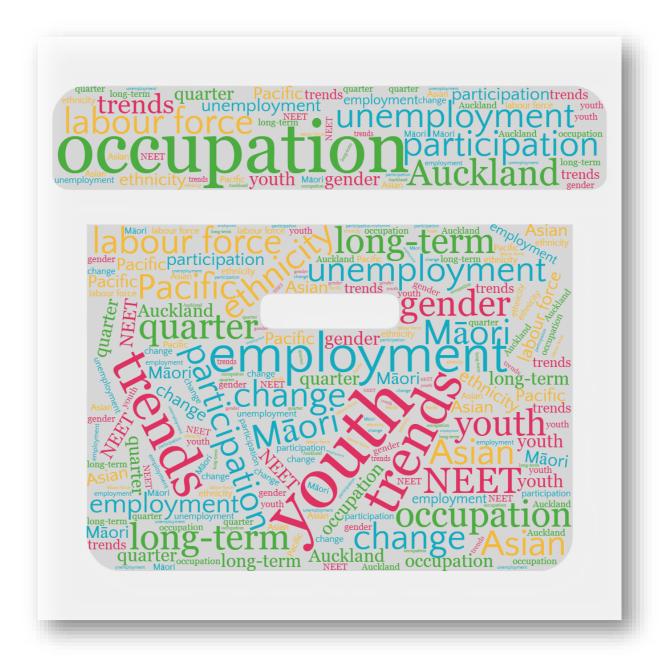
Auckland Regional Household Labour Force Survey: Quarterly Overview as at December 2022

Ross Wilson









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Research and Evaluation Unit (RIMU)

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 (with some exceptions) 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 from the March 2020 quarter onwards, results have been affected to a greater or lesser extent by the effects of Covid-19 on the labour market, including border closures and lockdowns of various durations and levels of restriction.

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:

- 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/
- National and some regional data released on Stats NZ website: www.stats.govt.nz
- 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://www.knowledgeauckland.org.nz/publications/auckland-economic-update-february-2023/
- 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 Auckland Council website:
 https://www.aucklandcouncil.govt.nz/about-auckland-council/business-in-auckland/Pages/economic-advice.aspx

2 Overview and highlights

For the December 2022 quarter, compared to the preceding quarter (September 2022)1:

- Auckland's unemployment rate was 3.5%, slightly above 3.3% in September 2022.² This and 2021 were Auckland's lowest December unemployment rates since 2004.
- The number of people who were unemployed rose slightly to 34,700 (+2,100).
- The number of people employed rose slightly to 967,600 (+7,400; full-time +11,800).
- The number of people not in the labour force (NILF) fell slightly to 349,800 (-9,400).
- The labour force participation rate rose slightly to 74.1% (September: 73.4%).

In addition, for the December 2022 quarter:

• The rate of young people aged 15 to 24 not in employment, education or training (NEET) was 10.8%, similar to September (10.7%) and the rest of New Zealand (11.7%).

Over the year ended December 2022, compared to the year ended December 2021:

- The unemployment rate averaged 3.4%, compared to 3.9% in the 12 months to December 2021.
- The age groups with the largest proportionate drops in unemployment rate were those aged 25 to 39, moving from 3.6% to 2.8%, and those aged 40 to 54, moving from 2.5% to 2.0%. Rates across other age groups fell slightly.
- The unemployment rate for females averaged 4.0%, similar to the previous year. The rate for males averaged 3.0% (down from 3.8% a year prior), so the gap between males and females (1.0%) was similar to the 10-year average (1.1%).
- Changes in unemployment rates varied between ethnic groups, with the largest relative decrease in unemployment rate being for Asian peoples (falling by a third to 2.5%) and Pacific peoples (down to 6.8%). European peoples' rate fell only slightly (to 2.7%), and Māori unemployment rose slightly to 7.9%.
- The labour force participation rate (LFPR) averaged 72.9%, higher than 2021 (71.6%) and the highest in at least 28 years.
- The labour force participation rate for females (68.2% a record) rose significantly (from 66.3%), but for males (77.8%) the change was smaller (from 77.0%).
- Labour force participation rates rose for all age groups, especially ages 15-19 (46.6%, up 5.5% from 41.1%); ages 55+ (51.5%) and ages 25-39 (87.0 %) hit record highs.
- Labour force participation rates rose for all ethnicities, especially Pacific (66.1%, up 2.7%) and Asian (77.1%, a 2.1% rise), but also Māori (68.6%, up 1.3%) and European (73.8% up 1.1%). All groups were at record levels except Māori (69.9% in June 2018).

