

# Auckland Regional Household Labour Force Survey: Quarterly Overview – September 2019

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November 2019

Research and Evaluation Unit (RIMU)

Auckland Council

## This report

This report is prepared by the Research and Evaluation unit (RIMU) of Auckland Council. It provides an overview of aspects of labour force participation in Auckland, as indicated by results of the quarterly Household Labour Force Survey (HLFS) (administered by Statistics New Zealand). Particular focus is provided on trends across age and ethnic groups in the region, and the NEET rate.

**Seasonality:** Data in this report is not 'seasonally adjusted'. In order to ensure information is seasonally aligned, rolling annual averages are used throughout this report for reporting across time.

**Definitions:** A list of definitions is included at the back of this report.

**Revisions:** The survey and most back-data was re-based in September 2019 to match revised regional population estimates. Also, the survey and all back-data since 2009 was revised in June 2016 when 'searching online ads only' was redefined from 'official unemployed' to 'looking at job ads only' (ie not actively seeking employment, therefore Not In Labour Force). This overview uses the revised data.

## The Household Labour Force Survey (HLFS)

The HLFS is a national sample survey undertaken by Statistics New Zealand.

It is primarily designed for national estimates. The national sample contains about 16,000 private households and about 30,000 individuals each quarter. Households are sampled on a statistically representative basis from rural and urban areas throughout New Zealand, and information is obtained for each member of the household aged 15 or older. Each quarter, one-eighth of the households in the sample are rotated out and replaced by a new set of households.

**Sampling errors:** As the HLFS is a sample survey, all statistics are subject to survey sampling error. Statistics presented here at the sub-sample (e.g. local board) and sub-variable (e.g. NEET) levels are also subject to additional sampling errors and should be treated as indicative only.

**Survey questionnaire changes:** In June 2016, the HLFS questionnaire was changed to identify more self-employed people (who would previously have been Not In Labour Force and/or NEET), and to include members of the armed forces living in private dwellings (previously not part of 'Working Age Population'). Consequently, employment and unemployment rates and other affected data from June 2016 onwards are not fully compatible with earlier periods.

The information provided in this report supplements other freely available HLFS information and reporting:

**National and some regional data** released on Statistics NZ website: [www.stats.govt.nz](http://www.stats.govt.nz)

**Technical notes** on the HLFS on Statistics NZ website:

<http://www.stats.govt.nz/survey-participants/a-z-of-our-surveys/household-labour-force-survey.aspx>

and for explanation of June 2016 questionnaire changes:

[http://www.stats.govt.nz/browse\\_for\\_stats/income-and-work/employment\\_and\\_unemployment/LabourMarketStatistics\\_HOTPJun16qtr-incl-HLFS/Commentary.aspx](http://www.stats.govt.nz/browse_for_stats/income-and-work/employment_and_unemployment/LabourMarketStatistics_HOTPJun16qtr-incl-HLFS/Commentary.aspx)

**Further labour market analysis** is available from MBIE:

<http://www.dol.govt.nz/publications/lmr/labour-maket-analysis.asp>

[Click here to read the latest Auckland Economic Quarterly](#) - overview of key economic trends in Auckland.

**Additional Auckland HLFS data** is available on request from Auckland Council's Research and Evaluation Unit, RIMU

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**Disclaimer** - The information in this document is given in good faith and has been obtained from sources believed to be reliable and accurate at the date of preparation, but its accuracy, correctness and completeness cannot be guaranteed.

## Table of contents

1. Overview and highlights.....	5
2. Labour force status and unemployment rate by age.....	7
3. Labour force status and unemployment rate by gender.....	8
4. Labour force status and unemployment rate by ethnic group.....	9
5. Employment by occupation.....	10
6. Employment by industry.....	11
7. Youth not in employment, education or training (NEET).....	12
Appendix 1: Definitions used in the HLFS.....	13

# 1. Overview and highlights

NOTE: The September 2019 Household Labour Force Survey (HLFS) was the first to be published since Statistics NZ revised their 2013-2019 regional population estimates in October 2019; as a consequence, most HLFS back-data for 2013-2019 has been revised (in most cases the impact was minor).

