

Auckland Regional Household Labour Force Survey: Quarterly Overview – December 2020

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1. Introduction

This report provides an overview of aspects of labour force participation in Auckland, as indicated by results of the quarterly Household Labour Force Survey (HLFS).

Particular focus is provided on trends across age and ethnic groups in Auckland, and the rate of youth who are not in employment, education or training (NEET).

The HLFS is a national sample survey undertaken by Stats NZ. It is primarily designed for national estimates. The national sample contains about 15,000 private households and about 30,000 individuals each quarter. The sub-sample size for Auckland is approximately 4500 households and 9000 individuals.

In order to ensure information is seasonally aligned, rolling annual averages are used throughout this report for reporting across time. 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. More information on the survey, and caveats to the use of the data are provided in technical notes at the end of the report.

It is useful to note that the March 2020 quarter included just over a week of Covid-19 lockdown (levels 3 and 4), so mostly reflected pre-lockdown conditions. The June and September 2020 quarters included longer lockdowns.

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

- **National and some regional data** released on Stats NZ website: www.stats.govt.nz
- **Further labour market analysis** is available from MBIE: <https://www.mbie.govt.nz/business-and-employment/employment-and-skills/labour-market-reports-data-and-analysis/>
- **Additional Auckland HLFS data** is available on request from the author: Ross.Wilson@aucklandcouncil.govt.nz
- **Auckland Economic Update (monthly)** - an overview of key economic trends in Auckland, prepared by the author, is available on the Knowledge Auckland website. <https://knowledgeauckland.org.nz/publications/auckland-economic-update-november-2020/>
- **Auckland Economic Quarterly** - an update on Auckland's economic challenges and opportunities including unemployment, housing, migration and more, prepared by the Chief Economist Unit, is available on the Knowledge Auckland website and also at: https://mcusercontent.com/b43f285355c582c3f958c1c0c/files/b5861fd2-e6b7-47c8-bb8d-1a669c547cf0/August_2020_AEQ.pdf

2. Overview and highlights

For the quarter ended December 2020, compared to the preceding quarter (not seasonally adjusted):

- The number employed in Auckland rose by 18,300, and population (aged 15+) rose by 3000.
- The overall unemployment rate was 5.3%, seemingly lower than the previous quarter (5.6%) but actually within the survey margin of error so not “significant”.¹
- Similarly, there was a non-significant rise in labour force participation rate (70.3% from 69.3%), and fall in numbers “NILF” (not in the labour force) (to 410,500).
- NILF includes available but not “actively” seeking work; these fell slightly to 23,100.
- Also, weekly hours worked recovered slightly to 38.1 (including full and part-timers).
- The NEET (not in employment, education or training) rate for youth aged 15-24 was 14.4%: similar to the preceding quarter (13.1%), but above a year earlier (11.0%).

Over the year ended December 2020:

- The unemployment rate overall averaged 4.9% in the year ended December 2020, significantly above the 4.2% for the year ended December 2019 but still low as an annual rate compared to 2009 to 2014 (6.0% to 7.3%).
- The unemployment rate among those aged 15 to 19 averaged 17.3%, similar to 18.1% a year prior (and still well below the peak of 31.0% in 2011).
- The unemployment rate for females of all ages averaged 5.4%, higher than 4.8% a year prior, while the unemployment rate for males averaged 4.5%, higher than 3.7% a year prior. The gap between males and females (0.9%) has narrowed significantly compared to its peak in the year ended June 2015 (2.5%).
- Unemployment rates among Māori (8.5%) and Pacific people (8.1%) were similar to a year prior (7.9% and 8.2% respectively), and remained higher than European (3.7%) and Asian (5.4%) ethnic groups despite the latter rising (from 3.1 and 4.0%).
- The labour force participation rate overall averaged 70.0%, similar to 70.9% a year prior, which was among the highest ever (since at least 1986).
- The labour force participation rate for females averaged 64.6%, well above the trough in 2001 (57.1 %), but still below the rate for males (75.7%).
- The labour force participation rate for people aged 55+ averaged 49.0%, well above ages 15-19 (39.2%) – unlike prior to 2008, when the relativity was the opposite.

