

Monthly Labour Market Fact Sheet — July 2023

The Labour Market Fact Sheet for July 2023 is the last in the series.

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.

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.

Labour market since COVID-19

The New Zealand labour market remained resilient during COVID-19. In March 2020 New Zealand went into complete lockdown after the COVID-19 outbreak. The unemployment rate rose from 4.2 per cent in the March 2020 quarter to a peak of 5.2 per cent in the September 2020 quarter. As restrictions eased the labour market became tight, with the unemployment rate falling to a record low of 3.2 per cent by the end of 2021. The underutilisation rate (a broader measure of spare capacity in the labour market), has fallen to between 9.0 - 9.3 per cent since September 2021 from a high of 13.1 per cent in the September 2020 quarter. This was impacted by more people moving from part-time to full-time work.

The labour market remained tight in the March 2023 quarter, with the labour force participation rate (72.0 per cent) and the employment rate (69.5 per cent) at record highs. The employment rate was driven by strong increases for both women (62.9 to 65.2 per cent) and youth aged 15 – 19 years (39.0 to 46.7 per cent) between the March 2019 and 2023 quarters.

The improved post-COVID-19 labour market outcomes were also seen for Māori and Pacific Peoples. Māori labour force participation rates increased to an all-time high of 70.8 percent during the March 2023 quarter. The unemployment rates for Māori and Pacific Peoples fell and are below pre-COVID-19 rates, but are still higher than for the general population¹.

After a period of economic recovery post-COVID-19, the New Zealand economy is now in technical recession (two quarters of negative GDP growth). This has not yet been reflected in the labour market (it could take time to be felt), with the number of filled jobs continuing to grow. The Accommodation & food services sector is driving this growth in filled jobs, where between 2021 to 2022 it was driven by the Construction sector. Also, as the border has re-opened and migrants have returned, there is a strong increase in filled jobs for 30 -39 year olds. This compares to when the border was closed, where there was strong job growth for 15–19 year olds.

