Statistics NZ Home > Browse for statistics > Income and work > Employment and unemployment > Household Labour Force Survey: September 2012 quarter

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Commentary

Unemployment rises and employment falls in latest quarter

Unemployment increases for both men and women

Employment rate falls for the second quarter in a row

Labour force grows while number outside labour force remains unchanged

Trend series mirror seasonally adjusted movements

Long-term unemployment increases

Number of jobless people rises

Mixed employment results amongst industries

Self-employment falls

Different age groups show different outcomes

Flat labour force in Auckland, with unemployment up and employment down

Employment growth in Canterbury

Total youth NEET (not in employment, education, or training) levels flat

Longer time series

Unemployment rises and employment falls in latest quarter

In the September 2012 quarter the **unemployment rate** increased 0.5 percentage points to 7.3 percent, in seasonally adjusted terms. This increase reflected 13,000 more people being unemployed. The rise in unemployment was predominantly from an increase in male unemployment.

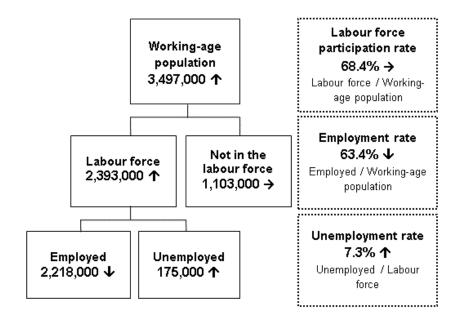
The **employment rate** decreased 0.4 percentage points over the quarter. This is the second quarter the employment rate has fallen, after staying relatively flat for about a year.

The number of **people employed** fell 8,000, with a decrease in the number of men employed, as well as the number of people employed in full-time work.

The number of **people not in the labour force** remained relatively flat over the quarter. There was no change in the labour force participation rate.

The labour market

September 2012 quarter Seasonally adjusted figures

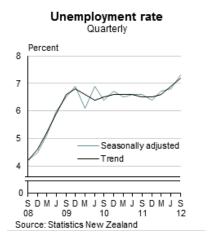


Unemployment increases for both men and women

Over the September 2012 quarter the unemployment rate rose to 7.3 percent, in seasonally adjusted terms. This is a 0.5 percentage-point rise from the previous quarter. The last time the unemployment rate was higher was in the March 1999 quarter, when it was 7.5 percent.

The male unemployment rate increased more than the female unemployment rate. The unemployment rate for men increased 0.8 percentage points to 7.2 percent. The male rate had been steady since the December 2010 quarter, sitting within a tight band of 6.2 percent to 6.5 percent. The female unemployment rate increased 0.2 percentage points to 7.4 percent.

The number of unemployed people increased 13,000 (up 7.9 percent), rising to a total of 175,000. Most of this increase came from the number of unemployed men, which rose 10,000 (up 12.2 percent) to 91,000. The number of unemployed women rose 3,000 (up 3.6 percent) to 84,000.



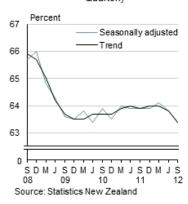
Employment rate falls for the second guarter in a row

During the September 2012 quarter the employment rate decreased 0.4 percentage points, to 63.4 percent, in seasonally adjusted terms. The employment rate was relatively flat between the March 2011 and March 2012 quarters. However, since then it has decreased – for both the June 2012 and September 2012 quarters.

The male employment rate decreased 0.6 percentage points to 68.8 percent, falling for the second quarter in a row. However, the female employment rate has remained steady, at 58.4 percent – a level it has maintained since the December 2011 quarter. This means the growth in female employment has just been keeping up with growth in the female working-age population.

Overall the number of people employed decreased 8,000 (down 0.4 percent), down to 2,218,000. This change reflected a 9,000 fall in the number of men employed (down 0.8 percent), while there was a slight rise of 1,000 in the number of women employed (up 0.1 percent). The fall in the September 2012 quarter follows a revised 3,000 fall in employment in the June 2012 quarter.

Employment rate Quarterly



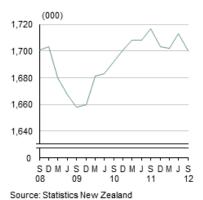
Full-time employment for men drops

Full-time employment fell over the latest quarter, while part-time employment showed a small rise. Over the quarter, full-time employment fell 14,000 (down 0.8 percent), to reach 1,700,000. This fall follows an 11,000 rise in the previous quarter.

As with total employment, the drop in full-time employment mainly reflected a decrease in male full-time employment, which was down 12,000 (down 1.2 percent).

Usual hours worked decreased 0.4 percent – down to 79.6 million hours over the quarter. The changes in full and part-time employment reflect the fall in the number of hours people usually work during a week. Over the quarter, the number of hours people actually worked decreased 0.8 percent, down to 73.2 million hours.

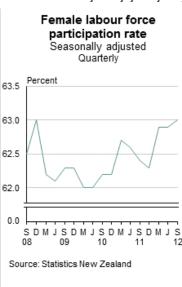
Full-time employment Seasonally adjusted Quarterly



Labour force grows while number outside the labour force remains unchanged

In seasonally adjusted terms, the labour force grew by 5,000 people over the September 2012 quarter. The labour force is made up of employed and unemployed people. The increase reflects more women in the labour force, as the male labour force remained unchanged over the quarter.

