

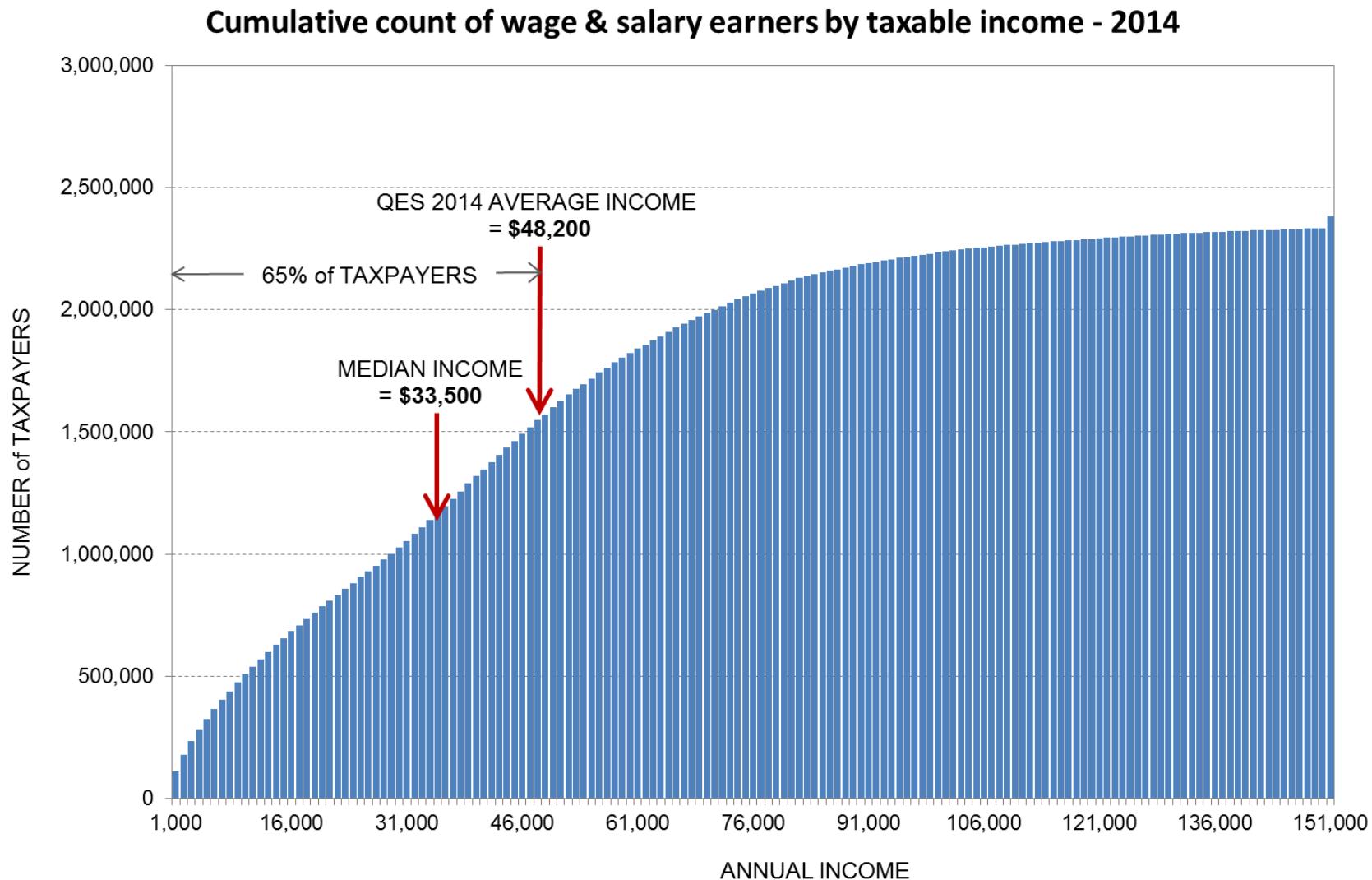
WHAT THE HOUSEHOLD LABOUR FORCE SURVEY CAN TELL US ABOUT THE LIVES OF ORDINARY NEW ZEALANDERS?



