

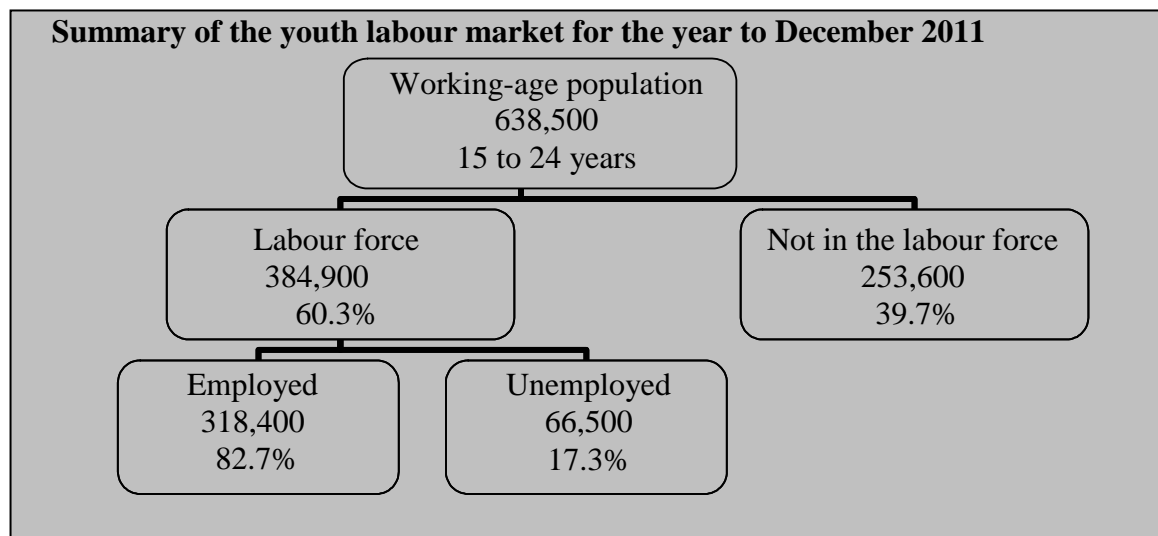


Youth Labour Market Factsheet – December 2011

This factsheet reports key labour market information for youth for the year to December 2011. All data is sourced from the Household Labour Force Survey released quarterly by Statistics New Zealand. Data is annualised to address sampling error and seasonal variation concerns.¹

Youth occupy a distinct place in the labour market because significantly more are either studying or raising children and thus not in the labour force. These characteristics help explain why youth rates in many of the labour market indicators outlined in this report differ considerably from those for the total population.

In the year to December 2011, there were 638,500 young people (aged 15 to 24 years), of whom 60.3% were in the labour force while 39.7% were not in the labour force.² Those employed and unemployed are discussed in further detail below.



Labour force participation

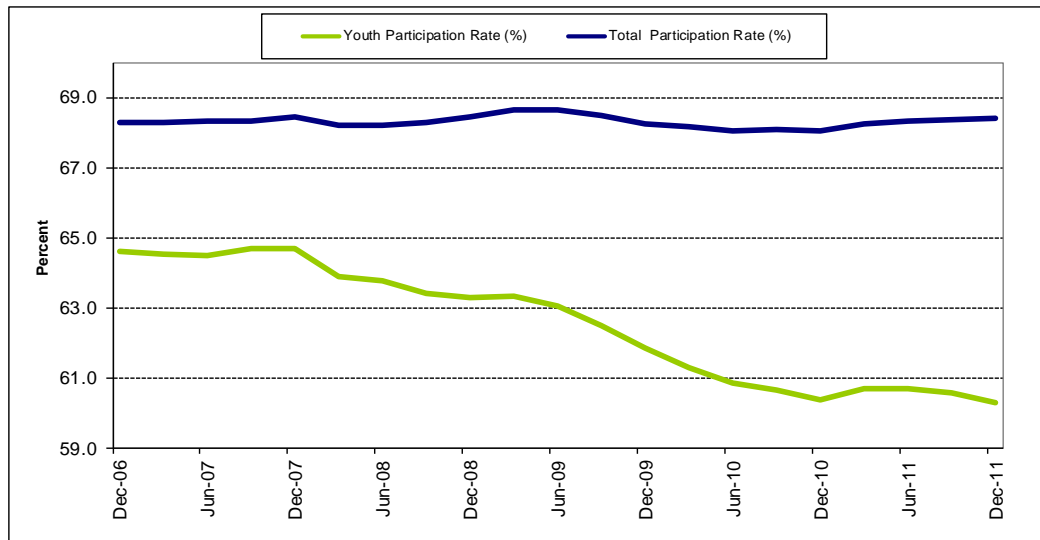
The labour force participation rate for youth stood at 60.3% for the year to December 2011, which represents a 0.1 percentage point decrease over the past year and a 4.3 percentage point decrease over the past five years. Compared with the participation rate for all people, which was 68.4% in the year to December 2011, the youth rate is considerably lower.