In addition, over the year ended December 2022:

- The annual average NEET rate for Auckland was 11.9%, slightly above the rest of New Zealand (11.4%), and slightly below the year ended December 2021 (12.4%).
- Auckland's NEET rate had not fully recovered (fallen) to the pre-pandemic level.
- Auckland NEET rates were highest for Māori (21.7%) and Pacific (16.5%) ethnicities, Southern Initiative area (18.8%), and those aged 20 to 24 years (14.8%).

¹ Results are not seasonally adjusted.

² The definition of 'similar/slightly' or 'different' is relative to survey sampling error margins produced by Stats NZ. For further details see 'Significant difference' in Appendix 1.

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

	Quarter end Sep 2022	Quarter end Dec 2022	Year end Dec 2021 (annual	Year end Dec 2022 (annual
	(snapshot)	(snapshot)	average)	average)
Number employed	960.2	967.6	936.4	952.9
Number unemployed	32.6	34.7	37.7	33.9
Number not in the labour force (NILF)	359.2	349.8	386.4	366.2
Number in the working age population	1352.0	1352.0	1360.4	1353.0
Labour force participation rate (%)	73.4	74.1	71.6	72.9
Unemployment rate (%)	3.3	3.5	3.9	3.4

Note: Numbers are '000s of people.

Table 2: Overview of rates for age, gender and ethnic groups (%) (annual averages)

	Year end Dec 2021	Year end Dec 2022	Year end Dec 2021	Year end Dec 2022
	Unemploy	ment rate	Labour force pa	articipation rate
Total	3.9	3.4	71.6	72.9
15-19 years	16.5	15.9	41.1	46.6
20-24 years	7.7	7.3	78.4	79.7
25-39 years	3.6	2.8	86.0	87.0
40-54 years	2.5	2.0	87.6	88.6
55 years +	1.8	1.6	50.1	51.5
Female	3.9	4.0	66.3	68.2
Male	3.8	3.0	77.0	77.8
European	2.9	2.7	72.7	73.8
Māori	6.6	7.9	67.3	68.6
Pacific	7.7	6.8	63.4	66.1
Asian	3.8	2.5	75.0	77.1

Note: During the lockdowns (of varying coverage and restrictiveness) of 2020, 2021 and 2022, some 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 December 2022 is shown in Table 3. Unemployment rates since 1995 are shown in Figure 1.

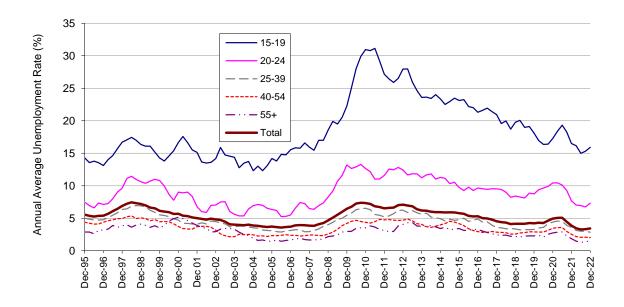
Table 3: Labour force status by age group, year ended December 2022 (annual averages)

