



MINISTRY OF
SOCIAL DEVELOPMENT
Te Manatū Whakahiato Ora

Department of Labour
TE TARI MAHI



Wellington

QUARTERLY REGIONAL LABOUR MARKET UPDATE FOR SEPTEMBER 2006

WELLINGTON

QUARTERLY REGIONAL LABOUR MARKET UPDATE FOR SEPTEMBER 2006

EXECUTIVE SUMMARY

The labour force participation rate in Wellington stood at 69.6% during the year to September 2006 up from 68.3% the year before. In comparison, the national average participation rate was 68.4% for the year to September 2006.

The unemployment rate in Wellington increased to 4.6% for the year to September 2006 (national average: 3.7%) from 4.0% in the year to September 2005.

There were 5,681 working aged people receiving unemployment benefits from Work and Income in the Wellington region at the end of September 2006.

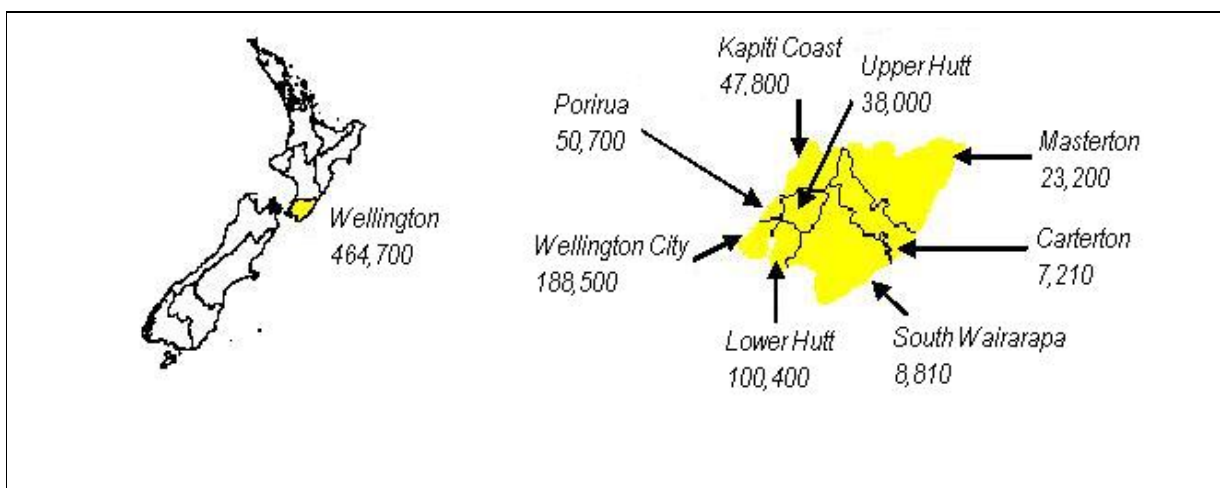
Advertised vacancies in Wellington declined by 2.5% in the year to September 2006, compared with a fall of 7.4% at the national level.

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 Wellington region as shown in Box 1.

Box 1: Map and population of Wellington for June 2006



Source: Subnational Population Estimates, Statistics New Zealand

This report is a quarterly update of current labour market conditions in the Wellington 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 Wellington region

<i>HLFS Indicator</i>	<i>Wellington</i>		<i>New Zealand</i>	
	year to September 2006	year to September 2005	year to September 2006	year to September 2005
Participation rate, ann ave	69.6%	68.3%	68.4%	67.8%
Employment rate, ann ave	66.4%	65.6%	65.8%	65.3%
Unemployment rate, ann ave	4.6%	4.0%	3.7%	3.7%

