

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

The recent story

The New Zealand labour market remained tight in the March 2023 quarter, although there are signs of softening. During the March quarter, the unemployment rate was recorded at 3.4 per cent and the underutilization rate, a broad measure of spare capacity in the labour market, was recorded at 9.0 per cent, the lowest since 2008.

The number of filled jobs has continued to grow with a 3.7 per cent annual increase in April 2023 and a 0.6 per cent increase over the month of April. This growth in filled jobs over the year is the highest since November 2021, when it grew by 4.2 per cent. The increase in filled jobs for people aged 30 to 39 years contributed to this growth, whereas in the post COVID-19 recovery period the major contributor was an increase in filled jobs for people aged 15 to 19 years. An increase in migration is likely contributing to the job growth for 30- to 39-year-olds.

Over the year ending March 2023, net migration increased to 65,400 people. This includes more people entering New Zealand on the Working Holiday Scheme. As at 31 March 2023, 28,800 people were on the Working Holiday Scheme (an increase of 723 per cent over the year).

The demand for labour appears to be slowing, with employment intentions from the latest ANZ's Business Outlook survey (May 2023) easing for all sectors except for construction. The construction sector saw an improvement in both hiring intentions and its own activity outlook in May 2023.

The weakening in labour demand can also be seen in the fall in online job advertisements, with the All Vacancies Index (AVI) falling by 20.5 per cent over the year to May 2023. Education was the only sector that did not see a fall in online job advertisements, growing by 15.4 per cent over the year.

The number of people on Jobseeker Support Benefit – Work Ready inched up slightly, as there were more Jobseeker Support benefit grants than were cancellations during May 2023. However, Jobseeker Support Benefit– Work Ready numbers (97,806) are still lower than at the same time last year (100,899).

¹<https://www.mbie.govt.nz/business-and-employment/employment-and-skills/labour-market-reports-data-and-analysis/labour-market-statistics-snapshot/>