PRESENTATION BY
ALAN JOHNSON -SOCIAL POLICY & PARLIAMENTARY UNIT – THE SALVATION ARMY

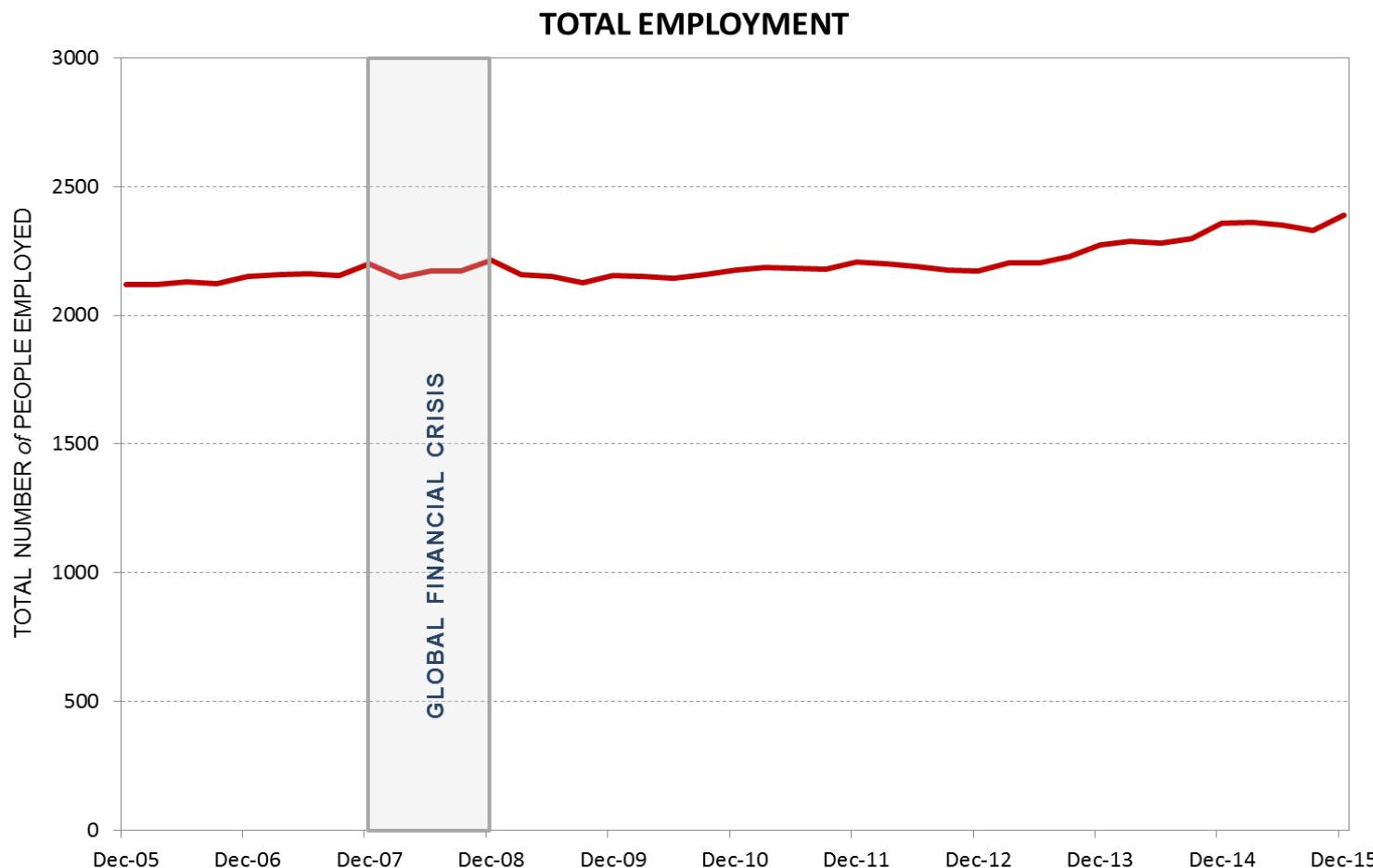
CELEBRATING 30 YEARS *of the*
HOUSEHOLD LABOUR FORCE SURVEY SYMPOSIUM
20TH APRIL 2016

THE PROBLEM WITH AVERAGES



Averages tell us nothing about distributions and very little about the experiences of the 'typical' person or household

THE GOOD NEWS ON JOBS



The HLFS is probably most appreciated for giving us an up to date picture of New Zealand's labour market.

