

# Household Labour Force Survey: June 2011 quarter

Embargoed until 10:45am – 04 August 2011

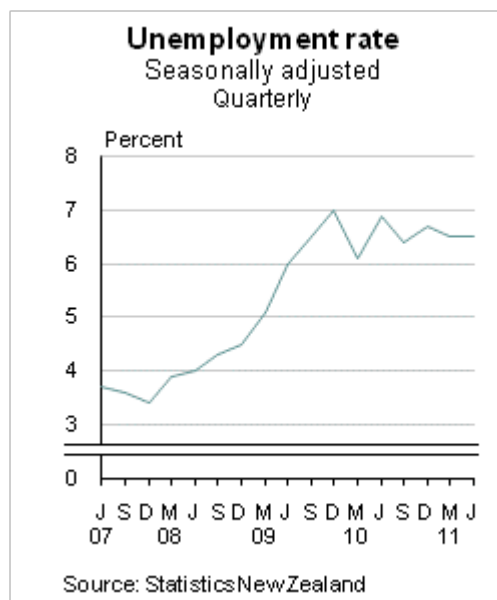
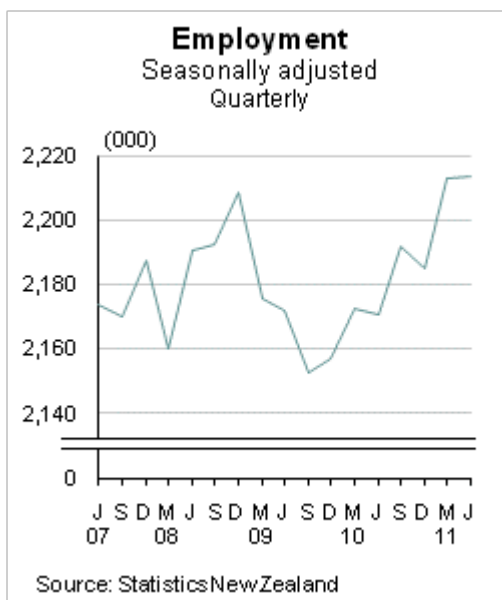
## Highlights

In the June 2011 quarter:

- Seasonally adjusted unemployment was unchanged at 154,000.\*\*
- The seasonally adjusted unemployment rate remained the same at 6.5 percent.
- Seasonally adjusted employment increased slightly by 1,000 to 2,214,000.
- Unadjusted movements for key labour market outcomes in the Canterbury region moved in a different direction from the national estimates, when compared with the June 2010 quarter.

Seasonally adjusted	June 2011 quarter	Quarterly change	Annual change
Unemployment rate	6.5%	0.0	-0.4
Unemployed	154,000	-0.1%**	-3.7%
Employed	2,214,000	0.0%	+2.0%
Not in the labour force	1,096,000	+1.4%	+0.3%
Labour force participation rate	68.4%	-0.2	+0.3

\*\*Due to rounding there is no level change but there is a quarterly percentage change.



Geoff Bascand  
Government Statistician

4 August 2011  
ISSN 1178-0487

# Commentary

## Labour market overview – seasonally adjusted

The labour market remained relatively steady over the June 2011 quarter. Employment increased by 1,000, while unemployment and the unemployment rate remained unchanged for the quarter. Although there was little change to the total levels of employment and unemployment over the quarter, there were different outcomes for males and females.

Although the quarterly change in employment was small, there was a large annual increase in employment (43,000). This was driven by increases in both full-time and part-time employment (up 26,000 and 17,000, respectively).

The unemployment rate remained at 6.5 percent for the June 2011 quarter. While there was no change in the total unemployment rate, the male and female unemployment rates moved closer together. The male unemployment rate increased to 6.4 percent from 6.2 percent, while the female unemployment rate fell to 6.6 percent from 6.9 percent.

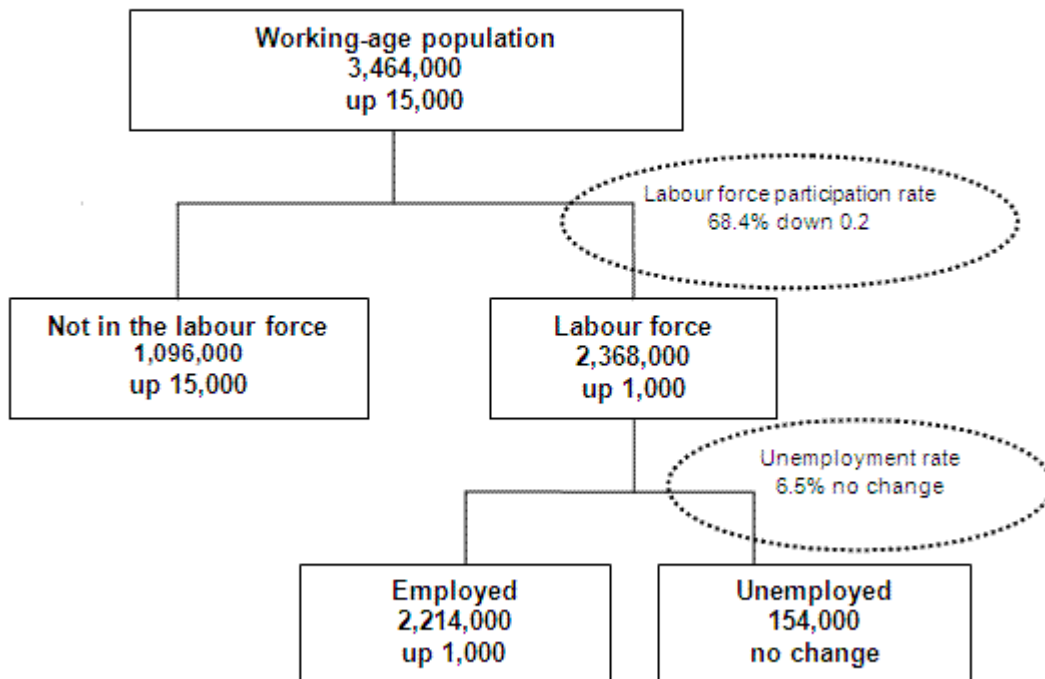
There was a large rise in actual hours worked for the June 2011 quarter, up 1.6 percent. Usual hours worked increased by 0.6 percent.

In annual unadjusted terms, key labour market outcomes for the June 2011 year were different in the Canterbury region compared with movements in the national estimates. Employment fell in Canterbury but rose nationally. Unemployment increased in Canterbury but decreased nationally.