	Total	15 to 19	20 to 24	25 to 39	40 to 54	55 and over
Number employed	952.9	43.0	86.8	329.5	290.4	203.3
Number unemployed	33.9	8.1	6.9	9.7	6.0	3.3
Number not in the labour force	366.2	58.5	23.8	50.9	38.3	194.8
Number in the working age popn	1353.0	109.7	117.4	390.0	334.6	401.3
Labour force participation rate (%)	72.9	46.6	79.7	87.0	88.6	51.5
Unemployment rate (%)	3.4	15.9	7.3	2.8	2.0	1.6

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

Annual average unemployment rates for the year ended December 2022 were similar to the year ended September 2022, and slightly less than a year prior, for all age groups. The unemployment rate continued to vary based on age: it was highest for those aged 15 to 19 years (15.9%), and lowest for those aged 55 and over (1.6%). Unemployment rates for all age groups continued similar to their lows of 2005-2008 and similar or below the 1996 trough.

Figure 1: Unemployment rate by age (rolling annual average), 1995-2022



Labour force participation rates (LFPR) in the year ended December 2022 (72.9%) varied from 46.6 per cent for those aged 15 to 19, to 88.6 per cent for those aged 40 to 54. The LFPR has been rising since March 2021 for all age groups, especially for those aged 15 to 19 (up 8.4 percentage points or over a fifth, from 38.2%). Over the longer term, the LFPR for those aged 55 and over (51.5%) had doubled in the 37 years since June 1995 (26.2%), presumably linked to rising average retirement ages.

4 Labour force status and unemployment rate by gender

Table 4 shows labour force status for males and females for the year ended December 2022. Unemployment rates since 1995 are shown in Figure 2.

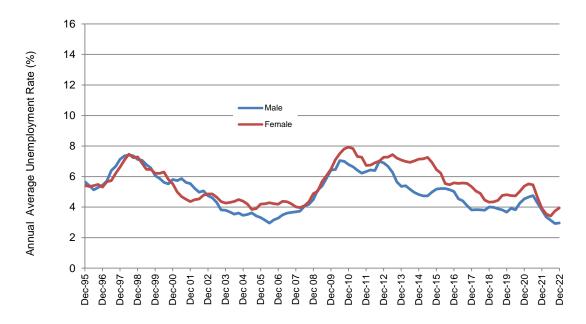
Table 4: Labour force status by gender, year ended December 2022 (annual averages)

	Total	Male	Female
Number employed	952.9	504.1	448.8
Number unemployed	33.9	15.4	18.5
Number not in the labour force	366.2	148.4	217.8
Number in the working age popn	1353.0	667.9	685.1
Labour force participation rate (%)	72.9	77.8	68.2
Unemployment rate (%)	3.4	3.0	4.0

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

The unemployment rate for the year ended December 2022 was higher for females (4.0%) than males (3.0%). Both were at or near record lows. The female-male unemployment rate differential (1.0%) was slightly above the 20-year average (0.8%); it had increased during 2022, but still remained well below levels of 2013-2015, when it peaked at 2.5% (June 2015).

Figure 2 Unemployment rate by gender (rolling annual average), 1995-2022



LFPR for females (68.2%) was the highest since at least 1995, but remained significantly lower than for males (77.8%). The LFPR gender differential (10.4%) was broadly similar to most of 2013 to 2021 (9% to 12%). Longer term it has nearly halved since 1995 (19.0%), due to the male LFPR remaining largely unchanged since 1995, while the female LFPR rose (from 57.3%).

5 Labour force status and unemployment rate by ethnic group

Labour force status for the four main ethnic groups for the year ended December 2022 is shown in Table 5. Unemployment rates since 1995 are shown in Figure 3.