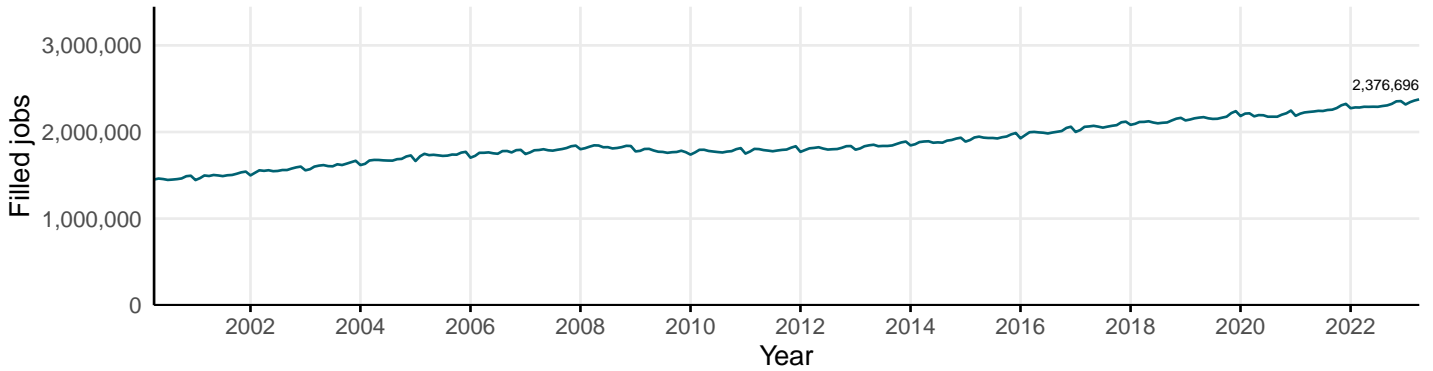


Filled Jobs

Data up to April 2023

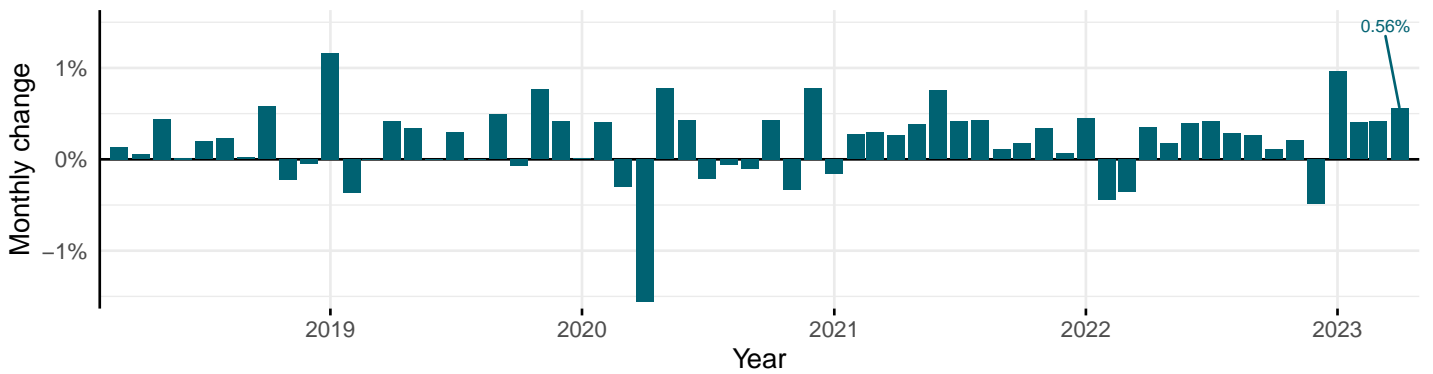
Stats NZ's Monthly Employment Indicators (MEIs) count of filled jobs uses employer payday filing of tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed. Recent results can be subject to fluctuations due to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

The number of filled jobs



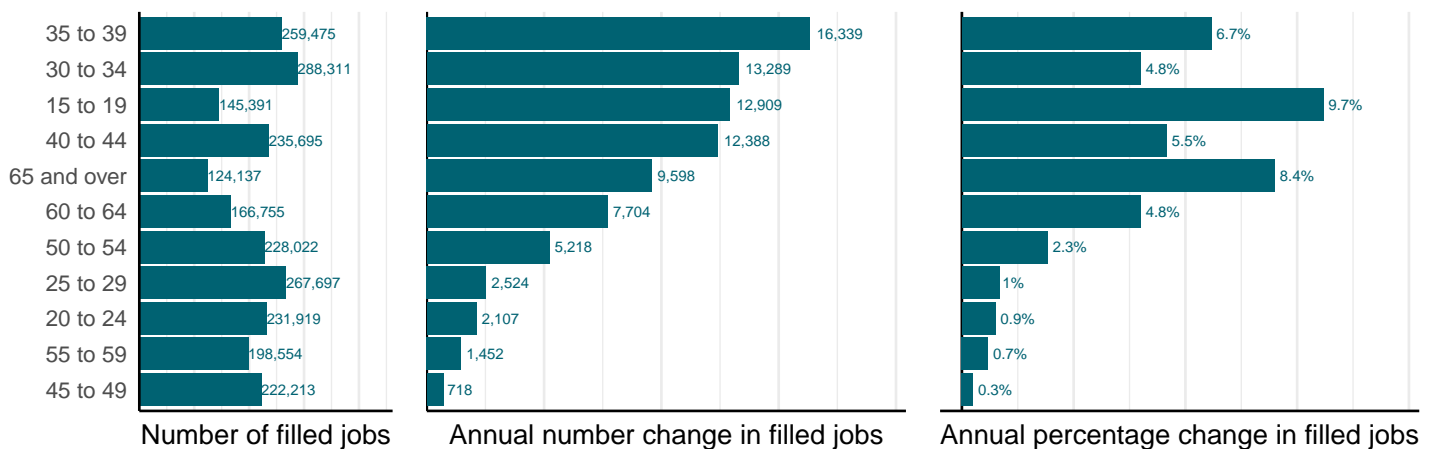
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to April 2023, next release on 28/06/2023)

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



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to April 2023, next release on 28/06/2023)

