets/research/20220705_The-QSBO.pdf?a226c3f76cb51b8b7e7f9d5a5fe6985bcc85a0b5



Filled Jobs

Data up to May 2022

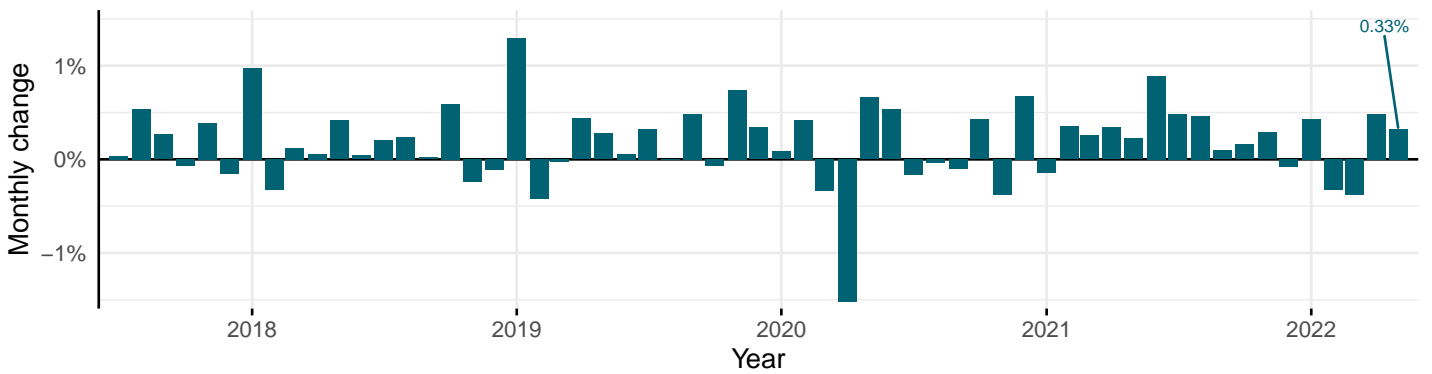
Stats NZ's Monthly Employment Indicators (MEIs) count of filled jobs uses employer payday filing of tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed. Recent results can be subject to fluctuations due to different employers' payroll schedules.

Annual percentage change in the number of filled jobs



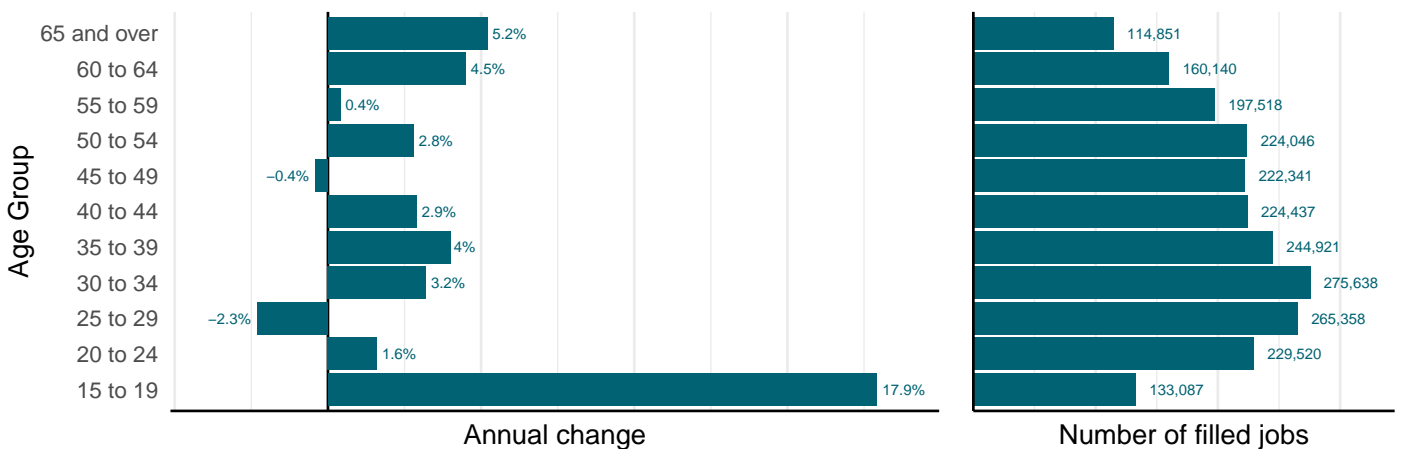
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2022, next release on 28/07/2022)

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



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2022, next release on 28/07/2022)

