

Monthly Labour Market Fact Sheet — May 2023

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. The *Monthly Labour Market Fact Sheet* will be updated next on 21 June 2023.

Overview

Headline quarterly statistics

Data up to March 2023 quarter

Measures	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Employment	2,817,000	2,815,000	2,849,000	2,863,000	2,886,000
— Paid Employee or Employer	2,439,400	2,442,400	2,462,000	2,486,600	2,500,400
— Self-employed	355,100	339,500	359,100	370,100	364,600
Employment Rate	68.6%	68.6%	69.3%	69.3%	69.5%
Participation Rate	70.9%	71.0%	71.6%	71.7%	72.0%
Underutilisation	279,000	278,000	273,000	285,000	277,000
— Unemployment	94,000	97,000	97,000	100,000	102,000
— Underemployment	94,000	95,000	100,000	100,000	91,000
— Potential Labour Force	91,000	86,000	77,000	85,000	84,000
Underutilisation Rate	9.3%	9.3%	9.0%	9.3%	9.0%
Unemployment Rate	3.2%	3.3%	3.3%	3.4%	3.4%
Not in the Labour Force	1,193,000	1,190,000	1,168,000	1,167,000	1,164,000
Youth Not in Employment, Education or Training (NEET)	75,000	77,000	73,000	71,000	66,000
NEET Rate	11.7%	12.0%	11.5%	11.1%	10.3%
Average Weekly Hours Paid (per FTE)	38.86	38.78	38.99	38.98	38.69

Source: All measures are from the Household Labour Force Survey except for average weekly hours paid, which is from the Quarterly Employment Survey. Labour Market Statistics, Stats NZ (Data to March 2023 quarter, next release on 02/08/2023). All the data except Paid Employee or Employer and Self-employed are seasonally adjusted.

The recent story

The Labour market remained tight during the March 2023 quarter with the unemployment rate at 3.4 per cent and the underutilisation rate (a broad measure of spare capacity in the labour market) at 9.0 per cent. The underutilisation rate has remained between 9.3 and 9.0 per cent since the September 2021 quarter. With average ordinary time hourly earnings increasing 7.6 per cent annually to \$38.93 during the March 2023 quarter, the employment rate and the labour force participation rate both reached record highs of 69.5 per cent and 72.0 per cent, respectively².

The labour market outcomes for Māori, Pacific peoples and women remained steady over the year, tracking in line with the overall NZ population. There was an increased labour market participation by the Māori population³. Over the year to the March 2023 quarter, 22,400 more Māori entered the labour force of whom 14,300 are employed. Likewise, the labour force participation rate for Pacific peoples rose to 69.6 per cent over the year with an increase in the employment rate to 65.5 per cent (up 3.2 percentage points)⁴. The labour force participation rate for women increased to 67.7 per cent, the highest since the series began in 1986.

However, the labour market has started to indicate signs of easing. Over the year to April 2023, online job advertisements decreased by 20.7 per cent. The All Vacancies Index (AVI) decreased for all industries except for Education which increased by 11.0 per cent over the year to April 2023. Employment intentions captured in ANZ's monthly survey of business opinion have remained negative for the last six months. Employment intentions are negative across all industries except the Agriculture and Services sectors⁵. The proportion of the working-age population on all benefits increased slightly to 11.1 per cent as at 12 May 2023, up from 11.0 per cent in April 2023. However, the proportion of the working-age population on JobSeeker Support remained at 5.4 per cent. Out of 346,209 people on all main benefits, 96,966 are on Jobseeker Support – Work Ready, a reduction of 4.3 per cent over the year.

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/dmsdocument/26509-labour-market-statistics-snapshot-march-2023>

³<https://www.mbie.govt.nz/dmsdocument/26510-maori-labour-market-statistics-snapshot-march-2023>

⁴<https://www.mbie.govt.nz/dmsdocument/26511-pacific-peoples-labour-market-statistics-snapshot-march-2023>