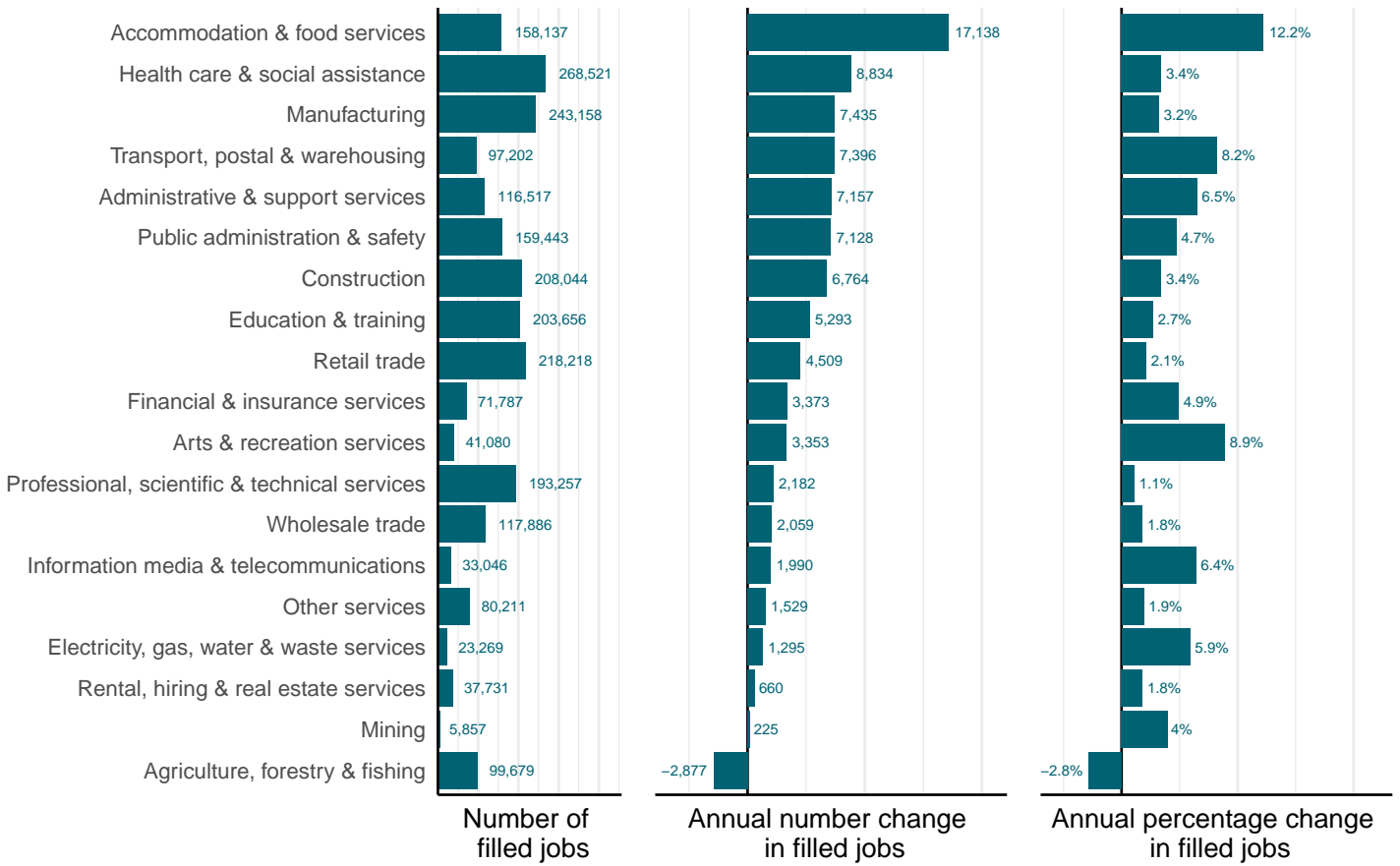
Filled jobs by age group



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to April 2023, next release on 28/06/2023)