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

	Quarter end Sept 2020 (snapshot)	Quarter end Dec 2020 (snapshot)	Year end Dec 2019 (annual average)	Year end Dec 2020 (annual average)
Number employed	900.2	918.5	912.1	915.4
Number unemployed	53.8	51.5	40.2	47.5
Number not in the labour force	423.5	410.5	390.4	411.9
Number in the working age population	1377.5	1380.5	1342.7	1374.8
Labour force participation rate (%)	69.3	70.3	70.9	70.0
Unemployment rate (%)	5.6	5.3	4.2	4.9

Note: Numbers are '000s of people.

¹ The definition of similar or different is relative to survey sampling error margins produced by Stats 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)

	Year end Dec 2019	Year end Dec 2020
Total	4.2	4.9
15-19 years	18.1	17.3
20-24 years	8.8	10.4
25-39 years	3.3	4.4
40-54 years	2.9	3.5
55 years +	2.3	2.8
Female	4.8	5.4
Male	3.7	4.5
European	3.1	3.7
Māori	7.9	8.5
Pacific	8.2	8.1
Asian	4.0	5.4

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

	Year end Dec 2019	Year end Dec 2020
Total	70.9	70.0
15-19 years	39.8	39.2
20-24 years	77.6	75.6
25-39 years	86.0	85.2
40-54 years	87.0	86.8
55 years +	50.3	49.0
Female	66.5	64.6
Male	75.5	75.7
European	72.8	71.4
Māori	67.0	66.5
Pacific	62.9	62.7
Asian	72.3	72.4

Note: During the lockdowns of 2020 many people may not have met the criteria to have been actively seeking or available to start work, despite wanting a job. In these cases, the respondent will have been classified as ‘not in the labour force’ rather than ‘unemployed’. Others remained employed due to government wage subsidies, with or without reductions in hours and pay. Also, there was a substantial reduction in survey response rates, which may introduce bias.

3. Labour force status and unemployment rate by age

For the year ended December 2020, labour force status for the various age groups was as shown in Table 4. Unemployment rates since 1995 were as shown in Figure 1.

Table 4: Labour force status by age group, year ended December 2020 (annual averages)

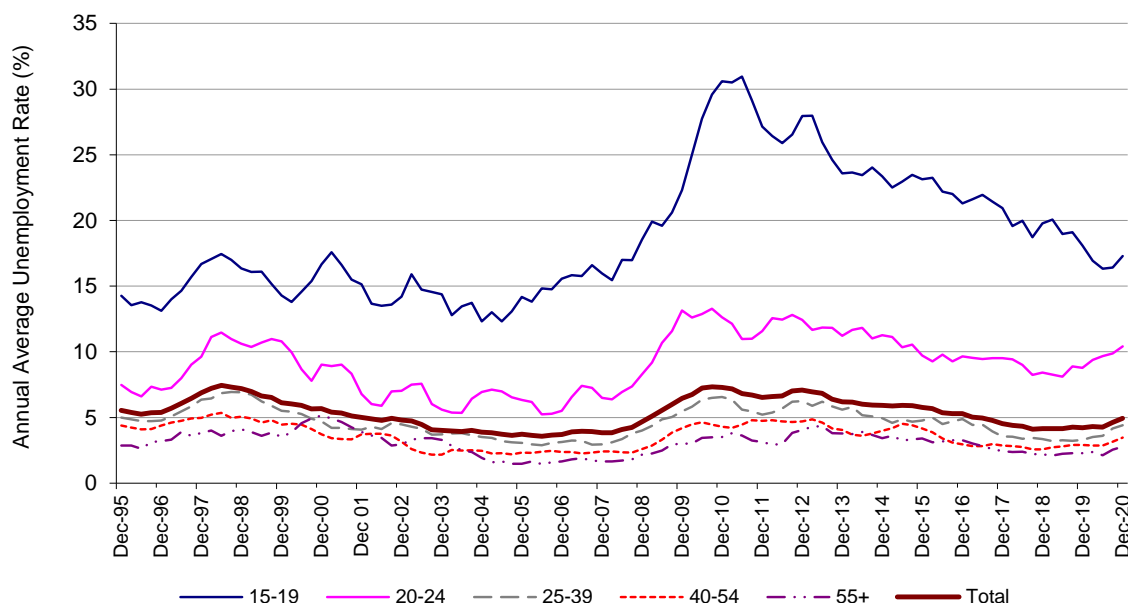
	Total	15 to 19 years	20 to 24 years	25 to 39 years	40 to 54 years	55 years and over
Number employed	915.4	36.4	82.1	311.2	287.3	198.5
Number unemployed	47.5	7.6	9.6	14.4	10.3	5.7
Number not in the labour force	411.9	68.1	29.6	56.5	45.3	212.5
Number in the working age popn	1374.8	112.1	121.3	382.1	342.9	416.6
Labour force participation rate (%)	70.0	39.2	75.6	85.2	86.8	49.0
Unemployment rate (%)	4.9	17.3	10.4	4.4	3.5	2.8