⁵<https://www.anz.co.nz/about-us/economic-markets-research/business-outlook/>

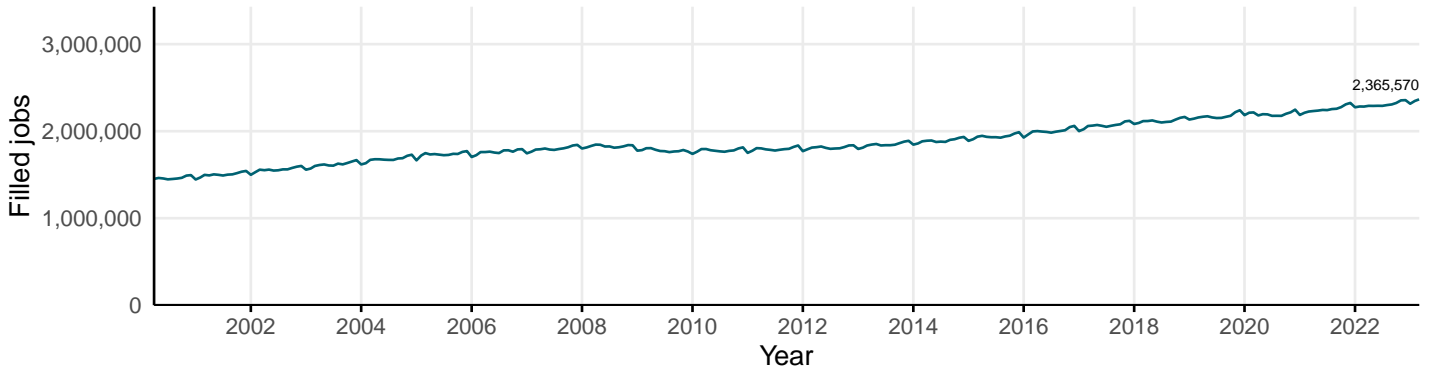


Filled Jobs

Data up to March 2023

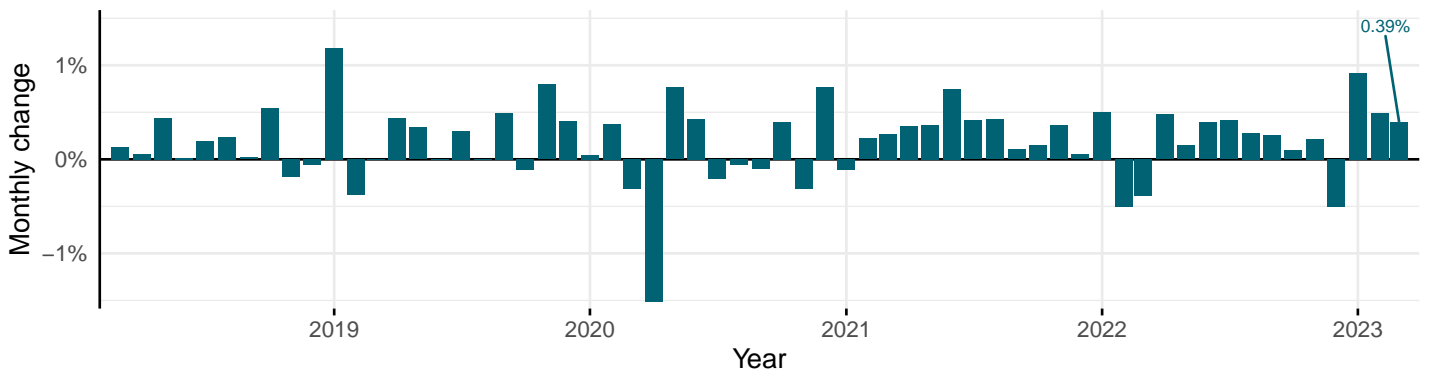
Stats NZ's Monthly Employment Indicators (MEIs) count of filled jobs uses employer payday filing of tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed. Recent results can be subject to fluctuations due to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

The number of filled jobs



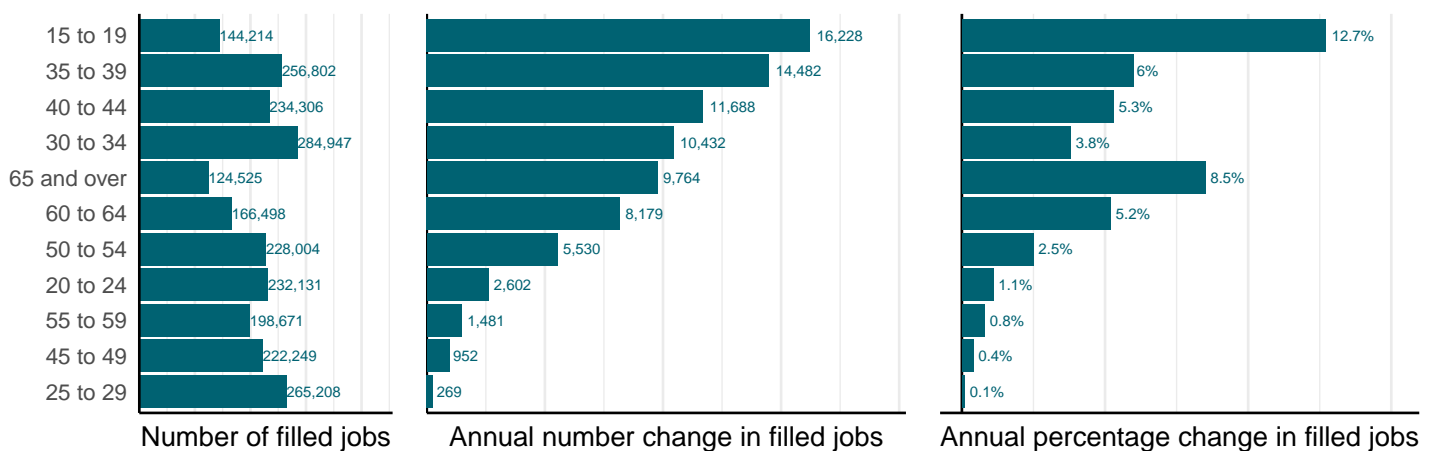
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to March 2023, next release on 29/05/2023)