### The Labour Market June 2011 quarter

Seasonally adjusted figures

Quarterly change

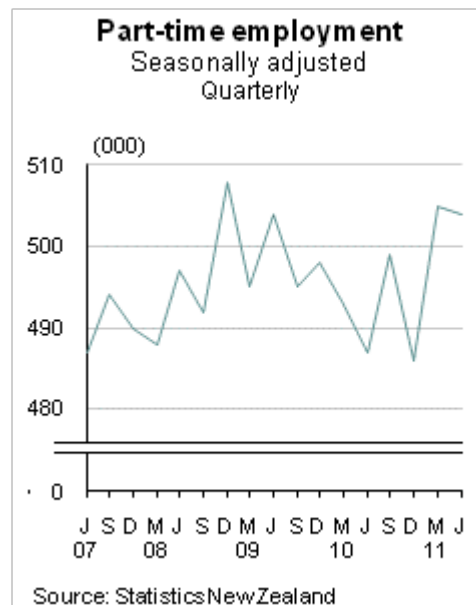
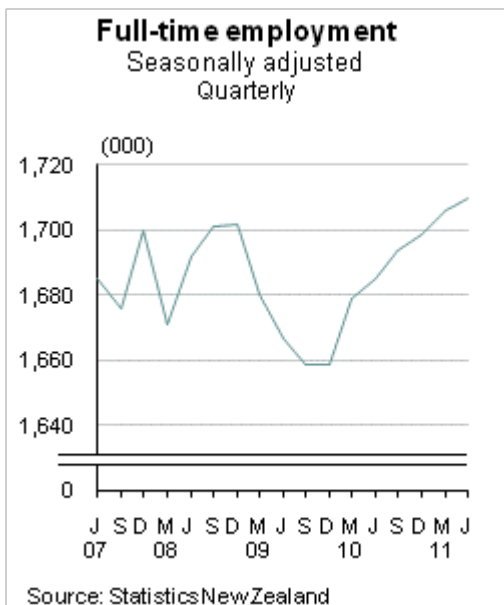


## Employment – seasonally adjusted

Employment rose slightly in the June 2011 quarter, up 1,000 to 2,214,000. There were small quarterly changes in the number of women and men employed. Employment for women increased by 3,000 (0.3 percent) while for men it decreased by 2,000 (0.2 percent).

In the June 2011 quarter, there was a small rise in full-time employment of 0.2 percent, and a small decrease in part-time employment of 0.1 percent. Male full-time employment increased while female full-time employment decreased. Male part-time employment decreased while female part-time employment increased.

For the June 2011 year, employment rose 43,000 (2.0 percent). This is the largest annual percentage increase in employment since December 2007. Annually, male employment increased by 21,000 (1.8 percent) and female employment increased by 22,000 (2.2 percent). Full-time employment increased by 26,000 over the year, while part-time employment grew by 17,000.



## Trend series

The trend series adjusts for seasonal effects and removes the irregular component from a series. This can help reveal the underlying movement in employment. Refer to the [Technical notes](#) of this release for more information about trend series.

During the June 2011 quarter, employment increased by 11,000 (0.5 percent) to 2,218,000. Female employment increased by more than male employment (up 8,000 and 4,000, respectively).

For the June 2011 year, employment increased by 40,000 (1.9 percent). The series has been on an upward trend since September 2009.

## **Unadjusted annual series**

For the June 2011 year, the number of people employed increased by 42,700 (2.0 percent). This is the largest annual percentage increase since December 2007. Both men and women contributed to this employment growth. Male employment increased by 21,100 (1.8 percent) and female employment increased by 21,700 (2.1 percent).

Most employment growth in the June 2011 year occurred in the Auckland region. In total, employment in Auckland increased by 34,600 (5.4 percent). This was evenly spread among men and women; male employment increased by 17,200 (5.0 percent) and female employment increased by 17,400 (5.8 percent).

The 20–24-year-old and the 65+ age groups drove the annual increase in employment with increases in employment of 17,600 and 13,900, respectively. These two age groups have experienced annual increases in employment for a number of quarters. The 65+ age group has had particularly strong growth, with employment increasing on an annual basis in each quarter since the March 2010 quarter.

Although overall annual employment growth was strong for the June 2011 year, there was a decrease in employment for 15–19-year-olds of 12,100 (10.5 percent). The last time there was an annual increase in employment for this group was December 2007.

There continues to be strong annual growth in self-employment. For the year to June 2011, self-employment increased by 22,600 (10.1 percent). Annual changes in self-employment have been positive since June 2010.

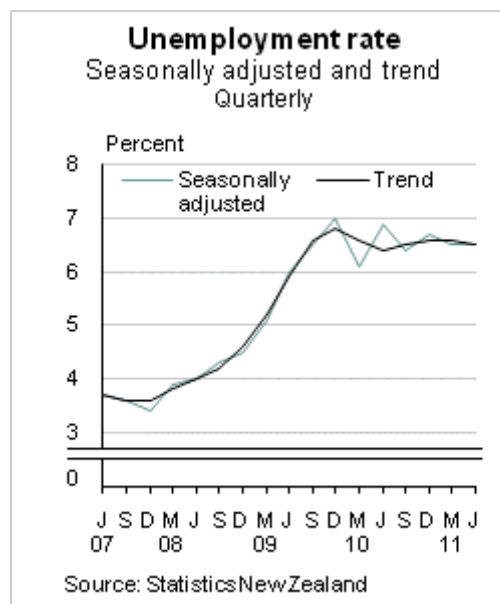
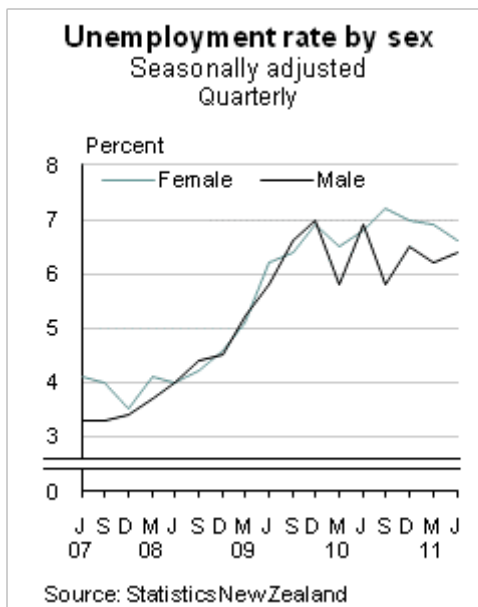
By industry, for the June 2011 year employment in construction decreased by 12,700 (6.9 percent). The number of females employed in education and training increased by 11,000 (7.7 percent).