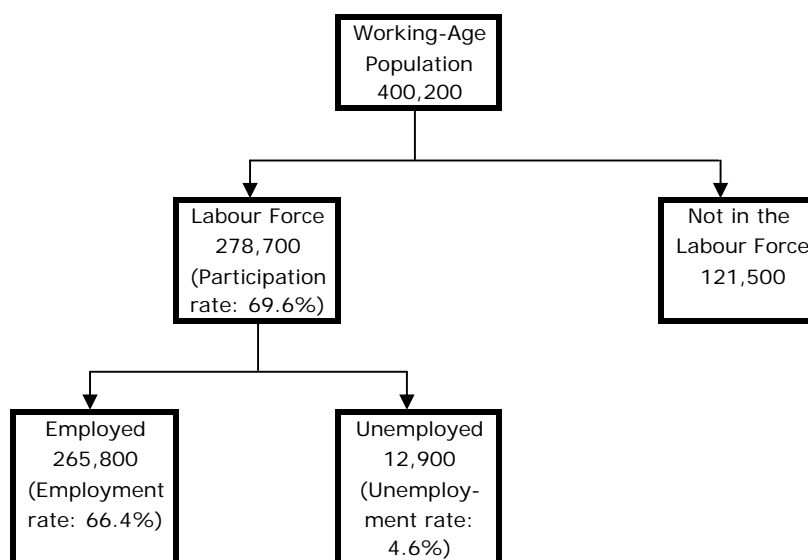
<i>Unemployment Beneficiary Indicator</i>	<i>Wellington</i>		<i>New Zealand</i>	
	September 2006 quarter ('000)	share in NZ	September 2006 quarter ('000)	% change since September 2002
Working aged UB/UBH recipients (aged 18-64)	5,681	13.8%	41,027	-59.1%

<i>JVM Indicator</i>	<i>Wellington</i>		<i>New Zealand</i>	
	year to September 2006	year to September 2005	year to September 2006	year to September 2005
Advertised job vacancy counts, ann ave % change	-2.5%	16.7%	-7.4%	9.6%

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

In the year to September 2006 the working-age population in the Wellington region is 400,200. The labour force participation rate is 69.6%, 278,700 people are in the labour force and 121,500 people are 'not in the labour force'. Of those people who are in the labour force, 4.6%, or 12,900 are unemployed and 265,800 are employed.

Box 2: The labour market in Wellington for the year to September 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

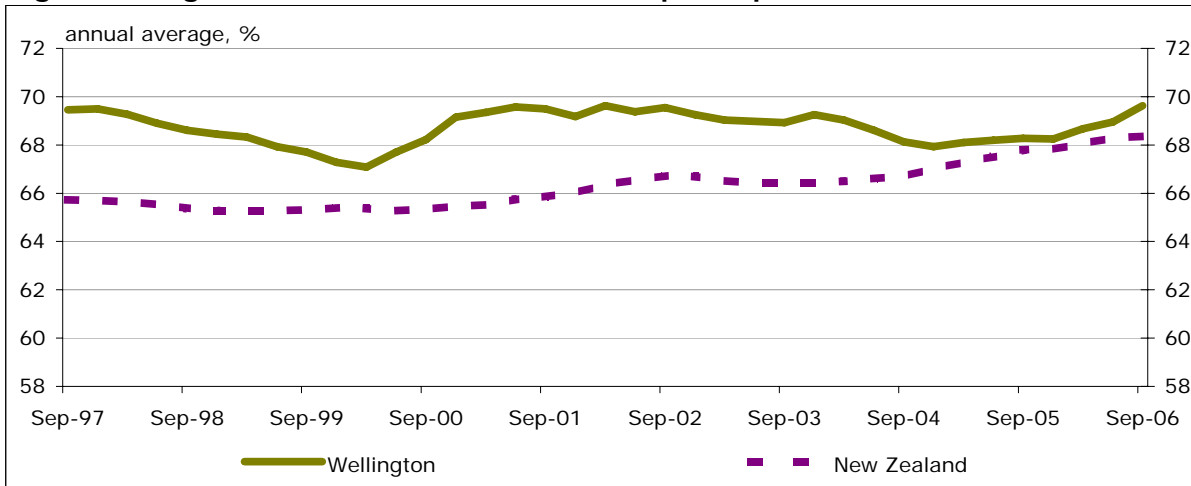
The working-age population in the Wellington region is estimated at 400,200 in the year to September 2006.