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



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to March 2023, next release on 29/05/2023)

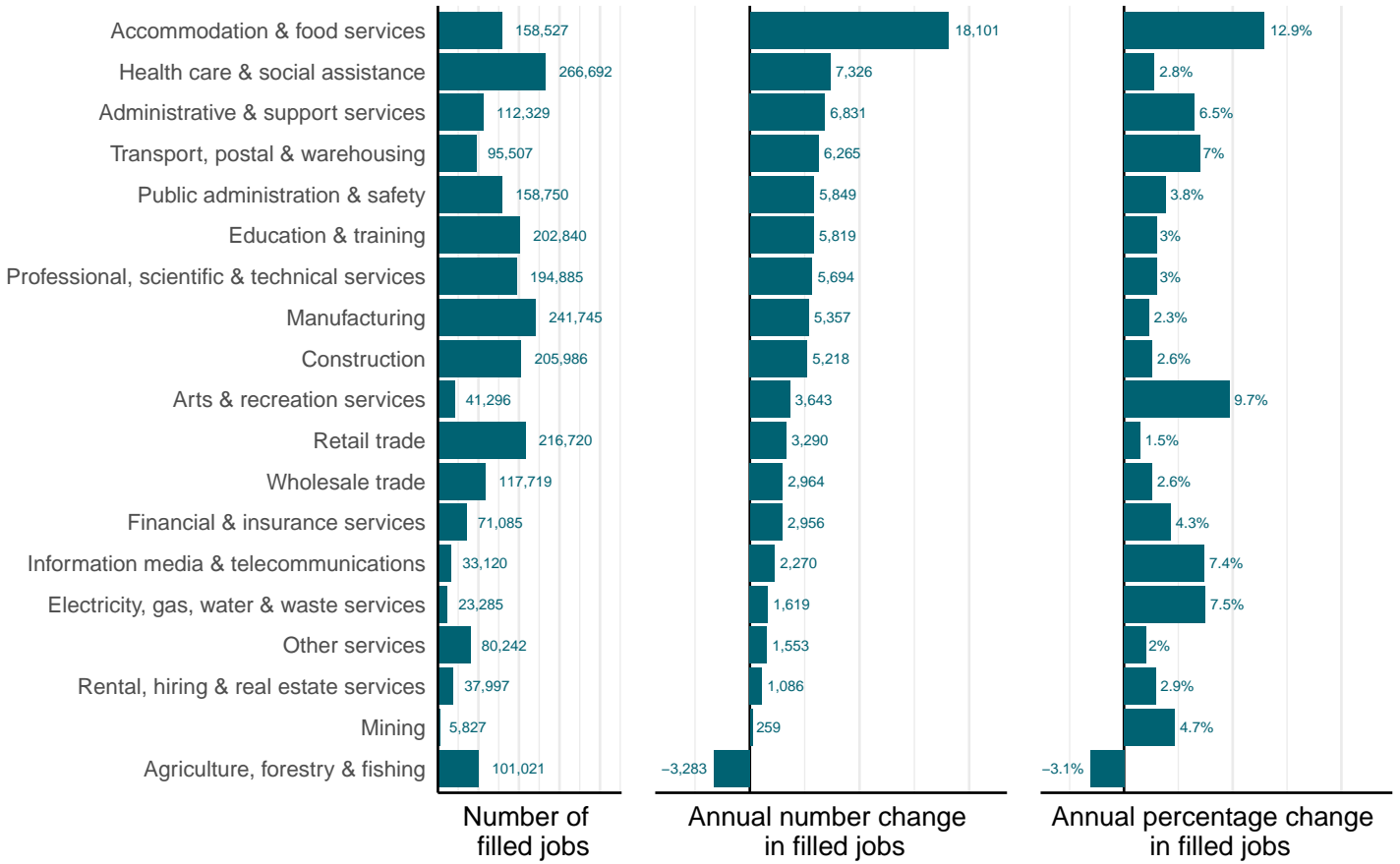
Filled jobs by age group



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to March 2023, next release on 29/05/2023)