It has been a harbinger of good news in recent times – since the GFC the labour market has grown by a credible 180,000 job or by over 8%

BUT HOW HAVE THE POORER HALF OF OUR SOCIETY DONE?



Look at HLFS data for distributional outcomes around:

- ▶ Employment outcomes for the young
- ▶ Regional disparities
- ▶ Employment outcomes for different households
- ▶ Employment outcomes for different ethnicities

EMPLOYMENT OUTCOMES FOR THE YOUNG & OLD

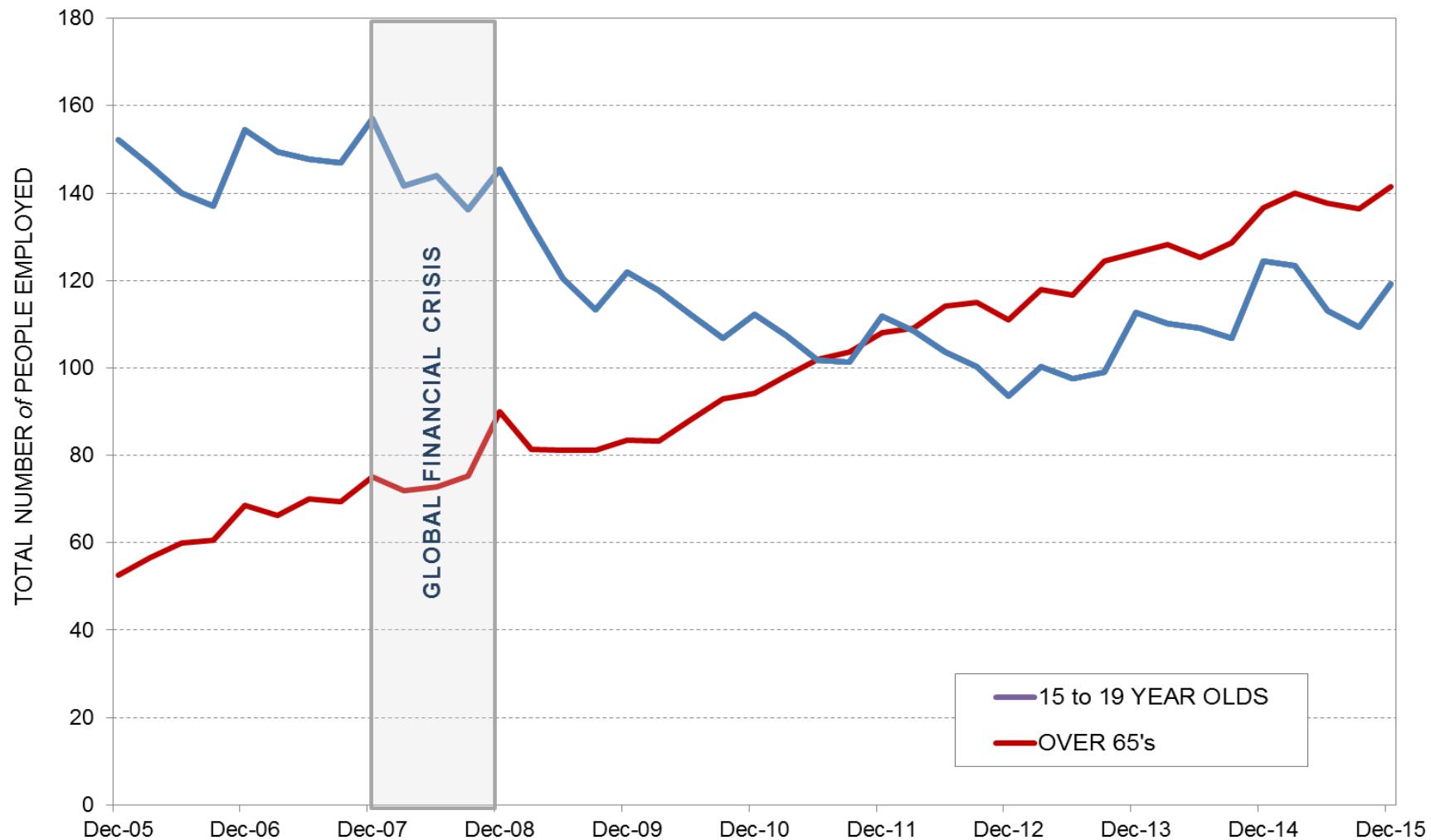
EMPLOYMENT of 15 to 19 YEAR OLDS



The employment fortunes of 15 to 19 year olds have not been bright since 2007 – there are over 20% fewer young people in work today than in 2007