¹ Data from the Household Labour Force Survey has been annualised by averaging the results from the past four quarters. This may occasionally result in a small rounding error compared to annual results produced directly by Statistics New Zealand.

² See end of report for definitions of concepts and rates used in this report.



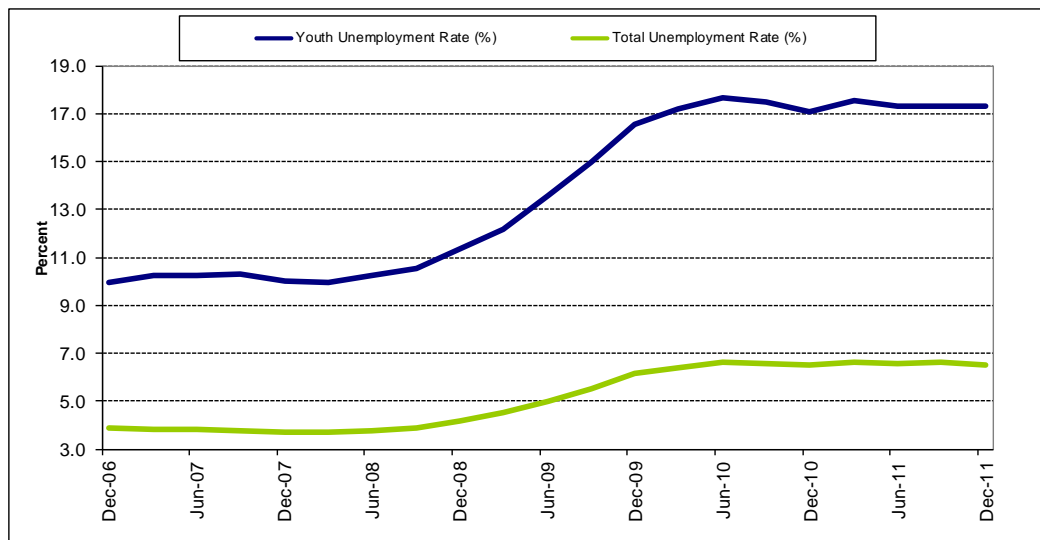
Labour force participation rates, 2006-2011



Unemployment

The unemployment rate for youth was 17.3% in the year to December 2011, which was 0.2 percentage points above its level a year ago, and 7.3 percentage points higher than its level five years ago. Compared with the unemployment rate for all people, which was 6.5% in the year to December 2011, the youth rate is noticeably higher.

