

NEW ZEALAND'S LABOUR MARKET



The way we work is changing. New Zealanders are staying in the workforce for longer, the number of two-working adult households is rising, and advances in technology could increase workplace automation. The welfare system assumes a labour market based on a permanent 40 hour a week job. This is outdated in a world where many people have jobs which are part time, casual, seasonal or uncertain.

Participation and employment rates are among the highest in the OECD:

- Employment rate is 67.7%
- There are 3.8 million New Zealanders aged over 15 years old¹.
- Of these 3.8 million, 2.7 million have a job, or are looking for a job. The rest include those either studying, caring for others, retired or unable to work.

OECD estimates around 35% of NZ jobs are at risk of being automated with 9% at high risk – this puts greater priority on upskilling young workers and has the potential result of increasing the number of job transitions over lifetimes. Workers most at risk of being displaced by automation are more likely to work shorter hours and paid lower wages or are younger.

NZ's current labour force participation is 70.9% (people working or looking for work); but this is projected to fall towards 60% by 2050.

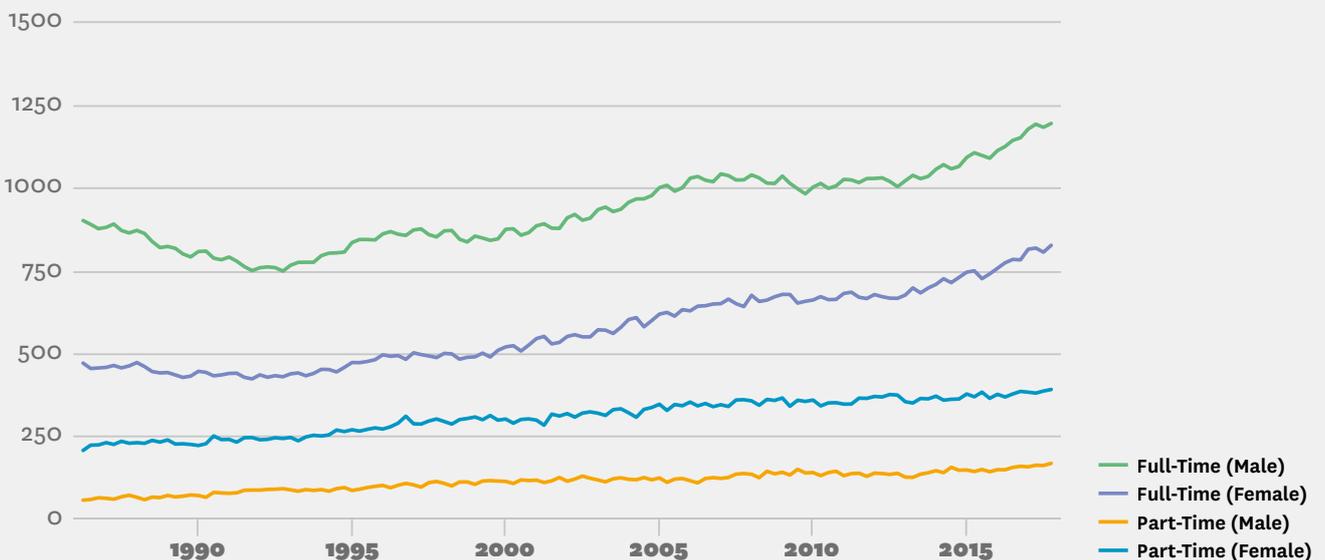
Self-employment has grown, but remains a steady share of total employment.

We have particularly high labour participation rates among the mature: 69% of those aged between 15 – 64, 21% of those aged 65+, 33% of those aged 55+

People with disabilities have much lower participation (25.2%) and employment (22.4%)

Around one in eight of the extended labour force are underutilized, meaning they are either unemployed or are in part-time jobs but want to work more hours.

PERSONS EMPLOYED BY GENDER AND WORK STATUS (000S)



¹ Statistics New Zealand, Labour Market Statistics: September 2017 quarter