EMPLOYMENT OUTCOMES FOR THE YOUNG & OLD

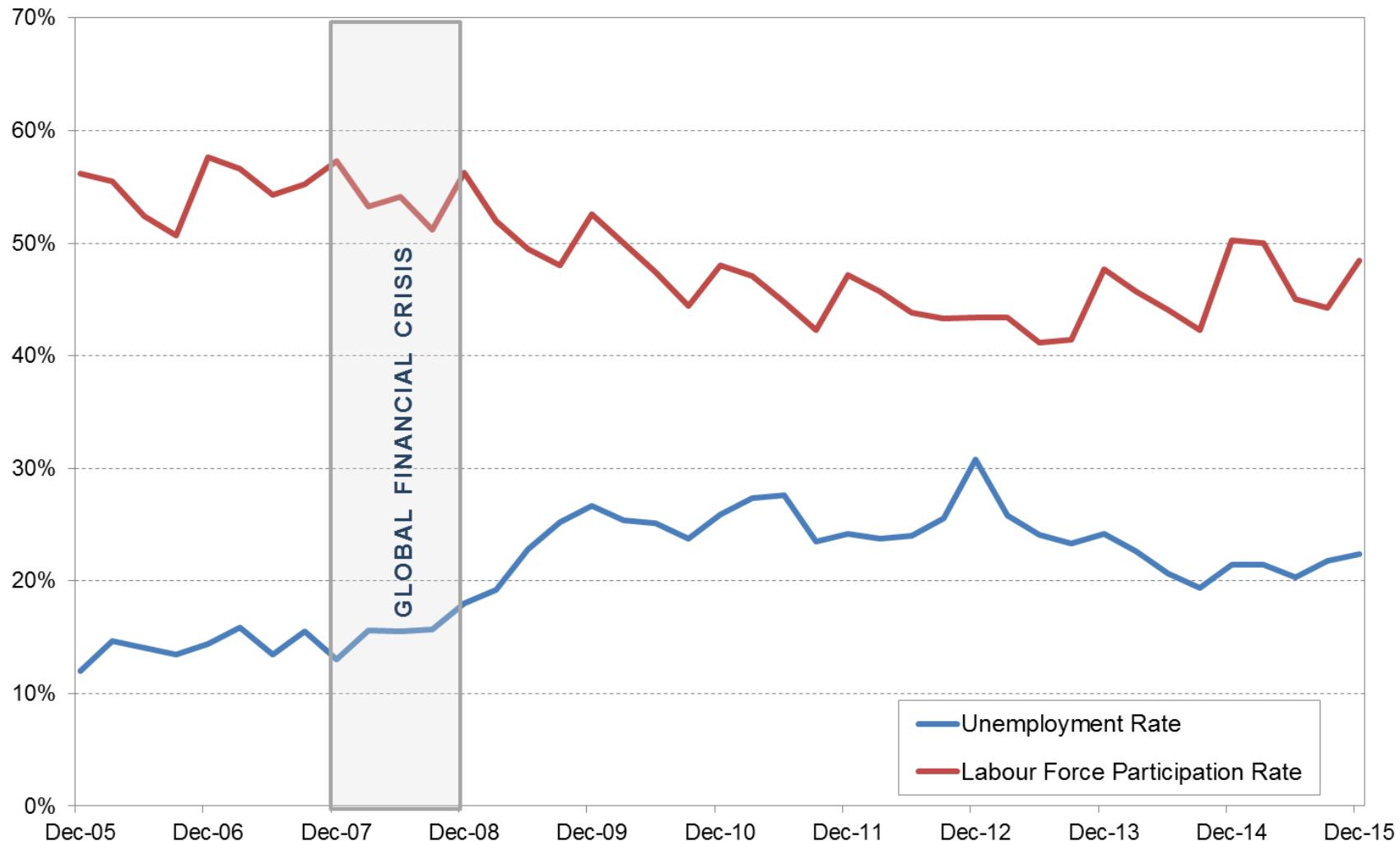
EMPLOYMENT of 15 to 19 YEAR OLDS & OVER 65's



