

National Employment Indicator: November and December 2011

Embargoed until 10:45am – 28 February 2012

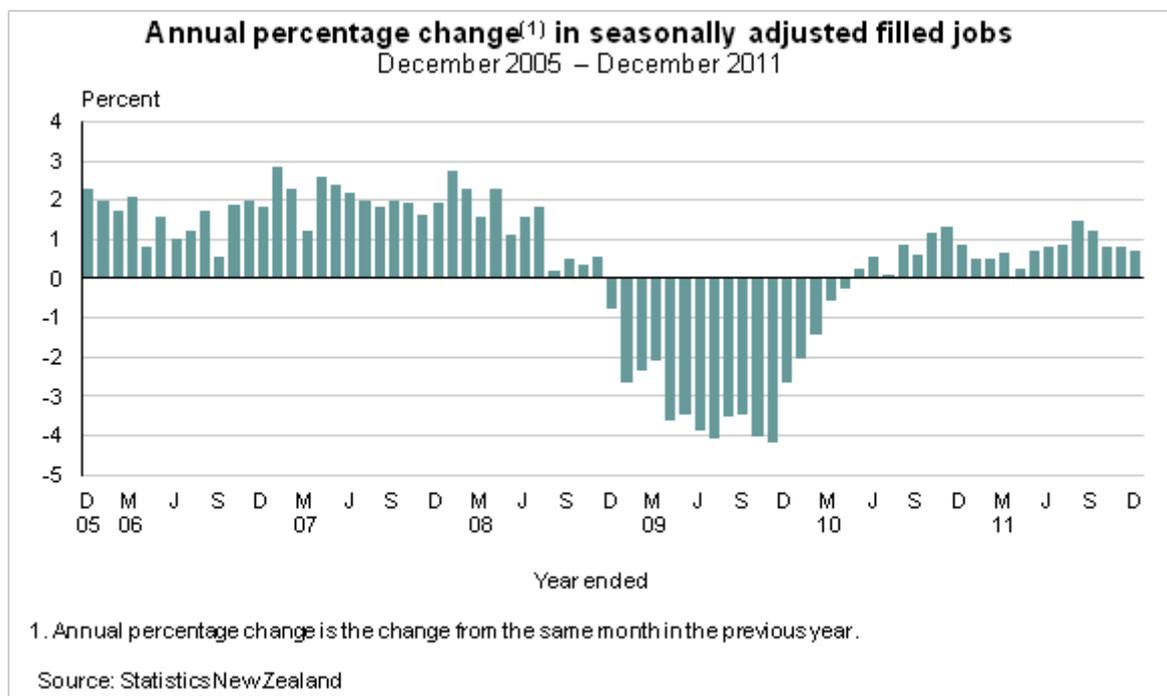
Key facts

Compared with the previous month, seasonally adjusted filled jobs:

- increased slightly (up 0.2 percent) in November 2011 compared with October 2011
- remained relatively flat (down 0.1 percent) in December 2011 compared with November 2011.

Compared with the previous year, seasonally adjusted filled jobs:

- were up 0.8 percent in November 2011 compared with November 2010
- were up 0.7 percent in December 2011 compared with December 2010.



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Acting Government Statistician

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Commentary

The national employment indicator (NEI) is an experimental monthly series that uses tax data to measure changes in the number of total filled jobs. The NEI provides an early indication of changes in total filled jobs over each month at the national level. It complements the current suite of labour market statistics produced by Statistics NZ (see [Related links](#) for more information).

The NEI measures filled jobs where employees were paid wages or salaries during the month. Data is available from July 2004. Regional, industry, and demographic breakdowns are not available for this series. We welcome feedback on this indicator. Email us at: info@stats.govt.nz.

The NEI series was developed using aggregated administrative data from employer monthly schedules from Inland Revenue. People who had multiple jobs during the reference month are counted multiple times, once for each job. We recommend focusing on the changes and movements in the NEI series rather than the actual level of filled jobs.

This release includes new data for two months (November and December, 2011). The November data was released later than usual due to delays in processing and production caused by the holiday period. November data will be finalised in March while December data will be finalised in April.