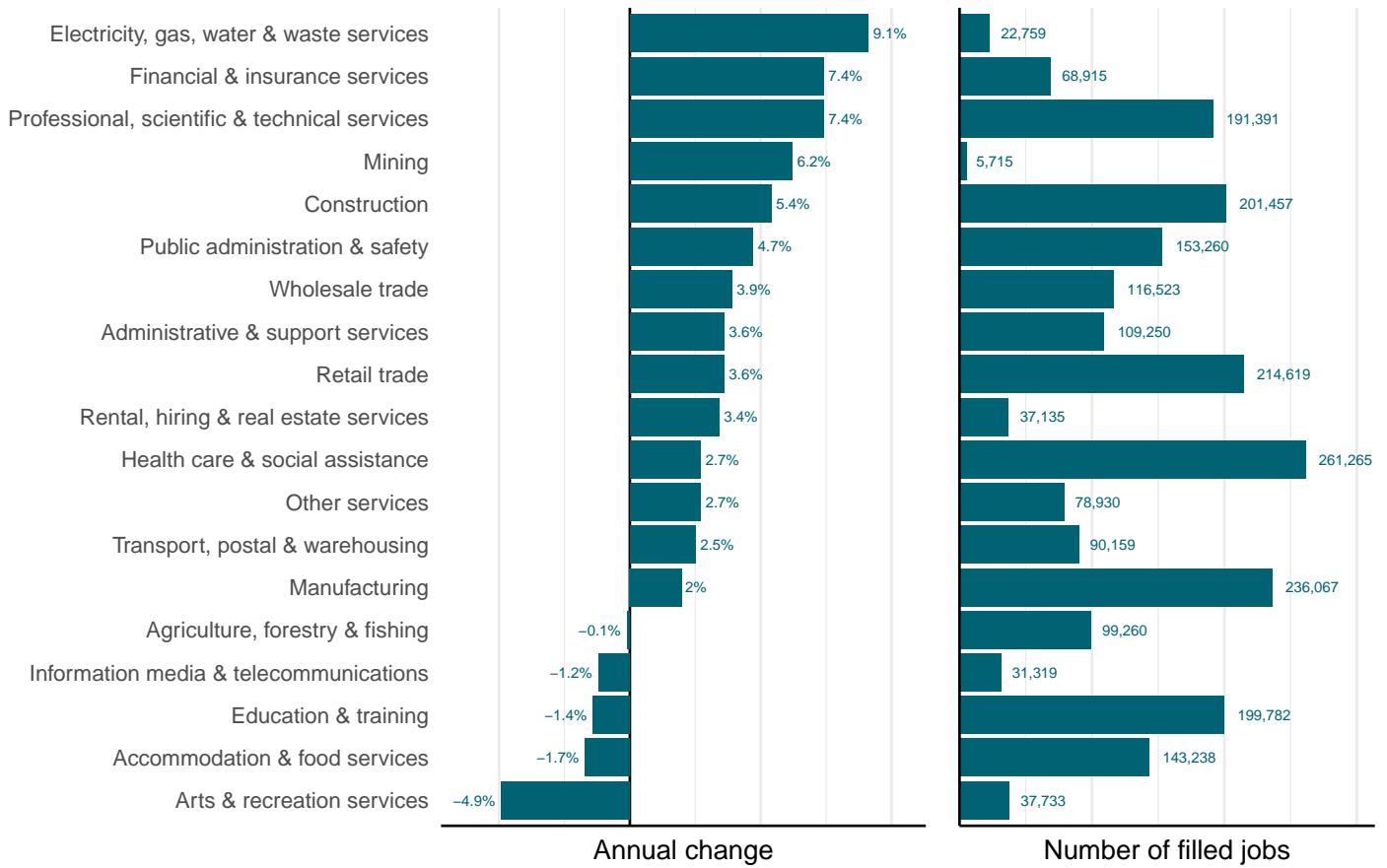
Filled jobs by age group



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2022, next release on 28/07/2022)