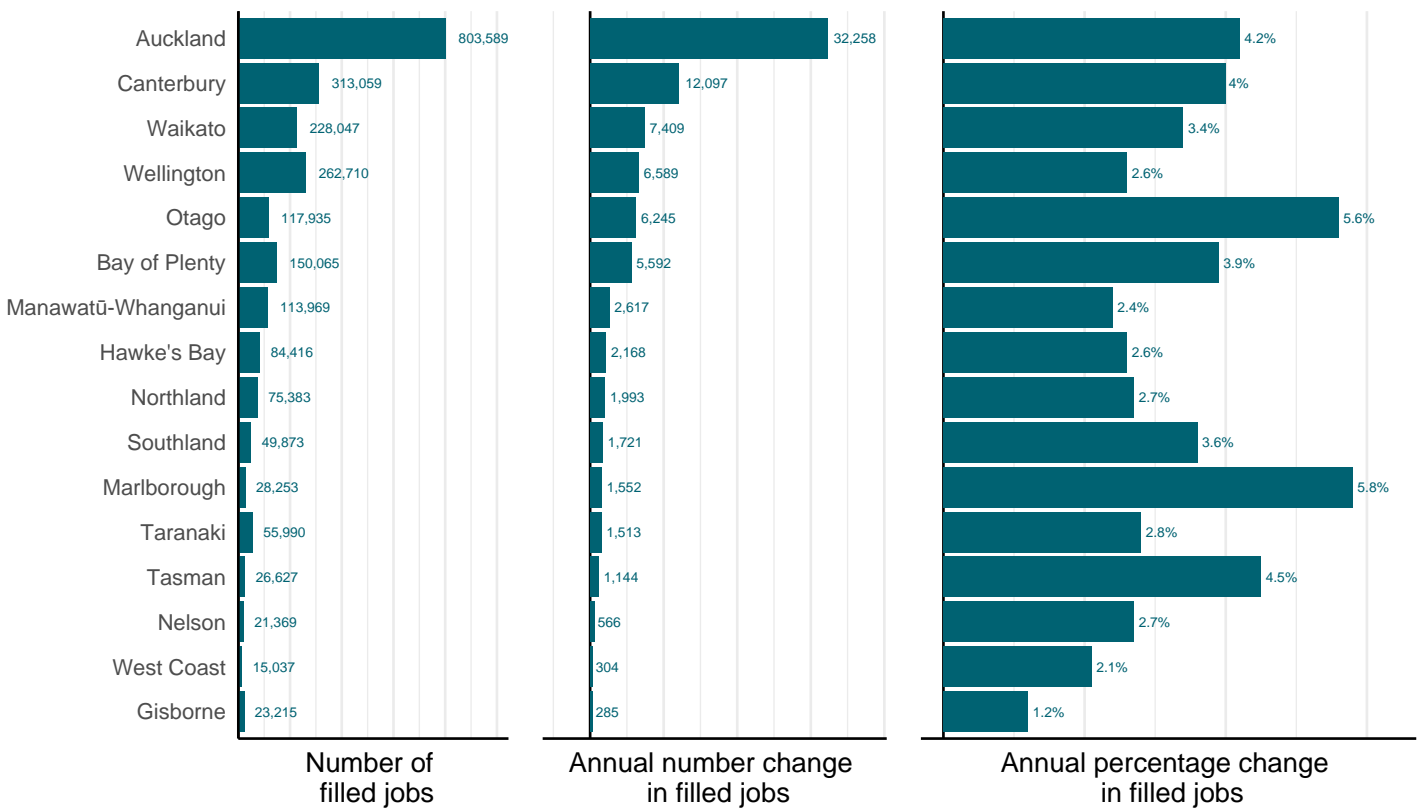


Filled jobs by industry



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to April 2023, next release on 28/06/2023)

Filled jobs by region



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to April 2023, next release on 28/06/2023)