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

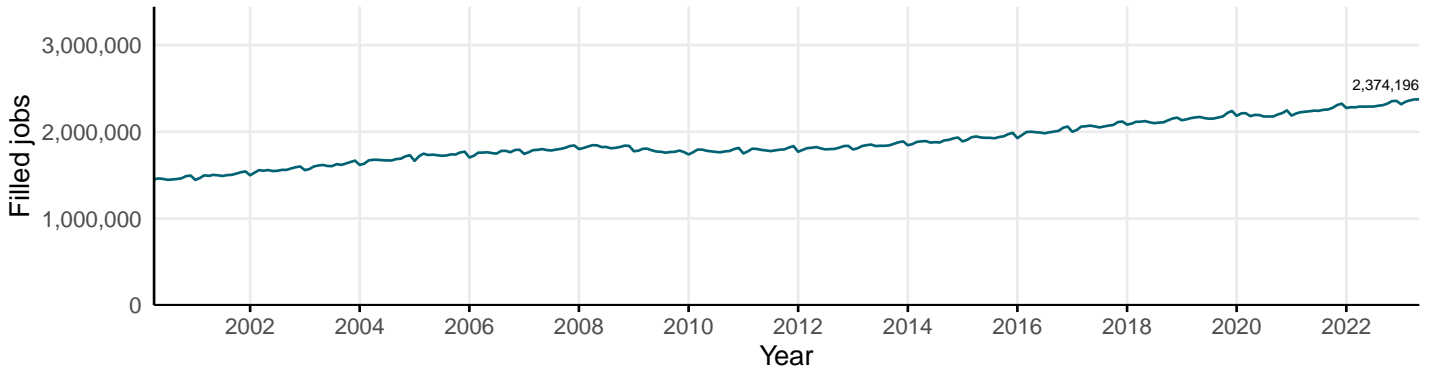


Filled Jobs

Data up to May 2023

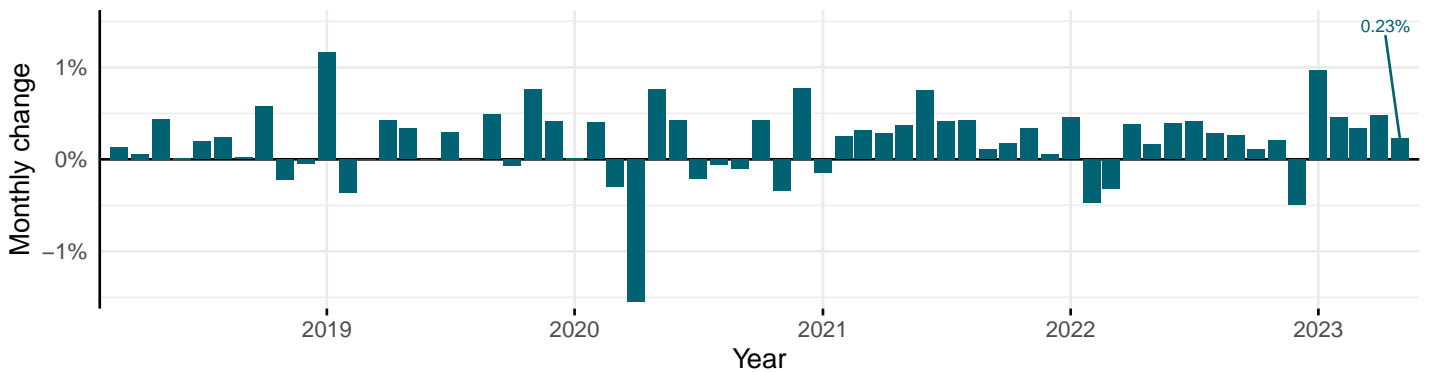
Stats NZ's Monthly Employment Indicators (MEIs) count of filled jobs uses employer payday filing of tax data. These statistics are a useful indicator to supplement the official Labour Market Statistics, although they do not count the self-employed. Recent results can be subject to fluctuations due to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

The number of filled jobs



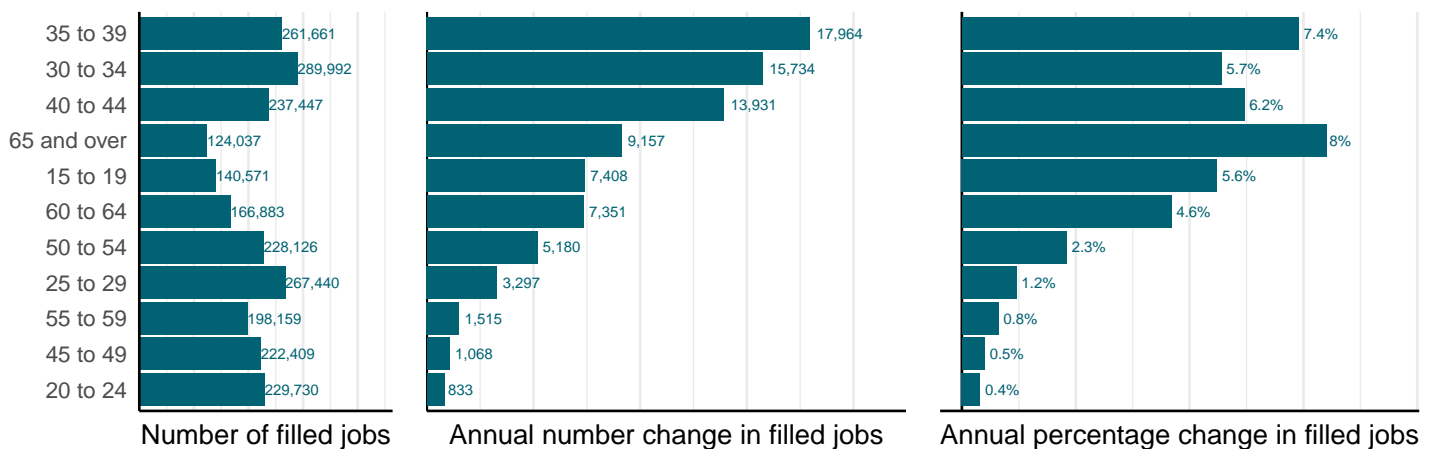
Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2023, next release on 28/07/2023)

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



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2023, next release on 28/07/2023)

