

## AUT SCHOOL OF ECONOMICS & NEW ZEALAND WORK RESEARCH INSTITUTE JOINT SEMINAR

### Understanding the impact of house and rental prices on geographic mobility of New Zealand workers

**Presenter:** Guanyu (Fish) Zheng, Ministry of Business, Innovation and Employment

**Date:** 14 October 2022

**Start time:** 10.00 am

**Finish time:** 11.00 am

**Venue:** WF210, AUT City Campus, 42 Wakefield Street, Auckland CBD, Auckland 1010

**Abstract:** This study has two primary objectives. The first objective is to study the geographic mobility patterns in the working-age population (between 15 and 64 years old), and the second objective is to estimate the effect of house and rental prices on geographic mobility over time.

Geographic labour mobility is an important element of a well-functioning labour market. Often workers respond to market signals and move to regions with better job opportunities and/or amenities. However, geographic mobility rates have been declining in a number of advanced economies. The share of American residents who moved in the past year dropped from 19% in 1986 to just below 10% in 2019. The proportion of people changing at least once in a decennial period reduced from 55% in 1971-81 to 45% in 2001-2001 in the UK. Housing affordability is identified as one of the key constraining factors.

In this study, Employer Monthly Schedule (EMS) in Integrated Data Infrastructure (IDI) is the primary data source and allows researchers to track workers' job information and locations over time. All analyses are calculated on an annual basis from 2000 March month to 2021 March month across 16 regional councils. Preliminary results highlight that 1) the geographic mobility rate in New Zealand is slowly declining across the board and 2) Higher house and rental prices act as barriers to geographic mobility. When house and rental prices become more expensive in a destination region, the number of worker flows from other regions is expected to be smaller.

**Bio:** Guanyu Zheng (aka Fish) is a principal analyst at workforce and workplace team at Ministry of Business, Innovation and Employment. Guanyu is an economist with over fifteen years' experience of economic research using Statistics New Zealand's micro-data

(Longitudinal Business Database and Integrated Data Infrastructure) and published working papers covering business dynamics, technology diffusion and labour market dynamics.

**For more information contact:**

Name: Jaqueson Galimberti

Email: [jaqueson.galimberti@aut.ac.nz](mailto:jaqueson.galimberti@aut.ac.nz)

Phone: 09 921 9999 ext. 5087