Conversely the employment fortunes of those aged over 65 have been very bright since 2007 – these comparative fortunes have not been addressed by policy

EMPLOYMENT OUTCOMES FOR THE YOUNG & OLD

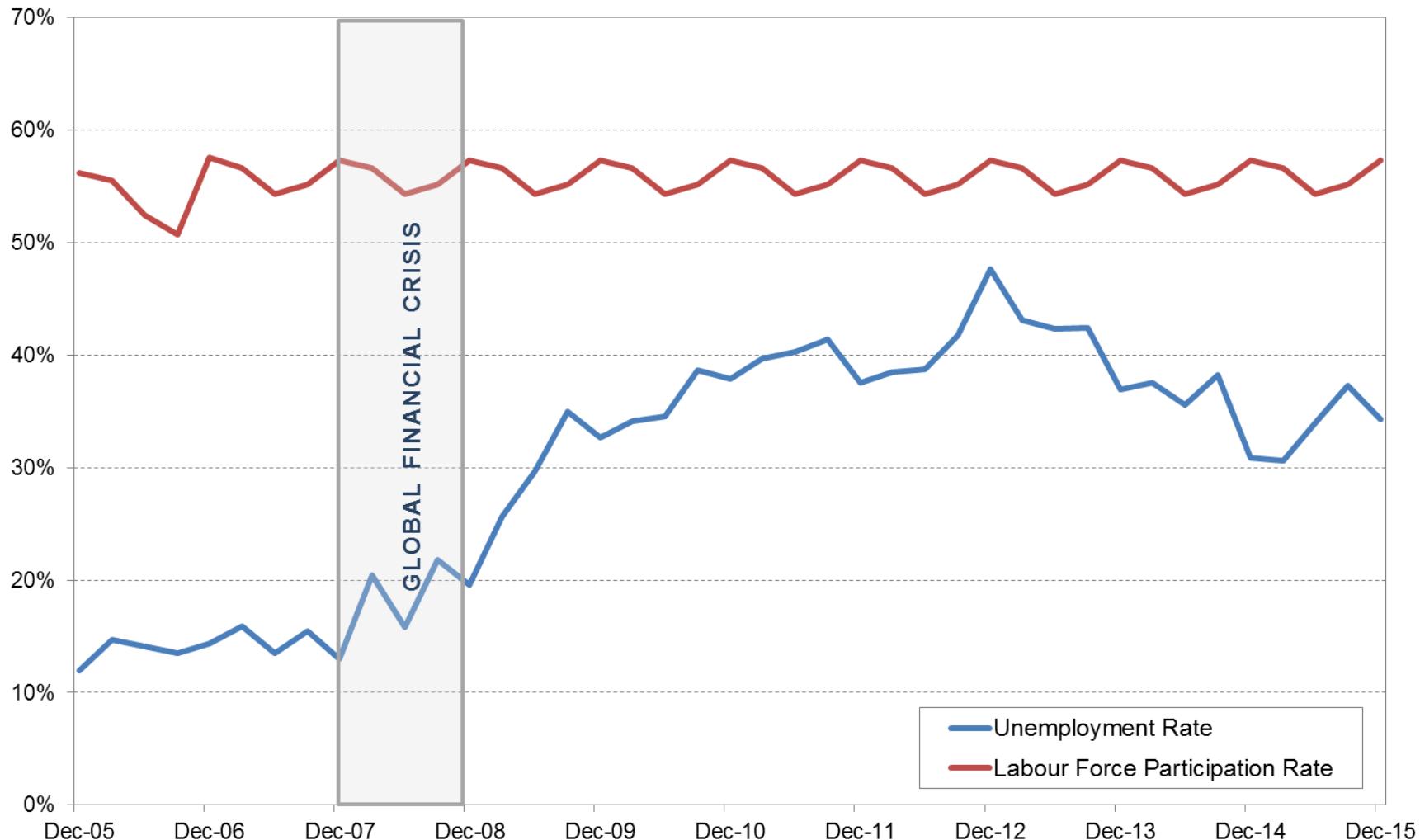
UNEMPLOYMENT & PARTICIPATION RATES *for 15 to 19 YEAR OLDS*