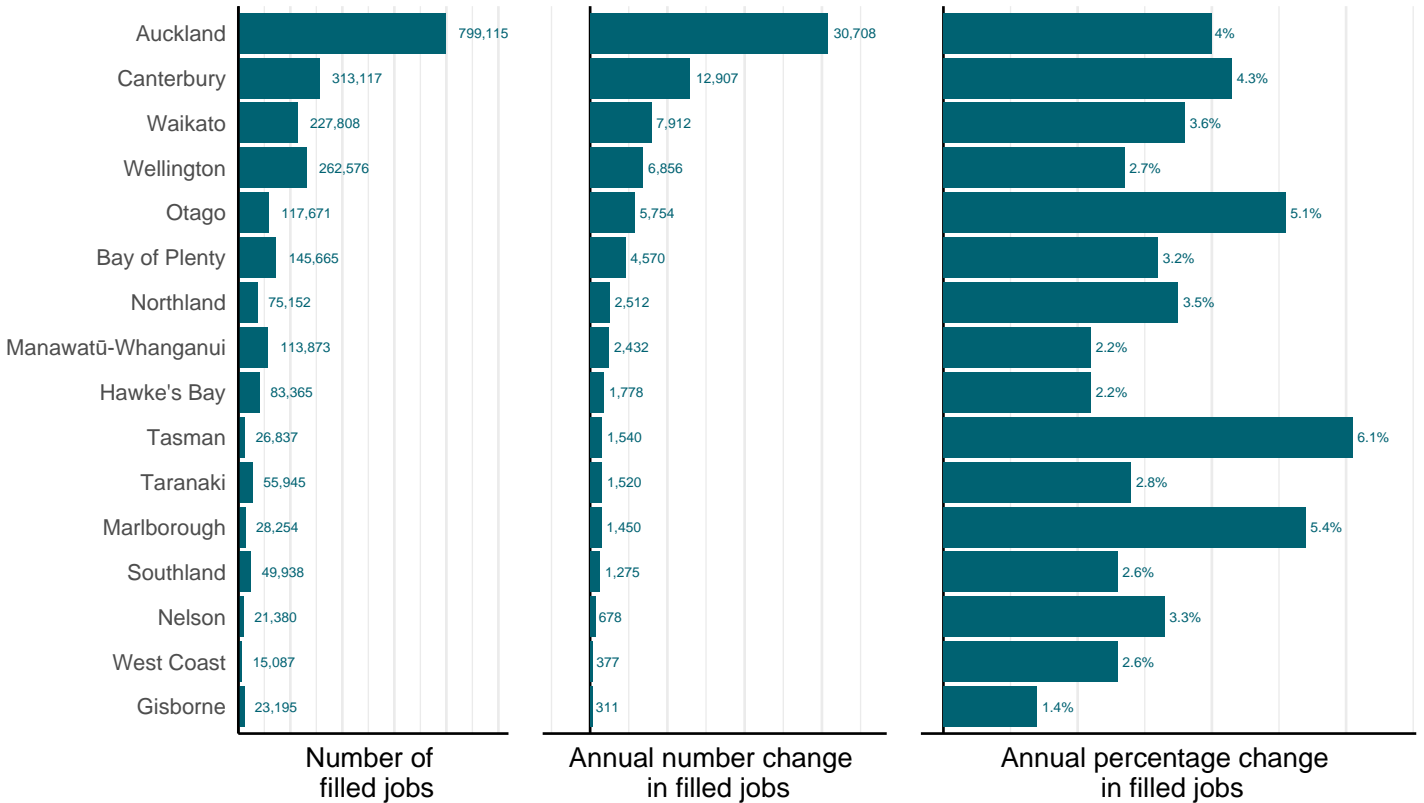


Filled jobs by industry



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to March 2023, next release on 29/05/2023)

Filled jobs by region



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to March 2023, next release on 29/05/2023)

