



## Changes in Industry and Occupational employment in the last year:

*Evidence from the December 2008 Household Labour Force Survey (HLFS) and the Quarterly Employment Survey (QES)*

Here we examine which sectors and occupations from the Household labour Force Survey (HLFS) have been most vulnerable to weak economic conditions and which have shown growth in the last year. Where possible, HLFS estimates are compared to filled jobs from Quarterly Employment Survey (QES)<sup>1</sup>.

### A. Where have the job losses come from in the last year?

#### **Housing and retail spending**

The combination of falling house prices, reduction of wealth (through falling financial asset prices), and recently high cost of living pressures have caused households to cut back on their spending. Additionally, issuance of building consents has been at historic lows in the last year. This has meant that employment related to housing activity and retail spending areas are amongst employment that has been hardest hit in the economic slowdown.

The QES shows retail trade sector filled jobs have had one of the largest sectoral declines in the last year, losing approximately 6,900 jobs (Appendix C). Additionally, the HLFS shows that metal and machinery trades workers and salespersons, demonstrators and models declined by 11,200 and 7,800 workers respectively, compared to a year ago (table 1 and 2). Furthermore, the QES shows that the construction sector has shed around 2,100 jobs and property and business services has lost 5,000 jobs in the last year (Appendix c).

#### **Agriculture and manufacturing**

Continuing deterioration in New Zealand's trading partner growth has meant a fall in demand for New Zealand made manufactured goods, despite the lower New Zealand dollar. Furthermore, a hang over from the drought and falling in commodity prices (particularly food) has meant that employment related to these sectors have suffered in the last year, where market oriented agricultural and fishery workers and stationary machine operators and assemblers have declined by 12,500 workers in the year to December 2008 (table 1 and 2). And evidence from the QES points to weak employment in the manufacturing sector, where filled jobs declined a hefty 10,700 in the last year - the largest sectoral decline (Appendix C).

#### **Finance**

With turbulence in world financial markets and recent collapses of finance companies, it is of no surprise that the HLFS shows that this sector has shed around 6,000 workers in the last year. Figures from the QES reinforce this weakness, showing that filled jobs in the finance and insurance sector declined by around 1,500 in the year to December 2008.

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<sup>1</sup> All figures have been seasonally adjusted.

## Hospitality

Low international tourist numbers as well as households cutting back their spending has had a sizeable impact on employment related to hospitality. The HLFS showed that accommodation, cafes and restaurants related employment decreased by 6,600 workers in the last year. This weakness has been mirrored in the QES where the same sector has lost around 4,000 jobs since December 2007 (Appendix C).

**Table 1: Which industries have declined?**

Industry (HLFS)	2008 Q4 Annual Employment Change (000s)	2008 Q4 Annual Percentage Change
57 Accommodation, Cafes and Restaurants	-6.6	-6%
1 Agriculture	-6.2	-5%
73 Finance	-6.0	-14%
29 Other Manufacturing	-5.3	-28%
42 Construction Trade Services	-4.9	-5%
22 Textile, Clothing, Footwear and Leather Manufacturing	-4.6	-21%

**Table 2: Which occupations have declined?**

2 digit	Occupation (HLFS)	2008 Q4 Annual employment change (000s)	2008 Q4 Annual Percentage change
72	Metal and Machinery Trades Workers	-11.2	-16.1%
52	Salespersons, Demonstrators and Models	-7.8	-5.8%
61	Market Oriented Agricultural and Fishery Workers	-6.9	-4.7%
82	Stationary Machine Operators and Assemblers	-5.5	-7.2%
71	Building Trades Workers	-5.3	-4.7%
42	Customer Services Clerks	-3.5	-4.5%



## B. Which sectors have been growing?

### Public Sector

Growth in employment in the last year has come from public sector related areas, particularly education and community services where teaching professionals, other associate professionals and personal and protective services workers have experienced one of the largest increases (see tables 4 and 5). The QES shows that filled jobs in the public sector have increased by 7,600 in the last year (table 3), where the lion's share of employment growth has come from the health and community services (Appendix C).

**Table 3: Public and private sector employment**

Sector (QES)	2008 Q4 Annual employment change (000s)	2008 Q4 Annual percentage change
Private Sector	-22.7	-1.6%
Public Sector	7.6	2.4%

**Table 4: Which industries have grown?**

Industry (HLFS)	2008 Q4 Annual Employment Change (000s)	2008 Q4 Annual Percentage Change
51 Food Retailing	12.3	14%
84 Education	11.6	7%
78 Business Services	10.5	5%
87 Community Services	7.5	12%
93 Sport and Recreation	4.8	18%
66 Services to Transport	4.5	24%
21 Food, Beverage and Tobacco	4.4	7%

**Table 5: Which occupations have grown?**

2 digit	Occupation (HLFS)	2008 Q4 Annual employment change (000s)	2008 Q4 Annual Percentage change
33	Other Associate Professionals	19.7	10.9%
51	Personal and Protective Services Workers	10.3	5.4%
91	Labourers and Related Elementary Service Workers	7.5	6.6%
83	Drivers and Mobile Machinery Operators	6.7	10.5%
23	Teaching Professionals	5.6	5.5%
22	Life Science and Health Professionals	4.6	6.7%
21	Physical, Mathematical and Engineering Science Professionals	4.1	5.0%