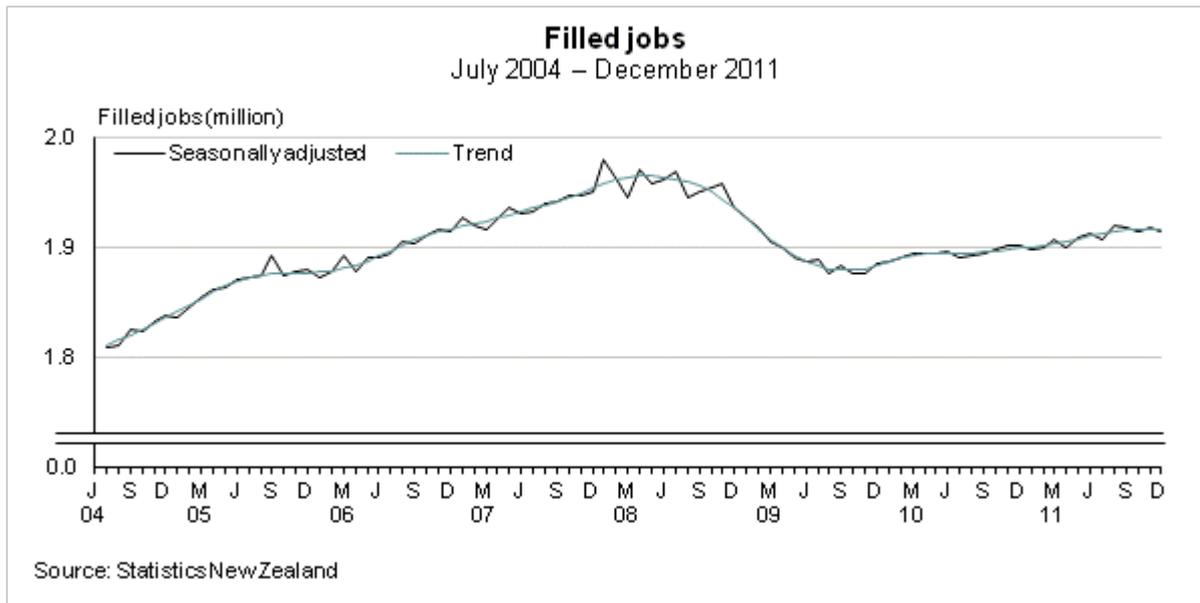
Filled jobs up annually for 20th consecutive month

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For more detailed data, see the Excel table in the 'Downloads' section.

Definitions

About the national employment indicator

The national employment indicator (NEI) is an experimental measure that provides an early indication of changes in the number of filled jobs at the national level. The NEI covers filled jobs where employees were paid wages or salaries in the calendar month, by an employer who filed an employer monthly schedule (EMS) return with Inland Revenue. This includes jobs filled by self-employed people who pay themselves a wage or salary. Data is only available at the national level.

More definitions

Employer: is a business that files an EMS.

Employer monthly schedule (EMS): Inland Revenue's EMS contains information about monthly earnings of employees and earnings of individuals that are taxed at source.

NEI filled jobs: jobs in which employees were paid wages or salaries in the calendar month, by an employer who filed an EMS return. This includes jobs filled by self-employed people who pay themselves a wage or salary.

Includes:

- individuals who received earnings from which pay-as-you-earn (PAYE) tax was deducted in the reference month.

Excludes:

- individuals with a missing taxpayer code, or invalid IRD number
- individuals with income not taxed at source
- individuals withheld from data supplied by Inland Revenue to Statistics NZ
- individuals who received only a benefit
- individuals on unpaid leave
- unpaid jobs.

Related links

Upcoming releases

National Employment Indicator: January 2012 will be released on 27 March 2012.

The [Release calendar](#) lists all our upcoming releases by date of release.

Related information

The NEI complements other Statistics NZ labour market statistics by providing an early indicator of changes in total filled jobs. You can find more information about [comparing our labour market statistics](#) on our website.

The [Household Labour Force Survey](#) provides New Zealand's official employment and unemployment statistics.

The [Quarterly Employment Survey](#) includes statistics on total gross earnings, total paid hours, filled jobs, average hourly and weekly earnings, and average weekly paid hours.

[Linked Employer-Employee Data](#) provides statistics on filled jobs, job flows, worker flows, mean and median earnings for continuing jobs and new hires, and total earnings, based on tax data.

[Business Demography Statistics](#) provide an annual snapshot of the structure and characteristics of New Zealand businesses. The series covers economically significant enterprises that are engaged in the production of goods and services in New Zealand.

Data quality

Period-specific information

This section contains data information that has changed since the last release.

- [Reference period](#)
- [Accuracy of the data](#)

General information

This section contains information about data that does not change between releases.

- [Data source](#)
- [Seasonally adjusted series](#)
- [Estimated trend](#)
- [Interpreting the data](#)
- [Timing of published data](#)

Period-specific information

Reference period

This information release presents national employment indicator (NEI) statistics at the national level for the months of November and December 2011.

Accuracy of the data

The NEI data is based on EMS returns processed by Inland Revenue. Delays in receiving EMS returns, due to late filing by the employer or Inland Revenue processing, are possible. Inland Revenue processing of EMS returns can also be affected by updates to systems or administrative changes. Statistics New Zealand reviews the quality of the data each month and NEI releases will be delayed if required to ensure data is of sufficient quality for release.

The last two months of data in the NEI series are based on data supplied by Inland Revenue 11 weeks and 7 weeks after the reference month. Data in these two months are rated-up using multiplication factors, to account for extra data processed between 7 and 15 weeks after the reference month. All other data in the NEI is based on data processed within 15 weeks of the reference month by Inland Revenue and is considered final. The last two months of data are provisional and are revised when new data is received.