## **Unemployment – seasonally adjusted**

The number of people unemployed was unchanged at 154,000 in the June 2011 quarter. A decrease of 3,000 (4.3 percent) in female unemployment cancelled out a rise of 3,000 (4.0 percent) in male unemployment.

The unemployment rate remained at 6.5 percent for the June 2011 quarter. The male unemployment rate increased to 6.4 percent from 6.2 percent. The female unemployment rate fell to 6.6 percent from 6.9 percent.

There was an annual decrease of 6,000 (3.7 percent) in the number of people unemployed. This is the largest annual percentage decrease since December 2007. The annual decrease was solely driven by a decrease in male unemployment. Female unemployment remained unchanged over the June 2011 year.



## Trend series

The trend series shows little change in the number of unemployed for the June 2011 quarter, down 2,000 (1.0 percent). Unemployment in the trend series has flattened out since the December 2009 quarter. The unemployment rate is down 0.1 percentage points to 6.5 percent.

## Unadjusted annual series

Unemployment for 25–29 and 50–54-year-olds decreased over the June 2011 year by 6,400 and 2,500 respectively, while for 40–44-year-olds unemployment increased by 4,400.

The Auckland region experienced a large decline in unemployment over the June 2011 year. The number of unemployed fell by 7,800 (12.7 percent), and the unemployment rate decreased by 1.4 percentage points, from 8.7 percent to 7.3 percent. In the Canterbury region, unemployment for women rose sharply by 5,000.

## Canterbury – unadjusted annual movements

We have included supplementary tables with detailed data for the Canterbury region 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. A brief overview of the Canterbury labour market is provided below.

For the June 2011 year, the annual movements for key labour market outcomes in the Canterbury region were in different directions from the movements in the national estimates.

The annual decrease in actual hours worked of 1.3 percent was consistent with movements in the Canterbury labour market.

Employment decreased by 5,200 for males and 7,100 for females for the year to June 2011. There was a large rise in female unemployment (from 6,600 to 11,700). Male unemployment decreased from 10,200 to 8,100. The unemployment rate in the Canterbury region is still lower than the national rate.

<b>Unadjusted annual changes for the June 2011 quarter</b>		
	<b>Canterbury</b>	<b>National</b>
	<b>Annual change</b>	<b>Annual change</b>
Unemployment rate	+0.9	-0.3
Unemployed	+17.8%	-3.5%
Employed	-3.6%	+2.0%
Not in the labour force	+3.6%	+0.2%
Labour force participation	-1.4	+0.3
Actual hours	-1.3%	+1.8%

Over the June 2011 year there were notable falls in employment for the following industries in Canterbury:

- Retail trade and accommodation fell 15.8 percent.
- Professional, scientific, technical services, administrative, and support services fell 10.7 percent.
- Manufacturing; and electricity, gas, water, and waste services fell 8.6 percent.

In the June 2011 quarter, a small number of households in certain geographic areas in Christchurch were excluded from interviewing because of the ongoing impact of the 22 February 2011 earthquake on residents. The number of households excluded in these areas accounted for 6 percent of the Canterbury sample. The effect of excluding these households was investigated and analysis showed that the working-age population for Canterbury is likely to be overestimated if a large percentage of these households were vacant, derelict, or demolished. Additionally, the Canterbury response rate would be underestimated.

Some of the Household Labour Force Survey sample is located in Christchurch areas classified as the 'red zone' by the Canterbury Earthquake Recovery Authority. The sample in these areas will continue to be monitored, and no methodological change will be required in the short term.

## **Working-age population – unadjusted**

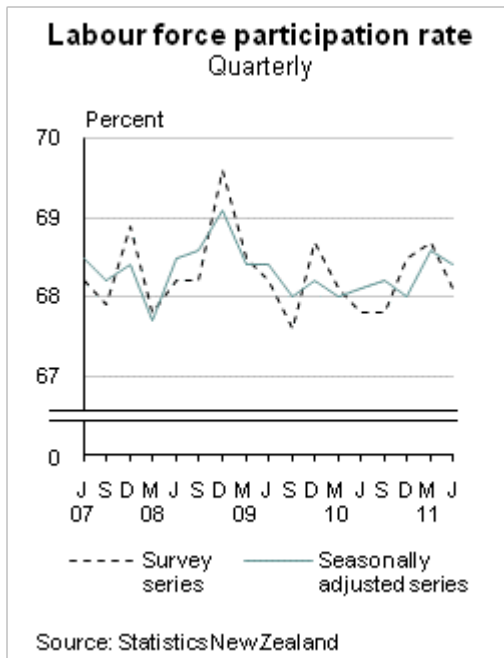
The working-age population grew by 3,500 (0.1 percent) during the June 2011 quarter, and by 39,800 (1.2 percent) during the year to reach 3,461,100. However, the number of people who left New Zealand permanently during the quarter was more than the number who arrived. (See [International Travel and Migration: June 2011](#) for more information).

## **Labour force participation rate – seasonally adjusted**

The labour force participation rate is the total labour force (ie the number of employed and unemployed) expressed as a percentage of the working-age population.

There was a small change in the labour force for the June 2011 quarter – it increased by 1,000 to 2,368,000. The male labour force increased to 1,255,000, while the female labour force remained unchanged at 1,113,000.

The labour force participation rate for the June 2011 quarter fell 0.2 percentage points from 68.6 percent to 68.4 percent. The participation rates for both males and females fell. Male participation dropped from 74.8 percent to 74.4 percent, and female participation fell from 62.8 percent to 62.6 percent.