For the quarter ended September 2019:

- The overall unemployment rate was 4.3%, the second-lowest September rate since 2008.
- The NEET (not in employment, education or training) rate for youth aged 15-24 was 9.2%, similar to the preceding quarter and the fifth-lowest quarterly rate since 2008.

Over the year ended September 2019:

- The unemployment rate overall averaged 4.3% in the year ended September 2019, similar<sup>1</sup> to 4.1% in the year ended September 2018, which was the lowest-equal annual rate since 2008.
- The unemployment rate among those aged 15 to 19 averaged 19.1%, similar to 18.7% a year prior (but still well below the peak of 30.9% in 2011).
- The unemployment rate for females of all ages averaged 4.7%, similar to 4.4% a year prior, while the unemployment rate for males averaged 3.8%, the same as 3.8% a year prior. The gap between males and females (0.9%) has narrowed compared to its peak in the year ended June 2015 (2.5%).
- Unemployment rates among Māori (8.0%) and Pacific people (8.7%) were both similar to a year prior (8.2% and 7.7% respectively), and remained higher than European (3.1%) and Asian (4.2 %) ethnic groups (but have been trending down since 2013).
- The labour force participation rate overall averaged 70.7%, similar to 70.9% a year prior, which was the highest ever (since at least 1995).
- The labour force participation rate for females averaged 66.3%, a new record high since at least 1995 and continuing the uptrend since 2003 (57.2 %).
- The labour force participation rate for people aged 20-24 averaged 77.6%, the highest since 1999 and continuing the uptrend since 2013 (67.2%), but still lower than the previous peak of 83.0% in June 1998.

**Table 1: Labour force status, comparison to preceding quarter and year**

	Quarter end June 2019 (snapshot)	Quarter end Sept 2019 (snapshot)	Year end Sept 2018 (annual average)	Year end Sept 2019 (annual average)
Number employed	927.1	922.9	905.8	922.1
Number unemployed	40.4	39.9	38.8	41.1
Number not in the labour force	399.0	409.5	388.6	399.2
Number in the working age population	1,366.5	1,372.3	1333.3	1362.4
Labour force participation rate (%)	70.8	70.2	70.9	70.7
Unemployment rate (%)	4.2	4.1	4.1	4.3

Note: Numbers are '000s of people

<sup>1</sup> Definition of similar or different is relative to survey sampling error margins produced by Statistics NZ; for further details see 'Significant difference' in Appendix 1.

**Table 2: Quick overview of unemployment rates among age, gender and ethnic groups (%) (annual averages)**

	<b>Year end Sept 2018</b>	<b>Year end Sept 2019</b>
<b>Total</b>	<b>4.1</b>	<b>4.3</b>
15-19 years	18.7	19.1
20-24 years	8.3	8.8
25-39 years	3.4	3.2
40-54 years	2.5	2.9
55 years +	2.2	2.3
Female	4.4	4.7
Male	3.8	3.8
European	3.1	3.1
Māori	8.2	8.0
Pacific	7.7	8.7
Asian	4.0	4.2

**Table 3: Quick overview of labour force participation rates among age, gender and ethnic groups (%) (annual averages)**

	<b>Year end Sept 2018</b>	<b>Year end Sept 2019</b>
<b>Total</b>	<b>70.9</b>	<b>70.7</b>
15-19 years	37.6	40.6
20-24 years	74.9	77.6
25-39 years	86.5	86.1
40-54 years	87.3	87.0
55 years +	50.7	49.9
Female	65.3	66.3
Male	76.8	75.4
European	72.7	72.6
Māori	68.8	67.4
Pacific	63.1	63.0
Asian	71.2	71.7

## 2. Labour force status and unemployment rate by age

For the year ended September 2019, labour force status for the various age groups was as shown in Table 4.

