



MINISTRY OF
SOCIAL DEVELOPMENT
Te Manatū Whakahiato Ora

Department of Labour
TE TARI MAHI



Waikato

QUARTERLY REGIONAL LABOUR MARKET
UPDATE FOR DECEMBER 2006

WAIKATO

QUARTERLY REGIONAL LABOUR MARKET UPDATE FOR DECEMBER 2006

EXECUTIVE SUMMARY

The labour force participation rate in Waikato stood at 69.5% during the year to December 2006 up from 69.0% the year before. In comparison, the national average participation rate was 68.4% for the year to December 2006.

The unemployment rate in Waikato fell to 3.3% for the year to December 2006 (national average: 3.8%) from 4.2% in the year to December 2005.

There were 3,543 working aged people receiving unemployment benefits from Work and Income in the Waikato region at the end of December 2006.

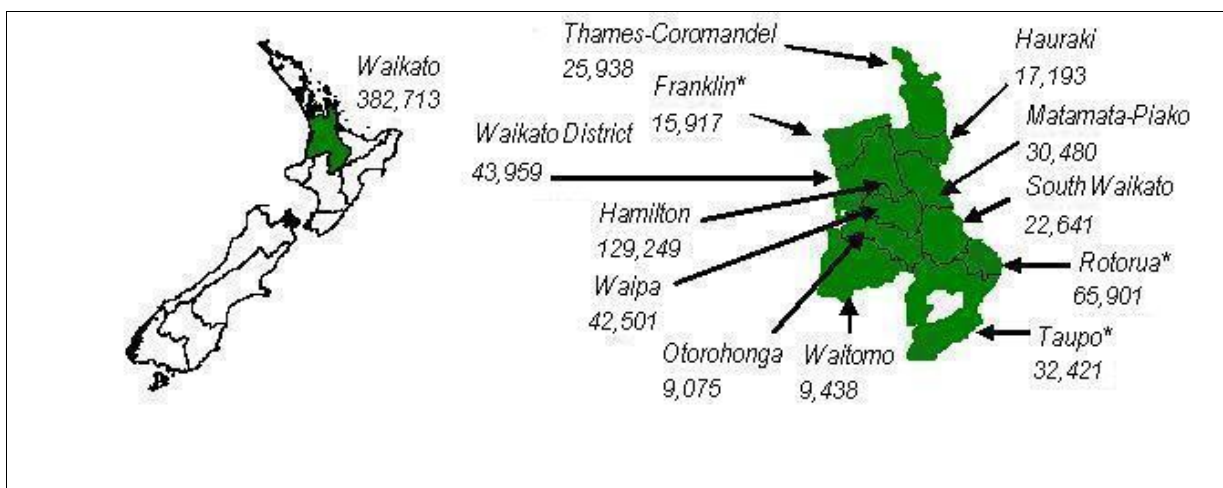
Advertised vacancies in Waikato declined by 1.1% in the year to December 2006, compared with a fall of 8.0% at the national level.

The data presented in this report is by regional council boundaries. This the first time some of this information has been available using regional council boundaries.

BACKGROUND

This report includes information relating to the area covered by the Waikato region as shown in Box 1.

Box 1: Map and population of Waikato for March 2006



Source: Population Census 2006, Statistics New Zealand

Note: Rotorua and Taupo extend into Bay of Plenty. Franklin extends into Auckland. Population figures for Rotorua and Taupo are for the whole district. The population figure for Franklin is for the portion of Franklin District in the Waikato region.

This report is a quarterly update of current labour market conditions in the Waikato region. The sources of statistics are the Statistics New Zealand Household Labour Force Survey (HLFS), Ministry of Social Development (MSD) and the Department of Labour Job Vacancy Monitor (JVM). To counter the effects of seasonality and low sample size when making comparisons over time, the figures presented are averages for the year up to the quarter indicated, unless otherwise stated.