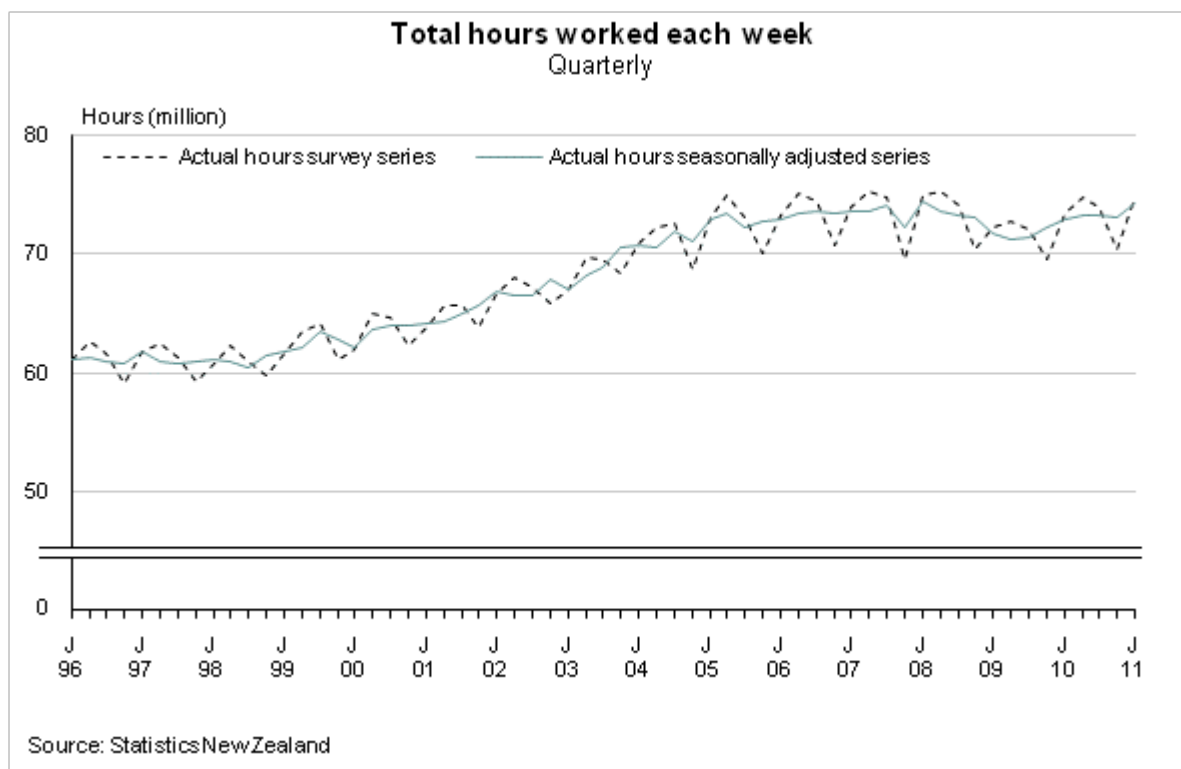


## Total hours worked – seasonally adjusted

Actual hours worked are the number of hours a person worked in the reference week (including overtime). Usual hours worked are the number of hours a person normally works in a week.

The number of actual hours worked for the June 2011 quarter increased by 1.6 percent to 74,217,000. This is the highest quarterly percentage increase since June 2008. For the year ending June 2011 actual hours worked increased 1.8 percent.

There was an increase in the number of usual hours worked for both the June 2011 quarter and the June 2011 year. For the quarter the number of usual hours worked increased by 0.6 percent, and for the year there was an increase of 1.5 percent.



## Jobless – unadjusted

The jobless are defined as those people who are either officially unemployed, available but not seeking work, or actively seeking but not available for work.

In the year to June 2011, there was a decrease of 4,700 (1.8 percent) in the number of jobless. This decrease was solely driven by a fall in the number of men who were jobless.

## Underemployment – unadjusted

The number of underemployed people (employed people who work part-time and would prefer to work more hours) may serve as a measure of under-utilised labour in the economy.

Over the June 2011 year the number of underemployed increased by 9,100 (8.9 percent). Male underemployment increased by 5,800 (16.2 percent) and female underemployment increased by 3,400 (5.0 percent).

## Duration of unemployment – unadjusted

In the year to June 2011, short-term unemployment (those unemployed for 26 weeks or less) decreased by 3,900 (3.7 percent) to 101,100. During the same period, the number of long-term unemployed (those unemployed for longer than 26 weeks) marginally increased by 400 (1.1 percent) to 38,000. Of the total number of unemployed people in the June 2011 quarter, 67.4 percent had been so for 26 weeks or less, while 25.4 percent had been unemployed for longer than 26 weeks.

<b>Duration of unemployment (unadjusted)</b>		
	<b>June 2010 quarter (000)</b>	<b>June 2011 quarter (000)</b>
<b>Short-term unemployment</b>		
26 weeks or less	105.0	101.1
<b>Long-term unemployment</b>		
Over 26 weeks, but not over a year	24.4	24.1
Over one year, but not over two years	9.1	10.7
Over two years	4.1	3.3
Total long-term unemployment	37.6	38.0
<b>Not specified</b>	12.8	10.8
<b>Total unemployment</b>	155.3	149.9

## Participation in formal study – unadjusted

During the June 2011 quarter, 318,400 people were participating in formal study, a 1.2 percent decline from the same quarter in 2010.

Since the beginning of the series in June 2004, the individuals most likely to be involved in formal study have been the unemployed. This pattern continued in the June 2011 quarter, with 12.3 percent of unemployed people taking part in formal study. Of those not in the labour force, 11.8 percent participated in formal study. Only 7.7 percent of employed people were engaged in formal study.

## Ethnic group statistics – unadjusted

In the year to June 2011, unemployment rates fell significantly for the 'Māori only' and 'Asian only' ethnic groups, down 2.7 and 4.4 percentage points, respectively. The unemployment rate for the 'Middle Eastern/Latin American/African only' ethnic group increased by 3.1 percentage points.