**Table 4: Labour force status by age group, year ended September 2019 (annual averages)**

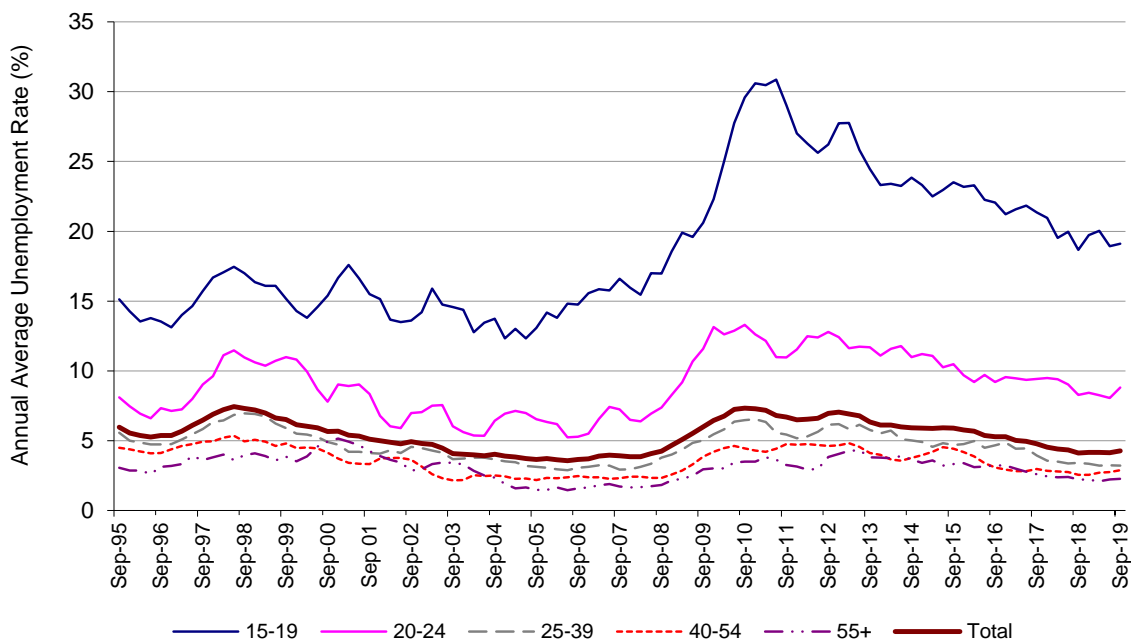
	Total	15 to 19 years	20 to 24 years	25 to 39 years	40 to 54 years	55 years and over
Number employed	922.1	37.8	93.3	321.9	279.6	200.8
Number unemployed	41.1	8.9	9.0	10.7	8.3	4.7
Number not in the labour force	399.2	68.4	29.6	53.9	43.1	206.5
Number in the working age popn	1362.4	115.1	131.9	386.5	331.0	411.9
Labour force participation rate (%)	70.7	40.6	77.6	86.1	87.0	49.9
Unemployment rate (%)	4.3	19.1	8.8	3.2	2.9	2.3

Note: Numbers are '000s; age group numbers are based on unrevised population estimates; sums may differ slightly from totals due to population revisions.

The annual average unemployment rates for the year ended September 2019 for every age group were similar to the year ended June 2019 (besides an up-tick for ages 15-19), and the post-2010 downward (improving) trend appears to have flattened in the last year or so. The unemployment rate continued to vary substantially by age: lowest for ages 55 years and over (2.3%), and highest for 15 to 19 year olds (19.1%).

Similarly, labour force participation rates vary from ages 15-19 (40.6%), to ages 40-54 (87.0%); for ages 55+ (49.9%), they have near-doubled since the year ended September 1995 (26.8%), while ages 15-19 are well below their March 1998 peak (57.4%).

**Figure 1: Unemployment rate by age group (rolling annual average), 1995-2019**



### 3. Labour force status and unemployment rate by gender

For the year ended September 2019, labour force status for males and females was as shown in Table 5.