LABOUR FORCE

The participation rate in Wellington stood at 69.6% during the year to September 2006 up from 68.3% the year before. In comparison, the national average participation rate was 68.4% for the year to September 2006.

The number of people in the labour force in the Wellington region is estimated to be 278,700 in the year to September 2006.

Figure 1: Regional and national trends in the participation rate



Source: HLFS, Statistics New Zealand

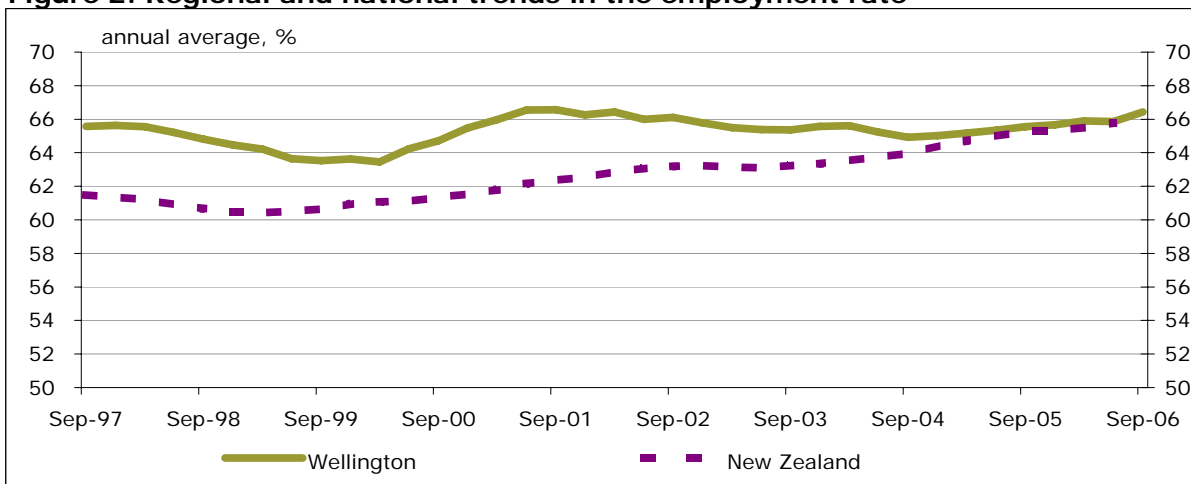
For a more detailed explanation of the labour force and the participation rate, go to the Department of Labour publication: workINSIGHT, issue 5, page 35, *The Labour Market Explained: The Labour Force Participation Rate* at www.workINSIGHT.govt.nz.

EMPLOYMENT

The employment rate (the proportion of the working-age population that is employed) in Wellington stood at 66.4% during the year to September 2006 up from 65.6% the year before. In comparison, the national average employment rate was 65.8%.

Employment in the Wellington region was 265,800 in the year to September 2006.

Figure 2: Regional and national trends in the employment rate



Source: HLFS, Statistics New Zealand

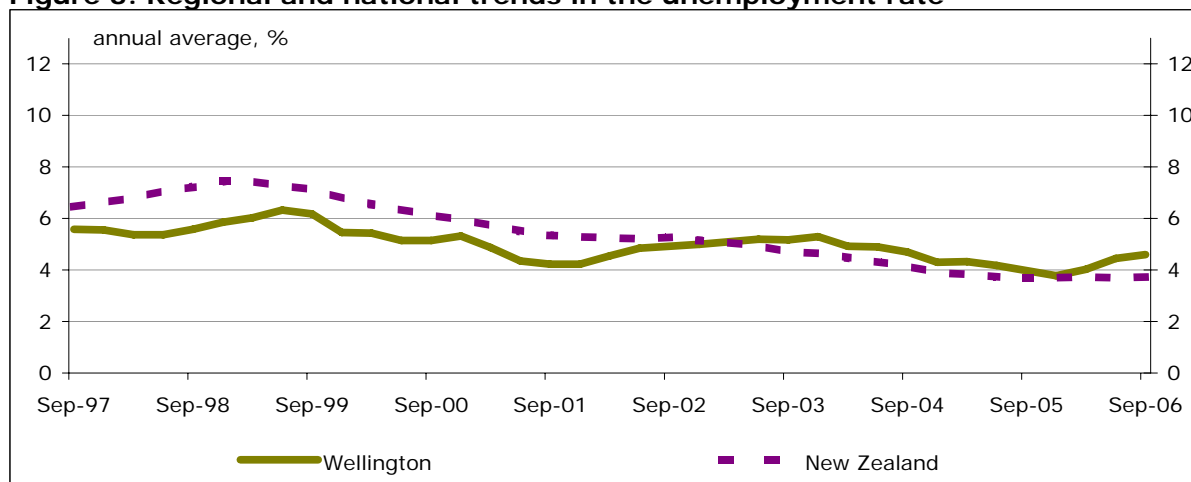
For a more detailed explanation of employment, go to the Department of Labour publication: workINSIGHT, issue 4, page 32, *The Labour Market Explained: Employment* at www.workINSIGHT.govt.nz.