Unemployment rates, 2006-2011

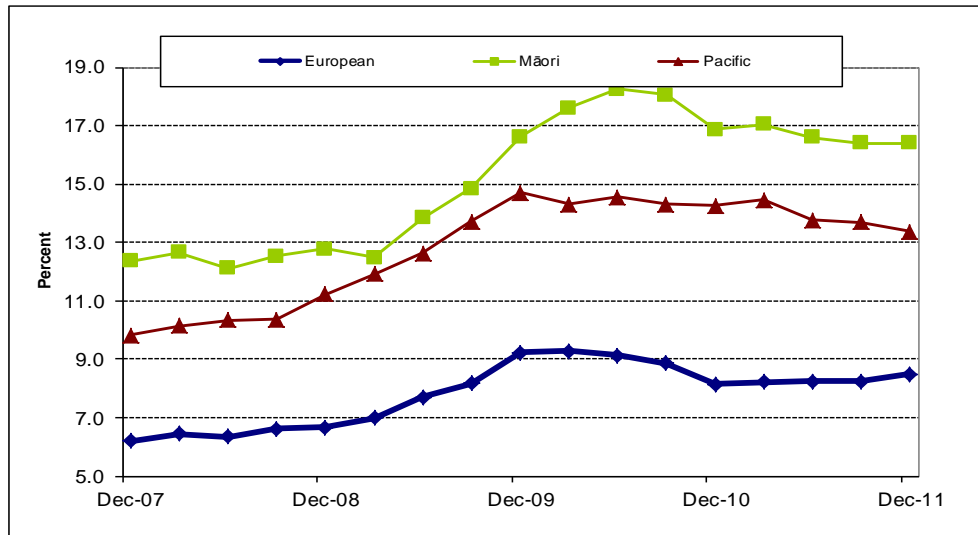




Not in Education, Employment or Training (NEET)

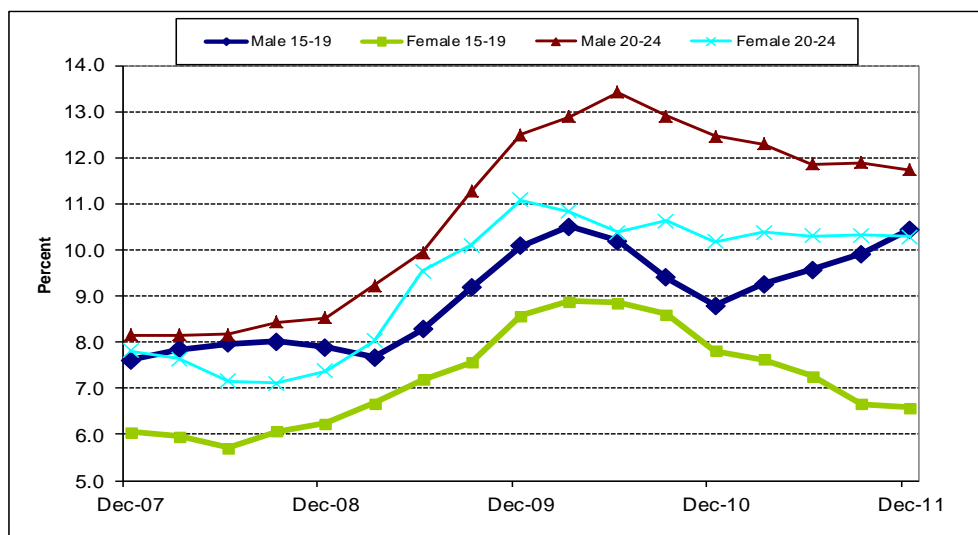
The NEET rate is a key measure of youth disengagement. Among 15-24 year olds, in the year to December 2011, Māori youth (16.4%) had the highest NEET rate, ahead of Pacific (13.4%) and European youth (8.5%).

NEET rates by ethnic group, 2007-2011



In the 15-19 years age group, 10.4% of males and 6.6% of females were NEET in the year to December 2011. In the 20-24 years age group, 11.7% of males and 10.3% of females were NEET. In both age groups, the male NEET rates were greater than the respective female rates.

