

Employment rises as labour market continues to improve

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Employment growth continues in the labour market, while wages remain subdued, Statistics New Zealand said today. The employment rate rose to 64.4 percent and the unemployment rate fell to 6.2 percent.

Over the September 2013 year, the number of people employed rose 2.4 percent in the Household Labour Force Survey (HLFS). Demand for workers from established businesses rose 1.9 percent in the Quarterly Employment Survey (QES).

"We saw continued improvement in labour market conditions over the quarter as employment rose and unemployment fell," industry and labour statistics manager Diane Ramsay said. "However, annual wage inflation remains restrained."

Annual wage inflation, as measured by the labour cost index (LCI) salary and ordinary time wage rates, eased to 1.6 percent in the September 2013 quarter, down from 1.9 percent this time last year. "Subdued wage inflation follows a period of higher unemployment during 2012 and coincides with low consumer price inflation," Ms Ramsay said.

Average ordinary time hourly earnings, as measured by the QES, edged up 2.6 percent over the year – up from 2.1 percent in the previous quarter. This increase was influenced by fewer part-time jobs.

In the September 2013 quarter:

	September 2013 quarter	Quarterly change	Annual change
	(000)	(Percent)	
Employed	2,272	+1.2	+2.4
Unemployed	150	-2.6	-13.1
Filled jobs	1,747	+0.2	+1.9
	(Percent)	(Percentage points)	
Employment rate	64.4	+0.7	+0.9
Unemployment rate	6.2	-0.2	-1.0
Labour force participation rate	68.6	+0.5	+0.2
	(Level)	(Percent)	
Average ordinary time hourly earnings	(\$) 27.98	+1.6	+2.6
Wage inflation (salary and ordinary time) (LCI)	1078	+0.4	+1.6

Our labour market indicators include the HLFS, QES, and LCI. The HLFS is a broad measure of labour market activity by individuals, while the QES measures demand by established firms for paid work and hourly earnings. The LCI is a measure of wage inflation. Results from all three surveys are based on representative samples from across New Zealand. [Explaining labour market statistics](#) has more information on these indicators.

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