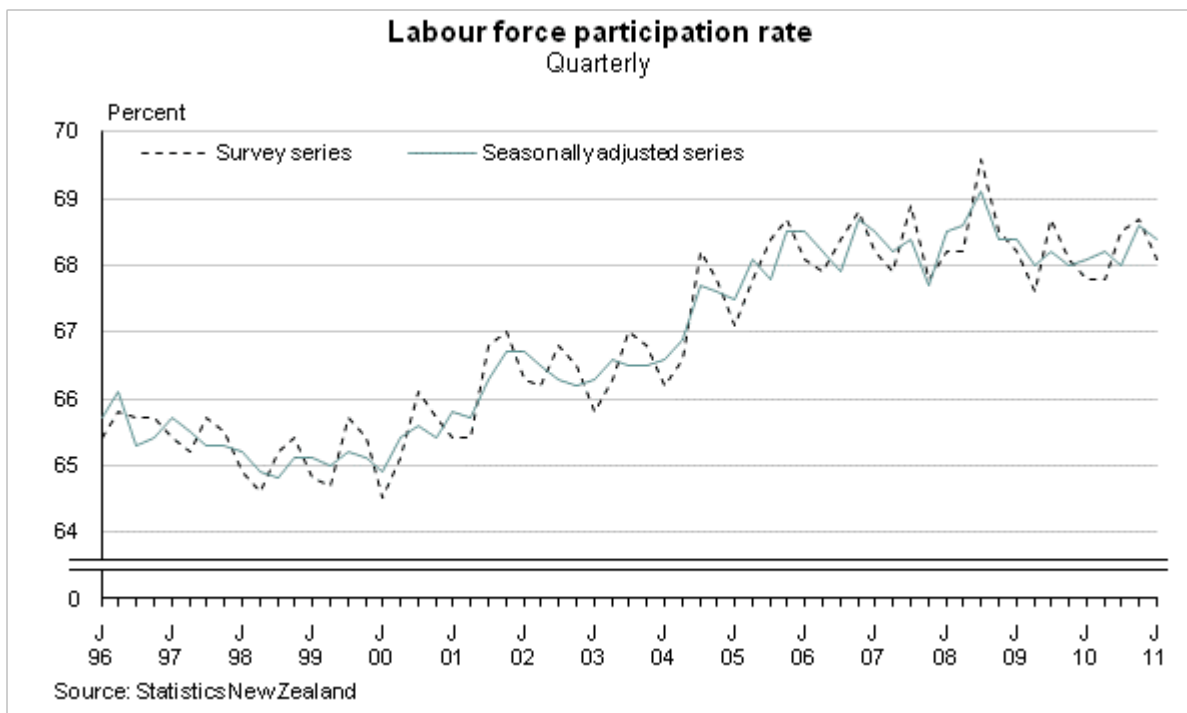
<b>Single/combination unemployment rate (unadjusted) by ethnic group</b>		
	<b>June 2010 quarter (percent)</b>	<b>June 2011 quarter (percent)</b>
European only	4.4	4.7
Māori only	16.4	13.7
Pacific peoples only	14.1	13.1
Asian only	10.5	6.1
MELAA only	9.0	12.1
Other ethnicity only	3.3	4.7
European/Māori	10.2	11.1
Two or more groups not elsewhere included	16.8	16.8

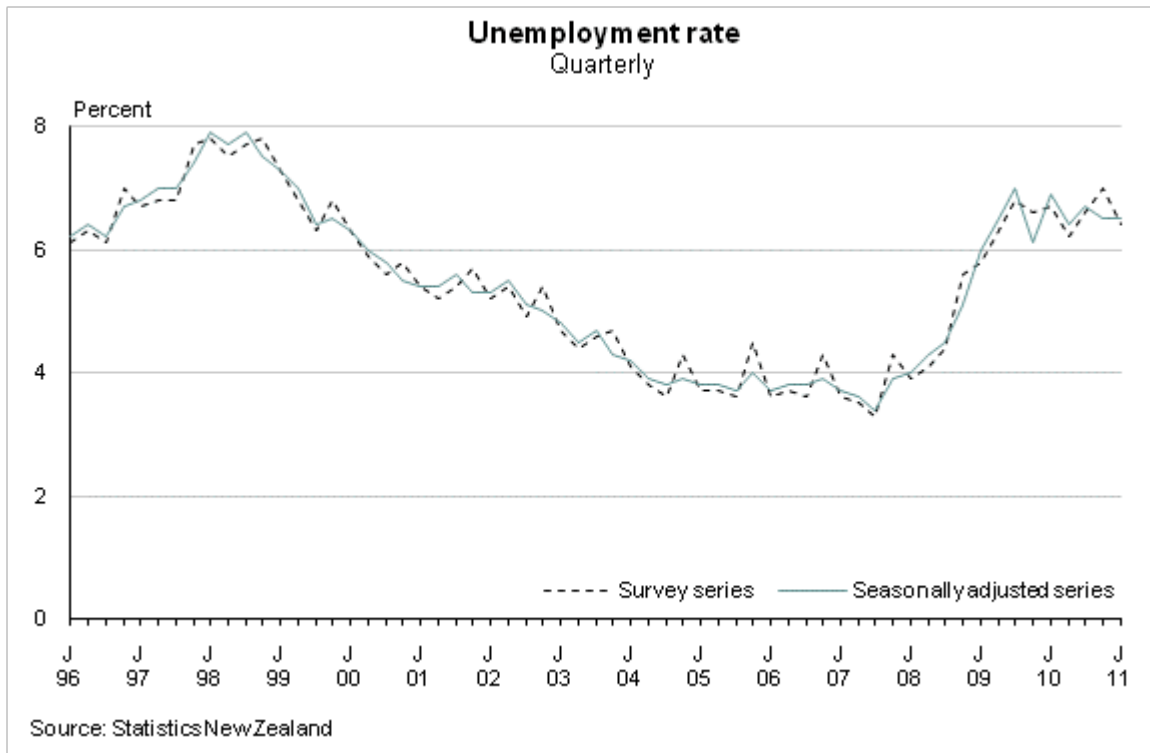
**Note:** MELAA= Middle Eastern/Latin American/African

The unemployment rate for all people who identified with the Māori ethnic group (including those who identified with other groups as well) was 12.6 percent for the June 2011 quarter. This is known as the total response Māori unemployment rate. This is a 1.7 percentage point fall since the June 2010 quarter.

## Longer time series

The following graphs show the Household Labour Force Survey series for the number of employed, 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 request.





For technical information contact:

Nathan Young or Mallika Kelkar  
Wellington 04 931 4600  
**Email:** [info@stats.govt.nz](mailto:info@stats.govt.nz)

### Next release...

*Household Labour Force Survey: September 2011 quarter will be released on  
3 November 2011.*

## Technical notes

### Background to the survey

The Household Labour Force Survey (HLFS) started in October 1985, and the first results published were for the March 1986 quarter. The survey provides a regular, timely, and comprehensive portrayal of New Zealand's labour force. Each quarter, a range of statistics relating to employment, unemployment, and people not in the labour force is published.

### In this release

This release contains seasonally adjusted, trend, and survey statistics for the June 2011 quarter. These statistics are averages for the three-month period and do not apply to any specific point in time. Data sourced from the seasonally adjusted series and trend series are identified as such in the table or section headings. All other data, in the commentary or in tables, are sourced from the original survey series and are unadjusted.

