

Auckland Regional Household Labour Force Survey: Quarterly Overview – September 2021

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Auckland Council

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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 short and long-term 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. Since then, lockdowns have varied in intensity and duration.

Note also that Stats NZ revise the backdata slightly each quarter to match ongoing population revisions arising from latest migration estimates. This report uses the latest version of backdata.

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-2021/>
- **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.

Also at: <https://www.aucklandcouncil.govt.nz/about-auckland-council/business-in-auckland/Pages/economic-advice.aspx>

2. Overview and highlights

For September 2021 quarter, compared to the preceding quarter (not seasonally adjusted):

- Auckland's unemployment rate fell to 3.1%, the lowest¹ since 2007.
- Persons unemployed (31,300) fell by 8700 since June 2021 (40,000).
- Persons employed (971,300) grew even more (+27,300).
- NILF (not 'actively' seeking work) (385,100) fell by 14,800 since June (399,900).
- The labour force participation rate (72.2%) was slightly above June (71.1%).
- Weekly hours worked was similar at 37.7 (average including full and part-timers).
- The NEET (not in employment, education or training) rate for youth aged 15-24 was 10.6%, similar to June (11.3%) and to the rest of New Zealand (11.3%).

Over the year ended September 2021:

- The unemployment rate averaged 4.4%, similar to a year prior (4.6%).
- The unemployment rate among those aged 15 to 19 averaged 18.2%, - slightly above 16.4% a year prior, but lower than 2009 to 2017 (2011 hit 31.0%).
- The unemployment rate for females of all ages averaged 4.6%, slightly lower than 5.0% a year prior. Males averaged 4.3%, same as a year prior (4.3%), so the gap between males and females is now minimal (0.3%).
- Unemployment rates varied by ethnic group: Pacific people (8.6%) were slightly above the year before (7.6%); Māori (7.7%) similar to the year before (8.1%); Asian (4.5%) slightly down (from 4.8%) and European (3.3%) slightly down (from 3.6%).
- The labour force participation rate averaged 71.1%, similar to a year prior (70.1%).
- The labour force participation rate for females (65.7%) and males (76.7%) was similar to a year prior (64.9% (still above 1995's 57.3%) and 75.6% respectively).
- Labour force participation rates rose marginally from a year prior for ages 15-19 (40.8% from 38.9%) and 20-24 (78.1% from 76.2%); other ages were unchanged.
- Labour force participation rates were similar to a year prior for European (72.3%), Māori (67.1%) and Pacific (62.8%) ethnicities but rose slightly for Asian (74.6%).

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

	Quarter end June 2021 (snapshot)	Quarter end Sept 2021 (snapshot)	Year end Sept 2020 (annual average)	Year end Sept 2021 (annual average)
Number employed	944.7	971.3	914.8	940.3
Number unemployed	40.0	31.3	44.4	43.8
Number not in the labour force	399.9	385.1	408.4	399.4
Number in the working age population	1384.7	1387.7	1367.5	1383.5
Labour force participation rate (%)	71.1	72.2	70.1	71.1
Unemployment rate (%)	4.1	3.1	4.6	4.4

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 Sept 2020	Year end Sept 2021
Total	4.6	4.4
15-19 years	16.4	18.2
20-24 years	9.9	9.3
25-39 years	4.2	3.9
40-54 years	3.2	3.0
55 years +	2.5	2.2
Female	5.0	4.6
Male	4.3	4.3
European	3.5	3.3
Māori	8.1	7.7
Pacific	7.6	8.6
Asian	4.8	4.5

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

	Year end Sept 2020	Year end Sept 2021
Total	70.1	71.1
15-19 years	38.9	40.8
20-24 years	76.2	78.1
25-39 years	85.4	85.5
40-54 years	86.9	87.0
55 years +	49.4	49.7
Female	64.9	65.7
Male	75.6	76.7
European	71.6	72.3
Māori	65.8	67.1
Pacific	62.8	62.8
Asian	72.3	74.6

Note: During the lockdowns of 2020 and 2021, 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. In addition, survey response rates sometimes fell, which may introduce bias.