**Table 5: Labour force status by gender, year ended September 2019 (annual averages)**

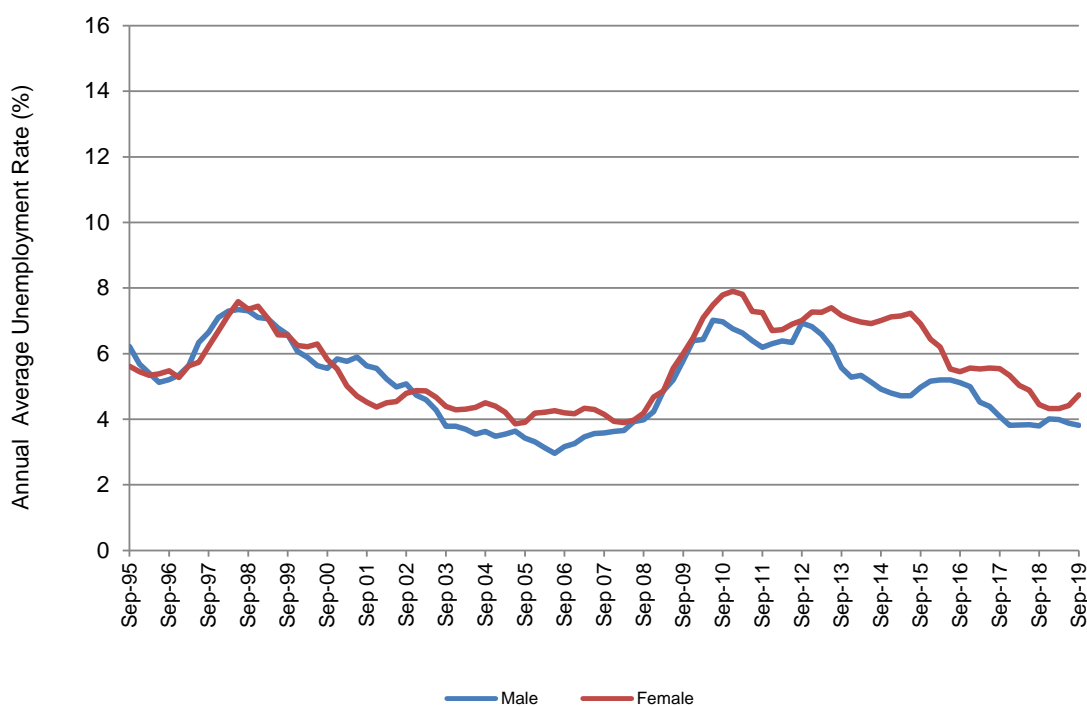
	Total	Male	Female
Number employed	<b>922.1</b>	478.0	444.1
Number unemployed	<b>41.1</b>	19.0	22.1
Number not in the labour force	<b>399.2</b>	162.3	236.9
Number in the working age popn	<b>1362.4</b>	659.3	703.1
Labour force participation rate (%)	<b>70.7</b>	75.4	66.3
Unemployment rate (%)	<b>4.3</b>	3.8	4.7

Note: Numbers are '000s; totals and rates may incorporate minor sampling discrepancies

The annual average unemployment rate for the year ended September 2019 remained slightly higher for females (4.7%) than males (3.8%); the gap (0.9%) has fluctuated since 2003 (between 0% and 2.5%), but causes less impact than variations over time of the overall unemployment rate. Latest unemployment rates were unchanged since December 2017 for males and June 2018 for females, and were both still much lower than the 2010 peaks (7.9% and 7.0%) and 1998 (7.6% and 7.3%), but slightly above 2005-2008.

In addition, the labour force participation rate (LFPR) for females (66.3%) was the highest on record (since at least 1995), but remained significantly lower than for males (75.4%); however, the LFPR gender gap (9.1%) has fallen by half since 1995 (19.0%), due to the male LFPR remaining unchanged over that period.

**Figure 2 Unemployment rate by gender (rolling annual average), 1995-2019**





## 4. Labour force status and unemployment rate by ethnic group

For the year ended September 2019, labour force status for the five main ethnic groups was as shown in Table 6.