The actual plight of 15 to 19 year olds tends to be hidden by definitions perhaps making it easier to ignore

EMPLOYMENT OUTCOMES FOR THE YOUNG & OLD

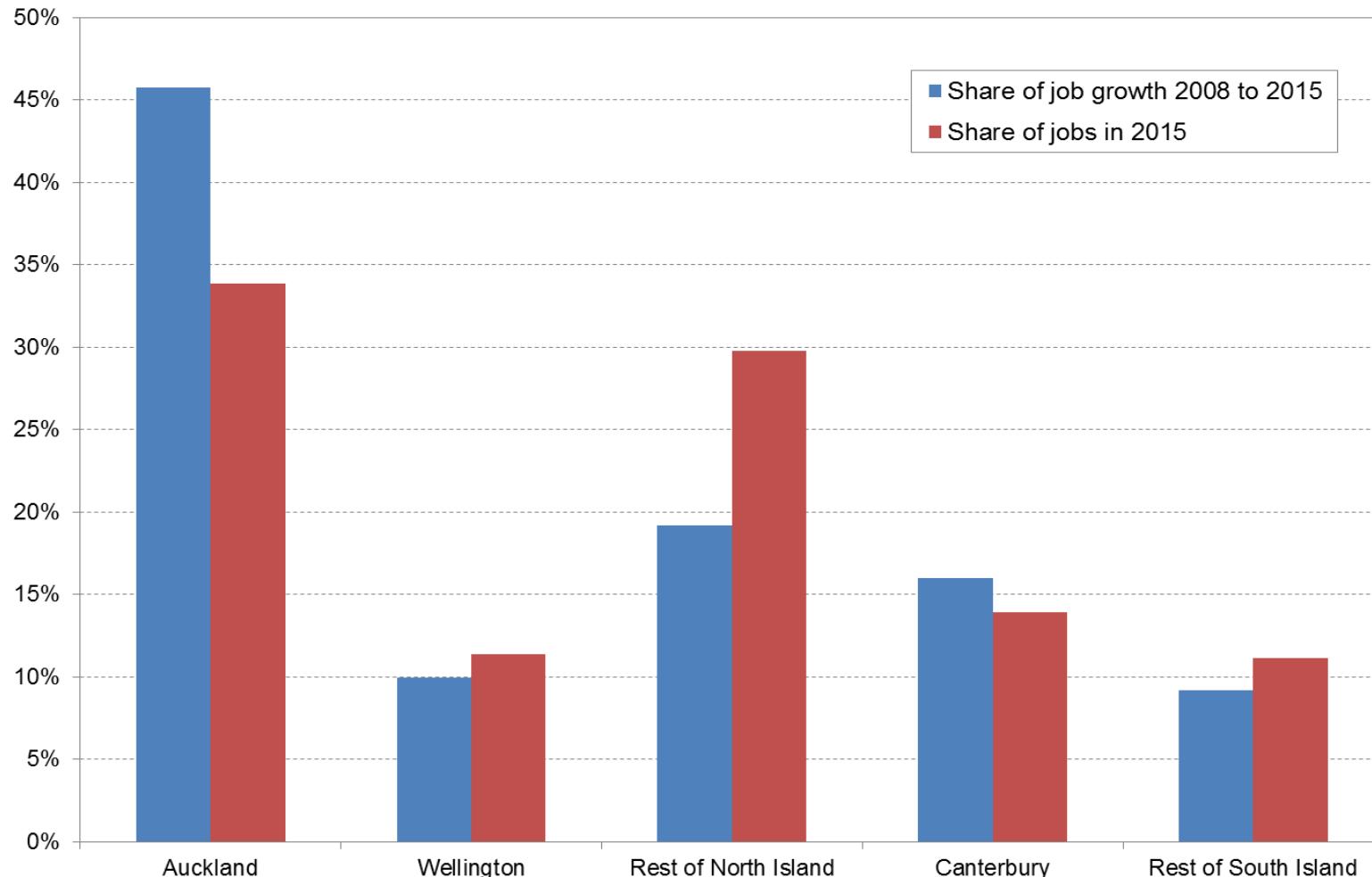
HYPOTHETICAL UNEMPLOYMENT & PARTICIPATION RATES *for 15 to 19 YEAR OLDS*