Note: Numbers are '000s; numbers and rates are based on latest re-revised population estimates.

The annual average unemployment rates for the year ended December 2020 were similar or slightly higher than for the year ended September, and than a year ago, for all age groups. The unemployment rate continued to vary substantially by age: lowest for ages 55 years and over (2.8%), and highest for 15- to 19-year olds (17.3%).

Labour force participation rates vary from ages 15-19 (39.2%), to ages 40-54 (86.8%); they have recently fallen slightly for ages 20-24 (to 75.6%); longer term, for ages 55+ (49.0%), they have near-doubled since the year ended September 1995 (26.8%), whereas ages 15-19 are a third lower than their March 1998 peak (57.4%).

Figure 1: Unemployment rate by age group (rolling annual average), 1995-2020



4 Labour force status and unemployment rate by gender

For the year ended December 2020, labour force status for males and females was as shown in Table 5. Unemployment rates since 1995 were as shown in Figure 2.

Table 5: Labour force status by gender, year ended December 2020 (annual averages)

	Total	Male	Female
Number employed	915.4	486.7	428.7
Number unemployed	47.5	23.2	24.3
Number not in the labour force	411.9	163.6	248.3
Number in the working age popn	1374.8	673.5	701.3
Labour force participation rate (%)	70.0	75.7	64.6
Unemployment rate (%)	4.9	4.5	5.4

Note: Numbers are '000s; numbers and rates are based on latest re-revised population estimates.

The annual average unemployment rate for the year ended December 2020 remained slightly higher for females (5.4%) than males (4.5%); the gap (0.9%) is currently significant, but often causes less impact than variations over time of the respective unemployment rates. Unemployment rates rose recently after being largely flat since December 2017 for males and a trough in March 2019 for females, and for both were still much lower than the peaks in 2010 (7.9% and 7.0%) and 1998 (7.5% and 7.4%), but above 2004-2008.

In addition, the labour force participation rate (LFPR) for females (64.6%) has been falling recently from record highs, and remained significantly lower than for males (stable at 75.7%); longer term, the LFPR gender gap (11.1%) has reduced by over a third since 1995 (18.8%), due to the male LFPR remaining largely unchanged over that period while the female LFPR rose.

Figure 2 Unemployment rate by gender (rolling annual average), 1995-2020



5 Labour force status and unemployment rate by ethnic group

For the year ended December 2020, labour force status for the four main ethnic groups was as shown in Table 6. Unemployment rates since 1995 were as shown in Figure 3.