Figures presented in this release are rounded. Because each table contains rounded figures, there may be some small inconsistencies between the totals and individual cells. Unrounded figures are used in the calculation of unemployment rates and labour force participation rates. Cells with estimates of less than 1,000 are suppressed and appear as 'S' in the tables. These estimates are subject to sampling errors too great for most practical purposes.

### Seasonal adjustment and trend series

Seasonal adjustment aims to eliminate the impact of regular seasonal events on a time series. In the labour market, cyclical events that affect labour supply and demand occur around the same time each year. For example, in summertime a large pool of student labour is both available for, and actively seeking, work. Demand for labour in the retail sector and in many primary production industries also increases. Seasonal adjustment makes data for adjacent quarters more comparable by smoothing out the effect on the time series of any regular seasonal events. This ensures that the underlying movements in the time series are more visible.

For any series, the estimates can be broken down into three components: trend, seasonal, and irregular. Seasonally adjusted series have had the seasonal component removed. Trend series have had both the seasonal and irregular components removed, and reveal the underlying direction of movement in a series.

Each series is adjusted separately. For this reason, the sum of the seasonally adjusted estimates for employment, unemployment, and people not in the labour force will usually not add up to the working-age population estimates. All seasonally adjusted and trend series are produced using the X-12-ARIMA Version 0.2.10 package developed by the U.S. Census Bureau.

### Quality of seasonal adjustment

The X-12-ARIMA programme is highly customisable and can produce a wide variety of possible adjustments for any particular input series. Consequently, X-12-ARIMA produces a number of diagnostics which are useful in assessing the quality of the chosen adjustment. The following table provides a selection of diagnostics; and the reference value provides an indication of the desired value for each. Most are acceptable, though there is evidence of a changing seasonal

pattern for the number of males who are unemployed and females who are not in labour force. More detail about seasonal adjustment in the HLFs is available upon request.

	Reference value	Male employed	Female employed	Male unemployed	Female unemployed	Male not in labour force	Female not in labour force
Test for seasonality	<0.10	0.00	0.00	0.00	0.00	0.00	0.00
Test for moving seasonality	>0.10	0.20	0.66	0.02	0.23	0.62	0.05
Periods until trend dominates	<3	1	1	1	2	2	2
Trend contribution to change	<20	32.12	42.24	47.11	14.98	12.58	20.03
Seasonal contribution to change	>50	58.69	40.99	31.63	68.83	76.33	51.84
Irregular contribution to change	<20	9.19	16.77	21.26	16.19	11.09	28.12
Quality statistic	<1	0.42	0.50	0.71	0.66	0.63	0.93

### Outliers

During the seasonal adjustment process, X-12-ARIMA can downweight the irregular component. Specifically, if the estimated irregular component at a point in time is sufficiently large compared with the standard deviation of the irregular as a whole, then the irregular at that point can be downweighted or removed completely and re-estimated. Such observations are referred to as partial and zero-outliers, respectively. In practice, the downweighting of outliers will do little to seasonally adjusted data, but the impact of the outliers on the trend series will generally be reduced. However, if an outlier ceases to be an outlier as more data becomes available, then significant revisions to the trend series become possible. The table below shows partial (P) and zero (Z) outliers for the last year of each time series.

Quarter	Male employed	Female employed	Male unemployed	Female unemployed	Male not in labour force	Female not in labour force
September 2010						
December 2010	P				P	
March 2011						
June 2011						

### Revisions

Each quarter, the seasonal adjustment process is applied to the latest quarter and all previous quarters. This means that seasonally adjusted estimates for any of the previously published quarters may change slightly. The following table lists the change in estimates between the current and previous publication for the seasonally adjusted data. For example, in the March 2011 quarter release, the seasonally adjusted number of males not in the labour force for June

2010 was 425,000. In the June 2011 quarter release, that same estimate has been revised to 426,000. These numbers are rounded to the nearest 1,000, but the relative change derived from the unrounded estimates is an upward revision of 0.08 percent.

<b>Percent revision from last published, seasonally adjusted</b>						
<b>Quarter</b>	<b>Male employed</b>	<b>Female employed</b>	<b>Male unemployed</b>	<b>Female unemployed</b>	<b>Male not in labour force</b>	<b>Female not in labour force</b>
Jun 2010	0.00	0.02	0.17	0.55	0.08	-0.01
Sep 2010	-0.05	0.01	0.36	0.19	-0.11	-0.02
Dec 2010	0.03	0.07	-0.21	-0.16	0.01	-0.10
Mar 2011	0.03	-0.12	-0.43	-0.69	0.02	0.11

The following table presents the same information, but for the trend estimates. Note that trend revisions are generally larger than those of the seasonally adjusted data.

<b>Percent revision from last published, trend</b>						
<b>Quarter</b>	<b>Male employed</b>	<b>Female employed</b>	<b>Male unemployed</b>	<b>Female unemployed</b>	<b>Male not in labour force</b>	<b>Female not in labour force</b>
Jun 2010	0.09	-0.02	3.06	0.22	0.09	0.04
Sep 2010	0.32	0.05	1.10	0.31	-0.33	-0.04
Dec 2010	0.38	0.01	-0.41	0.24	-0.68	-0.06
Mar 2011	0.09	-0.16	-0.93	-1.27	0.01	0.32

Every estimate is subject to revision each quarter as new data is added, though in practice estimates more than two years from the end-point will change little. For example, the trend estimate of male employment for the June 2010 quarter was 1,156,000 when first published. In the June 2011 quarter, one year later, the trend estimate of male employment for the June 2010 quarter is 1,160,000, an increase of 4000. This is an example of a '4-step ahead' revision. The table below shows the average of all such absolute revisions, and gives some indication of how much the current estimates might be revised when the September 2011 data becomes available.

<b>Mean absolute percent revisions</b>				
	<b>Seasonally adjusted</b>		<b>Trend</b>	
	<b>1-step</b>	<b>4-step</b>	<b>1-step</b>	<b>4-step</b>
Male employed	0.05	0.08	0.16	0.17
Female employed	0.07	0.12	0.27	0.28
Male unemployed	0.45	0.68	1.67	1.68
Female unemployed	0.53	0.98	1.92	1.89
Male not in labour force	0.09	0.17	0.36	0.37
Female not in labour force	0.09	0.15	0.36	0.39

## **Survey scope**

The target population for the HLFS is the civilian, usually resident, non-institutionalised population aged 15 years and over. This means that the statistics in this release do not cover:

- long-term residents of homes for older people, hospitals, and psychiatric institutions

- inmates of penal institutions
- members of the permanent armed forces
- members of the non-New Zealand armed forces
- overseas diplomats
- overseas visitors who expect to be resident in New Zealand for less than 12 months
- those aged less than 15 years.