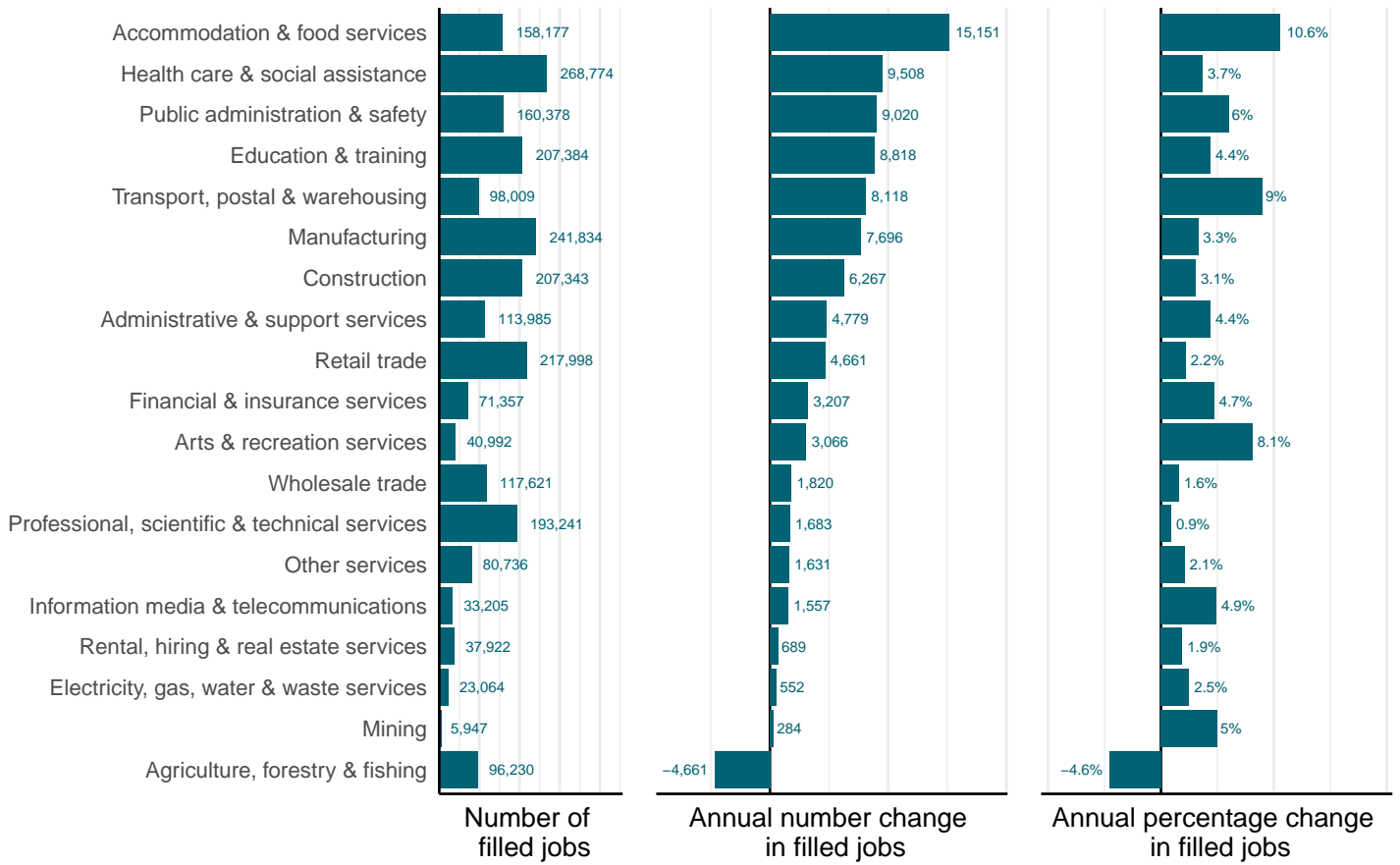
Filled jobs by age group



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2023, next release on 28/07/2023)