The labour force participation rate remained flat (at 68.4 percent) over the quarter. The female labour force participation rate increased 0.1 percentage points, up to 63.0 percent. This increase means that the participation rate for women is now the highest since the beginning of the series, and is equal to the rate in the December 2008 quarter.



The number of people not in the labour force remained unchanged over the quarter – this held true for both men and women.

Trend series mirror seasonally adjusted movements

The trend series adjust for seasonal effects and remove the irregular component from a series. The trend series can help reveal the underlying movement in a series.

The trend series for the unemployment rate was stable between June 2010 and March 2012. However, in the subsequent two quarters it has risen, which is similar to movements seen in the seasonally adjusted series. In the September 2012 quarter the seasonally adjusted unemployment rate increased 0.5 percentage points, while the trend series unemployment rate increased 0.3 percentage points.

Over the June and September 2012 quarters the employment rate has fallen. The trend series for the employment rate increased between December 2009 and March 2012 but over the last two quarters it has decreased. Again, the changes seen in the trend series are similar to those seen in the seasonally adjusted series. In the September 2012 quarter, both the seasonally adjusted and trend series employment rates decreased 0.4 percentage points.

Long-term unemployment increases

The following figures are not seasonally adjusted, and are based on annual changes that were statistically significant unless otherwise stated.

Over the year to September 2012, the number of unemployed people increased 18,900 (up 12.5 percent).

The number of unemployed people who said they had been looking for work for over a year rose by 10,200, reflecting increases in both male and female long-term unemployment (4,700 and 5,500, respectively). The number has been on the rise since June 2008 and is now at 21,100.

Over the year there was an increase in the total number of unemployed people who identified with the Māori ethnic group, though this was not statistically significant. This reflected a 5,000 rise in the number of unemployed Māori women. The total unemployment rate for Māori women has increased to 15.3 percent, up from 12.2 percent a year ago.

Number of jobless people rises

The following figures are not seasonally adjusted, and are based on annual changes that were statistically significant unless otherwise stated.

Jobless people are those who are either unemployed, available but not actively seeking work, or actively seeking but not available for work.

In the year to September 2012, the number of people in the jobless category increased by 40,800 (up 16.1 percent). The rises were across all the groups. The main contributors were rises in the number of unemployed people (up 18,900 - 12.5 percent), and the number of people who were available but not actively seeking work (up 19,300 - 24.2 percent).

Mixed employment results among industries

The following figures are not seasonally adjusted, and are based on annual changes that were statistically significant unless otherwise stated.

In the wholesale trade industry the number of people employed fell 12,700 over the year. This fall was largely due to the decrease in the March 2012 quarter. The annual fall reflected decreases in both male and female employment in the wholesale industry.

There were also decreases in the education and training, construction, public administration and safety, and manufacturing industries, though these decreases were not statistically significant.

In the retail trade, accommodation, and food services industries there was a 12,800 increase in the number of women employed. The retail trade industry was the main contributor. There was also a 9,100 increase in employment for women in the arts, recreation, and other services industry group.

Other industries with large increases were: the agriculture, forestry, and fishing; transport, postal and warehousing; professional, scientific, technical, administration and support services; and health care and social assistance industries. However, none of these were statistically significant.

Self-employment falls

The following figures are not seasonally adjusted, and are based on annual changes that were statistically significant unless otherwise stated.

Four different employment types are measured by the HLFS: employee, employer, self-employment, and unpaid family worker. The HLFS defines a person as self-employed if they work for themselves and do not have any employees

Over the year there was a 19,900 decrease (down 8.1 percent) in the number of people who were self-employed. This drop reflected a 14,000 decrease in male self-employment (down 8.8 percent).

The number of people in the other employment types increased over the year – overall the total number of people employed increased 1,600 (up 0.1 percent). These were not statistically significant movements.

Different age groups show different outcomes

The following figures are not seasonally adjusted, and are based on annual changes that were statistically significant unless otherwise stated.

In the year to September 2012 unemployment increased for people: aged 50–54 (up 4,000) and aged 60–64 (up 3,000). There were also increases in the 25–29, 15–19, and 55–59-year age groups, although these were not statistically significant.

However, in employment there was a significant decrease in the number of 45–49-year-olds who were employed over the year, down 13,300 (down 5.0 percent). Along with a decrease in their working-age population, this meant their employment rate fell 2.8 percentage points, down to 81.7 percent. This is the lowest it has been since the March 1999 quarter.

In contrast, the number of employed people aged 65 and over rose 11,500 (up 11.0 percent). Both men and women contributed to this increase.

Flat labour force in Auckland, with unemployment up and employment down

The following figures are not seasonally adjusted, and are based on annual changes that were statistically significant unless otherwise stated.

Over the year to September 2012 the number of people unemployed in Auckland rose 13,600. This reflects an 11,100 rise in the number of men unemployed. Overall there was a 1.8 percentage-point rise in the Auckland unemployment rate, which reached 8.6 percent.