Table 5: Labour force status by ethnic group, year ended December 2022 (annual average)

	Total	European	Māori	Pacific	Asian
Number employed	952.9	513.7	89.9	115.3	297.4
Number unemployed	33.9	14.2	7.7	8.4	7.7
Number not in the labour force	366.2	187.4	44.6	63.4	90.4
Number in the working age popn	1,353.0	715.2	142.2	187.0	395.5
Labour force participation rate (%)	72.9	73.8	68.6	66.1	77.1
Unemployment rate (%)	3.4	2.7	7.9	6.8	2.5

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 population estimates.

Unemployment rates for the year ended December 2022 were lower or slightly lower than a year prior for most broad ethnic groups: Asian (2.5%, down from 3.8%), Pacific peoples (6.8%, down from 7.7%), European (2.7%, down slightly from 2.9%); Māori were slightly higher (7.9%, up from 6.6%). As Figure 3 shows, December 2022 unemployment rates were among the lowest since 2009, across all broad ethnic groups.

16 Total % European Annual Average Unemployment Rate Mäori Pacific Asian Dec-12 **Dec-13 Jec-16** Dec 02 **Dec** 03 Dec 04 Dec 05 Dec 06 Dec 07 Dec 08 Dec-09 Dec-10 **Jec-17** Dec-00 Dec 01 Dec-11

Figure 3: Unemployment rate by ethnic group (rolling annual average), 1995-2022

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

LFPR varied by ethnicity, from 66.1 per cent for Pacific peoples (up from 55.6% in 2013) to a record 77.1 per cent for Asian (65.1% in 2013). Rates were higher (between +1.1% (European) and +2.7% (Pacific)) for all groups compared to the previous year.

6 Employment by occupation

Auckland's largest occupational categories in the quarter ended 31 December 2022 were Professionals (26.9% of Auckland's total employment), and Managers (23.6%), followed by Technicians and Trades Workers (9.7%) and Clerical and Administrative Workers (9.5%) (see Table 6).

Between the September 2022 and December 2022 quarters, the 7,400 increase in total employment included notable changes in the numbers employed in the following occupations:

- Professionals (+11,500, a rise of 4.6% and 0.9% rise in their share)
- Clerical and Administrative Workers (-11,400, a fall of 11.1% and 1.2% fall in their share)

Between the December 2021 (not shown) and December 2022 quarters, the 19,300 increase in total employment (a rise of 2.0%) included notable changes in the numbers employed in the following occupations:

- Sales Workers (+11,500, a rise of 15.6%)
- Labourers (+9,600 a rise of 16.9%)
- Machinery Operators and Drivers (+7,500, a rise of 15.1%)
- Clerical and Administrative workers (-9,000, a fall of 8.9%)

Table 6: Employment by occupation – comparison to preceding quarter (quarterly data)

Occupation (ANZSCO 1-digit)	September 2022 quarter	December 2022 quarter	September 2022 quarter	December 2022 quarter
	Nur	nber	Shai	re (%)
Managers	221.6	228.0	23.1	23.6
Professionals	249.2	260.7	26.0	26.9
Technicians and Trades Workers	97.9	93.9	10.2	9.7
Community and Personal Service Workers	76.1	76.3	7.9	7.9
Clerical and Administrative Workers	103.1	91.7	10.7	9.5
Sales Workers	83.3	85.0	8.7	8.8
Machinery Operators and Drivers	54.2	57.2	5.6	5.9
Labourers	67.0	66.4	7.0	6.9
Total	960.2	967.6	100.0	100.0

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

In addition (not shown), full time employment rose slightly (+11,800 or 1.5% rise), while part-time employment fell slightly (-4,400 or 2.6% fall), between the September and December 2022 quarters. The part-time share fell (from 17.8% to 17.2% of total employment), with notable changes for part-timers in the following occupations:

- Managers (+4,300, with part-time share rising from 11.4% to 13.0%)
- Community and Personal Service Workers (-5,900; part-time share fell from 37.7% to 29.9%).