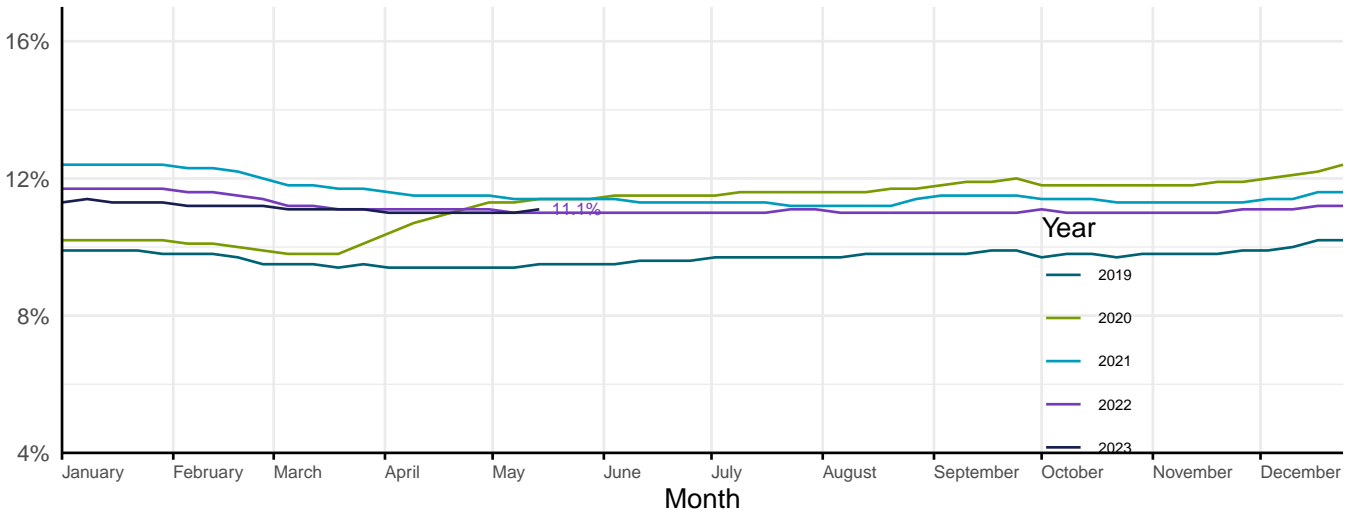


Benefit Recipients

Data up to 12 May 2023

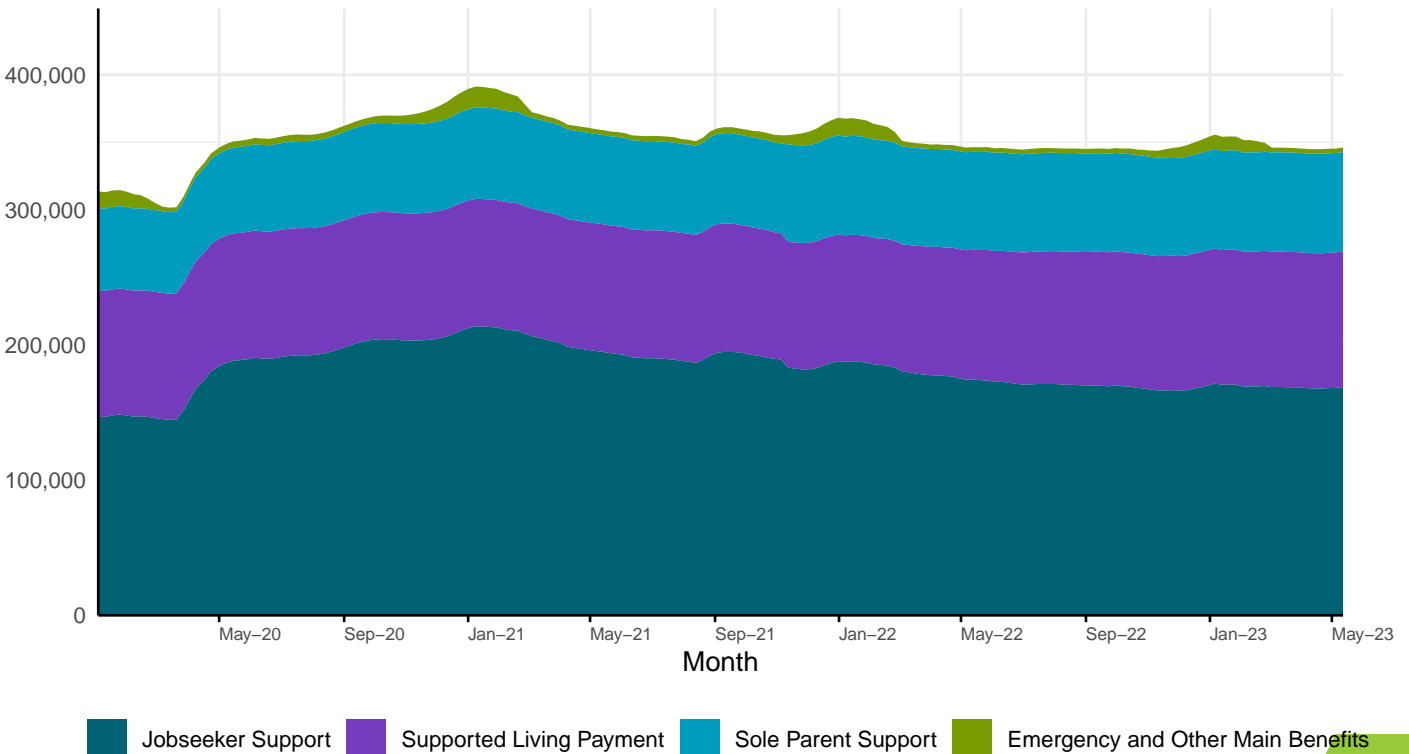
Benefits are primarily a measure of how many people are receiving income support rather than a direct measure of unemployment. Main benefits for working-age people (18 to 64 years) include: Jobseeker Support, Sole Parent Support, Supported Living Payment, and Emergency and Other main benefits. Benefit 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))⁶. While the number of Jobseeker Support recipients has mostly tracked in line with the number of unemployed individuals from the HLFS, this relationship can be affected by policy and operational changes.