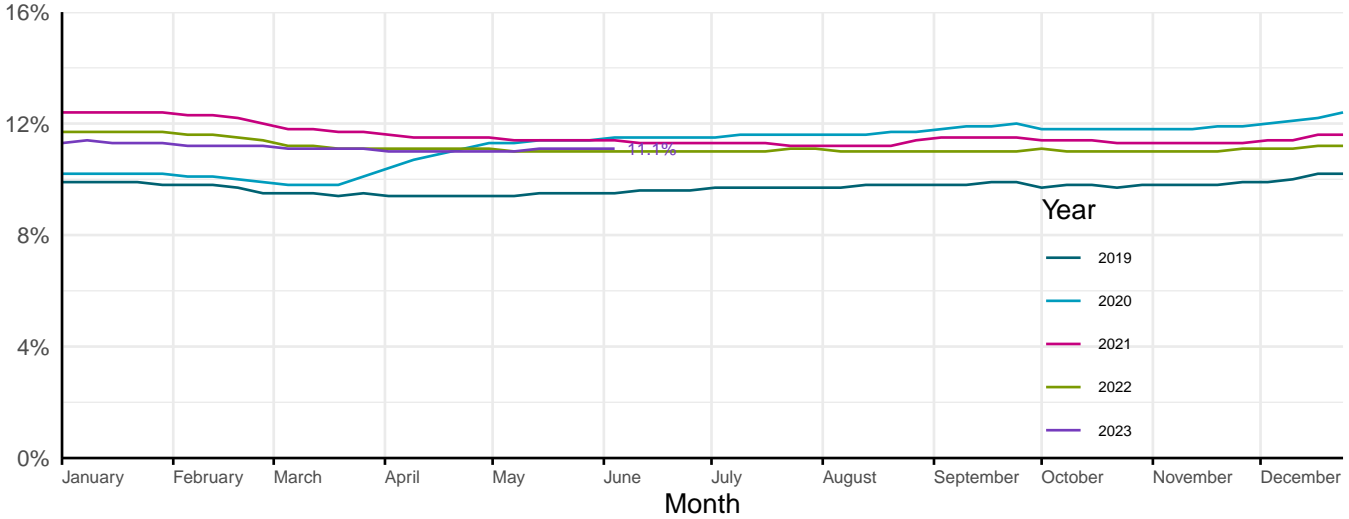


Benefit Recipients

Data up to 2 June 2023

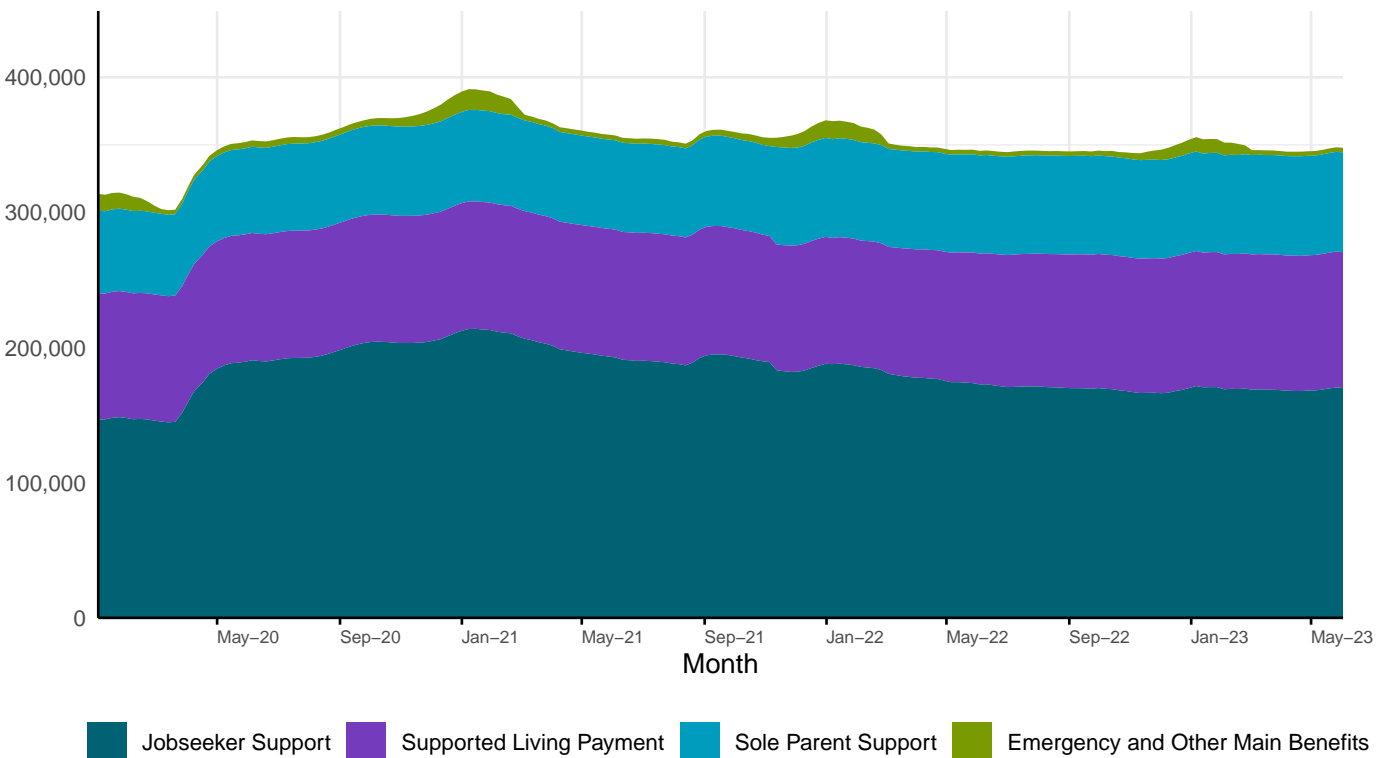
Benefits are primarily a measure of how many people are receiving income support rather than a direct measure of unemployment. Main benefits for working-age people (18 to 64 years) include: Jobseeker Support, Sole Parent Support, Supported Living Payment, and Emergency and Other main benefits. Benefit 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))². 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 02/06/2023, released every Friday)