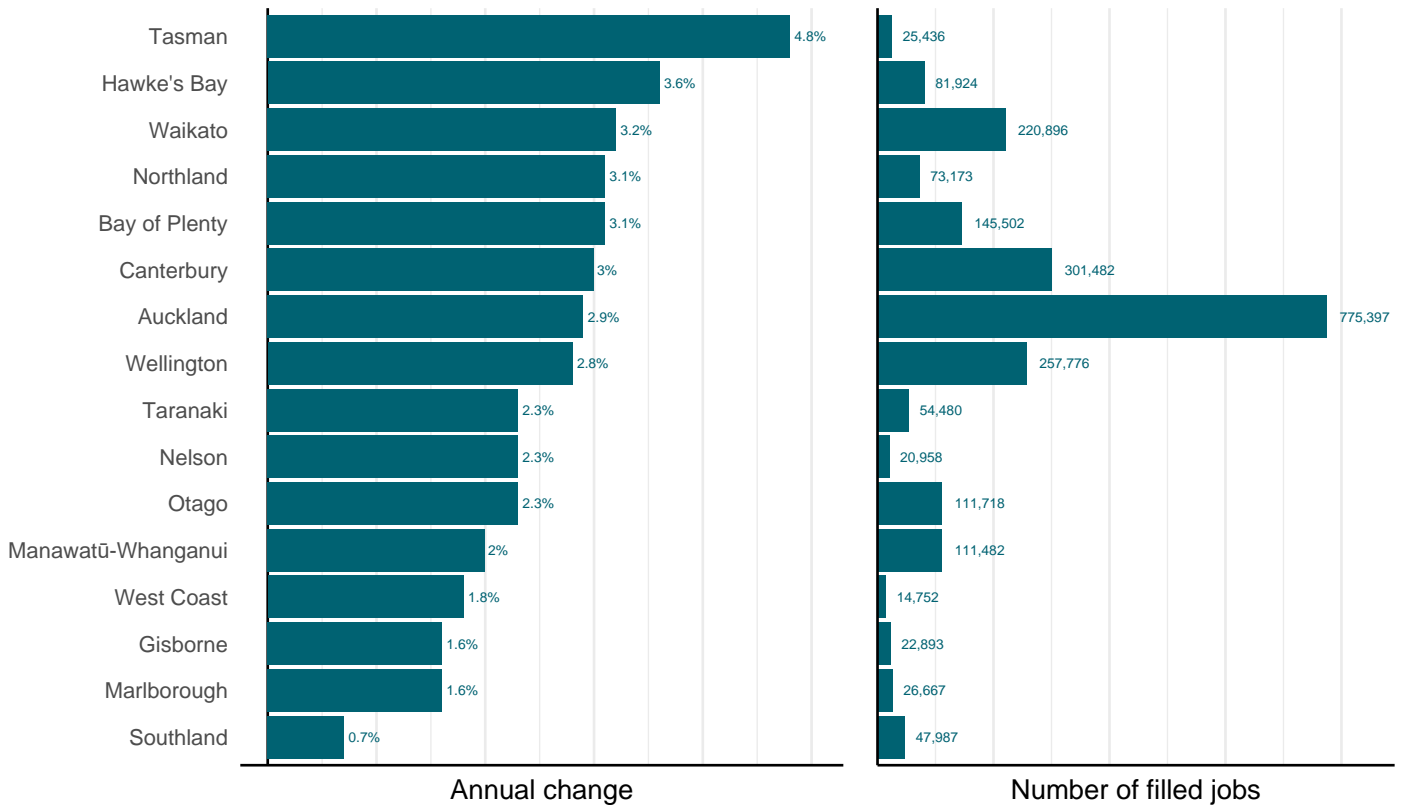


Filled jobs by industry



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2022, next release on 28/07/2022)

Filled jobs by region



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2022, next release on 28/07/2022)