Hidden unemployment amongst 15 to 19 year olds might be as much as 60% higher than is commonly reported if historic participation rates are used

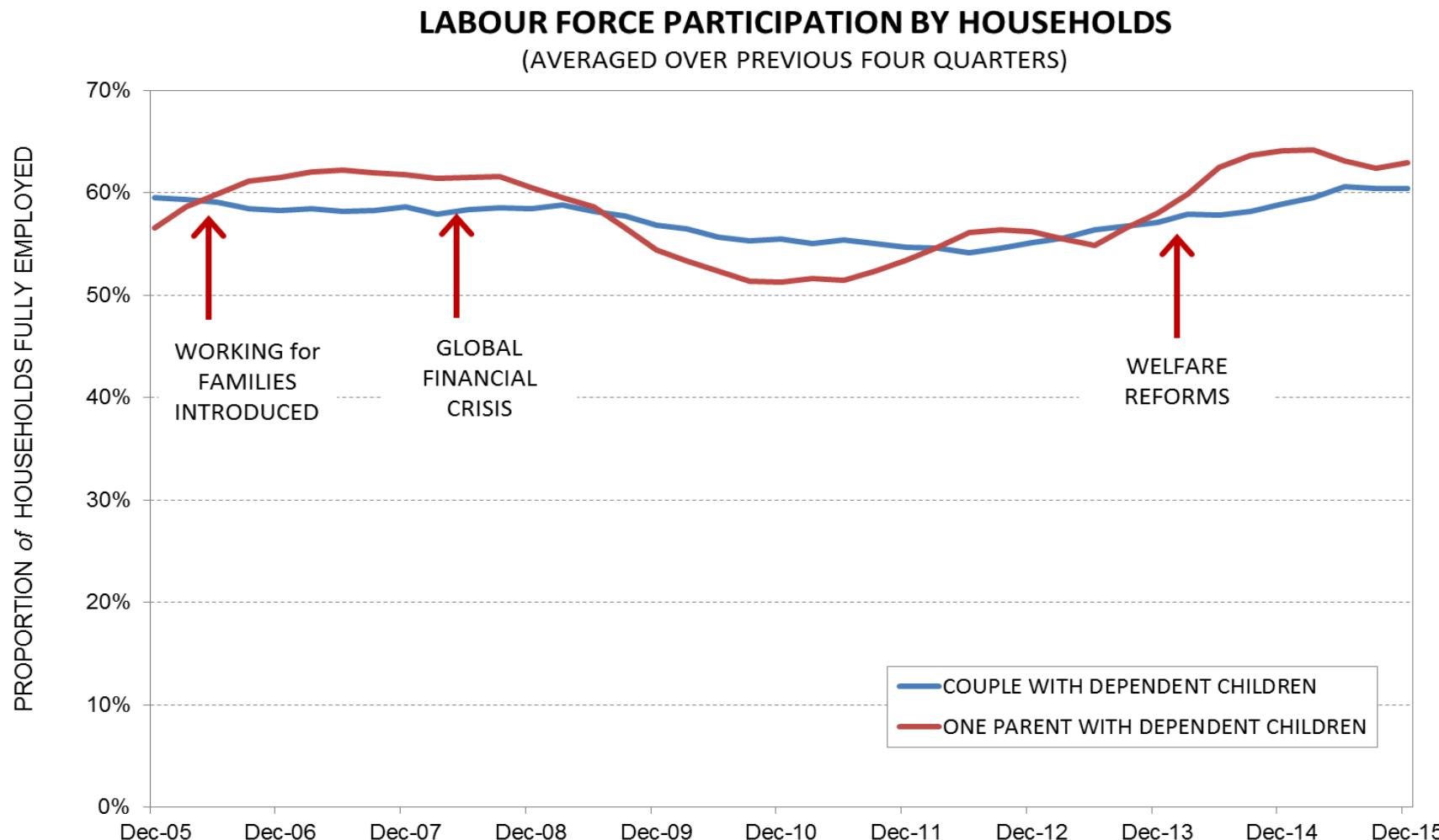
REGIONAL DISPARITIES

REGIONAL SHARES of JOB GROWTH - 2008 to 2015