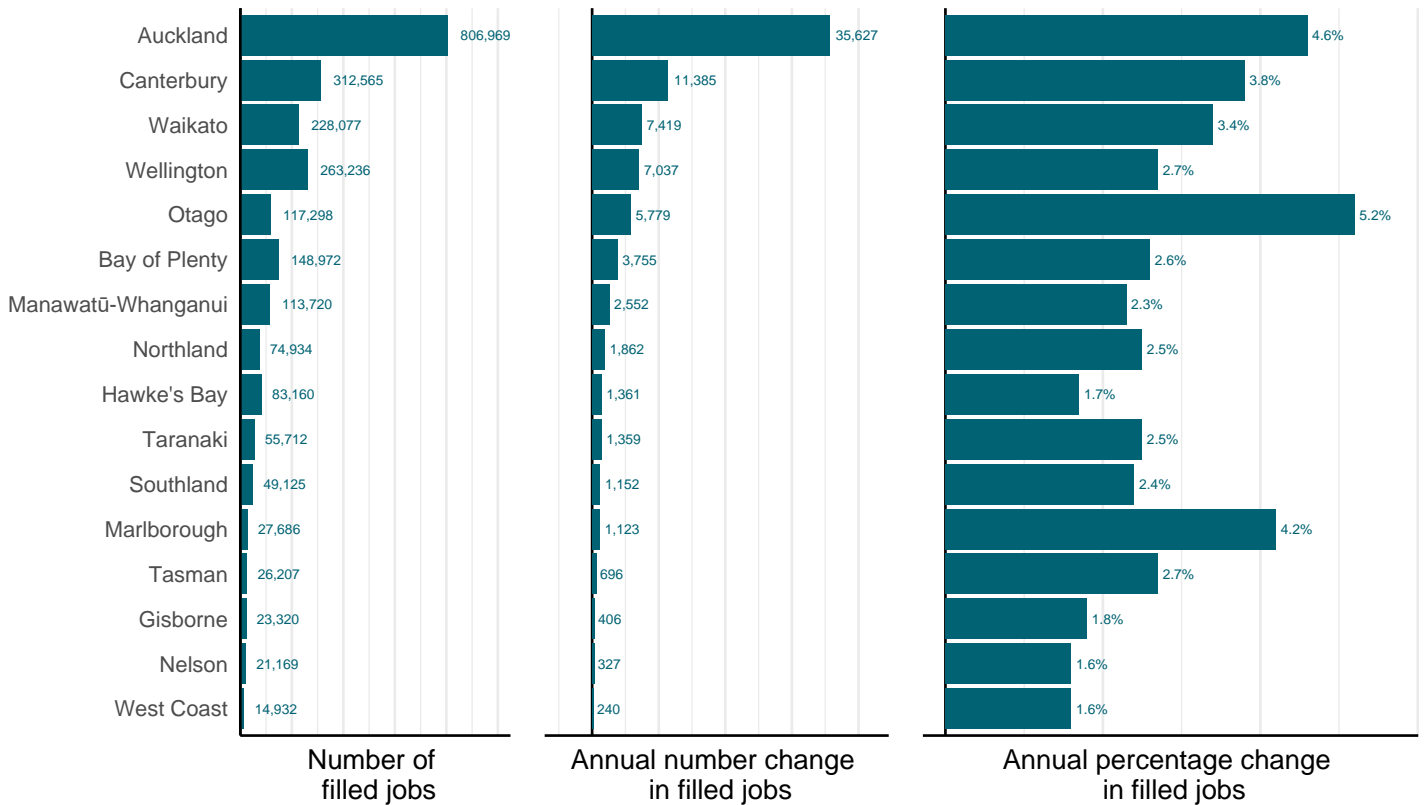


Filled jobs by industry



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2023, next release on 28/07/2023)

Filled jobs by region



Source: Monthly Employment Indicators - Filled Job Series, Stats NZ (Data to May 2023, next release on 28/07/2023)