7 Employment by industry

In the quarter ended 31 December 2022, Auckland's largest sectors in terms of employment were Professional, Scientific and Technical Services (109,500 people; 11.3% of total employment), Construction (101,600 people; 10.5% of total employment), and Health Care and Social Assistance (96,600 people; 10.0% of total employment) (See Table 7).

Between the September 2022 and December 2022 quarters, the largest changes in the number of people employed were in the following industries:

- Construction (+5,800, a 6.1% rise)
- Health Care and Social Assistance (+5,600, a rise of 6.2%)

Between the December 2021 (not shown) and December 2022 quarters (+19,300, a rise of 2.0%), there were notable changes in the numbers employed in:

- Manufacturing (+9,700, a rise of 13.0%)
- Transport Postal and Warehousing (+7,600 a rise of 17.0%)
- Retail Trade (+6,800, a rise of 8.4%)
- Education and Training (-10,600, a fall of 13.3%).

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

Industry (ANZSIC06)	September 2022 quarter	December 2022 quarter	September 2022 quarter	December 2022 quarter	
	Number 6	nber employed Share		e (%)	
Primary Industries	9.8	9.4	1.0	1.0	
Manufacturing	86.5	84.4	9.0	8.7	
Electricity Gas Water and Waste Services	9.3	7.5	1.0	0.8	
Construction	95.8	101.6	10.0	10.5	
Wholesale Trade	44.8	44.1	4.7	4.6	
Retail Trade	85.7	87.6	8.9	9.1	
Accommodation and Food Services	51.3	49.7	5.3	5.1	
Transport Postal and Warehousing	49.1	52.3	5.1	5.4	
Information Media and Telecommunications	19.1	18.8	2.0	1.9	
Financial and Insurance Services	47.1	46.4	4.9	4.8	
Rental Hiring and Real Estate Services	26.8	27.9	2.8	2.9	
Professional, Scientific and Technical Services	112.7	109.5	11.7	11.3	
Administrative and Support Services	37.3	38	3.9	3.9	
Public Administration and Safety	50.4	50.7	5.2	5.2	
Education and Training	72.5	69	7.6	7.1	
Health Care and Social Assistance	91	96.6	9.5	10.0	
Arts and Recreation Services	21.7	22.8	2.3	2.4	
Other Services	37.7	39.9	3.9	4.1	
Total	960.2	967.6	100.0	100.0	

Notes: Numbers are '000s, rounded to nearest hundred. Total includes "Not elsewhere included". Data is based on latest population estimates.

8 Young people not in employment, education or training (NEET) by age

In the quarter ended 31 December 2022, the overall percentage of young people (aged 15 to 24) who were not in employment, education or training (NEET) in Auckland (10.8%) was slightly below the rest of New Zealand (11.7%) over the same period (see Table 11). However, quarterly NEET rates are typically subject to substantial seasonal effects, while annual averages are not. In the year ended December 2022, the annual average NEET rate for Auckland (11.9%) was similar to the rest of New Zealand (11.4%) over the same period.

Statistics for the year ended December 2022 for young people (aged 15 to 24, and split by age: 15-19 years and 20-24 years) in Auckland who were NEET are shown in Table 8. NEET rates since 2005 are shown in Figure 4.

Table 8: NEET statistics by age, year ended December 2022 (annual averages)

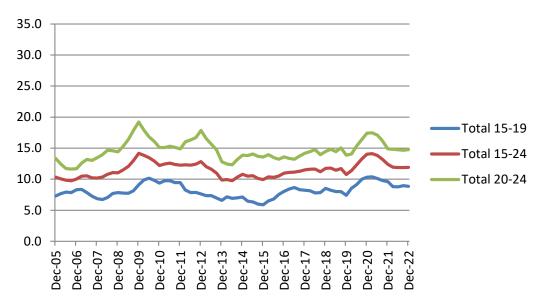
	Total 15-24 years	15-19 years	20-24 years
Number in the selected population	227.0	109.7	117.4
Number NEET	27.0	9.7	17.4
NEET rate (%)	11.9	8.8	14.8
NEET rate (%) a year earlier	12.4	9.6	14.9

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

The NEET rate for the year ended December 2022 (11.9%) continues to differ by age group: 8.8 per cent for those aged 15 to 19, and 14.8 per cent for those aged 20 to 24.