3. Labour force status and unemployment rate by age

Labour force status by age group for the year ended September 2021 is shown in Table 4. Unemployment rates since 1995 are shown in Figure 1.

Table 4: Labour force status by age, year ended September 2021 (annual averages)

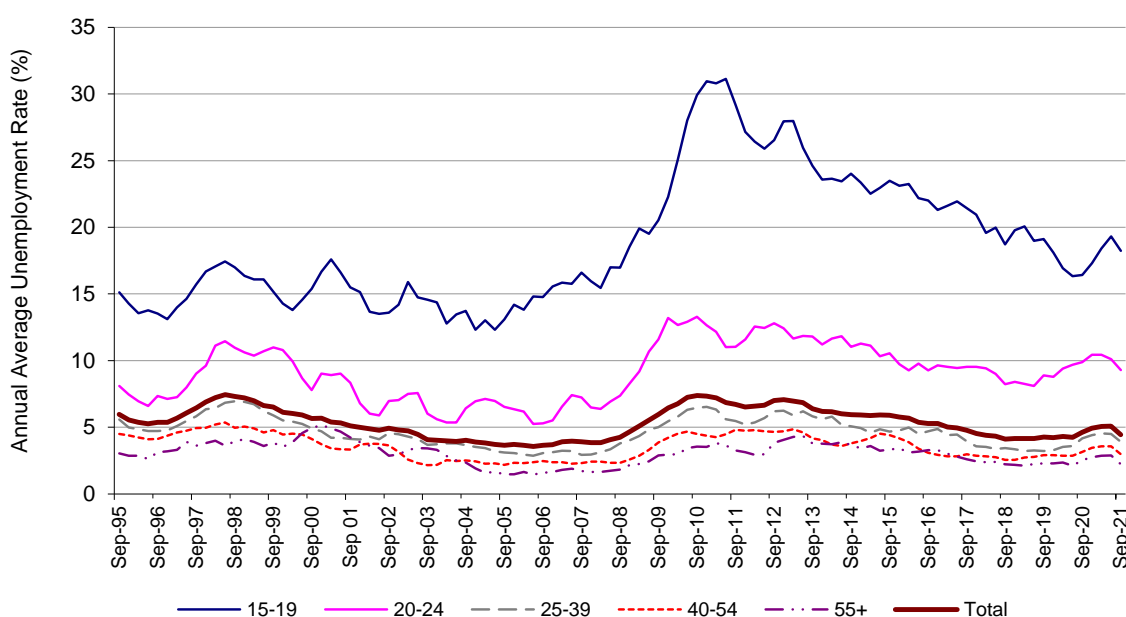
	Total	15 to 19 years	20 to 24 years	25 to 39 years	40 to 54 years	55 years and over
Number employed	940.3	36.2	87.5	324.1	293.9	198.6
Number unemployed	43.8	8.1	9.0	13.2	9.0	4.5
Number not in the labour force	399.4	64.3	27.1	57.4	45.4	205.3
Number in the working age popn	1383.5	108.6	123.4	394.7	348.3	408.4
Labour force participation rate (%)	71.1	40.8	78.1	85.5	87.0	49.7
Unemployment rate (%)	4.4	18.2	9.3	3.9	3.0	2.2

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

The annual average unemployment rates for the year ended September 2021 were slightly below the year ended June 2021, and similar or slightly below a year ago, for all age groups (relative to error ranges) (except a slight increase among those aged 15 to 19). The unemployment rate continued to vary based on age and was highest among those aged 15 to 19 years (18.2%), and lowest for those aged 55 and over (2.2%).

Labour force participation rates (LFPR) varied from 40.8 per cent for those aged 15 to 19, to 87.0 per cent for those aged 40 to 54. While there have not been significant changes by age group since 2017, there have been in the longer-term data. For example, LFPR have almost doubled among those aged 55 and over (from 26.8% in Sept 1995 to 49.7% in Sept 2021).

Figure 1: Unemployment rate by age (rolling annual average), 1995-2021



4 Labour force status and unemployment rate by gender

Labour force status for males and females for the year ended September 2021 is shown in Table 5. Unemployment rates since 1995 are shown in Figure 2.