UNEMPLOYMENT

The region's unemployment rate increased to 4.6% in the year to September 2006, from 4.0% the year before. In comparison, the national average unemployment rate was 3.7% for the year to September 2006.

The number of unemployed people in the region (as measured by the official statistics) is estimated at 12,800 for the year to September 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 5,681 working aged people receiving unemployment benefits from Work and Income in the Wellington region at the end of September 2006. Their characteristics are shown in the next table.

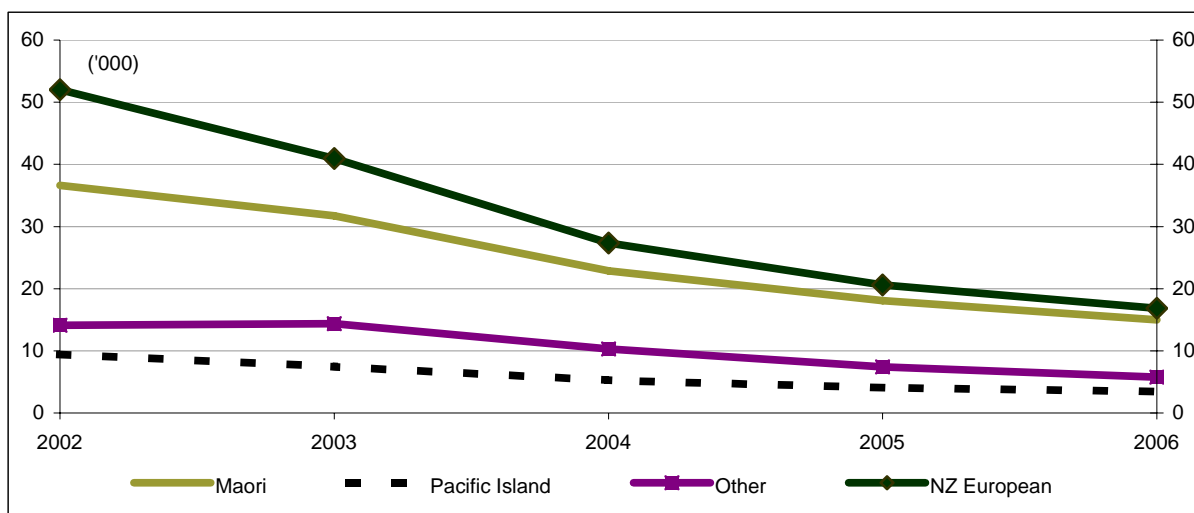
Table 2: Working aged unemployment benefit recipients (aged 18-64) in the Wellington region and nationally during September 2006

	Region		New Zealand		Region's share of New Zealand (%)
	Share (%)	Number	Share (%)	Number	
Male	67.8	3,851	67.3	27,611	13.9
Female	32.2	1,830	32.7	13,416	13.6
Maori	25.8	1,466	36.5	14,975	9.8
Pacific People	12.7	722	8.3	3,405	21.2
18-24 years	25.2	1,430	23.1	9,477	15.1
25-39 years	35.9	2,039	32.8	13,457	15.2
40-54 years	19.6	1,111	23.0	9,436	11.8
55-64 years	19.4	1,101	21.0	8,616	12.8
Total		5,681		41,027	13.8

Source: MSD

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

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



Source: MSD

Notes: Other includes not specified. Values for September 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.