**Table 6: Labour force status by ethnic group, year ended September 2019 (annual average)**

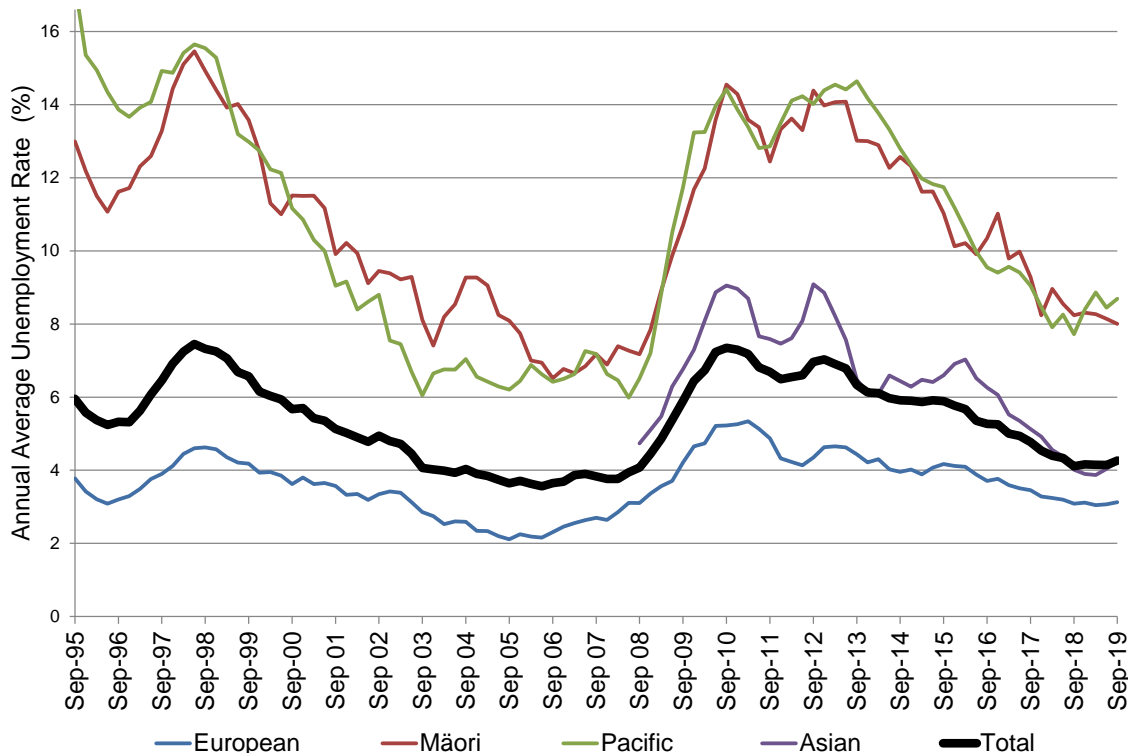
	Total	European	Māori	Pacific	Asian
Number employed	922.1	535.6	73.6	106.1	248.3
Number unemployed	41.1	17.3	6.4	10.1	11.0
Number not in the labour force	399.2	208.3	38.8	68.3	102.6
Number in the working age popn	1,362.4	761.1	118.7	184.5	361.8
Labour force participation rate (%)	70.7	72.6	67.4	63.0	71.7
Unemployment rate (%)	4.3	3.1	8.0	8.7	4.2

Notes: Numbers are '000s; sums may exceed totals due to respondents selecting multiple ethnic groups. "Other" not shown. These numbers are indicative only as sub-sample sizes are small.

The annual average unemployment rates for the year ended September 2019 were similar to a year or two earlier for every ethnic group - but all groups were much lower (better) than the peak in 2010. The unemployment rate continued to vary substantially between ethnic groups: lowest for Europeans (3.1%) and Asians (4.2%) and highest for Pacific peoples (8.7%) and Māori (8.0%).

Labour force participation rates (70.7%, flat since 2017) varied less, from Pacific (63.0%) and Māori (67.4%) to Asian (71.7% - up from 65.9% in 2013) and European (72.6%).

**Figure 3 Unemployment rate by ethnic group (rolling annual average), 1995-2019**



Note: Asian Ethnic Group was included in Other (not shown) until December Quarter 2007

## 5. Employment by occupation

NOTE: June 2019 numbers are based on unrevised population estimates, and so tend to be lower than revised estimates such as September 2019; changes are indicative only.

In the September 2019 quarter, Auckland's largest occupational categories were Professionals (26.3% of Auckland's total employment), and Managers (22.0%), followed by Clerical and Administrative workers (12.5%) and Technicians and Trades workers (9.8%).