Table 1: Key labour market data for the Waikato region

<i>HLFS Indicator</i>	<i>Waikato</i>		<i>New Zealand</i>	
	year to December 2005	year to December 2006	year to December 2005	year to December 2006
Participation rate, ann ave	69.0%	69.5%	67.8%	68.4%
Employment rate, ann ave	66.2%	67.2%	65.3%	65.8%
Unemployment rate, ann ave	4.2%	3.3%	3.7%	3.8%

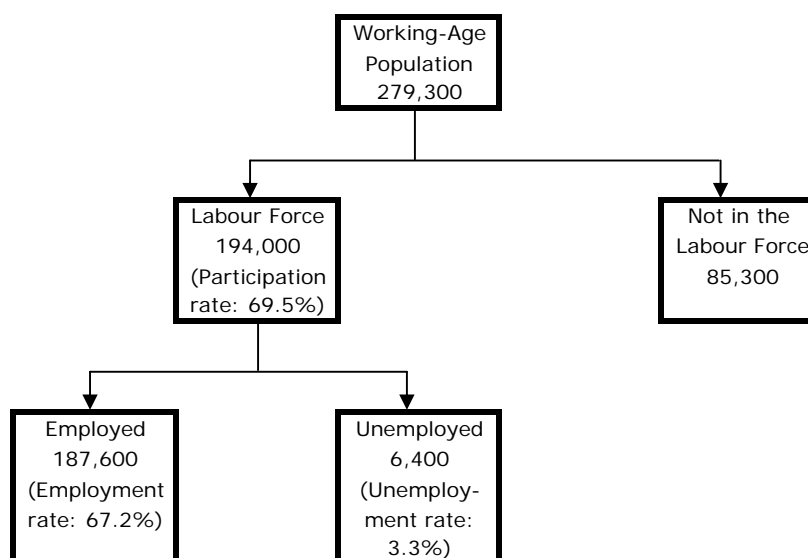
<i>Unemployment Beneficiary Indicator</i>	<i>Waikato</i>		<i>New Zealand</i>	
	End of December 2006 ('000)	share in NZ	End of December ('000)	% change since December 2002
Working aged UB/UBH recipients (aged 18-64)	3,543	9.1%	38,796	-67.2%

<i>JVM Indicator</i>	<i>Waikato</i>		<i>New Zealand</i>	
	year to December 2005	year to December 2006	year to December 2005	year to December 2006
Advertised job vacancy counts, ann ave % change	7.7%	-1.1%	5.1%	-8.0%

Source: HLFS, Statistics New Zealand; MSD; JVM, Department of Labour

In the year to December 2006 the working-age population in the Waikato region was 279,300. The labour force participation rate was 69.5% while 194,000 people were in the labour force and 85,300 people were 'not in the labour force'. Of those people who were in the labour force, 3.3%, or 6,400 were unemployed and 187,600 were employed.

Box 2: The labour market in Waikato for the year to December 2006



Source: HLFS, Statistics New Zealand

Notes:

- Participation rate: proportion of the working-age population that is in the labour force.
- Employment rate: proportion of the working-age population that is employed.
- Unemployment rate: proportion of the labour force that is unemployed.

POPULATION

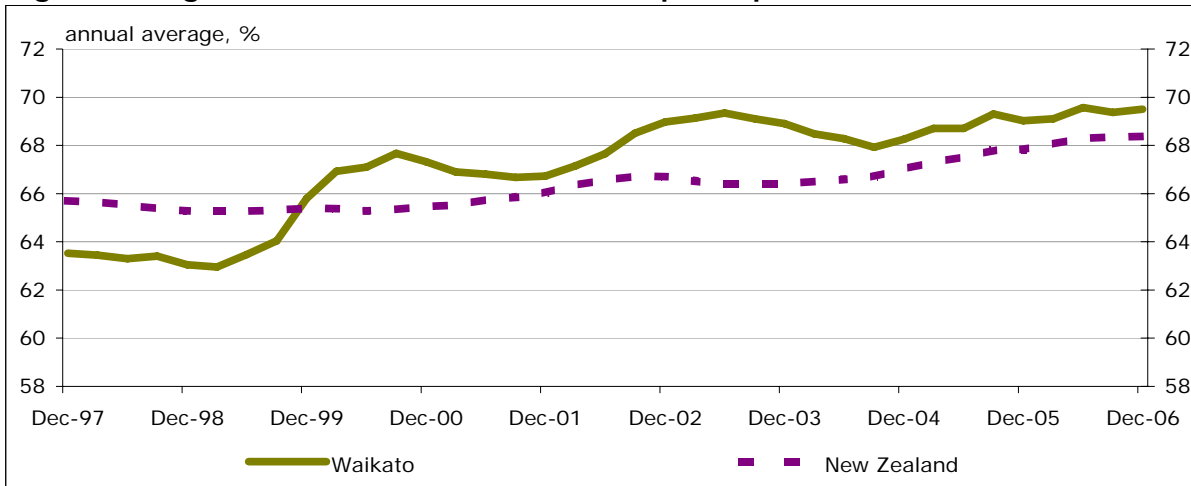
The working-age population in the Waikato region is estimated at 279,300 in the year to December 2006.