The number of employed people fell 13,800, though this was not statistically significant, and most of this came from a decrease in male employment.

The employment rate in Auckland rose steadily between the June 2010 and December 2011 quarters. Since then, it has been falling and is now at 62.4 percent – slightly lower than the national unadjusted employment rate.

Auckland employment rate Survey series (unadjusted)

Quarterly

Percent

67

66

65

64

63

62

61

S D M J S D M

Source: Statistics New Zealand

Over the year to September 2012, employment decreased in Auckland across the construction, wholesale trade, information media and telecommunications, and education and training industries, though the decreases were not statistically significant.

During the September 2011 and December 2011 quarters, Auckland was one of the main hosts of the Rugby World Cup. Annual changes may reflect outcomes in the Auckland labour market that resulted from this.

Employment growth in Canterbury

The following figures are not seasonally adjusted.

In Canterbury, in the year to September 2012, the unemployment rate decreased 0.3 percentage points to 5.2 percent. For women the decrease was 0.8 percentage points, down to 5.9 percent. There was a slight increase in the unemployment rate for men (0.1 percentage points), up to 4.6 percent.

The number of people employed rose 8,800 over the year in Canterbury, with 11,600 more people employed in part-time work (up 17.9 percent). There was a 2,800 decrease in the number of people working full time (down 1.2 percent).

The total increase in employment reflected a statistically significant 9,000 rise in the professional scientific, technical services, administrative, and support services industry group. Most of this rise was from the professional, scientific, and technical services industries.

The number of men and women employed in Canterbury both increased. For women the rise in employment was mostly in the professional, scientific, technical services, administrative, and support services industry group. For men the rise in employment was in that industry group, but also in the construction industry.

There was a small fall in the working-age population in Canterbury over the year, although this was not statistically significant. The combination of the increase in employment and decrease in the working-age population meant the employment rate increased to 65.8 percent over the year, up from 63.0 percent.

The number of hours people actually worked during a week decreased, down 1.4 percent. The number of hours people usually worked during a week also decreased, down 0.7 percent.

Unadjusted annual changes for th	Annual change		
	Canterbury	National excluding Canterbury	National
Unemployment rate	-0.3	+0.9	+0.7
Employment rate	+2.8	-1.0	-0.4
Labour force participation rate	+2.7	-0.4	+0.1
Unemployed	-2.4%	+14.5%	+12.5%
Employed	+2.9%	-0.4%	+0.1%
Not in the labour force	-9.7%	+2.4%	+0.7%
Working-age population	-1.5%	+1.2%	+0.8%
Actual hours	-1.4%	-2.1%	-2.0%

Supplementary tables with detailed data for the Canterbury region are included in this release. These are similar to tables 3, 4, 7, 8, 9, 11, and 14 from the main tables. Data in the tables for the Canterbury region are all unadjusted.

To view these tables, see the Excel tables in the 'Downloads' box.

Total youth NEET (not in employment, education, or training) levels flat

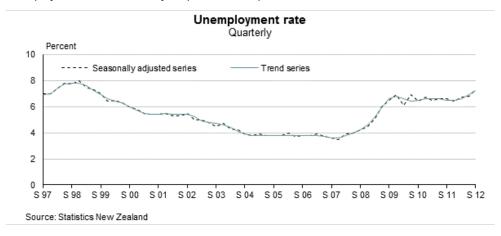
Over the latest quarter the seasonally adjusted NEET rate for youth (those aged 15–24) increased slightly, by 0.3 percentage points, up to 13.4 percent. Since the December 2011 quarter the youth NEET rate has been between 13.1 and 13.5 percent.

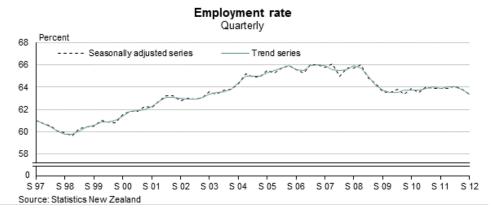
In the September 2012 quarter the female youth NEET rate increased 0.3 percentage points (to 15.8 percent), which continued the increase in the last year. The NEET rate for young men was relatively flat over the quarter, with a 0.1 percentage point increase, (up to 11.0 percent).

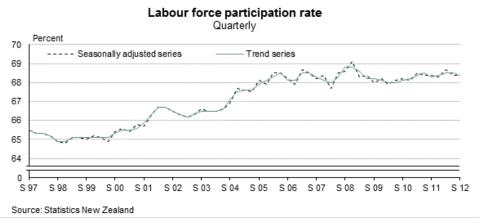
The youth NEET rate was introduced into the HLFS official estimates in the December 2011 quarter. The rate is calculated as the total number of youth who are NEET, as a proportion of the total youth working-age population. Refer to the Data quality section for more information.

Longer time series

The following graphs show the HLFS series for the employment rate, the labour force participation rate, and the unemployment rate over a 15-year period. A complete time series from March 1986 onwards is available on Infoshare.







For more detailed data see the Excel tables in the 'Downloads' box.