Table 6: Labour force status by ethnic group, year ended December 2020 (annual average)

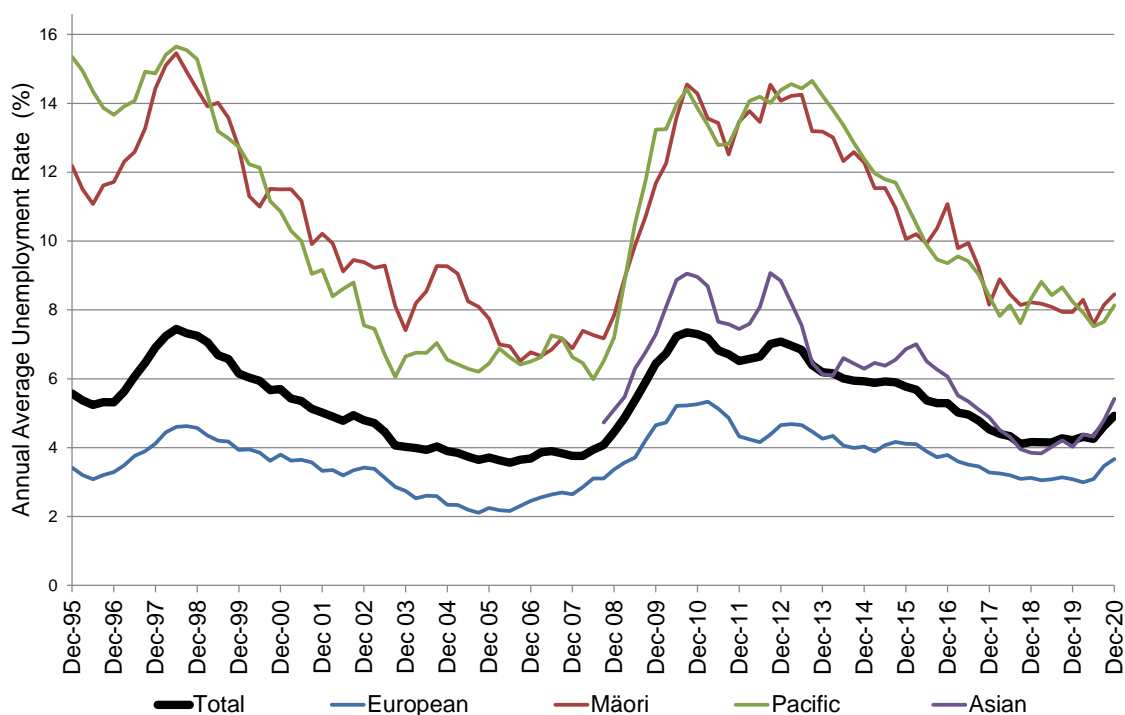
	Total	European	Māori	Pacific	Asian
Number employed	915.4	512.9	79.1	106.8	262.0
Number unemployed	47.5	19.5	7.3	9.5	15.0
Number not in the labour force	411.9	212.9	43.5	69.2	105.5
Number in the working age popn	1,374.8	745.3	129.9	185.5	382.4
Labour force participation rate (%)	70.0	71.4	66.5	62.7	72.4
Unemployment rate (%)	4.9	3.7	8.5	8.1	5.4

Notes: Numbers are '000s; sums may exceed totals due to respondents selecting multiple ethnic groups. "Other ethnicities" not shown. These numbers are indicative only as sub-sample sizes are small. Data is based on latest re-revised population estimates.

The annual average unemployment rates for the year ended December 2020 were broadly similar to the last two years for Māori and Pacific peoples, but rising recently for Europeans and Asians - but all groups were much lower (better) than the peaks in 2010 and 1998. The unemployment rate continued to vary substantially between ethnic groups: lowest for Europeans (3.7%), higher for Asians (5.4%), and highest for Māori (8.5%) and Pacific peoples (8.1%).

Labour force participation rates (70.0%, broadly flat since 2017 except Māori falling) also varied by ethnicity, but to a lesser extent than unemployment rates, from Pacific (62.7%) and Māori (66.5%) to Asian (72.4% - up from 65.1% in 2013) and European (71.4%).

Figure 3: Unemployment rate by ethnic group (rolling annual average), 1995-2020



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

6 Employment by occupation

In the December 2020 quarter, Auckland's largest occupational categories were Professionals (24.9% of Auckland's total employment), and Managers (22.8%), followed by Clerical and Administrative Workers (11.1%) and Technicians and Trades Workers (10.3%).