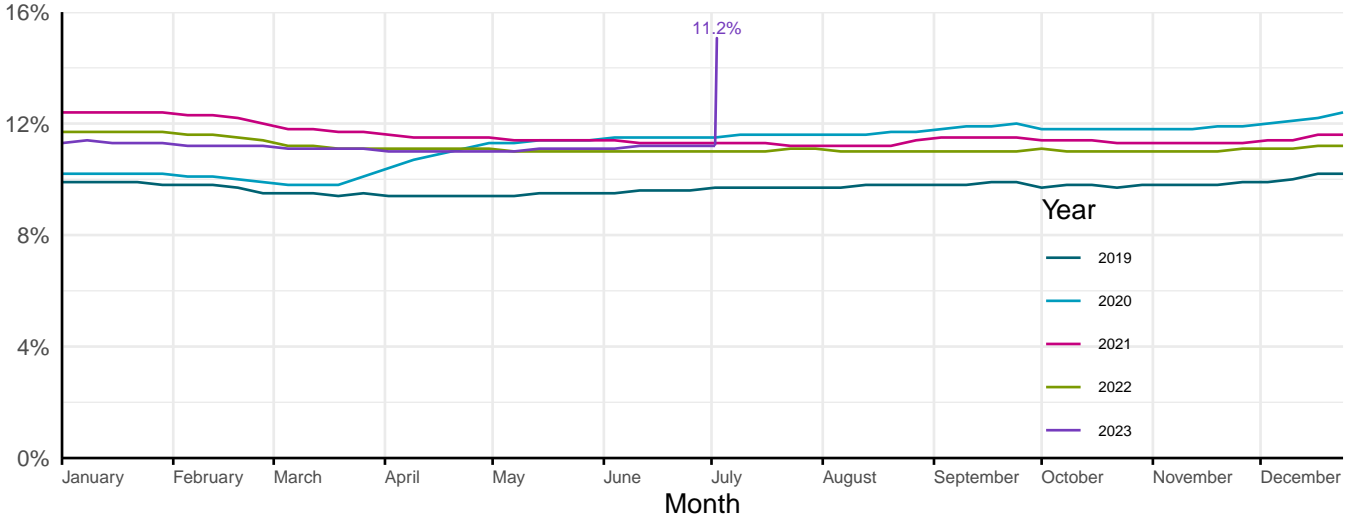


Benefit Recipients

Data up to 30 June 2023

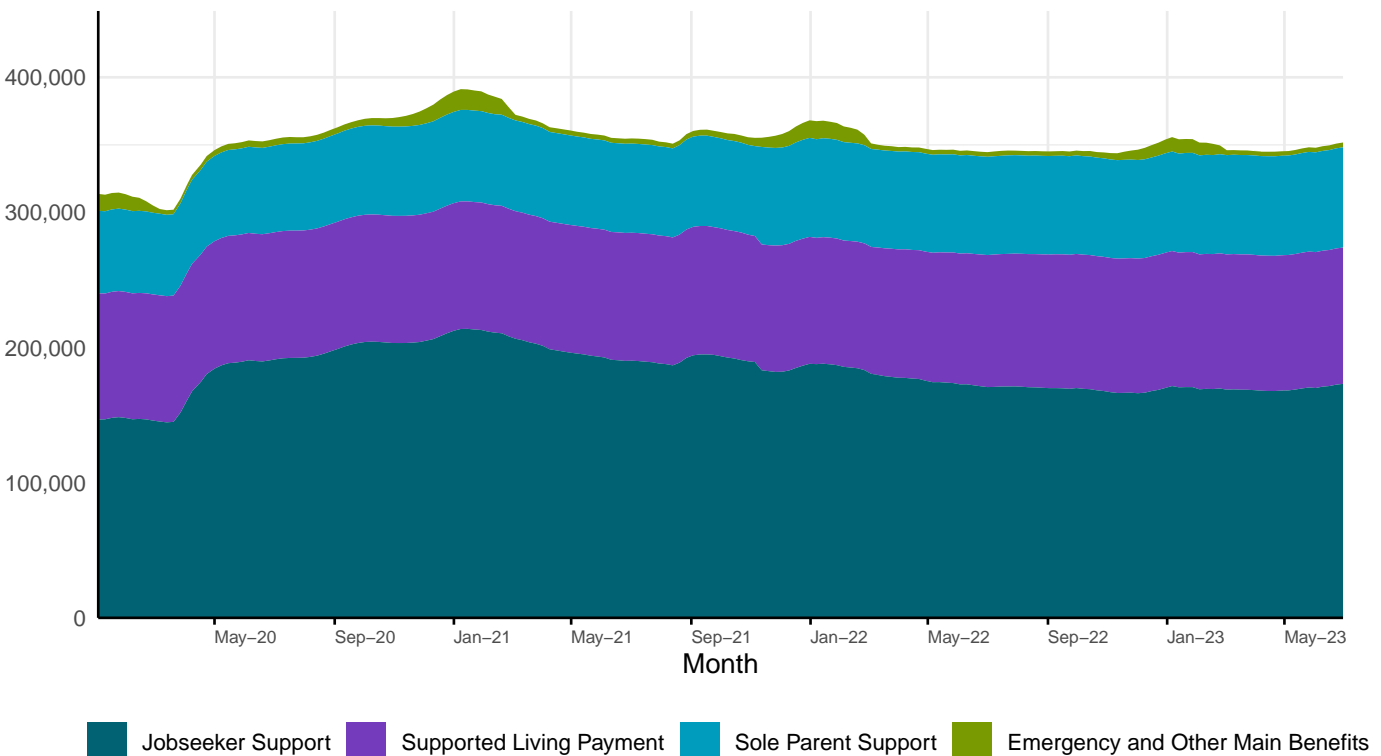
Benefits are primarily a measure of how many people are receiving income support rather than a direct measure of unemployment. Main benefits for working-age people (18 to 64 years) include: Jobseeker Support, Sole Parent Support, Supported Living Payment, and Emergency and Other main benefits. Benefit 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 30/06/2023, released every Friday)