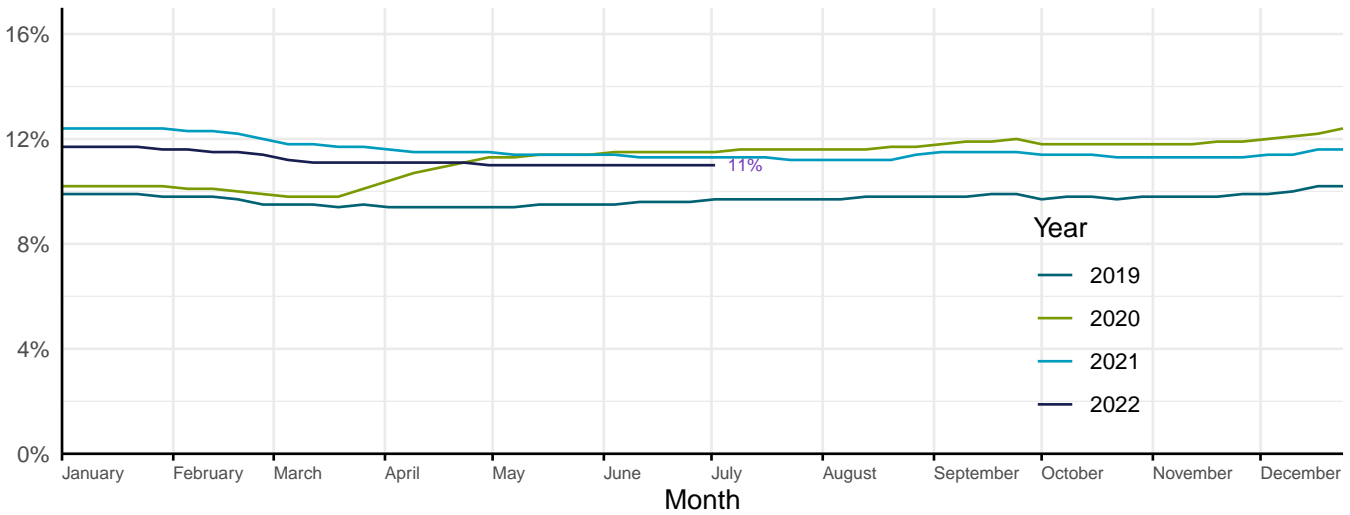


Benefit Recipients

Data up to 1 July 2022

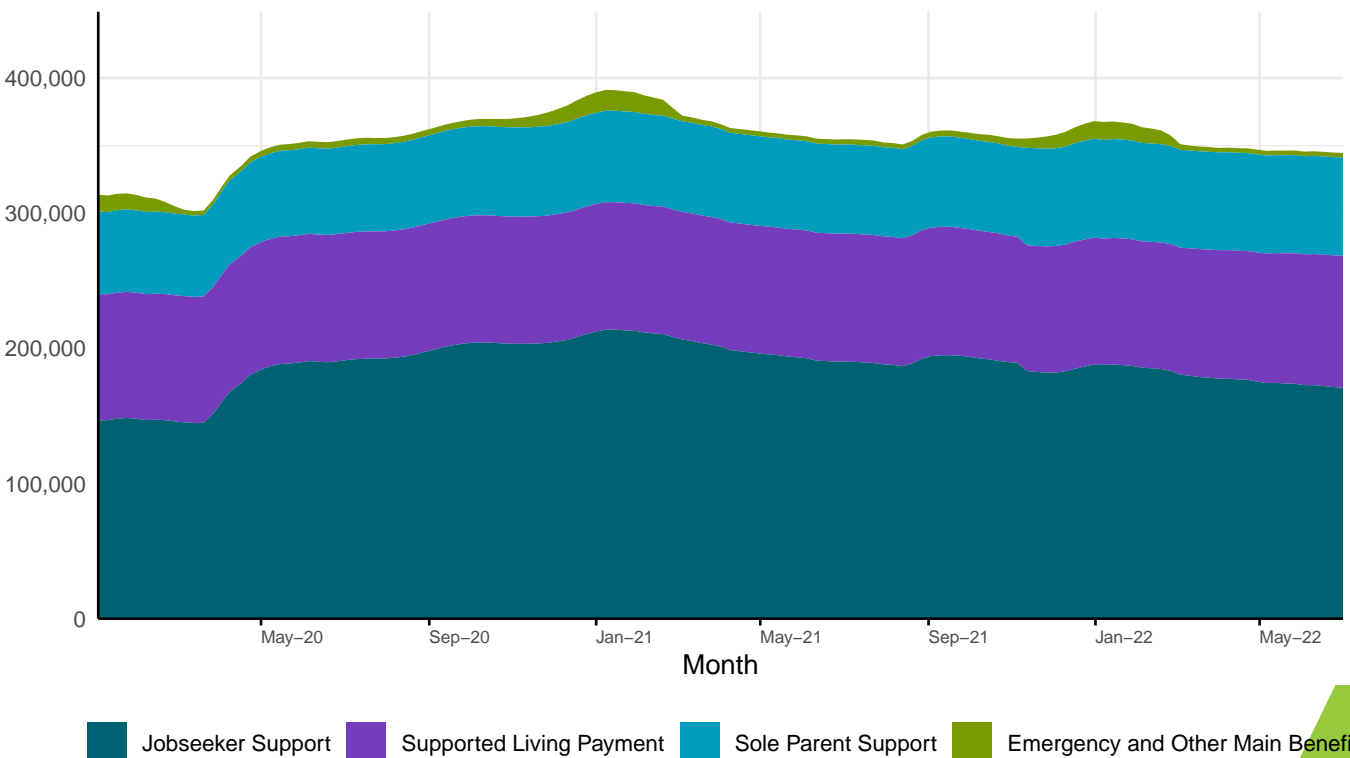
Benefits are primarily a measure of how many people are receiving income support rather than a direct measure of unemployment. Main benefits for working-age people (18 to 64 years) include: Jobseeker Support, Sole Parent Support, Supported Living Payment, and Emergency and Other main benefits. Benefit numbers, particularly Jobseeker Support - Work Ready may be used as a timely indicator of measuring “slack” in the labour market (which is officially measured through the underutilisation rate from the Household Labour Force Survey (HLFS)). While the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals from the HLFS, there is limited overlap between these two groups. For example, benefit numbers are essentially a measure of income support, which can be affected by policy and operational changes, therefore the relationship with official underutilisation can vary.