Between the June 2019 and September 2019 quarters, there were no significant increases in the number of people employed in any occupation – in large part due to a reduction in the estimated number of people employed overall, due to a revision of regional population estimates (see note above)

In contrast, between the June 2019 and September 2019 quarters, there was a significant decrease in the estimated number of people employed as:

- Professionals (-9400)
- Technicians and Trades Workers (-5800)

**Table 7: Employment by occupation – comparison to preceding quarter (quarterly data)**

Occupation (ANZSCO 1-digit)	June 2019 quarter	September 2019 quarter	June 2019 quarter	September 2019 quarter
	Number		Share (%)	
Managers	200.9	202.9	21.3	22.0
Professionals	252.0	242.6	26.7	26.3
Technicians and Trades Workers	96.5	90.7	10.2	9.8
Community and Personal Service Workers	67.9	67.3	7.2	7.3
Clerical and Administrative Workers	119.4	115.2	12.7	12.5
Sales Workers	84.4	82.1	8.9	8.9
Machinery Operators and Drivers	50.1	49.1	5.3	5.3
Labourers	59.0	58.1	6.3	6.3
<b>Total</b>	<b>943.3</b>	<b>922.9</b>	<b>100.0</b>	<b>100.0</b>

Notes: Numbers are '000s. Total includes not elsewhere included.

NOTE: June 2019 numbers based on unrevised population estimates, so not totally consistent with subsequent periods.

## 6. Employment by industry

NOTE: In September 2019, data and backdata were revised to match population revisions; also, some industry sector bundlings were re-aligned eg Utilities, Retail, Business Services.

In the September 2019 quarter, the largest sectors in terms of employment were Professional, Scientific, Technical, Administrative and Support Services (144,800 people; 15.7% of total employment) and Retail and Accommodation and Food Services (138,000 people; 15.0% of total employment).

Between the June 2019 and September 2019 quarters, there were significant increases in the number of people employed in:

- Health Care and Social Assistance (+10,000)
- Manufacturing and Utilities (+7200)
- Financial and Insurance Services (+4300),

Between the June 2019 and September 2019 quarters, there were significant decreases in the number of people employed in:

- Retail and Accommodation and Food Services (-9600)
- Professional, Scientific, Technical, Administrative and Support Services (-7900)
- Education and Training (-5800)

**Table 8: Employment by industry – comparison to preceding quarter (quarterly data)**

Industry (ANZSIC06)	June 2019 quarter	September 2019 quarter	June 2019 quarter	September 2019 quarter
	Number		Share (%)	
Agriculture and Mining	7.5	7.2	0.8	0.8
Manufacturing and Utilities	83.9	91.1	9.0	9.9
Construction	82.7	81.9	8.9	8.9
Wholesale	49.9	51.0	5.4	5.5
Retail and Accommodation and Food Services	147.6	138.0	15.9	15.0
Transport, Postal and Warehousing	52.0	49.6	5.6	5.4
Information Media and Telecommunications	20.4	17.5	2.2	1.9
Financial and Insurance Services	41.0	45.3	4.4	4.9
Rental, Hiring and Real Estate Services	24.2	23.0	2.6	2.5
Professional, Scientific, Technical, Administrative and Support Services	152.7	144.8	16.5	15.7
Public Administration and Safety	36.2	38.3	3.9	4.1
Education and Training	80.7	74.9	8.7	8.1
Health Care and Social Assistance	79.6	89.6	8.6	9.7
Arts, Recreation and Other Services	51.9	52.5	5.6	5.7
<b>Total (including not specified)</b>	<b>927.1</b>	<b>922.9</b>	<b>100.0</b>	<b>100.0</b>

Notes: Numbers are '000s, rounded to nearest hundred.

## 7. Youth not in employment, education or training (NEET)

For the quarter ended September 2019, the overall percentage of young people (aged 15-24) who were not in employment, education or training (NEET) in Auckland (9.2%) was similar to the New Zealand average (9.9%) over the same period. Note that quarterly NEET rates are typically subject to substantial seasonal effects. For the year ended September 2019, the annual average NEET rate for Auckland (11.7%) was similar to the New Zealand average (12.0%) over the same period. (See NOTES below Table 9.)

Indicative NEET rates for the various local board areas for the latest quarter and year are shown in Table 9. Due to small sub-sample sizes, this information is not always available for some local board areas ('..S'), and is never available for Great Barrier (not listed). The other local board NEET levels and rates have varying error margins (18% to 56%; e.g. at 56% error margin, '10% NEET rate' could actually be anywhere between 4.4% and 15.6%).