Number of people receiving main benefits



Source: Working-age main benefits, MSD (Data to 02/06/2023, released every Friday)

²<https://www.stats.govt.nz/research/investigating-the-relationship-between-unemployment-and-benefit-receipt/>

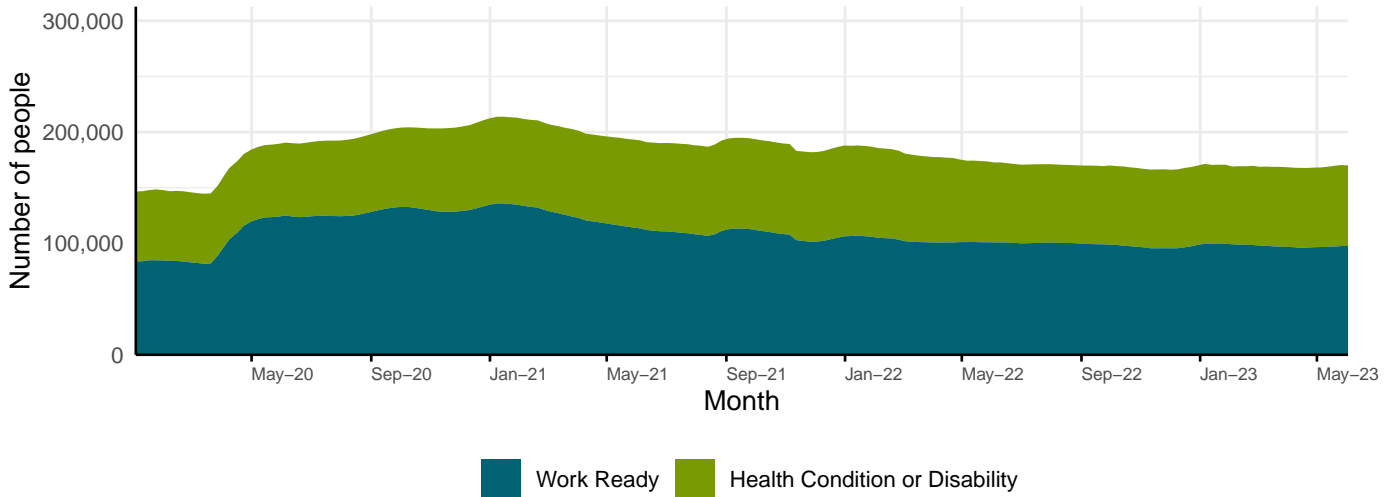


Jobseeker Benefit Recipients

Data up to 2 June 2023

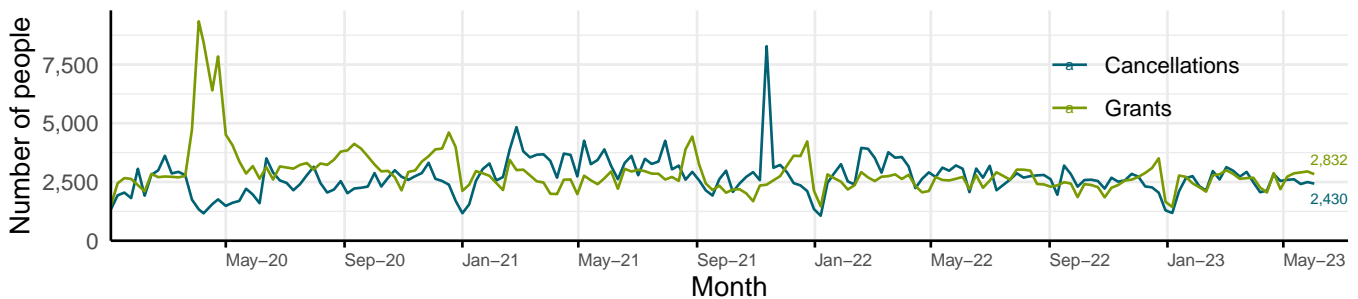
Jobseeker Support is for people who are actively looking or preparing for work. It includes both Jobseeker Support - Work Ready (JS-WR) and Jobseeker Support - Health Condition or Disability (JS-HCD). It is a weekly payment that helps people until they find work. It includes people not in employment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