Percentage of the estimated working-age population receiving all main benefits



Source: Working-age main benefits, MSD (Data to 01/07/2022, released every Friday)

All main benefits



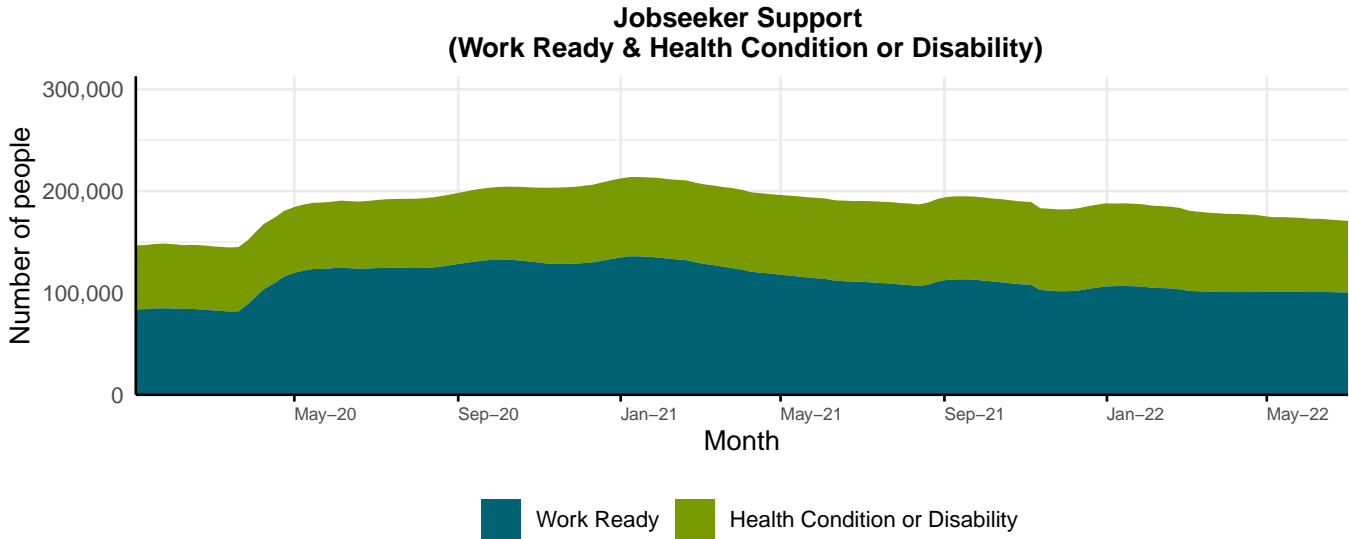
Source: Working-age main benefits, MSD (Data to 01/07/2022, released every Friday)