The annual average NEET rates for the year ended December 2022 were similar to or below recent quarters, and below the March 2021 peak, for both age groups 15 to 19 and 20 to 24 years.

Figure 4: NEET rate (%) by age (rolling annual average), 2005-2022



9 Young people not in employment, education or training (NEET) by ethnic group

NEET statistics for those aged 15-24 for the four main ethnic groups for the year ended December 2022 are shown in Table 9. NEET rates since 2005 are shown in Figure 5.

Table 9: NEET statistics by ethnic group, year ended December 2022 (annual average)

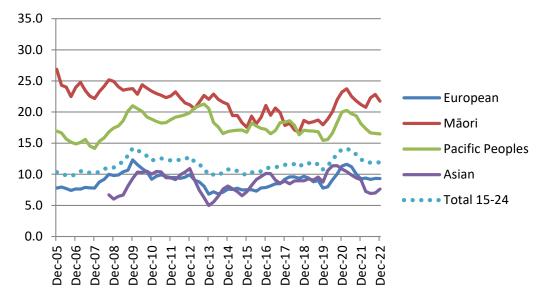
	Total	European	Māori	Pacific	Asian
Number in the selected population	227.0	111.8	40.7	50.6	59.7
Number NEET	27.0	10.4	8.9	8.3	4.6
NEET rate (%)	11.9	9.3	21.7	16.5	7.6
NEET rate (%) a year earlier	12.4	9.2	21.2	18.1	9.1

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 population estimates.

The annual average NEET rates for the year ended December 2022 were similar to a year prior for all broad ethnic groups. The highest was still Māori (21.7%), followed by Pacific peoples (16.5%), and lowest were European (9.3%) and Asian (7.6%).

As Figure 5 shows, NEET rates across all ethnic groups spiked up in 2020 to levels comparable to 2009 (post-GFC) but have since been falling towards pre-Covid levels. Rates have probably been falling more slowly for Māori and faster for Asians, but survey sampling error margins of up to a third add uncertainty.

Figure 5: NEET rate (%) by ethnic group (rolling annual average), 2005-2022



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

10 Young people not in employment, education or training (NEET) by broad location

NEET statistics for those aged 15-24 for broad areas of Auckland and New Zealand for the year ended December 2022 are shown in Table 10. NEET rates since 2005 are shown in Figure 6.

Table 10: NEET statistics by location, year ended December 2022 (annual average)

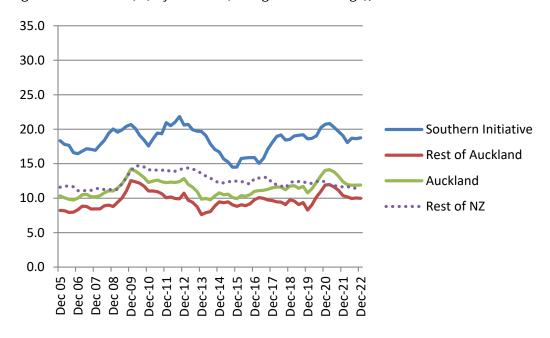
	Total Auckland	Southern Initiative	Rest of Auckland	Rest of NZ	New Zealand
Number in the selected population	227.0	50.0	177.1	412.2	639.2
Number NEET	27.0	9.4	17.7	46.9	74.0
NEET rate (%)	11.9	18.8	10.0	11.4	11.6
NEET rate (%) a year earlier	12.4	19.1	10.4	11.6	11.9

Notes: Numbers are '000s; numbers and rates are based on latest population estimates. Rest of NZ is New Zealand excluding Total Auckland.