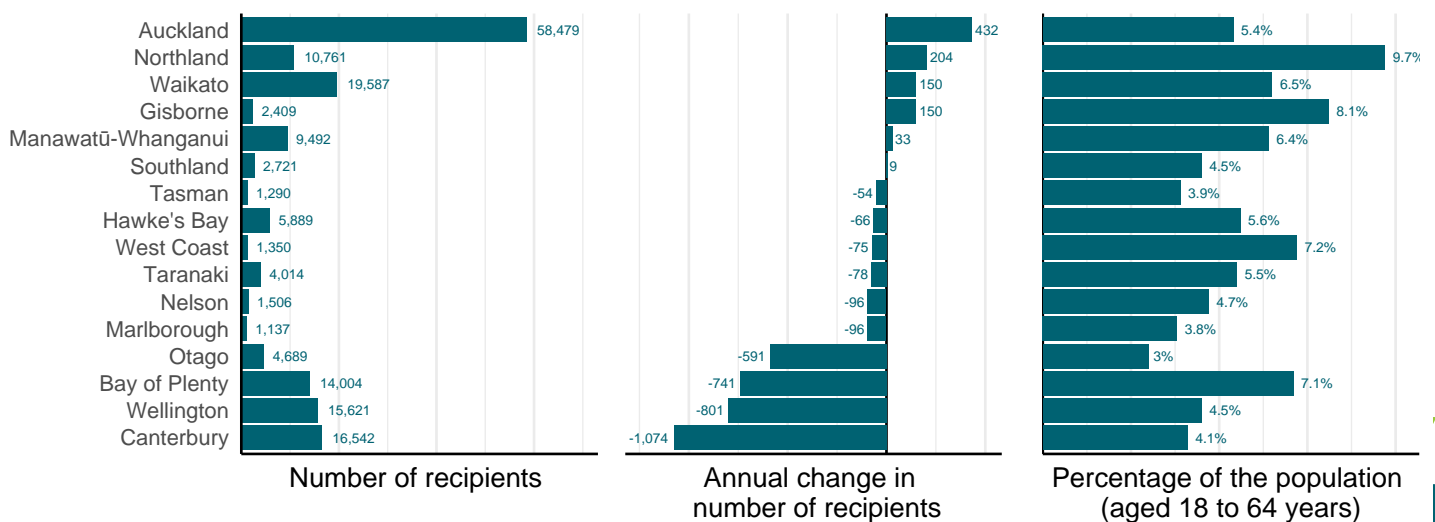
Source: Working-age main benefits, MSD (Data to 02/06/2023, released every Friday)

Weekly grants and cancellations of all Jobseeker Support



Source: Working-age main benefits, MSD (Data to 02/06/2023, released every Friday)

All Jobseeker Support benefit recipients by region



Source: Working-age main benefits, MSD (Data to 02/06/2023, released every Friday)