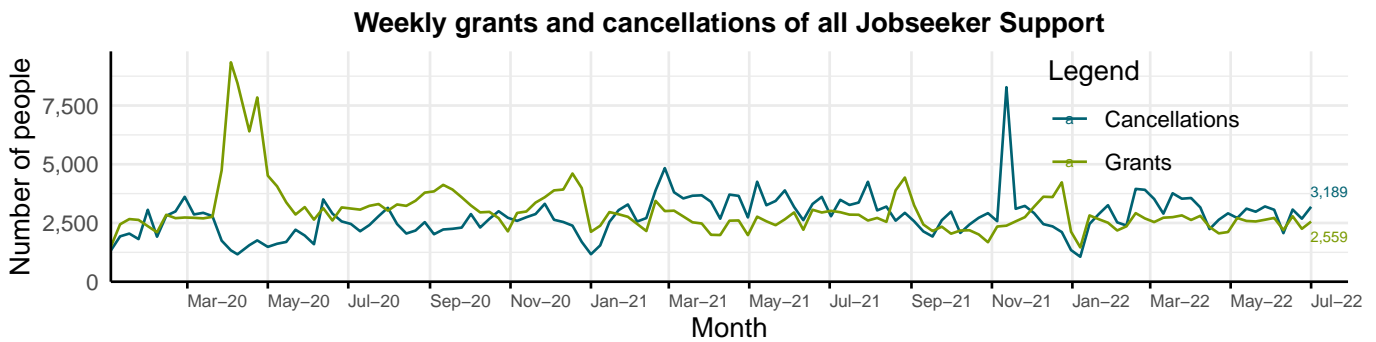
Jobseeker Benefit Recipients

Data up to 1 July 2022

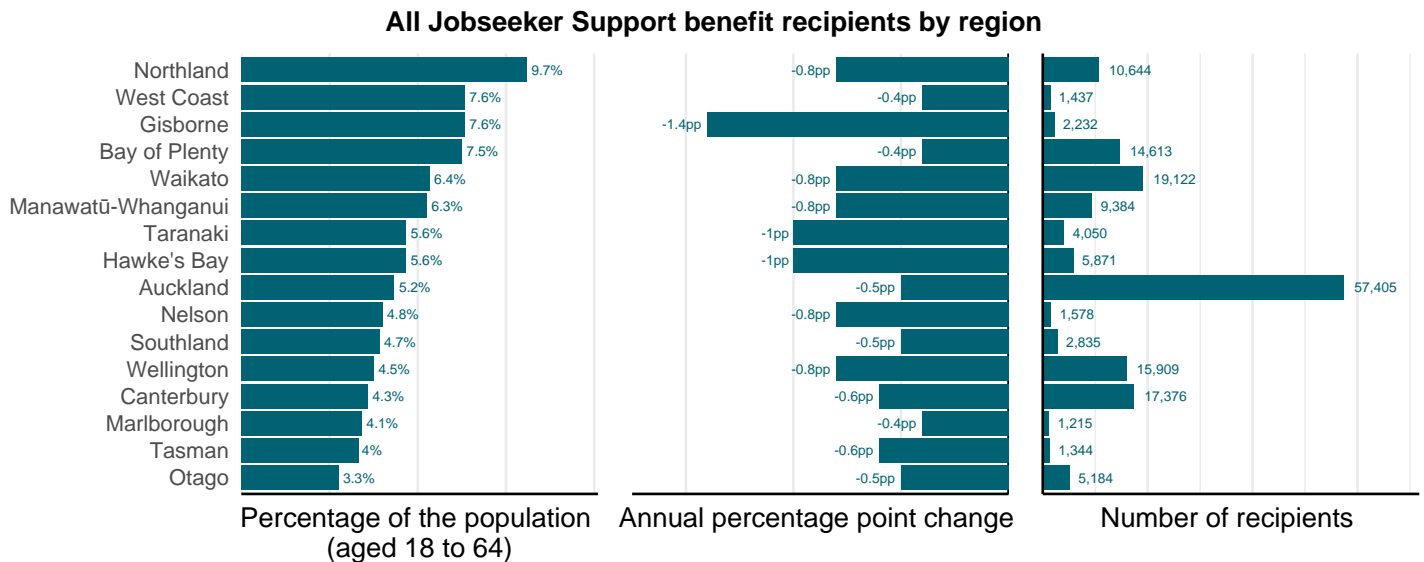
Jobseeker Support is for people who are actively looking for or preparing for work. It includes both Jobseeker Support - Work Ready (JS-WR) and Jobseeker Support - Health Condition or Disability (JS-HCD). It is a weekly payment that helps people until they find work. It includes people not in employment and looking for a job, or in part-time employment seeking more work (JS-WR), or those who have a health condition or disability affecting their ability to work, which means that either they need to reduce their hours or stop working for a while (JS-HCD).



Source: Working-age main benefits, MSD (Data to 01/07/2022, released every Friday)



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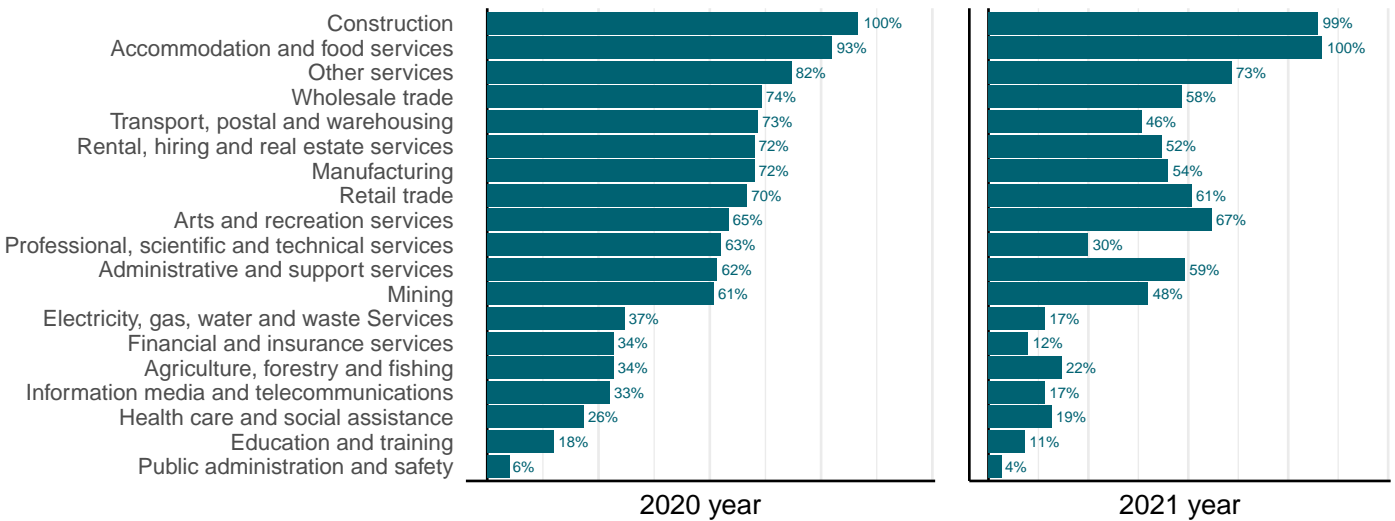
Wage Subsidy