LABOUR FORCE

The participation rate in Waikato stood at 69.5% during the year to December 2006 up from 69.0% the year before. In comparison, the national average participation rate was 68.4% for the year to December 2006.

The number of people in the labour force in the Waikato region is estimated to be 194,000 in the year to December 2006.

Figure 1: Regional and national trends in the participation rate



Source: HLFS, Statistics New Zealand

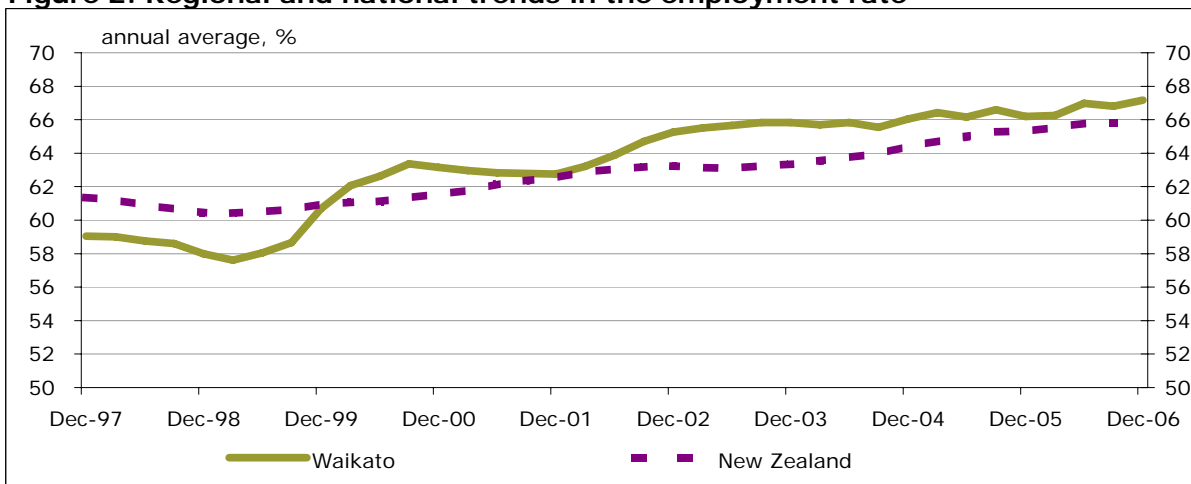
For a more detailed explanation of the labour force and the participation rate, go to the Department of Labour publication: workINSIGHT, issue 5, page 35, *The Labour Market Explained: The Labour Force Participation Rate* at www.workINSIGHT.govt.nz.

EMPLOYMENT

The employment rate (the proportion of the working-age population that is employed) in Waikato stood at 67.2% during the year to December 2006 up from 66.2% the year before. In comparison, the national average employment rate was 65.8%.

Employment in the Waikato region was 187,600 in the year to December 2006.