The level of revisions in the NEI release is shown in the following table.

| Revisions to previously published estimates | | | | | | | | | | |
|--|----------------------|---------------|-----------|----------|---|-----------|----------|--|-----------|----------|
| Release month | Revised month | Levels | | | Monthly change (percentage points) | | | Annual change (percentage points) | | |
| | | A | SA | T | A | SA | T | A | SA | T |
| Nov 2011 | Jul 2011 | -3,860 | -3,593 | -3,022 | -0.2 | -0.2 | -0.1 | -0.2 | -0.2 | -0.2 |
| | Aug 2011 | -11,760 | -10,200 | -3,807 | -0.4 | -0.3 | 0.0 | -0.6 | -0.6 | -0.2 |
| | | | | | | | | | | |
| Jan 2012 | Aug 2011 | 310 | -156 | -391 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | Sep 2011 | 1,560 | 598 | -609 | 0.1 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 |
| | | | | | | | | | | |
| Feb 2012 | Sep 2011 | -70 | -197 | -490 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | Oct 2011 | -1,440 | -1,408 | -1,871 | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 |

Symbols:
A: Actual figure
SA: Seasonally adjusted figure
T: Trend figure

General information

Data source

The NEI data is based on Inland Revenue's employer monthly schedule (EMS), which contains information about monthly earnings of individuals taxed at source. It does not contain any information relating to the number of hours worked for those earnings.

Seasonally adjusted series

The X-12-ARIMA package is used to produce the seasonally adjusted estimates and trend estimates for the NEI series. Seasonal adjustment aims to eliminate the impact of regular seasonal events (such as annual cycles in agricultural production, or annual public holidays) on time series. This makes the data for adjacent months more comparable and ensures that the underlying movements in the time series are more visible.

All seasonally adjusted figures are subject to revision each month. This enables the seasonal component to be better estimated and removed from the series.

Estimated trend

Most series can be broken down into three components: trend, seasonal, and irregular. While seasonally adjusted series have the seasonal component removed, trend series have both the seasonal and the irregular components removed. Trend estimates reveal the underlying direction of movement in a series, and are likely to indicate turning points more accurately than seasonally adjusted estimates.

The trend series are calculated using the X-12-ARIMA seasonal adjustment package. They are based on an 11-, 13-, or 23-month moving average of the seasonally adjusted series, with an adjustment for outlying values.

Trend estimates towards the end of the series incorporate new data as it becomes available and can therefore change as more observations are added to the series. Revisions can be particularly large if an observation is treated as an outlier in one month, but is found to be part of the underlying trend as further observations are added to the series. Typically, only the estimates for the most recent month will be subject to substantial revisions.

Interpreting the data

The NEI covers all filled jobs (regardless of whether they are full-time or part-time). People who had multiple jobs during the reference month are counted multiple times, once for each job. The prevalence of multiple job holders, or people who change employer frequently within a month, will affect the NEI series. For example, workers in the agriculture, forestry, and fishing industry will often be counted multiple times in the March reference month, as many have multiple short-term jobs in this month due to the seasonal pattern of harvesting and production. This leads to a higher number of filled jobs in the March month when compared with other months, when people are less likely to move rapidly between employers due to seasonal work.

We recommend focusing on changes and movements in the NEI series rather than the actual level of filled jobs. The NEI data is based on EMS data processed by Inland Revenue between 7 and 15 weeks after the reference month. Historically, this has captured 97 to 98 percent of all filled jobs processed by Inland Revenue within an 18-month period. Therefore, the level of filled jobs reported by the NEI will underestimate the actual level of all filled jobs in the New Zealand labour market.

The NEI complements other Statistics NZ labour market statistics by providing an early indicator of changes in total filled jobs. You can find more information about [comparing our labour market statistics](#) on our website.

Timing of published data

Statistics NZ aims to publish the NEI on the last Tuesday of each month, within eight weeks of the reference month. There are two exceptions to this.

- The October reference month (scheduled for publication in December) will be delayed until January due to timing of the data supply over the holiday period.
- The November reference month will not be released in January, due to anticipated delays in data processing and production. Therefore, data released in February will include two months of new data (November and December reference months).

Statistics NZ reviews the quality of the data each month and NEI releases will be delayed if required to ensure data is of sufficient quality for release.

Confidentiality

Graduated random rounding was applied to all counts in the actual series. The seasonally adjusted and trend series are calculated using the rounded actual series.

Liability

While all care and diligence has been used in processing, analysing, and extracting data and information in this publication, Statistics NZ gives no warranty it is error-free and will not be liable for any loss or damage suffered by the use directly, or indirectly, of the information in this publication.

Timing

Timed statistical releases are delivered using postal and electronic services provided by third parties. Delivery of these releases may be delayed by circumstances outside the control of Statistics NZ. Statistics NZ accepts no responsibility for any such delays.

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Information Centre

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Tables

The following table is included with this release. It is available in Excel format from the 'Downloads' box of *National Employment Indicator: November and December 2011* on the Statistics NZ website.

If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print, and export the contents of the file.

1. National employment indicator, filled jobs – actual, seasonally adjusted, and trend

Access more data on Infoshare

Use [Infoshare](#), a free, online database to access time-series data specific to your needs. To access the time series on [Infoshare](#) select the following categories from the home page:

Subject category: **Work income and spending**
Group: **National Employment Indicator**