Percentage of the estimated working-age population receiving a main benefit



Source: Working-age main benefits, MSD (Data to 12/05/2023, released every Friday)

Number of people receiving main benefits



Source: Working-age main benefits, MSD (Data to 12/05/2023, released every Friday)

⁶<https://www.stats.govt.nz/research/investigating-the-relationship-between-unemployment-and-benefit-receipt/>

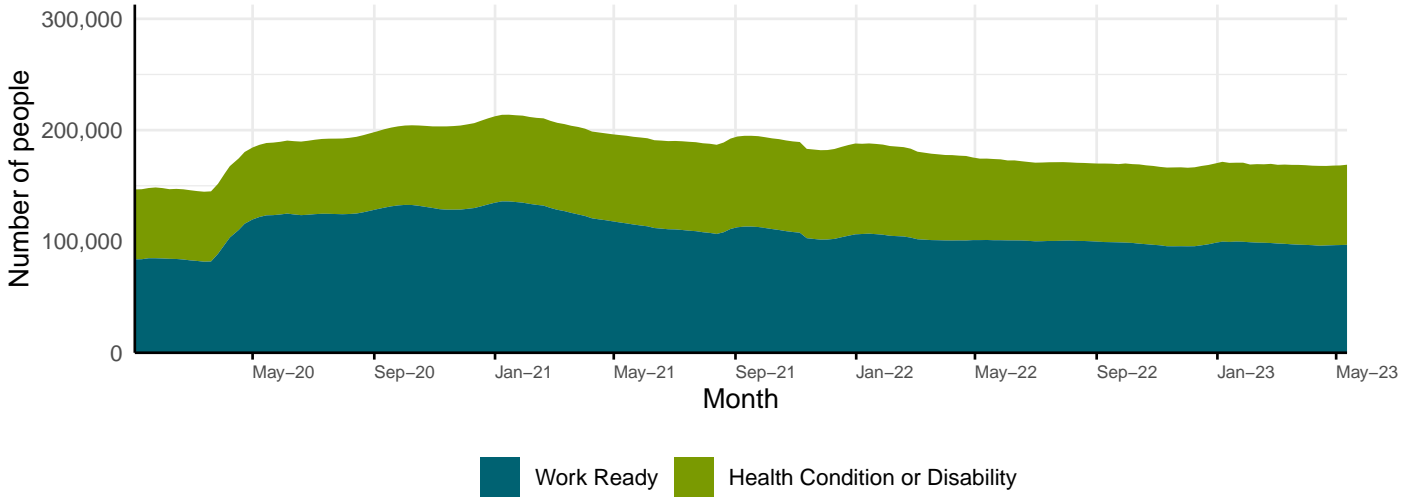


Jobseeker Benefit Recipients

Data up to 12 May 2023

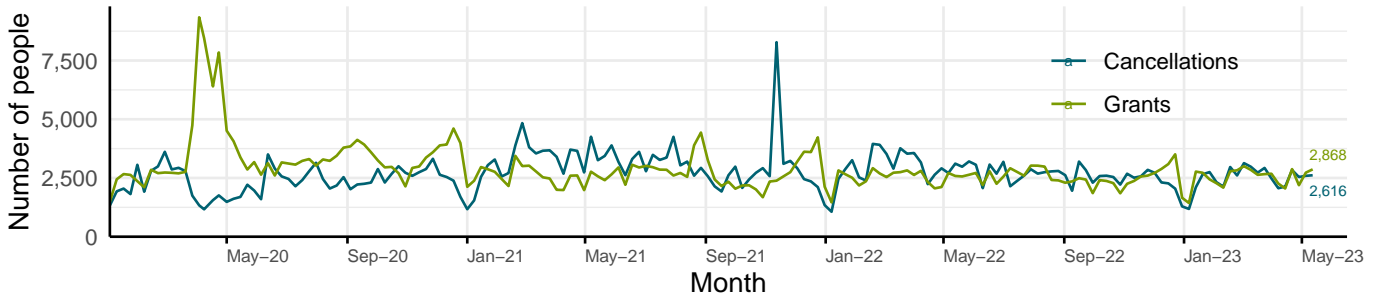
Jobseeker Support is for people who are actively looking or preparing for work. It includes both Jobseeker Support - Work Ready (JS-WR) and Jobseeker Support - Health Condition or Disability (JS-HCD). It is a weekly payment that helps people until they find work. It includes people not in employment 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).