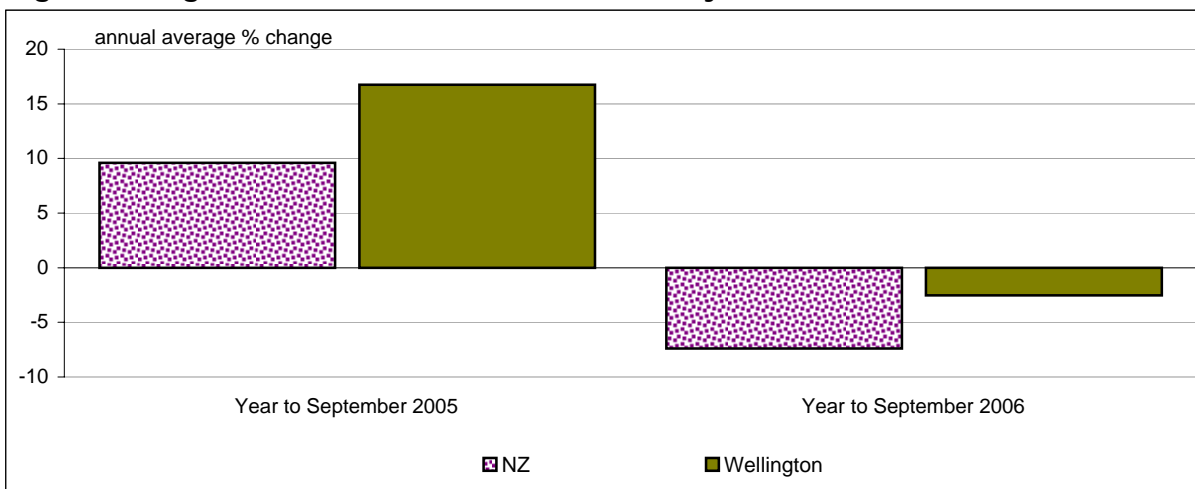
Advertised vacancies in Wellington declined by 2.5% in the year to September 2006, compared with a fall of 7.4% at the national level.

Advertisements for highly skilled occupations in Wellington grew by 2.3% in the year to September 2006.

Advertisements for skilled occupations in Wellington declined by 2.0% in the year to September 2006.

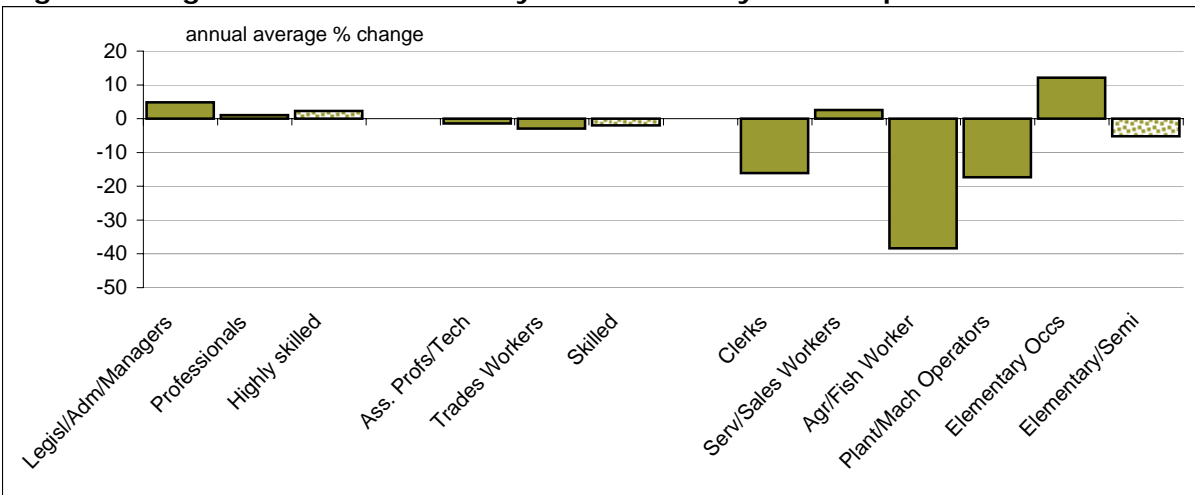
Advertisements for semi-skilled / elementary occupations in Wellington declined by 5.2% in the year to September 2006.