Figure 2: Regional and national trends in the employment rate



Source: HLFS, Statistics New Zealand

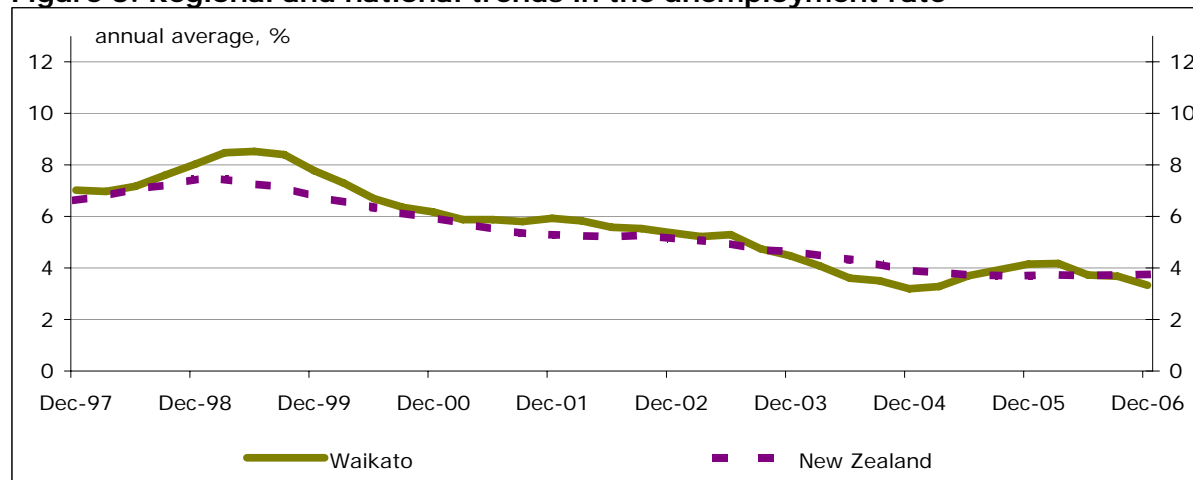
For a more detailed explanation of employment, go to the Department of Labour publication: workINSIGHT, issue 4, page 32, *The Labour Market Explained: Employment* at www.workINSIGHT.govt.nz.

UNEMPLOYMENT

The region's unemployment rate declined to 3.3% in the year to December 2006, from 4.2% the year before. In comparison, the national average unemployment rate was 3.8% for the year to December 2006.

The number of unemployed people in the region (as measured by the official statistics) is estimated at 6,400 for the year to December 2006.

Figure 3: Regional and national trends in the unemployment rate



Source: HLFS, Statistics New Zealand

The Household Labour Force Survey provides an estimate of all persons in the working-age population who during a particular week were without a paid job, available for work and had either actively sought work in the previous four weeks, or had a new job to start within four weeks of the survey week. These numbers will not align exactly with numbers receiving an income tested benefit such as Unemployment Benefit (see next page). There are a range of reasons for this. For example, recipients of income tested benefits can be employed part time up to specified income limits, whereas a respondent to the Household Labour Force Survey must have worked less than an hour during the week being surveyed to count as officially unemployed.

UNEMPLOYMENT BENEFITS

The Ministry of Social Development has recently begun to make information on numbers receiving social security benefits available for Territorial Local Authorities. This information also supports display by Regional Council area, the same geographic basis on which other information in this report has been displayed. It will be some time yet before this is available as an annual time-series, so comparisons over time are provided for New Zealand as a whole.

There were 3,543 working aged people receiving unemployment benefits from Work and Income in the Waikato region at the end of December 2006. Their characteristics are shown in the next table.