Number of people receiving main benefits



Source: Working-age main benefits, MSD (Data to 30/06/2023, released every Friday)

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

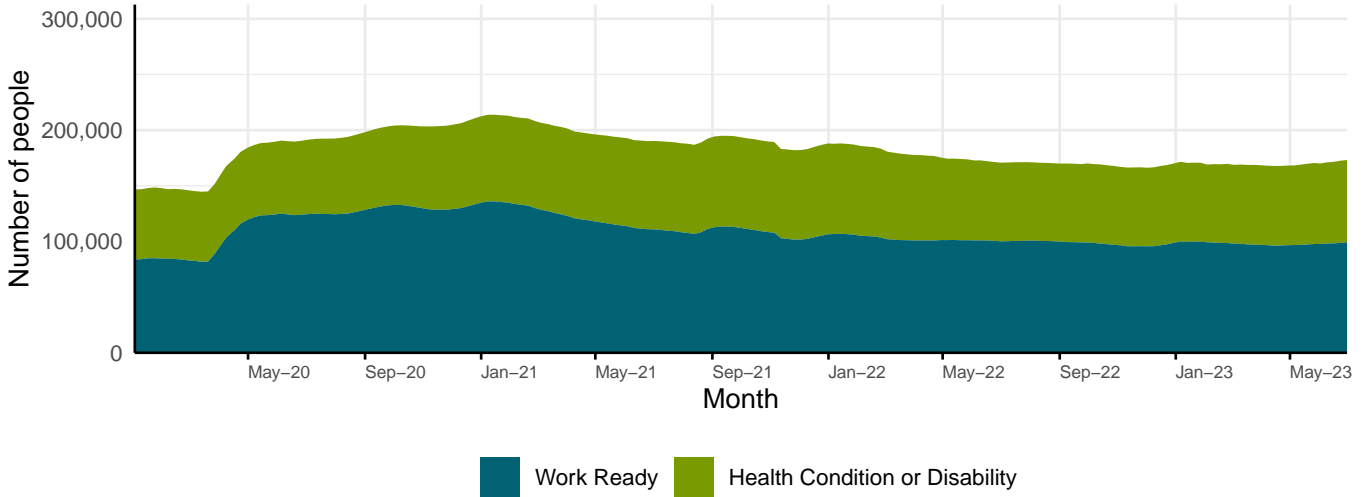


Jobseeker Benefit Recipients

Data up to 30 June 2023

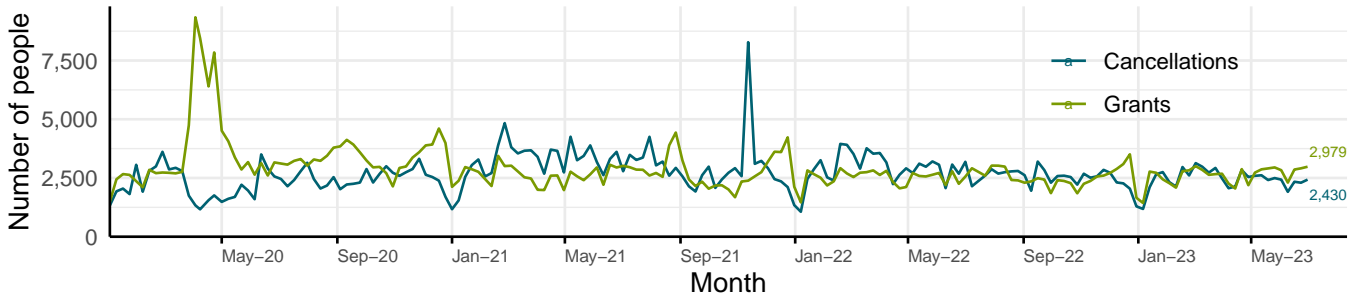
Jobseeker Support is for people who are actively looking or preparing for work. It includes both Jobseeker Support - Work Ready (JS-WR) and Jobseeker Support - Health Condition or Disability (JS-HCD). It is a weekly payment that helps people until they find work. It includes people not in employment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