Table 5: Labour force status by gender, year ended September 2021 (annual averages)

	Total	Male	Female
Number employed	940.3	500.0	440.3
Number unemployed	43.8	22.3	21.5
Number not in the labour force	399.4	158.5	241.0
Number in the working age popn	1383.5	680.9	702.7
Labour force participation rate (%)	71.1	76.7	65.7
Unemployment rate (%)	4.4	4.3	4.6

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

The annual average unemployment rate for the year ended September 2021 was only slightly higher for females (4.6%) than males (4.3%). The gender gap (0.3%) is now minimal: it is currently narrower or similar to most of the last ten years, and much narrower than 2013-2015 – when it peaked at 2.5% (June 2015).

The labour force participation rates (LFPR) for females (65.7%) was similar to the record highs of 2018-2020, and remained significantly lower than for males (76.7%). The LFPR gender gap (11.0%) has been rising slightly since the record low of December 2019 (9.0%), but longer term it is a third lower than 1995 (19.0%), due to the male LFPR remaining largely unchanged over that period while the female LFPR rose (from 57.3%).

Figure 2 Unemployment rate by gender (rolling annual average), 1995-2021



5 Labour force status and unemployment rate by ethnic group

Labour force status for the four main ethnic groups for the year ended September 2021 is shown in Table 6. Unemployment rates since 1995 are shown in Figure 3.

Table 6: Labour force status by ethnic group, year ended September 2021 (annual average)

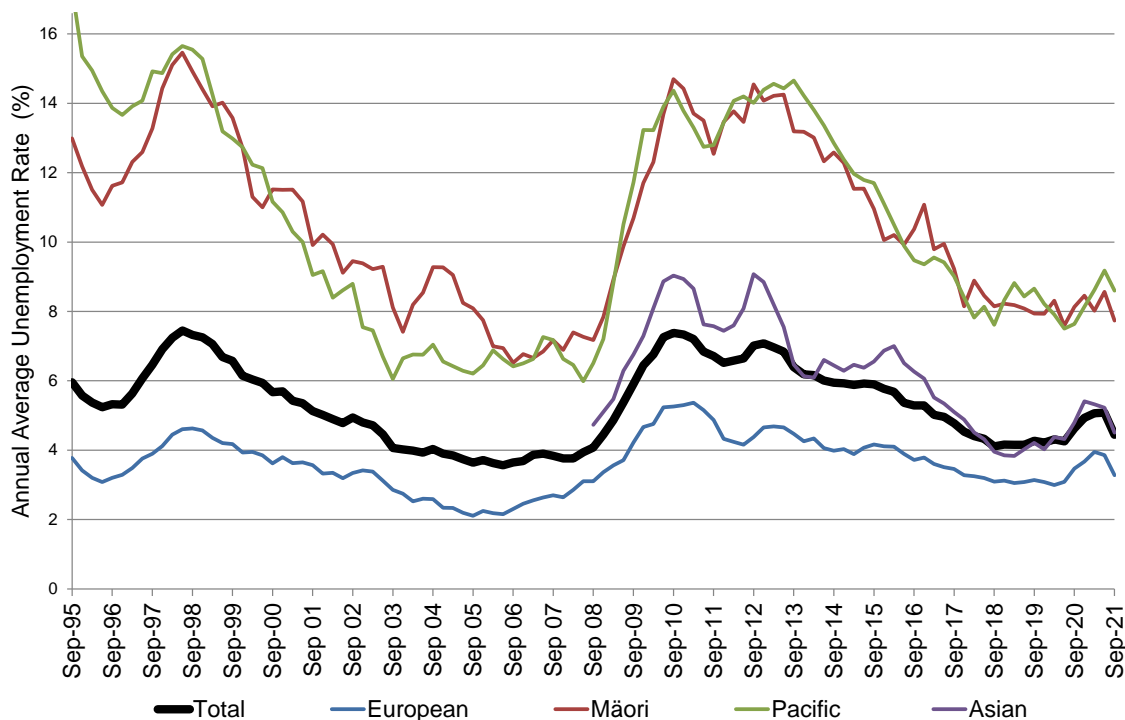
	Total	European	Māori	Pacific	Asian
Number employed	940.3	521.4	85.3	106.6	280.3
Number unemployed	43.8	17.7	7.2	10.0	13.2
Number not in the labour force	399.4	207.0	45.3	69.0	99.8
Number in the working age popn	1,383.5	746.0	137.7	185.6	393.4
Labour force participation rate (%)	71.1	72.3	67.1	62.8	74.6
Unemployment rate (%)	4.4	3.3	7.7	8.6	4.5