NEET rates by age-group and gender, 2007-2011



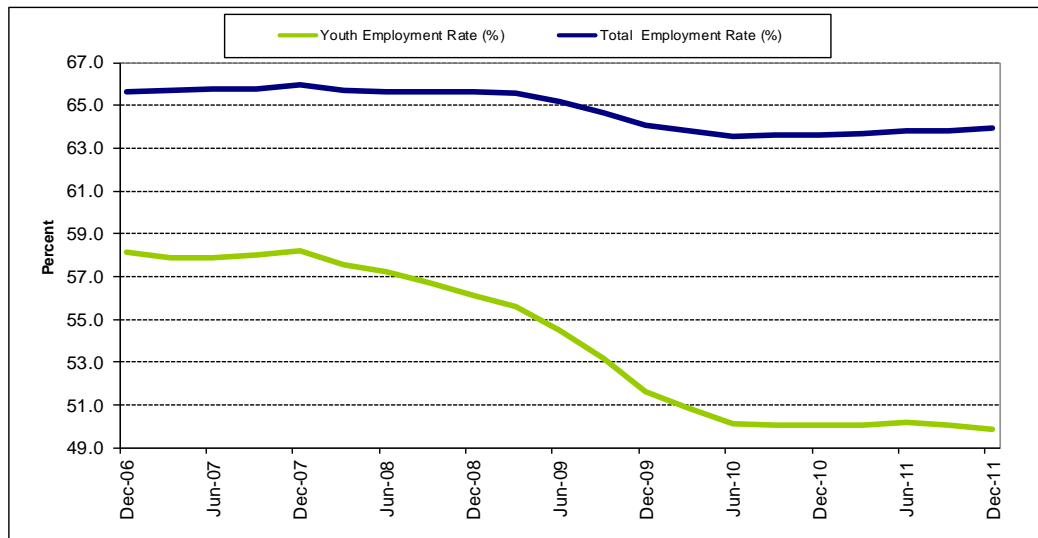


Employment

In the year to December 2011, 318,400 youth were in employment. The employment pattern of youth differs from that of older workers as significantly more people aged 15 to 24 years work part-time, often around their tertiary studies.

Over the last five years, the employment rate of youth decreased 8.3 percentage points from 58.1% to 49.9%. The rate is below that for the total population, which stood at 63.9% in the year to December 2011.

Employment rates, 2006-2011



In the year to December 2011, the leading industries in which youth worked were retail trade (59,500 workers) and accommodation and food services (49,500 workers). Over the last four years, mining, electricity, gas, water & waste services experienced the largest gain in youth employment (up 46%), while retail trade had the largest loss (down 35%). Over the last year, mining, electricity, gas, water & waste services had the largest gain in youth employment (up 159%), while professional, scientific & technical services had the largest loss in youth employment (down 9%).



Youth employment by industry

| | Dec-11 |
|--|---------------|
| Industry | (000) |
| Agriculture, Forestry & Fishing | 21.6 |
| Mining, Electricity, Gas, Water & Waste Services | 1.8 |
| Manufacturing | 32.4 |
| Construction | 25.6 |
| Wholesale Trade | 11.1 |
| Retail Trade | 59.5 |
| Accommodation and Food Services | 49.5 |
| Transport, Postal and Warehousing | 8.6 |
| Information Media & Telecommunications | 6.5 |
| Financial & Insurance Services | 6.8 |
| Rental, Hiring & Real Estate Services | 3.5 |
| Professional, Scientific & Technical Services | 15.2 |
| Administrative & Support Services | 10.4 |
| Public Administration & Safety | 8.8 |
| Education & Training | 18.5 |
| Health Care & Social Assistance | 17.0 |
| Arts & Recreation Services | 8.5 |
| Other Services | 12.6 |
| Total Employed (including Not Specified) | 318.4 |

In the year to December 2011, the most common occupational groups for youth were sales workers (63,800 workers) and labourers (62,600 workers).

Youth employment by occupation

| | Dec-11 |
|--------------------------------------|---------------|
| Occupation | (000) |
| Managers | 23.0 |
| Professionals | 33.0 |
| Technicians & trades workers | 43.0 |
| Community & personal service workers | 47.4 |
| Clerical & administrative workers | 29.0 |
| Sales workers | 63.8 |
| Machinery operators & drivers | 15.5 |
| Labourers | 62.6 |
| Total Employed | 318.4 |



Labour market terms explained

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

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

Labour force: The labour force consists of members of the working-age population who are classified as employed or unemployed (people in the labour force).

Labour force participation rate: The proportion of the working-age population who are either employed or unemployed.

Not in the labour force: Any person in the working-age population who is neither employed nor unemployed. This includes, for example, retired people, students and people at home with children.

NEET: This measure refers to youth not engaged in education, employment and training. Youth who are not engaged in these activities are at risk of poor labour market outcomes. In this report, caregiving is deemed to be engagement and so is excluded from the way NEET is measured.

Unemployment: The number of people in the working-age population who are without a paid job, are available for work and have actively sought work in the past four weeks or have a new job to start within the next four weeks.

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

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

For more information contact Research@dol.govt.nz

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