## Appendix A - Household Labour Force: Industry

Industry (HLFS)	2008 Q4 Annual Employment Change (000s)	2008 Q4 Annual Percentage Change
51 Food Retailing	12.3	14%
84 Education	11.6	7%
78 Business Services	10.5	5%
87 Community Services	7.5	12%
93 Sport and Recreation	4.8	18%
21 Food, Beverage and Tobacco	4.4	7%
99 Not Specified	3.3	32%
61 Road Transport	3.2	8%
28 Machinery and Equipment Manufacturing	3.1	6%
74 Insurance	2.6	38%
91 Motion Picture, Radio and Television Services	2.2	21%
36 Electricity and Gas Supply	1.5	19%
2 Services to Agriculture; Hunting and Trapping	1.3	7%
92 Libraries, Museums and the Arts	1.2	8%
95 Personal Services	1.1	3%
96 Other Services	1.0	2%
23 Wood and Paper Product Manufacturing	0.9	3%
26 Non-Metallic Mineral Product Manufacturing	0.7	8%
41 General Construction	0.6	1%
27 Metal Product Manufacturing	0.2	1%
82 Defense	0.1	3%
14 Other Mining	-0.4	-16%
46 Machinery and Motor Vehicle Wholesaling	-0.8	-2%
71 Communication Services	-1.0	-3%
86 Health Services	-1.2	-1%
77 Property Services	-1.5	-4%
81 Government Administration	-1.9	-2%
97 Private Households Employing Staff	-2.1	-56%
24 Printing, Publishing and Recorded Media	-2.6	-10%
25 Petroleum, Coal, Chemical and Associated Product Manufacturing	-2.7	-11%
3 Forestry and Logging	-2.8	-32%
53 Motor Vehicle Retailing and Services	-3.2	-5%
75 Services to Finance and Insurance	-3.3	-15%
22 Textile, Clothing, Footwear and Leather Manufacturing	-4.6	-21%
42 Construction Trade Services	-4.9	-5%
29 Other Manufacturing	-5.3	-28%
73 Finance	-6.0	-14%
1 Agriculture	-6.2	-5%



## Appendix B - Household Labour force Survey: 2 digit occupation

2 digit	Occupation	2008 Q4 Annual employment change (000s)	2008 Q4 Annual Percentage change
33	Other Associate Professionals SA	19.7	10.9%
51	Personal and Protective Services Workers SA	10.3	5.4%
91	Labourers and Related Elementary Service Workers SA	7.5	6.6%
83	Drivers and Mobile Machinery Operators SA	6.7	10.5%
23	Teaching Professionals SA	5.6	5.5%
22	Life Science and Health Professionals SA	4.6	6.7%
21	Physical, Mathematical and Engineering Science Professionals SA	4.1	5.0%
12	Corporate Managers SA	3.3	1.2%
41	Office Clerks Sa	3.1	1.6%
31	Physical Science and Engineering Associate Professionals SA	1.0	1.9%
24	Other Professionals SA	0.9	0.9%
11	Legislators and Administrators SA	0.5	2.8%
81	Industrial Plant Operators SA	-0.5	-3.2%
32	Life Science and Health Associate Professionals SA	-1.6	-6.8%
84	Building and Related Workers SA	-1.9	-13.0%
74	Other Craft and Related Trades Workers SA	-2.0	-8.1%
73	Precision Trades Workers SA	-2.7	-21.2%
42	Customer Services Clerks SA	-3.5	-4.5%
71	Building Trades Workers SA	-5.3	-4.7%
82	Stationary Machine Operators and Assemblers SA	-5.5	-7.2%
61	Market Oriented Agricultural and Fishery Workers SA	-6.9	-4.7%
52	Salespersons, Demonstrators and Models SA	-7.8	-5.8%
72	Metal and Machinery Trades Workers SA	-11.2	-16.1%



### Appendix C - Quarterly Employment Survey filled jobs

QES Industry	2008 Q4 Annual employment change	2008 Q4 Annual Percentage change
Public Sector	7567.9	2.4%
Health and community services	7125.9	3.7%
Transport, storage and communication	3994.3	3.6%
Education	3407.9	2.4%
Government administration and defense	2227.1	3.6%
Cultural & recreation services	1542.4	3.2%
Electricity, gas and water supply	484.1	6.6%
Personal & other services	-390.5	-0.6%
Forestry and mining	-1100.3	-9.1%
Finance and insurance	-1503.6	-2.7%
Construction	-2083.4	-1.6%
Wholesale trade	-2098.9	-1.7%
Accommodation, cafes and restaurants	-3957.2	-3.6%
Property and business services	-5022.0	-2.1%
Retail trade	-6844.6	-2.9%
Manufacturing	-10692.6	-4.5%
Private Sector	-22657.1	-1.6%