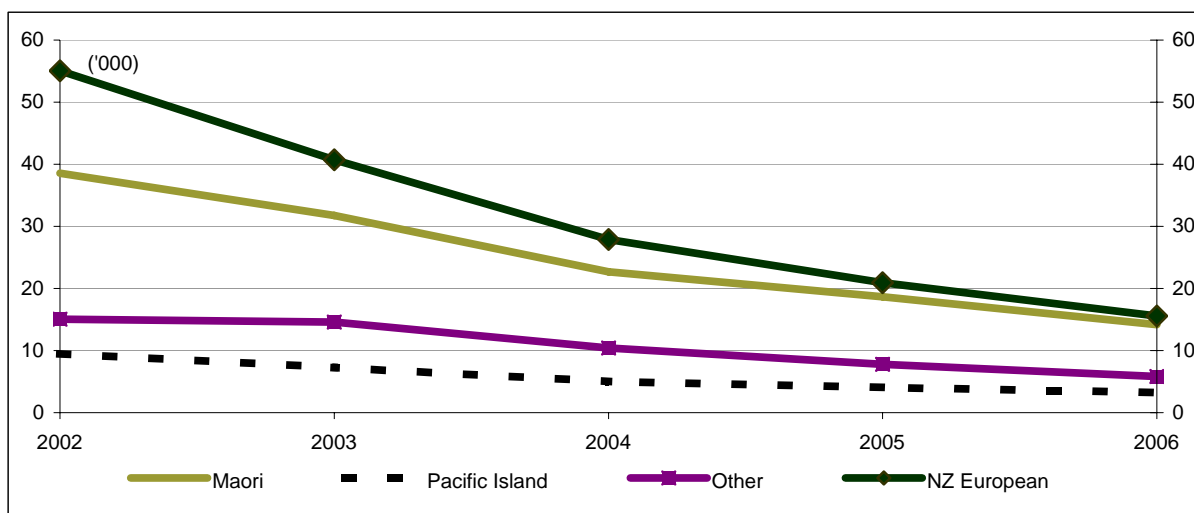
Table 2: Working aged unemployment benefit recipients (aged 18-64) in the Waikato region and nationally at the end of December 2006

	Region		New Zealand		Region's share of New Zealand (%)
	Share (%)	Number	Share (%)	Number	
Male	64.5	2,285	65.1	25,256	9.0
Female	35.5	1,258	34.9	13,540	9.3
Maori	44.7	1,584	36.5	14,161	11.2
Pacific People	3.0	106	8.3	3,220	3.3
18-24 years	29.9	1,059	24.7	9,583	11.1
25-39 years	31.0	1,098	33.0	12,803	8.6
40-54 years	20.1	712	22.1	8,574	8.3
55-64 years	19.0	673	20.2	7,837	8.6
Total		3,543		38,796	9.1

Source: MSD

These values occur against a backdrop of significant reductions in the number of current unemployment benefits over time at the national level.

Figure 4: Clients receiving Unemployment Benefits for the whole of New Zealand, December 2002 - December 2006



Source: MSD

Notes: Other includes not specified. Values for the end of the December quarter.

JOB VACANCY TRENDS

The Job Vacancy Monitor (JVM) is a monthly analysis of job advertisements in selected editions of 25 major newspapers around New Zealand and three websites advertising IT vacancies. Over time, JVM informs us about the tightness of the labour market.

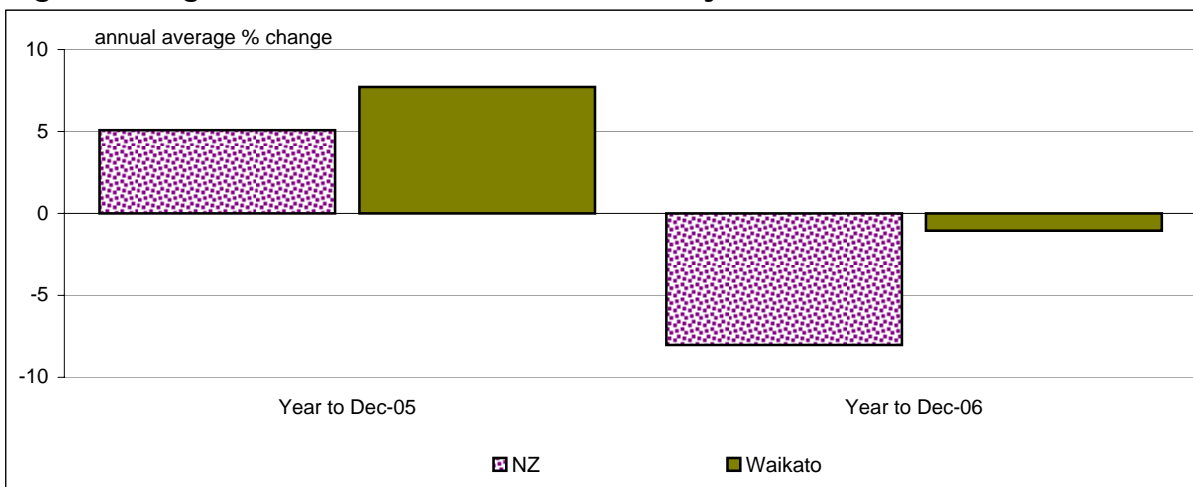
Advertised vacancies in Waikato declined by 1.1% in the year to December 2006, compared with a fall of 8.0% at the national level.