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 September 2021 were slightly higher than a year prior for Pacific peoples (8.6%, up from 7.6%), but slightly lower for Europeans (3.3%, down from 3.5%) and Asians (4.5%, down from 4.8%), and broadly similar to the last three years for Māori (7.7%) (allowing for sample error ranges). However, all groups were much lower (better) than 2010-2016.

Labour force participation rates varied by ethnicity, from 62.8 per cent among Pacific to 74.6 per cent among Asian (up from 72.3% a year earlier and 65.1% in 2013). Rates have generally fallen since 2017/2018 among all groups, except Asian.

Figure 3: Unemployment rate by ethnic group (rolling annual average), 1995-2021



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

6 Employment by occupation

Auckland's largest occupational categories in the September 2021 quarter (not year), were Professionals (26.9% of Auckland's total employment), and Managers (23.4%), followed by Clerical and Administrative Workers (10.6%) and Technicians and Trades Workers (9.8%) (see Table 7).

Between the June 2021 and September 2021 quarters, there were notable increases in the numbers employed in the following occupations:

- Professionals (+22,700, a rise of 9.5% yielding a 1.6 percentage point increase in their share)
- Clerical and Administrative Workers (+4,800, a rise of 4.8% yielding a 0.2 percentage point increase in their share)

Between the June 2021 and September 2021 quarters, there were notable decreases in the numbers employed in the following occupations:

- Sales Workers (-4,800, a fall of 6.0% yielding a 0.7 percentage point decrease in their share)
- Technicians and Trades Workers (-3,300, a fall of 3.3% yielding a 0.7 percentage point decrease in their share)

All other occupations had smaller increases or decreases in the numbers employed between the June 2021 and September 2021 quarters, so their shares had no major changes.

In addition, between the June 2021 and September 2021 quarters, the increase in employment was entirely among full time workers, with little or change in part-time employment in any occupation.

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

Occupation (ANZSCO 1-digit)	June 2021 quarter	September 2021 quarter	June 2021 quarter	September 2021 quarter
	Number		Share (%)	
Managers	225.8	227.7	23.9	23.4
Professionals	238.9	261.6	25.3	26.9
Technicians and Trades Workers	98.9	95.6	10.5	9.8
Community and Personal Service Workers	79.5	82.3	8.4	8.5
Clerical and Administrative Workers	98.5	103.2	10.4	10.6
Sales Workers	79.7	74.9	8.4	7.7
Machinery Operators and Drivers	55.3	54.1	5.9	5.6
Labourers	61.9	60.2	6.6	6.2
Total	944.7	971.3	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

At the Sept 2021 quarter, the largest sectors in terms of employment were Professional, Scientific and Technical Services (108,900 people; 11.2% of total employment), Construction (100,700 people; 10.4% of total employment) and Health Care and Social Assistance (94,600 people; 9.7% of total employment).

Between the June 2021 and September 2021 quarters, there were significant increases in the number of people employed in:

- Professional, Scientific and Technical Services (+11,900, a rise of 12.3%)
- Other Services (+6,100, a rise of 16.2%)
- Transport Postal and Warehousing (+5,400, a rise of 11.6%)
- Public Administration and Safety (+5,300, a rise of 12.1%)
- Financial and Insurance Services (+4,600, a rise of 10.8%)

Between the June 2021 and September 2021 quarters, there were no significant decreases in the number of people employed in any industries. However, there were probable decreases, but below the survey significance threshold (so possibly no change at all), for:

- Manufacturing (-6,000, a fall of 6.8%)
- Wholesale Trade (-5,100, a 10.7% fall).