## Reliability of survey estimates

The HLFS sample contains about 15,000 private households and about 30,000 individuals each quarter. Households are sampled on a statistically representative basis from rural and urban areas throughout New Zealand, and information is obtained for each member of the household.

Each quarter, one-eighth of the households in the sample are rotated out and replaced by a new set of households. Therefore, the overlap between two adjacent quarters can be as high as seven-eighths. This overlap improves the reliability of quarterly estimates of change.

Two types of error are possible in estimates based on a sample survey: sampling error and non-sampling error.

Sampling error can be measured, and quantifies the variability that occurs by chance because a sample rather than an entire population is surveyed. A non-sampling error is very difficult to measure, and if present can lead to biased estimates. Statistics New Zealand endeavours to minimise the impact of these errors by applying best survey practices and monitoring known indicators (eg non-response).

Sampling errors are calculated for each cell in the published tables and for estimates of change between adjacent quarters using a model-based approach. For example, the estimated total number of people employed in the June 2011 quarter is 2,208,300 before seasonal adjustment. This estimate is subject to a sampling error of plus or minus 21,800, or 1.0 percent (measured at the 95 percent confidence level). This means that there is a 95 percent chance that the true number of employed people lies between 2,186,500 and 2,230,100.

Smaller estimates, such as the number of people who are unemployed, are subject to larger relative sampling errors than larger estimates. For example, the estimated total number of people unemployed in the June 2011 quarter is 149,900 before seasonal adjustment. This estimate is subject to a sampling error of plus or minus 9,400 or 6.3 percent (measured at the 95 percent confidence level). This means that there is a 95 percent chance that the true number of unemployed people lies between 140,500 and 159,300.

Estimates of change are also subject to sampling error. For example, the survey estimate of change in total employment from the March 2011 quarter to the June 2011 quarter is a decrease of 1,600. This estimate is subject to a sampling error of plus or minus 18,700 (at the 95 percent confidence level). Therefore, the true value of the change in surveyed employment from the March 2011 quarter to the June 2011 quarter has a 95 percent chance of lying between -20,300 and 17,100.

A change in an estimate, either from one adjacent quarter to the next, or between quarters a year apart, is said to be statistically significant if it is larger than the associated sampling error. Therefore, the example quoted above does not represent a significant movement.

In general, the sampling errors associated with subnational estimates (eg breakdowns by regional council area or ethnic group) are larger than those associated with national estimates.

## Response rates

The target response rate for the HLFS is 90 percent. The response rate is calculated by determining the number of eligible households who responded to the survey, as a proportion of the estimated number of total eligible households in the sample. The following table shows the HLFS response rates for the last five quarters.

HLFS response rates	
Quarter	National response rate (percent)
June 2010	87.3
September 2010	86.1
December 2010	87.7
March 2011	84.3
June 2011	87.2

## Definitions of labour force category

The labour force category to which a person is assigned depends on their actual activity during a survey reference week. The following definitions, which conform closely to the international standard definitions specified by the International Labour Organization, are used for the HLFS:

**Working-age population:** The usually resident, non-institutionalised, civilian population of New Zealand aged 15 years and over.

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

**Employed:** All persons in the working-age population who during the reference week:

- worked for one hour or more for pay or profit in the context of an employee/employer relationship or self-employment; or
- worked without pay for one hour or more in work which contributed directly to the operation of a farm, business, or professional practice owned or operated by a relative; or
- had a job but were not at work due to: own illness or injury, personal or family responsibilities, bad weather or mechanical breakdown, direct involvement in an industrial dispute, or leave or holiday.

**Unemployed:** All persons in the working-age population who during the reference week 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.

**Not in the labour force:** Any person in the working-age population who is neither employed nor unemployed. For example, this residual category includes persons who:

- are retired
- have personal or family responsibilities such as unpaid housework and childcare
- attend educational institutions
- are permanently unable to work due to physical or mental disabilities
- were temporarily unavailable for work in the survey reference week
- are not actively seeking work.

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

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

This definition of labour force participation includes all those aged 15 years and over in the numerator (the total labour force) and the denominator (the working-age population). This definition is the most appropriate for the New Zealand labour market, as New Zealand does not have a compulsory retirement age, and many workers stay in the labour force beyond the age of 65. Using this definition also means that the measure will reflect changes in labour market demographics, in particular the increasing number of employees working beyond 65 years.

Several alternative definitions of labour force participation rate are in use by other organisations; they differ in regard to age of the working-age population and the inclusion of military personnel. A common definition is to restrict the labour force and working-age population to the 15–64-year-old age group, particularly in countries with a compulsory retirement age. Generally, this definition leads to a higher figure. Using this definition for the New Zealand HLFS in the June 2011 quarter gives a surveyed labour force participation rate of 77.5 percent.

## Industry statistics

Since the September 2009 quarter, the industry statistics are based on the Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06), the latest edition of the classification. The 1996 version (ANZSIC96), used in industry outputs in previous releases, has been updated to the 2006 edition. Note that industry outputs defined using ANZSIC06 are not comparable with those based on ANZSIC96.

The release of ANZSIC06 followed a review that involved consultation with government agencies responsible for policy formulation and administration, non-government analysts of industry structure and performance, and industry experts. The changes to ANZSIC ensure the classification is current and relevant, reflect changes in the structure and composition of industry since the previous edition, and recognise changing user requirements for industry data.

In the HLFS, data has been collected using both ANZSIC06 and ANZSIC96 from the March 2009 quarter, and will continue to be collected using both classifications until December 2011. A backcast series for 'total people employed by industry and sex' has been created for ANZSIC06. The series has been created at the 1-digit divisional level and has been backcast from the December 2008 quarter to the March 2003 quarter.

With the introduction of ANZSIC06, Statistics NZ also developed the New Zealand Standard Industrial Output Categories (NZSIOC), which will assist in standardising outputs. HLFS industry statistics are published at NZSIOC level 1. Under NZSIOC level 1, industries are published at the 1-digit divisional level, apart from three categories which are combined ANZSIC06 divisions. The category titled 'retail trade and accommodation' is the combined 'retail trade' and 'accommodation and food services' divisions. The 'professional, scientific, technical, administrative, and support services' category is the combined 'professional, scientific, and technical services' division and the 'administrative and support services' division. The 'arts and recreation services' division has been combined with the 'other services' division to form the 'arts, recreation, and other services' category.