Advertisements for highly skilled (legal/admin/managers & professionals) occupations in Waikato grew by 2.7% in the year to December 2006.

Advertisements for skilled (ass.profs/tech & trades workers) occupations in Waikato declined by 5.8% in the year to December 2006.

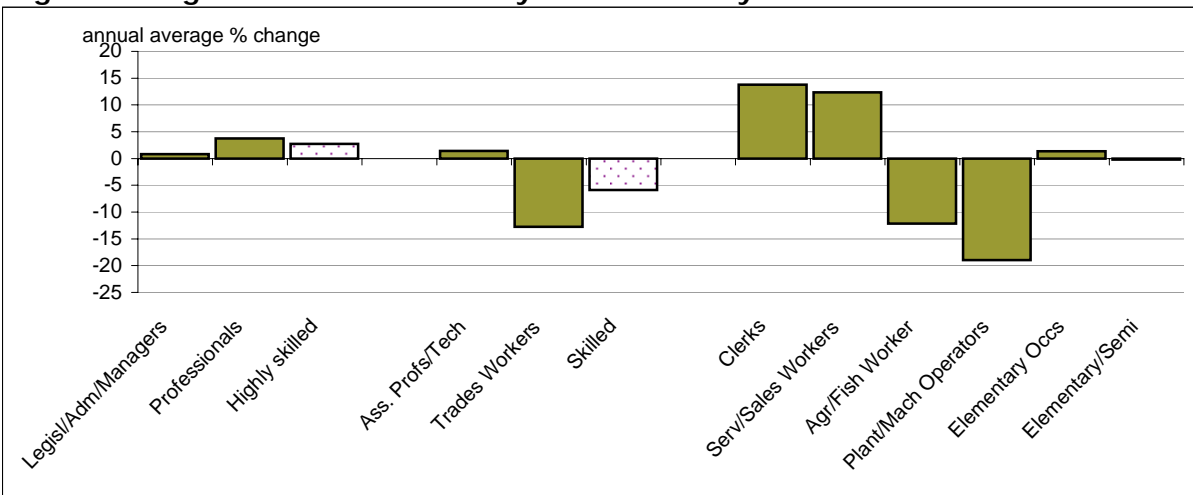
Advertisements for semi-skilled / elementary (clerks, serv/sales workers, agr/fish workers, plant /mach operators & elementary) occupations in Waikato declined by 0.2% in the year to December 2006.

Figure 5: Regional and national trends in vacancy counts



Source: Job Vacancy Monitor, Department of Labour

Figure 6: Regional trends in vacancy counts in the year to December 2006



Source: Job Vacancy Monitor, Department of Labour

Note: Skill categories (highly skilled, skilled and elementary/semi) are averages of the occupation groups shown to the left.

For a more detailed labour market outlook for New Zealand as a whole, go to the Department of Labour's *Labour Market Outlook Report* at <http://www.dol.govt.nz/publications/lmr/lmr-labour-market-outlook.asp>.

For more detailed results from the Job Vacancy Monitor, go to the Department of Labour's *Job Vacancy Monitoring Reports* at <http://www.dol.govt.nz/publications/jvm/job-ad-monthly-report.asp>.

High Vacancy Occupations

Below is a list of occupations from the JVM that have the highest number of vacancies (high vacancy occupations), and those occupations that have shown the highest growth in advertised vacancies in terms of percentage change (top percentage growth occupations) and numerical change (top numeric growth occupations) in Waikato.

The number of vacancies is measured as the total number of vacancies advertised in the twelve months to December 2006. The growth in vacancies compares the number of advertised vacancies in the 12 months to December 2006 with the previous 12 months. Percentage growth figures are only included if at least 24 vacancies occurred in the year to December 2005.