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 September 2006



Source: Job Vacancy Monitor, Department of Labour

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 Wellington.

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

Table 3: Wellington high vacancy occupations, September 2006

Occupation group	Vacancies
1 Sales Assistant	540
2 General Clerk	348
3 Waiter	317
4 Policy Analyst	312
5 Secretary	296
6 Information Clerk and Other Receptionist	294
7 Chef	283
8 Registered Nurse	273
9 Administration Manager	261
10 Cleaner	221
11 Catering Counter Assistant	219
12 Sales Representative	217
13 General Labourer	216
14 Care Giver	168
15 Carpenter and/or Joiner	165
16 Kitchenhand	154
17 Child Care Worker	151
18 Accounts Clerk	144
19 Builder's Labourer	134
20 Draughting Technician	128

Table 4: Wellington, top percentage growth occupations, September 2006

Occupation group	Vacancies
1 Demonstrator	198%
2 Information Technology Manager	142%
3 Social Scientist	117%
4 Electrician	85%
5 Human Resources Officer	82%
6 Computer Applications Engineer	74%
7 Restaurant or Tavern Manager	71%
8 Bank Officer	69%
9 Training and Development Officer	66%
10 Cleaner	65%
11 Primary School Teacher	61%
12 Other Civil Engineering Technician	59%
13 Sports Coach or Trainer	56%
14 Baker	51%
15 Child Care Worker	50%
16 Typist and Word Processor Operator	48%
17 Builder's Labourer	47%
18 Barrister and Solicitor	47%
19 Cook	41%
20 Draughting Technician	41%

Table 5: Wellington top numeric growth occupations, September 2006

Occupation group	Vacancies
1 Cleaner	87
2 Demonstrator	83
3 Human Resources Officer	53
4 Child Care Worker	50
5 Builder's Labourer	43
6 General Labourer	41
7 Electrician	40
8 Waiter	38
9 Draughting Technician	37
10 Social Scientist	34
10 Social Scientist	34
11 Information Technology Manager	34
12 Cook	29
13 Computer Applications Engineer	28
14 Policy Analyst	27
15 Training and Development Officer	22
16 Other Civil Engineering Technician	22
17 Enrolled Nurse	22
18 Restaurant or Tavern Manager	21
19 Other Medical Equipment Controller	21

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 September 2006).

Annual average percentage change: the percentage change between the average for a whole year (eg the year to September 2006) and the previous year (eg the year to September 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>).

Contact: Charlotte Bull Department of Labour Communications Advisor (04) 915-4716

Disclaimer: The Department of Labour has made every effort to ensure that the information contained in this report is reliable, but makes no guarantee of its accuracy or completeness and does not accept any liability for any errors. The information and opinions contained in this report are not intended to be used as a basis for commercial decisions and the Department accepts no liability for any decisions made in reliance on them. The Department may change, add to, delete from, or otherwise amend the contents of this report at any time without notice. The material contained in this report is subject to Crown copyright protection unless otherwise indicated. The Crown copyright protected material may be reproduced free of charge in any format or media without requiring specific permission. This is subject to the material being reproduced accurately and not being used in a derogatory manner or in a misleading context. Where the material is being published or issued to others, the source and copyright status should be acknowledged. The permission to reproduce Crown copyright protected material does not extend to any material in this report that is identified as being the copyright of a third party. Authorisation to reproduce such material should be obtained from the copyright holders.