Between the September 2020 and December 2020 quarters, there were significant increases in the numbers employed in the following occupations:

- Community and Personal Services (+6,300, a rise of 8.8% yielding a 0.5 percentage point increase in their share)
- Labourers (+5,900, a rise of 10.3% yielding a 0.5 percentage point increase in their share)
- Managers (+6,700, a rise of 3.3%; a share increase of 0.3 percentage points.

In contrast, between the September 2020 and December 2020 quarters, there were no significant decreases in the numbers employed in any occupations.

(However, employment was significantly lower in the December 2020 quarter than a year earlier (December 2019) for the following occupations:

- Clerical and Administrative (-10,300, a 9.1% fall, which happened in June 2020)
- Sales (-8000, a 9.8% fall, with a larger fall in September 2020 partly mitigated by a small recovery in December 2020).

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

Occupation (ANZSCO 1-digit)	September 2020 quarter	December 2020 quarter	September 2020 quarter	December 2020 quarter
	Number		Share (%)	
Managers	202.4	209.1	22.5	22.8
Professionals	233.0	228.7	25.9	24.9
Technicians and Trades Workers	97.2	95.0	10.8	10.3
Community and Personal Service Workers	71.2	77.5	7.9	8.4
Clerical and Administrative Workers	102.5	101.6	11.4	11.1
Sales Workers	70.7	73.9	7.9	8.0
Machinery Operators and Drivers	49.1	50.5	5.5	5.5
Labourers	57.4	63.3	6.4	6.9
Total	900.2	918.5	100.0	100.0

Notes: Numbers are '000s. Total includes not elsewhere included. Data is based on re-revised population estimates.

7 Employment by industry

In the December 2020 quarter, the largest sectors in terms of employment were Health Care and Social Assistance (98,900 people; 10.8% of total employment), Construction (97,400 people; 10.6% of total employment) and Professional, Scientific and Technical Services (96,500 people; 10.5% of total employment).

Between the September 2020 and December 2020 quarters, there were significant increases in the number of people employed in:

- Financial and Insurance Services (+4500, a rise of 11.1%).

(In addition, employment was significantly higher in the December 2020 quarter than a year earlier (December 2019) for:

- Construction (+10,000, a 11.4% rise, spread over the period.)

Between the September 2020 and December 2020 quarters, there were no significant decreases in the number of people employed in any industries.

(However, employment was significantly lower in the December 2020 quarter than a year earlier (December 2019) for:

- Transport Postal and Warehousing (-7,600, a 14.3% fall, mostly in June 2020.)

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

Industry (ANZSIC06)	September 2020 quarter	December 2020 quarter	September 2020 quarter	December 2020 quarter
	Number		Share (%)	
AB Primary Industries	7.0	8.3	0.8	0.9
C Manufacturing	80.9	79.6	9.0	8.7
D Electricity Gas Water and Waste Services	8.3	8.3	0.9	0.9
E Construction	94.9	97.4	10.5	10.6
F Wholesale Trade	44.4	42.2	4.9	4.6
G Retail Trade	81.9	83.2	9.1	9.1
H Accommodation and Food Services	44.8	48.4	5.0	5.3
I Transport Postal and Warehousing	47.0	45.4	5.2	4.9
J Information Media and Telecommunications	17.7	18.3	2.0	2.0
K Financial and Insurance Services	40.7	45.2	4.5	4.9
L Rental Hiring and Real Estate Services	20.8	22.4	2.3	2.4
M Professional, Scientific and Technical Services	96.5	96.5	10.7	10.5
N Administrative and Support Services	30.7	34.6	3.4	3.8
O Public Administration and Safety	41.4	42.0	4.6	4.6
P Education and Training	76.6	76.0	8.5	8.3
Q Health Care and Social Assistance	92.7	98.9	10.3	10.8
R Arts and Recreation Services	16.9	19.0	1.9	2.1
S Other Services	40.3	38.8	4.5	4.2
Total	900.2	918.5	100.0	100.0

Notes: Numbers are '000s, rounded to nearest hundred. Total includes "Not elsewhere included". Data is based on re-revised population estimates. Also, from December 2020 onwards, industry sectors for this report were unbundled to ANZSIC 1 digit (including back-data).