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

Industry (ANZSIC06)	June 2021 quarter	September 2021 quarter	June 2021 quarter	September 2021 quarter
	Number		Share (%)	
AB Primary Industries	8.1	7.3	0.9	0.8
C Manufacturing	88.1	82.1	9.3	8.5
D Electricity Gas Water and Waste Services	7.4	6.0	0.8	0.6
E Construction	96.5	100.7	10.2	10.4
F Wholesale Trade	47.7	42.6	5.0	4.4
G Retail Trade	83.4	81.0	8.8	8.3
H Accommodation and Food Services	52.8	53.8	5.6	5.5
I Transport Postal and Warehousing	46.6	52.0	4.9	5.4
J Information Media and Telecommunications	19.7	21.8	2.1	2.2
K Financial and Insurance Services	42.7	47.3	4.5	4.9
L Rental Hiring and Real Estate Services	25.6	25.5	2.7	2.6
M Professional, Scientific and Technical Services	97.0	108.9	10.3	11.2
N Administrative and Support Services	31.1	32.7	3.3	3.4
O Public Administration and Safety	43.9	49.2	4.6	5.1
P Education and Training	78.1	80.6	8.3	8.3
Q Health Care and Social Assistance	94.5	94.6	10.0	9.7
R Arts and Recreation Services	20.6	19.8	2.2	2.0
S Other Services	37.7	43.8	4.0	4.5
Total	944.7	971.3	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 September 2021, the overall percentage of young people (aged 15 to 24) who were not in employment, education or training (NEET) in Auckland (10.6%) was similar to the New Zealand average (11.0%) over the same period. Note that quarterly NEET rates are typically subject to substantial seasonal effects. For the year ended September 2021, the annual average NEET rate for Auckland (13.2%) was slightly above the New Zealand average (12.3%) over the same period (refer to 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 September 2021

Local board area	Population Age 15-24(000)	Quarterly NEET (000)	Quarterly NEET rate (%)	Annual average NEET Rate (%)
Rodney	7.8	..S	..S	..S
Hibiscus and Bays	19.4	1.4	7.3	9.0
Upper Harbour	8.9	..S	..S	19.2
Kaipatiki	11.4	1.3	11.8	15.9
Devonport-Takapuna	12.3	..S	..S	10.6
Henderson-Massey[W]	16.6	2.1	12.9	14.5
Waitākere Ranges [W]	6.9	..S	..S	17.2
Waiheke	..S	..S	..S	..S
Waitematā	13.2	1.8	13.4	14.8
Whau [W]	9.8	..S	..S	22.4
Albert-Eden	14.0	1.1	7.6	9.8
Puketāpapa	5.1	..S	..S	20.9
Ōrākei	10.0	..S	..S	11.0
Maungakiekie-Tāmaki	11.6	1.6	13.7	15.3
Howick	17.1	..S	..S	9.5
Māngere-Ōtāhuhu [*]	7.3	..S	..S	22.2
Ōtara-Papatoetoe [*]	18.5	3.2	17.5	18.4
Manurewa [*]	14.8	2.8	19.0	20.1
Papakura [*]	9.1	2.4	26.0	22.7
Franklin	12.4	1.2	9.5	9.8
Southern Initiative [*]	49.7	9.3	18.7	19.7
Rest of Auckland [*]	176.5	14.7	8.3	11.1
Western Initiative [W]	33.4	3.7	11.0	14.5
Auckland total	226.2	24.0	10.6	13.2
Rest of New Zealand	420.0	47.3	11.3	11.8
Total New Zealand	646.2	71.3	11.0	12.3

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 technical 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).

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 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 or ethnic groups) and sub-variable (e.g. NEET for ages 15-24) levels are also subject to additional sampling errors and should be treated as indicative only. Note also that in some cases a difference can be significant for a sample but not for any of its component sub-samples (e.g. ethnic groups).

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>