Number of people receiving Jobseeker Support



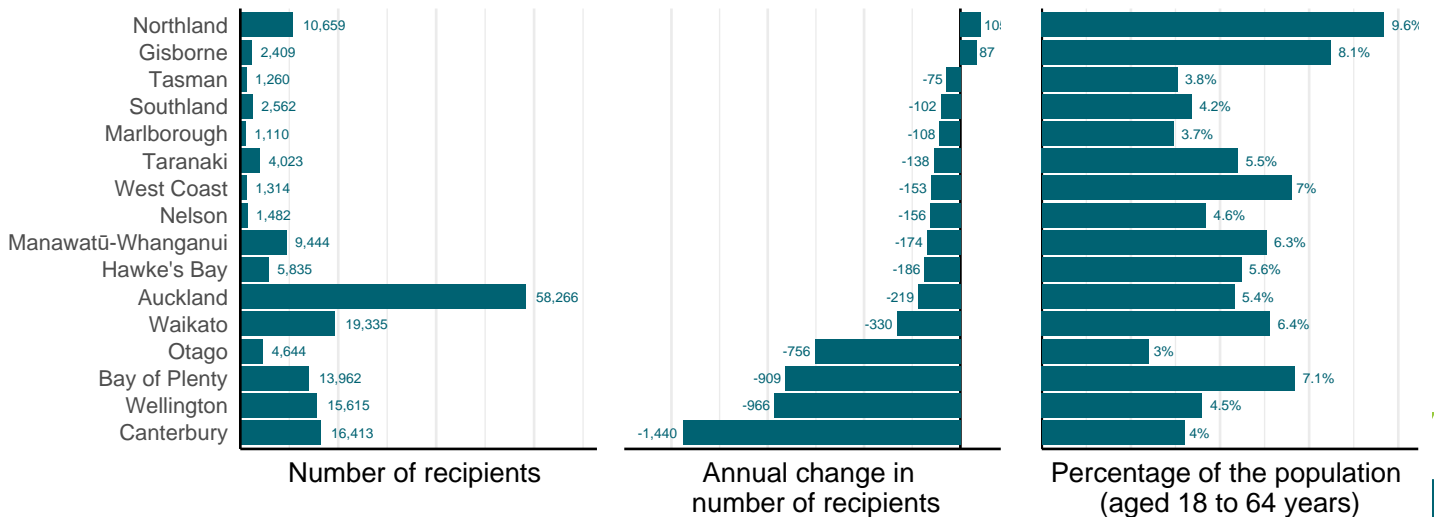
Source: Working-age main benefits, MSD (Data to 12/05/2023, released every Friday)

Weekly grants and cancellations of all Jobseeker Support



Source: Working-age main benefits, MSD (Data to 12/05/2023, released every Friday)

All Jobseeker Support benefit recipients by region



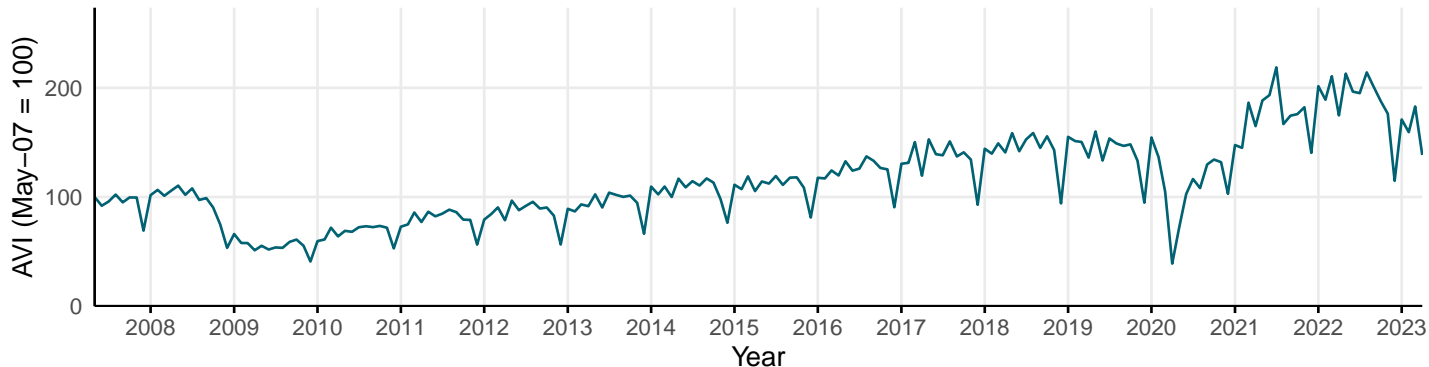
Source: Working-age main benefits, MSD (Data to 12/05/2023, released every Friday)