NEET rates for the year ended December 2022 were higher (as usual) for Southern Initiative (18.8%) than for Rest of Auckland (10.0%) and Rest of New Zealand (11.4%). All were similar to a year earlier.

As Figure 6 shows, NEET rates in Auckland (rolling annual average) spiked up in 2020 then fell in 2021; however, the 2020 increase was less pronounced in the Southern Initiative area, and largely absent in Rest of New Zealand. NEET rates during 2022 were largely flat for all the broad areas shown.

Figure 6: NEET rate (%) by location (rolling annual average), 2005-2022



11 Young people not in employment, education or training (NEET) by local board area

Indicative NEET rates for the various local board areas for the latest quarter and year are shown in Table 11. Due to small sub-sample sizes, this information is not always available for some local board areas ('..S'/blank), 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 11: NEET statistics by local board area – quarter and year ended December 2022

Local board area	Population Age 15-24(000)	Quarterly NEET (000)	Quarterly NEET rate (%)	Annual average NEET Rate (%)
Rodney	6.6	S	S	S
Hibiscus and Bays	17.3	S	S	8.0
Upper Harbour	9.8	1.4	13.9	9.5
Kaipātiki	12.8	1.4	10.8	11.3
Devonport-Takapuna	10.6	1.5	14.5	11.6
Henderson-Massey[W]	18.5	1.6	8.9	13.3
Waitākere Ranges [W]	12.9	1.3	10.4	14.9
Waiheke	S	S	S	S
Waitematā	10.3	S	S	11.3
Whau [W]	13.1	2.0	14.9	12.8
Albert-Eden	11.9	S	S	15.9
Puketāpapa	3.9	S	S	35.3
Ōrākei	8.5	1.0	12.3	10.6
Maungakiekie-Tāmaki	15.2	2.0	13.4	17.8
Howick	19.9	S	S	11.9
Māngere-Ōtāhuhu [*]	11.5	2.1	18.7	18.9
Ōtara-Papatoetoe [*]	17.4	3.1	17.8	17.1
Manurewa [*]	12.5	2.1	16.6	19.3
Papakura [*]	6.6	S	S	18.3
Franklin	10.5	1.0	9.8	12.5
Southern Initiative [*]	48.0	8.3	17.3	18.8
Rest of Auckland [*]	182.9	16.7	9.1	10.0
Western Initiative [W]	44.6	4.9	11.1	12.5
Auckland total	230.9	25.0	10.8	11.9
Rest of New Zealand	409.0	48.0	11.7	11.4
Total New Zealand	639.9	73.0	11.4	11.6

Notes: Data is based on latest 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.

12 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 childcare, unpaid housework
- 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 were revised by Stats NZ in October 2020 and again in January 2021 to match revised regional population estimates. There are also ongoing minor revisions to recent population backdata due to revisions of migration estimates. In addition, 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 subvariable (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 prior to June 2016 are not fully compatible with later periods.

For further information

Technical notes on the HLFS on Stats NZ website:

https://datainfoplus.stats.govt.nz/item/nz.govt.stats/6a13af44-0057-4a63-835a-c1a0c6f8ef91

June 2016 questionnaire changes:

 $\frac{\text{http://archive.stats.govt.nz/browse_for_stats/income-and-}{\text{work/employment and unemployment/improving-labour-market-statistics.aspx\#gsc.tab=0}$

2020 and 2021 Covid-19 impacts:

 $\underline{https://www.stats.govt.nz/methods/covid-19-and-labour-market-statistics-in-the-june-2020-quarter}$

https://www.stats.govt.nz/methods/covid-19-and-labour-market-statistics-in-the-december-2021-quarter

Stats NZ Guide to unemployment statistics (Third edition)

https://www.stats.govt.nz/assets/Reports/Guide-to-unemployment-statistics-third-edition/guide-unemployment-statistics-third-edition.pdf