Several COVID-19 wage subsidies were available since March 2020 to help employers and self-employed people who would otherwise have had to lay off staff or reduce their hours due to COVID-19⁴.

The COVID-19 Wage Subsidy available from 27 March 2020 to 9 June 2020, supported many jobs (1,787,216 jobs) compared with subsequently available subsidies. The original Wage Subsidy Scheme was followed by the Wage Subsidy Extension introduced on 10 June 2020, which supported 588,379 jobs. In addition, a Resurgence Wage Subsidy payment was available for the last two weeks in August 2020 when Auckland was placed at Alert Level 3 and it supported 296,169 jobs.

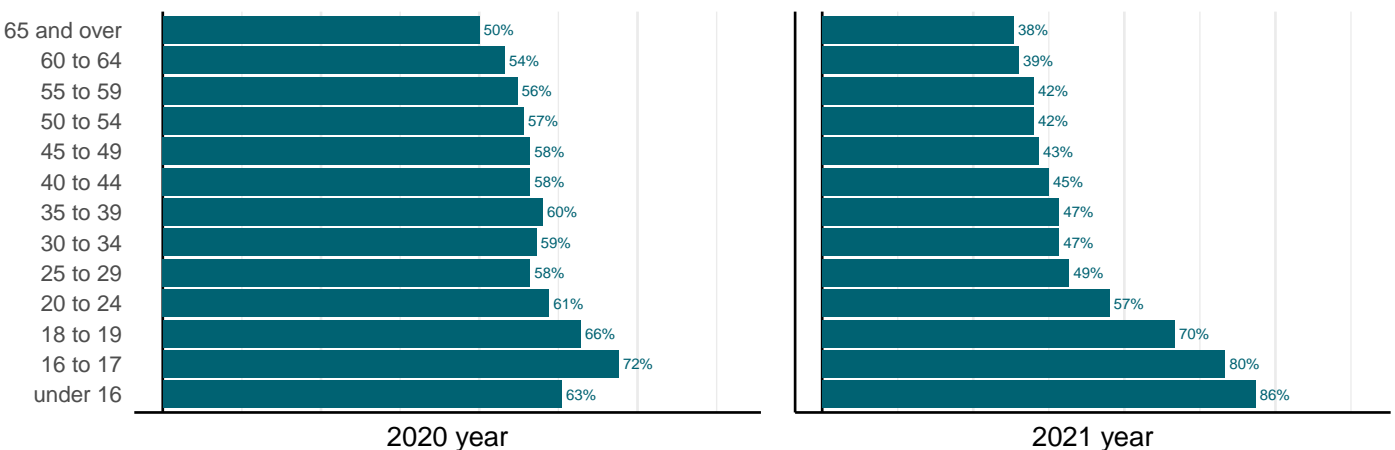
When Auckland once again moved to Alert Level 3 and the rest of the country moved to Alert Level 2 on 28 February 2021, the COVID-19 Wage Subsidy March 2021 payment was introduced. This subsidy supported a total of 170,151 jobs. Related to the August Alert Level changes, the Wage Subsidy August 2021 was introduced, consisting of eight wage subsidies. The subsidies were open from 20 August 2021 to 9 December 2021 and supported an increased number of jobs (1,314,117 jobs), reflecting the extended lockdown period particularly in Auckland. The Wage Subsidy Scheme was discontinued after the COVID-19 Protection Framework came into effect in early December 2021⁵.