**Table 9: NEET rates by local board area – quarter ended September 2019 (quarterly data, plus annual average rates)**

Local board area	Population Age 15-24(000)	Quarterly NEET (000)	Quarterly NEET rate (%)	Annual average NEET Rate (%)
Rodney	5.9	..S	..S	..S
Hibiscus and Bays	14.9	..S	..S	8.6
Upper Harbour	8.6	..S	..S	16.0
Kaipatiki	11.5	..S	..S	11.6
Devonport-Takapuna	12.4	..S	..S	9.4
Henderson-Massey[W]	12.3	1.7	14.2	15.3
Waitākere Ranges [W]	9.1	..S	..S	15.9
Waiheke	..S	..S	..S	..S
Waitematā	12.1	..S	..S	12.4
Whau [W]	10.3	1.0	9.9	11.7
Albert-Eden	23.7	1.6	6.8	10.4
Puketāpapa	14.8	1.1	7.3	9.2
Ōrākei	10.6	..S	..S	15.0
Maungakiekie-Tāmaki	9.3	..S	..S	16.0
Howick	23.2	2.5	10.9	10.3
Māngere-Ōtāhuhu [*]	18.2	3.0	16.3	19.8
Ōtara-Papatoetoe [*]	15.6	2.0	13.0	17.9
Manurewa [*]	19.5	3.3	16.9	18.4
Papakura [*]	5.0	1.2	24.4	25.5
Franklin	8.5	..S	..S	15.3
Southern Initiative [*]	58.3	9.5	16.3	19.0
Rest of Auckland [*]	187.2	13.2	7.0	9.4
Western Initiative [W]	31.6	3.4	10.6	14.3
<b>Auckland total</b>	<b>245.5</b>	<b>22.7</b>	<b>9.2</b>	<b>11.7</b>
Rest of New Zealand	406.6	42.1	10.4	12.2
<b>Total New Zealand</b>	<b>652.1</b>	<b>64.8</b>	<b>9.9</b>	<b>12.0</b>

NOTES: Auckland and New Zealand totals based on revised population estimates (October 2019); local board areas not yet revised. Any finer geography than Auckland total is below the design level of the survey; local board area estimates should be treated as indicative only and used with caution...S = data suppressed due to base numbers being too small (eg NEET below 1000 for the quarter (quarterly) or for all of the four quarters (annual average)). [\*] The Southern Initiative is made up of the Māngere-Ōtāhuhu, Ōtara-Papatoetoe, Manurewa and Papakura Local Boards. [W] = Western Initiative area.

## Appendix 1: Definitions used in the HLFS

**Employed:** Those HLFS respondents who during their survey reference week had either:

- worked for one hour or more for pay or profit, as employee/employer/self employed
- worked without pay for one hour or more for a relative's farm or business
- had a job but were temporarily not at work.

**Labour force:** Members of the working-age population who during their survey reference week were classified as 'employed' or 'unemployed'.

**Labour force participation rate:** The total labour force expressed as a percentage of the working-age population.

**NEET rate:** Calculated as the total number of youth (aged 15–24 years) who are not in employment, education or training (NEET), as a proportion of the total youth working-age population (aged 15-24 years).

**Not in the labour force:** Any person who is neither employed nor unemployed. This category includes, for example:

- retired persons
- persons with personal or family responsibilities such as child care, unpaid house work
- persons attending educational institutions
- persons permanently unable to work due to physical or mental handicaps
- persons who were not actively seeking work (see note below regarding unemployed).

**Significant difference:** The HLFS is a sample survey, so all statistics are subject to survey sampling error – the random variation between the sample and the total population. For a difference to be statistically significant, it must exceed this margin of error (see also note on sampling errors).

**Unemployed:** Unemployed persons are those in the working-age population who were without a paid job, available for work and had either actively sought work in the past four weeks ending with the reference week, or had a new job to start within the next four weeks. (NOTE: 'Actively sought work' does not include people whose only job search method was to look at job advertisements in newspapers or online.)

**Unemployment rate (UER):** The number of unemployed expressed as a percentage of the labour force.

**Working age population (WAP):** total population (ie of all labour force statuses) aged 15 or over (including over 65); sometimes restricted to a particular specified sub-group such as by gender or ethnicity – and sometimes also for a sub-group defined by age e.g. youth (aged 15-24).