Job Vacancies

Data up to April 2023

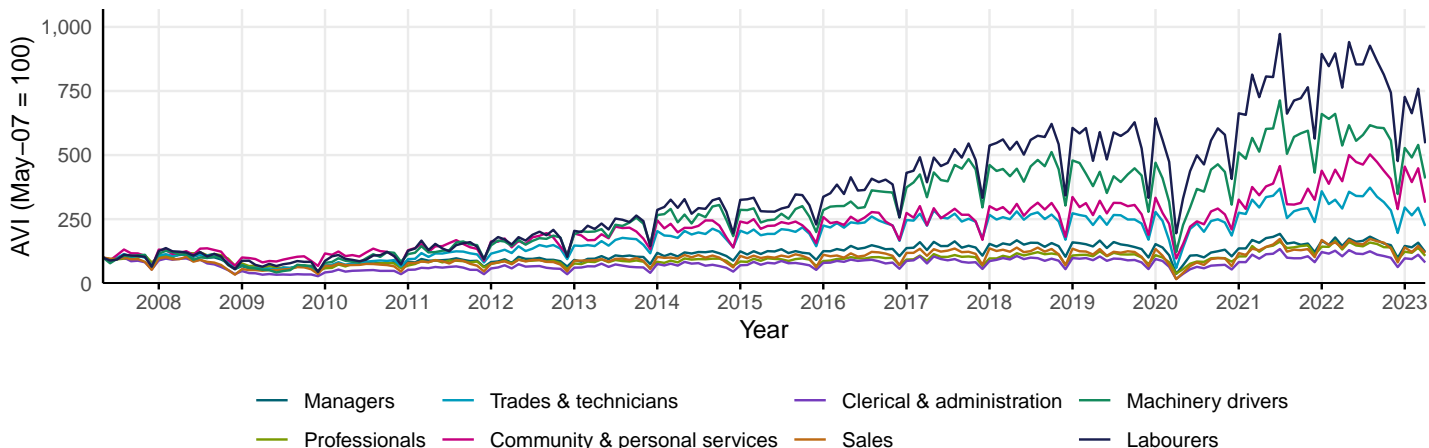
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

All Vacancies Index (AVI) – online job advertising



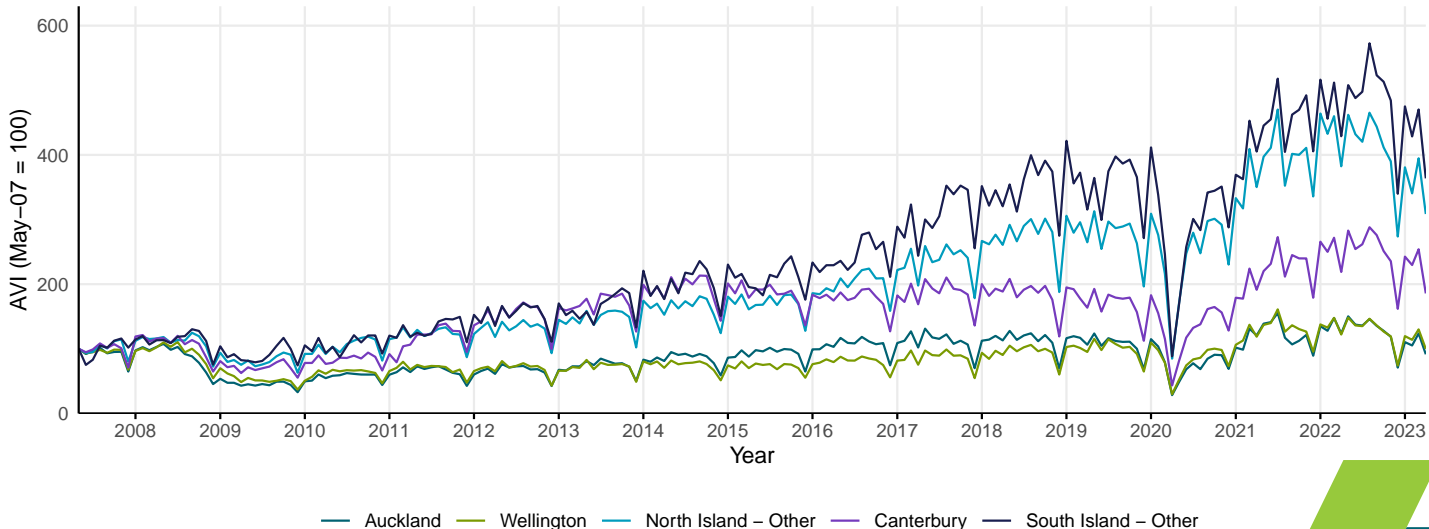
Source: Jobs Online, MBIE (Data to April 2023, next release 14/06/2023)

All Vacancies Index (AVI) by occupation



Source: Jobs Online, MBIE (Data to April 2023, next release 14/06/2023)

All Vacancies Index (AVI) by region



Source: Jobs Online, MBIE (Data to April 2023, next release 14/06/2023)



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>

Contact us

For further information on the data contained in this fact sheet, please email us: LabourMarketInsights@mbie.govt.nz.

Jobs Online | Ministry of Business,

Innovation & 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.

ANZ New Zealand Business Outlook | ANZ

ANZ Business Outlook analyses where the economy will be going over the next 12 months. The publication is written for business people who can see at a glance how business confidence is stacking up, what export sales are up to, how the labour market is doing, and more. The reports are available to read on screen or browse in a PDF format.