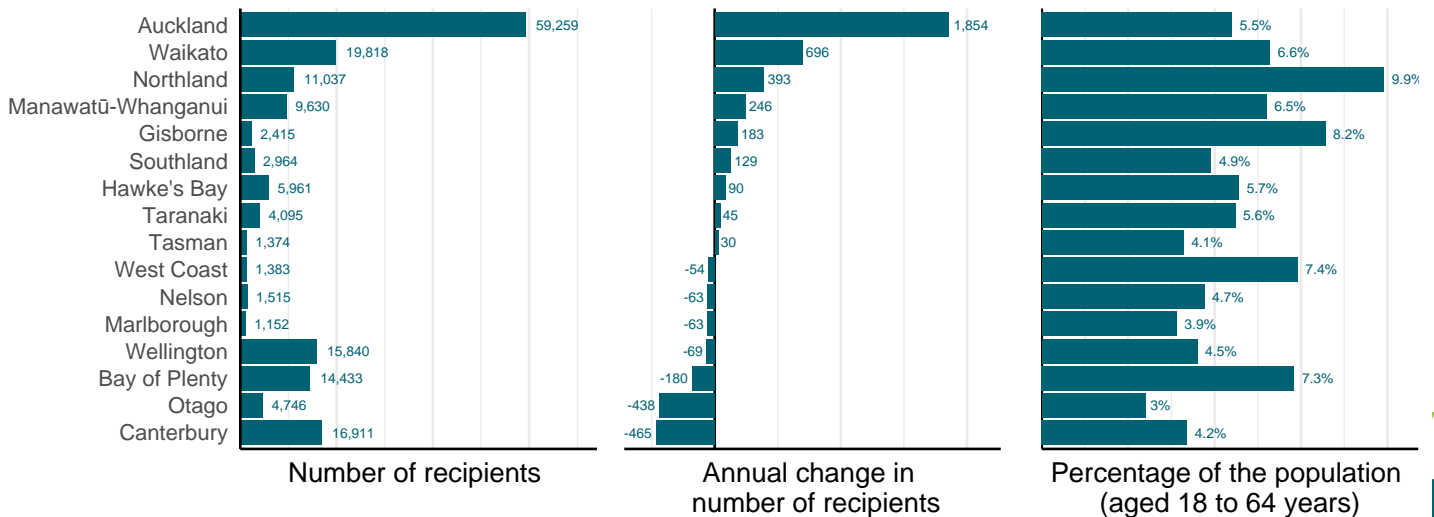
Source: Working-age main benefits, MSD (Data to 30/06/2023, released every Friday)

Weekly grants and cancellations of all Jobseeker Support



Source: Working-age main benefits, MSD (Data to 30/06/2023, released every Friday)

All Jobseeker Support benefit recipients by region



Source: Working-age main benefits, MSD (Data to 30/06/2023, released every Friday)