Proportions of unique jobs supported by at least one wage subsidy programme in 2020 and 2021 by industry



Source: Wage Subsidy Proportion of Jobs Supported, MSD (Data to 07/01/2022)

Proportions of unique jobs supported by at least one wage subsidy programme in 2020 and 2021 by age group



Source: Wage Subsidy Proportion of Jobs Supported, MSD (Data to 07/01/2022)

⁴<https://www.msd.govt.nz/about-msd-and-our-work/newsroom/2020/covid-19/covid-19-wage-subsidy-employer-search.html>

⁵This is the wrap-up of the wage subsidy section for this report. In the future Labour Market factsheets this section will be removed until there are some new COVID-19 related supports introduced by the government.



Job Vacancies

Data up to June 2022

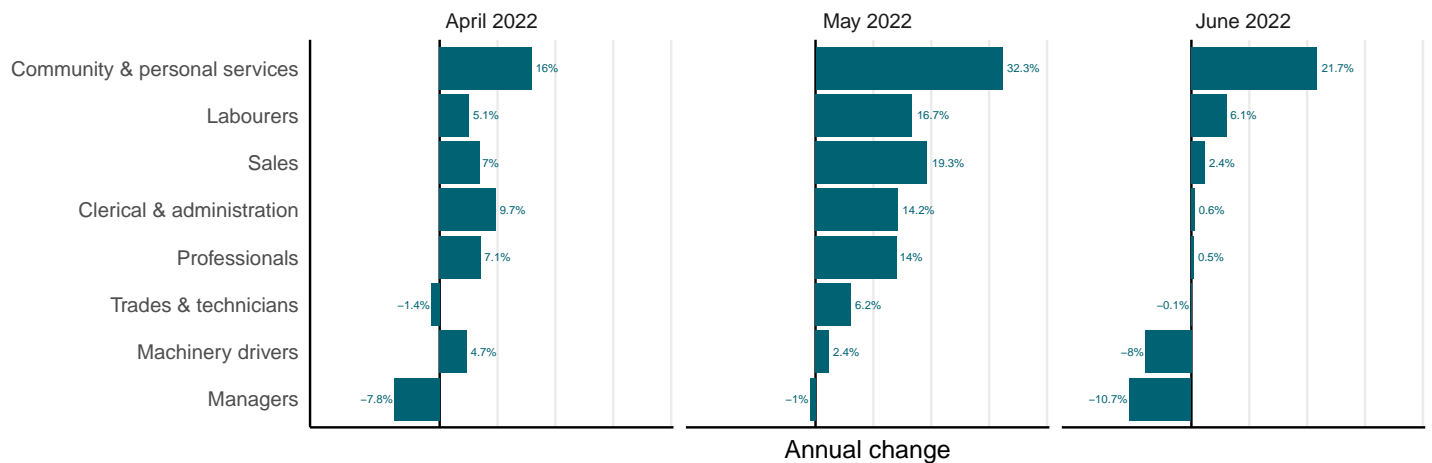
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

All Vacancies Index (AVI) – online job advertising



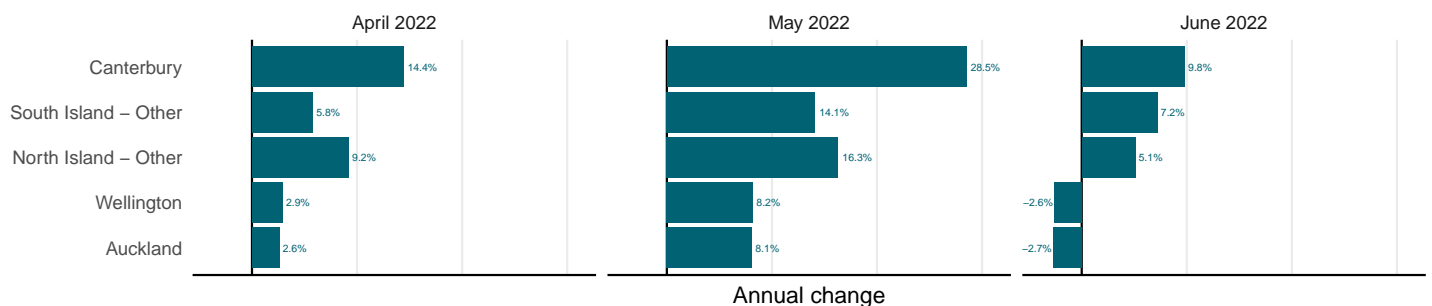
Source: Jobs Online, MBIE (Data to June 2022, next release 15/08/2022)

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



Source: Jobs Online, MBIE (Data to June 2022, next release 15/08/2022)

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



Source: Jobs Online, MBIE (Data to June 2022, next release 15/08/2022)



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 edition⁶ 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 edition⁷ 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.

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

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