Table 3: Waikato high vacancy occupations, December 2006

Occupation group	Vacancies
1 Sales Assistant	407
2 Dairy Farmer, Dairy Farm Worker	274
3 Information Clerk and Other Receptionist	192
4 General Clerk	187
5 Cleaner	140
6 Care Giver	134
7 Registered Nurse	123
8 Sales Representative	114
9 Chef	110
10 Accounts Clerk	107

Table 4: Waikato, top percentage growth occupations, December 2006

Occupation group	Vacancies
1 Crop and Livestock Farmer, Worker	178%
2 Demonstrator	125%
3 Technical Representative	107%
4 Hairdresser	103%
5 Plasterer	50%
6 Information Clerk and Other Receptionist	44%
7 Secretary	36%
8 Accountant	35%
9 Bartender	32%
10 University and Higher Education Lecturer and/or Tutor	29%

Table 5: Waikato top numeric growth occupations, December 2006

Occupation group	Vacancies
1 Sales Assistant	90
2 Crop and Livestock Farmer, Worker	66
3 Information Clerk and Other Receptionist	59
4 Technical Representative	44
5 Hairdresser	31
6 Demonstrator	30
7 Other Civil Engineering Technician	29
8 Secretary	24
9 Accounts Clerk	24
10 Accountant	23

GLOSSARY

Working-age population: population aged 15 years and over.

Labour force: number of people who are either in work or are available and actively seeking work (that is, employed or unemployed as defined below).

Employment: number of people in work of one hour or more per week.

Unemployment: number of people who are not in work, but who are available for and actively seeking work.

Not in the labour force: number of people who are not in work and are either not available or not actively seeking work (that is, they are not employed and not unemployed). This includes for example, retired people, students and people at home with children.

Labour force participation rate: proportion of the working-age population that is in the labour force.

Unemployment rate: proportion of the labour force that is unemployed.

Employment rate: proportion of the working-age population that is employed.

Job Vacancy Count: a monthly count of job advertisements in selected editions of 25 major newspapers around New Zealand and three websites advertising IT vacancies, published by Department of Labour (<http://www.dol.govt.nz/publications/jvm/job-ad-monthly-report.asp>).

Highly skilled workers: legislators, administrators and managers, and professionals.

Skilled workers: technicians and associate professionals, and trades workers.

Semi-skilled/elementary: clerks, services/sales workers, plant/machinery workers, and elementary workers.

Annual average: the average for a whole year (eg year to December 2006).

Annual average percentage change: the percentage change between the average for a whole year (eg the year to December 2006) and the previous year (eg the year to December 2005). Unless stated, all growth rates are annual average percentage changes.

LINKS TO OTHER LABOUR MARKET REPORTS

Skills in the labour market: summarises quarterly information on skill shortages, primarily focused on the Quarterly Survey of Business Opinion (QSBO) from the New Zealand Institute of Economic Research (NZIER) and the Job Vacancy Monitor (JVM) from the Department of Labour (<http://www.dol.govt.nz/publications/lmr/lmr-skills.asp>).

Labour market outlook: provides an outlook for the labour market over the next two years. The forecasts are detailed in a table and accompanied by descriptive analysis and a table of comparative forecasts is presented in an Appendix (<http://www.dol.govt.nz/publications/lmr/lmr-labour-market-outlook.asp>).

Employment/unemployment: a report that informs about the results from the latest Household Labour Force Survey released by Statistics New Zealand (<http://www.dol.govt.nz/publications/lmr/lmr-hlfs.asp>).

Wage growth: a report that examines the wage growth measures for the latest quarter from the Labour Cost Index (LCI) and Quarterly Employment Survey (QES) released by Statistics New Zealand. A technical note and data tables are included in the appendices (<http://www.dol.govt.nz/publications/lmr/lmr-qes-lci.asp>).

Maori labour market outcomes: a 6-monthly update focusing on changes in the past six years and prospects for the next two years. Data are from the quarterly Household Labour Force Survey (HLFS) from Statistics New Zealand amongst others. (<http://www.dol.govt.nz/publications/lmr/lmr-maori-outcomes.asp>).

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