Job Vacancies

Data up to May 2023

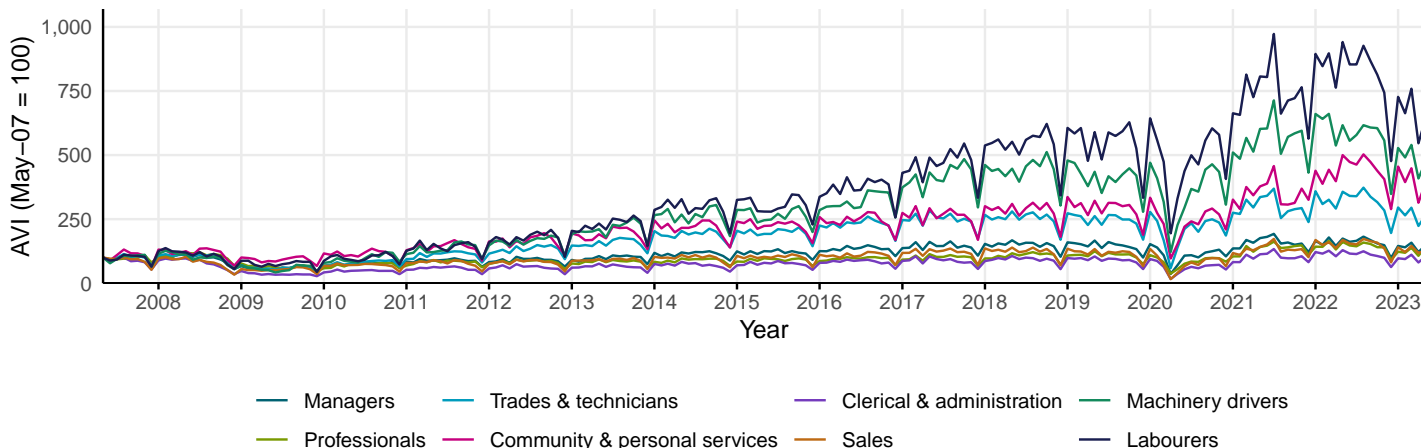
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

All Vacancies Index (AVI) – online job advertising



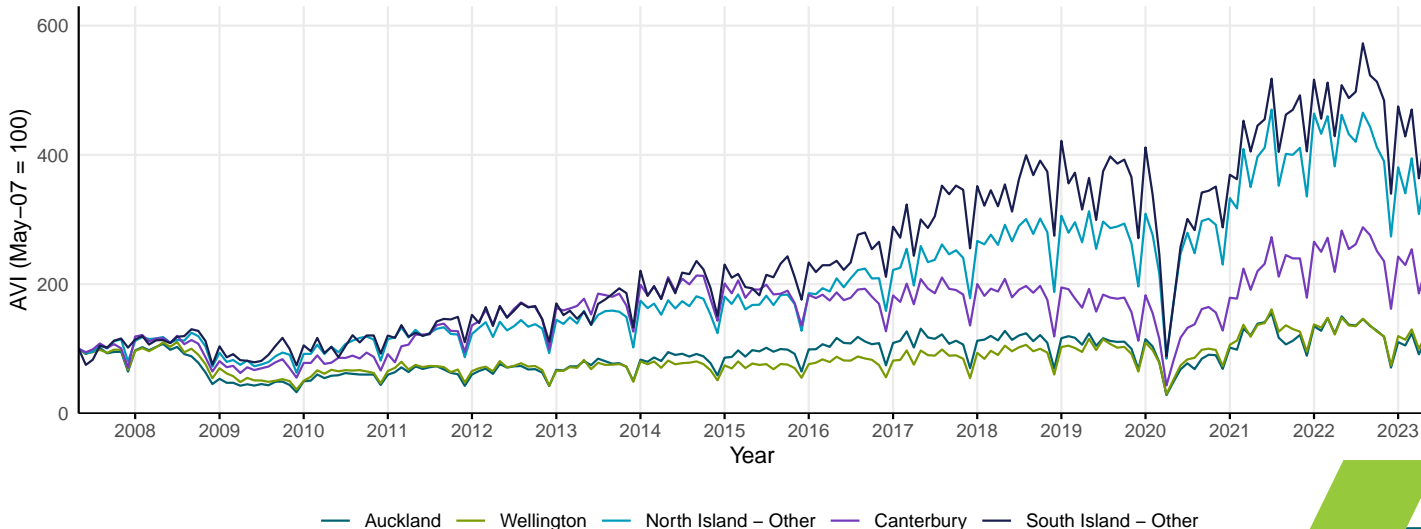
Source: Jobs Online, MBIE (Data to May 2023, next release 14/07/2023)

All Vacancies Index (AVI) by occupation



Source: Jobs Online, MBIE (Data to May 2023, next release 14/07/2023)

All Vacancies Index (AVI) by region



Source: Jobs Online, MBIE (Data to May 2023, next release 14/07/2023)



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/weekly-reporting/index.html>

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.

Contact us

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