Job Vacancies

Data up to June 2023

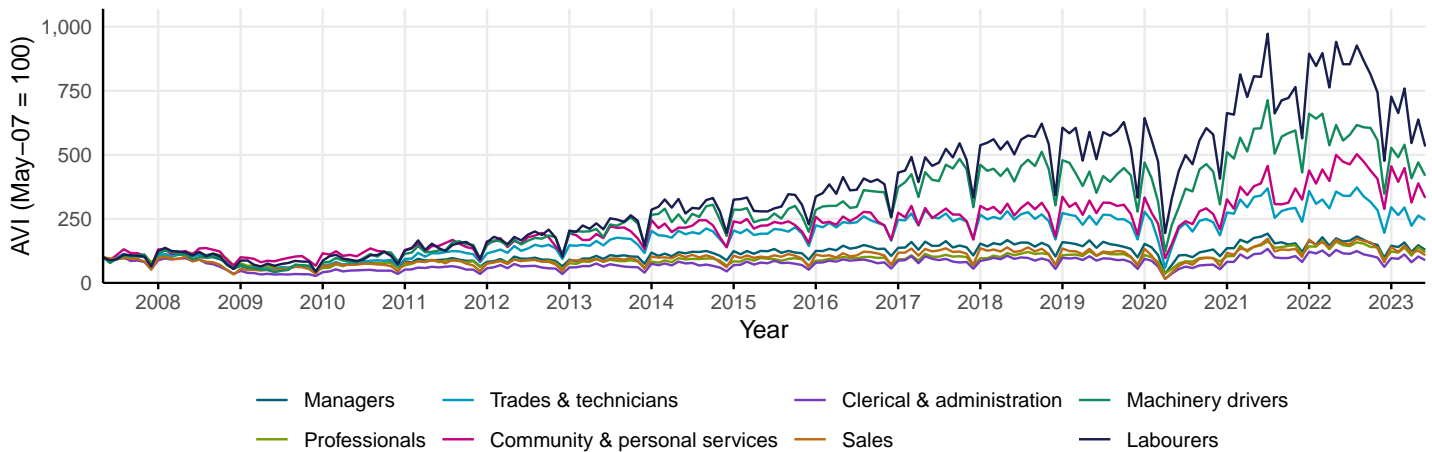
The number of jobs advertised online on major job boards can be used as a proxy for job vacancies, a key indicator of both labour demand and economic change. However, because of different hiring practices and changes in the rate of worker churn within industries, the relationship between online job advertisements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

All Vacancies Index (AVI) – online job advertising



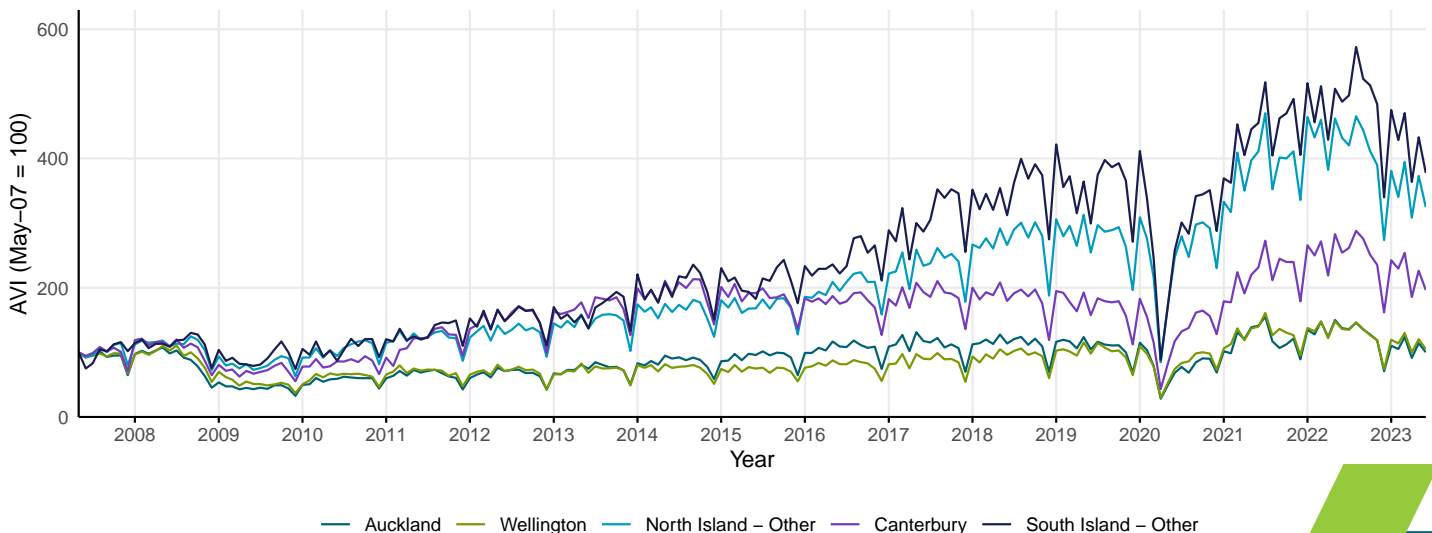
Source: Jobs Online, MBIE (Data to June 2023, next release 14/08/2023)

All Vacancies Index (AVI) by occupation



Source: Jobs Online, MBIE (Data to June 2023, next release 14/08/2023)

All Vacancies Index (AVI) by region



Source: Jobs Online, MBIE (Data to June 2023, next release 14/08/2023)



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.