For more information see [implementing ANZSIC06 in the Household Labour Force Survey](#).

## Occupation statistics

Since September 2009 quarter, the Australian and New Zealand Standard Classification of Occupations (ANZSCO) is the basis of occupation data in the HLFS. ANZSCO is a harmonised classification which has been developed by Statistics NZ, the Australian Bureau of Statistics, and the Australian Department of Employment and Workplace Relations, for use in both Australia and New Zealand. Occupation data was previously based on the New Zealand Standard Classification of Occupations 1999 (NZSCO99). The occupation data is available on Infoshare.

Occupation data has also been collected using both NZSCO99 and ANZSCO from the March 2009 quarter, and will continue to be collected using both classifications until December 2011. A backcast series for 'total people employed by occupation and sex' has been created for ANZSCO. The series has been created at the 1-digit divisional level and has been backcast from the December 2008 quarter to the March 2003 quarter.

For more information see [implementing ANZSCO in the Household Labour Force Survey](#).

## Formal study statistics

To be participating in formal study, an individual must be working towards a qualification that takes three or more months of full-time study to complete. Full-time study is defined as 20 or more hours per week.

## Māori benchmarks

Before April 2009, the Māori working-age population was not benchmarked to population estimates. This, along with other sample design restrictions, caused a high degree of volatility in Māori statistics of the HLFS. Movements in the working-age population estimates of certain ethnic groups, such as Māori, may reflect this volatility rather than a real change in the estimated ethnic demographic.

Including Māori benchmarks in the working-age population mitigates the known undercount of Māori in the HLFS and also results in smoother time series for Māori. However, introducing the Māori population benchmarks does not necessarily translate to improved estimates for non-Māori ethnic groups.

## Ethnic statistics

In the September 2008 quarter, Statistics New Zealand started publishing ethnicity data using the single/combination output method. This created a complete break in the ethnicity series, as the prioritisation of ethnic groups was no longer produced. Using the single/combination ethnicity output, people are counted just once according to the ethnic group or combination of ethnic groups they have reported. This means that the total number of responses equals the total number of people who stated an ethnicity.

Starting from the December 2007 quarter, ethnicity data was collected as part of the HLFS using the 2005 New Zealand standard classification of ethnicity. The 2005 classification of ethnicity enables Statistics New Zealand to collect and output more detailed ethnicity data, especially for the Asian ethnic group, which was not previously collected.

Using the total response ethnicity output, people who reported more than one ethnic group are counted once in each group reported. This means that the total number of responses for all

ethnic groups can be greater than the total number of people who stated their ethnicities. The table below shows total response for the March 2011 and June 2011 quarters of the HLFS.

<b>Total response HLFS ethnicity data for working-age population<sup>(1)</sup></b>		
<b>Ethnic group</b>	<b>March 2011 quarter</b>	<b>June 2011 quarter</b>
European	2,550,600	2,586,500
Māori	435,700	436,500
Pacific peoples	203,300	188,700
Asian	377,300	367,100
MELAA <sup>(2)</sup>	32,800	41,100
Other	73,100	72,800

1. The sum of ethnic groups will not equal the total working-age population as the total response method of grouping ethnicity data counts each response given by an individual.  
 2. MELAA = Middle Eastern/Latin American/African.

For more information see the [2005 New Zealand standard classification of ethnicity](#).

## Household statistics

A household's labour force status is derived by looking at the labour force status of members in the household aged 18–64 years. For example, if a couple is living by themselves and one is aged 64 years and the other is aged 65 years, this couple will be assigned to the 'All employed' or 'None employed' category, depending on the labour force status of the 64-year-old.

Households that have no members aged 18–64 years are excluded from this analysis.

The household categories incorporate the concept of dependent children rather than just children. A child is a person of any age who usually resides with at least one parent (natural, step, adopted, or foster) and who does not usually reside with a partner or child(ren) of his or her own. Statistics NZ defines a dependent child as a child aged less than 18 years and not in full-time employment.

## Updated regional classification

On 1 November 2010, the new Auckland territorial authority (TA) replaced the existing Rodney District, North Shore City, Auckland City, Waitakere City, Manukau City, Papakura District, and part of Franklin District councils.

This has resulted in a minor change in the boundary between the Auckland and Waikato regions.

The statistics in the *Household Labour Force Survey: June 2011 quarter* release were produced using the new boundaries and backcast for the March 2011 quarter. The new boundaries do not significantly affect measures from the Household Labour Force Survey (HLFS).

## More information

More [information about the Household Labour Force Survey](#) is available on the Statistics NZ website.

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## Timing

Timed statistical releases are delivered using postal and electronic services provided by third parties. Delivery of these releases may be delayed by circumstances outside the control of Statistics NZ. Statistics NZ accepts no responsibility for any such delays.

## Tables

The following tables are printed with this information release and can also be downloaded from the Statistics New Zealand website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print and export the contents of the file.

1. People employed, unemployed, and not in labour force, by sex, seasonally adjusted series
2. People employed, unemployed, and not in labour force, by sex, trend series
3. People employed, unemployed, and not in labour force, by sex
4. Total people employed, unemployed, and not in labour force, by age group
5. Total people employed, unemployed, and not in labour force, by ethnic group
6. Total people employed, unemployed, and not in labour force, by regional council area
7. People employed, by industry and sex
8. The jobless: those without a job and wanting a job, by sex
9. Total actual hours worked
10. Household composition, by household labour force status
11. Underemployment, by sex
12. People employed, unemployed, not in the labour force, and total actual hours worked, seasonally adjusted series
13. Harmonised unemployment rates in OECD countries, latest available
14. Total people employed, unemployed, and not in labour force, by sex and formal study status

## Supplementary tables

The following tables can be downloaded from the Statistics NZ website in Excel format.

These tables provide unadjusted statistics for the Canterbury region.

1. People employed, unemployed, and not in labour force, by sex
2. Total people employed, unemployed, and not in the labour force, by age group
3. People employed, by industry and sex
4. The jobless: those without a job and wanting a job, by sex
5. Total actual and usual hours worked
6. Underemployment, by sex
7. Total people employed, unemployed, and not in labour force, by sex and formal study status

A longer time series of the supplementary tables is available on request.