8 Youth not in employment, education or training

For the quarter ended December 2020, the overall percentage of young people (aged 15-24) who were not in employment, education or training (NEET) in Auckland (13.9%) was slightly above the New Zealand average (12.9%) over the same period. Note that quarterly NEET rates are typically subject to substantial seasonal effects. For the year ended December 2020, the annual average NEET rate for Auckland (14.0%) was slightly above the New Zealand average (12.9%) over the same period. (But 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 be anywhere between 4.4% and 15.6%).

Table 9: NEET rates by local board area – quarter and year ended December 2020

Local board area	Population Age 15-24(000)	Quarterly NEET (000)	Quarterly NEET rate (%)	Annual average NEET Rate (%)
Rodney	7.2	..S	..S	18.3
Hibiscus and Bays	14.4	1.3	9.1	7.8
Upper Harbour	8.1	1.2	14.6	18.8
Kaipatiki	9.5	2.0	20.5	17.9
Devonport-Takapuna	12.0	1.0	8.6	14.5
Henderson-Massey[W]	14.5	3.1	21.0	17.2
Waitākere Ranges [W]	8.5	1.2	14.1	13.8
Waiheke	..S	..S	..S	..S
Waitematā	8.6	..S	..S	10.8
Whau [W]	11.2	1.8	15.9	17.7
Albert-Eden	22.5	2.3	10.4	7.9
Puketāpapa	7.3	..S	..S	14.2
Ōrākei	12.2	1.0	8.6	7.8
Maungakiekie-Tāmaki	11.5	2.5	21.3	19.4
Howick	17.1	1.4	8.0	13.7
Māngere-Ōtāhuhu [*]	14.6	2.8	19.5	16.3
Ōtara-Papatoetoe [*]	13.6	2.0	14.6	21.0
Manurewa [*]	18.4	4.2	22.6	23.2
Papakura [*]	7.8	1.6	19.8	23.5
Franklin	12.0	..S	..S	12.6
Southern Initiative [*]	54.4	10.5	19.4	20.7
Rest of Auckland [*]	177.1	21.7	12.2	11.9
Western Initiative [W]	34.3	6.0	17.6	16.3
Auckland total	231.5	32.2	13.9	14.0
Rest of New Zealand	420.7	52.1	12.4	12.3
Total New Zealand	652.2	84.3	12.9	12.9

Notes: Data is based on latest re-revised population estimates. 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 (e.g. 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: Definitions and technical notes

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 (i.e. of all labour force statuses) aged 15 or over (including over 65), who have or propose to live in New Zealand for at least 12 months, but excluding institutionalised people (in prison, or long-term residents of homes for older people, hospitals, and psychiatric institutions) ; 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).

See also:

Technical notes

HLFS survey sampling: Households are sampled on a statistically representative basis from 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.

Seasonality and annual averages: In order to ensure information is seasonally aligned, rolling annual averages are used throughout most of this report for reporting across time. Remaining quarterly data in this report will be subject to seasonality (and may differ from some of the HLFS headline numbers published by Stats NZ that are 'seasonally adjusted').

Revisions: The survey and some back-data was re-revised by Stats NZ in October 2020 and again in January 2021 to match re-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' (i.e. not actively seeking employment, therefore Not In Labour Force). This overview uses the revised data, but note that back-data for before 2009 still uses the old definition.

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.

For further information

Technical notes on the HLFS on Stats NZ website:

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

[HLFS sources and methods: 2016](#)

June 2016 questionnaire changes:

http://archive.stats.govt.nz/browse_for_stats/income-and-work/employment_and_unemployment/improving-labour-market-statistics.aspx#gsc.tab=0

2020 Covid-19 impacts:

<https://www.stats.govt.nz/methods/covid-19-and-labour-market-statistics-in-the-june-2020-quarter>