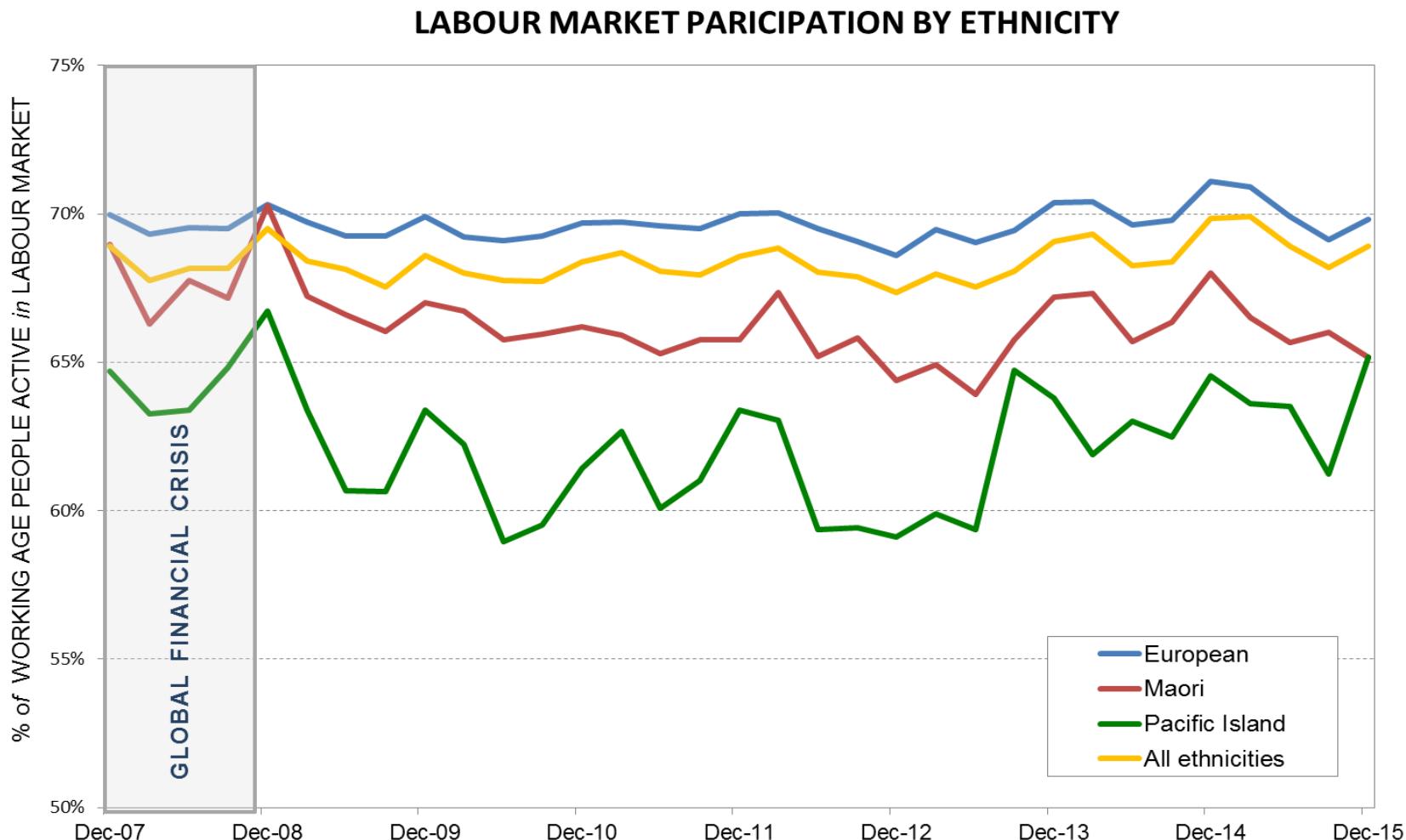
The post GFC job recovery has been an Auckland story – much of provincial North Island has struggled despite the dairy boom and this misfortune is ignored by policy

EMPLOYMENT OUTCOMES FOR HOUSEHOLDS WITH CHILDREN



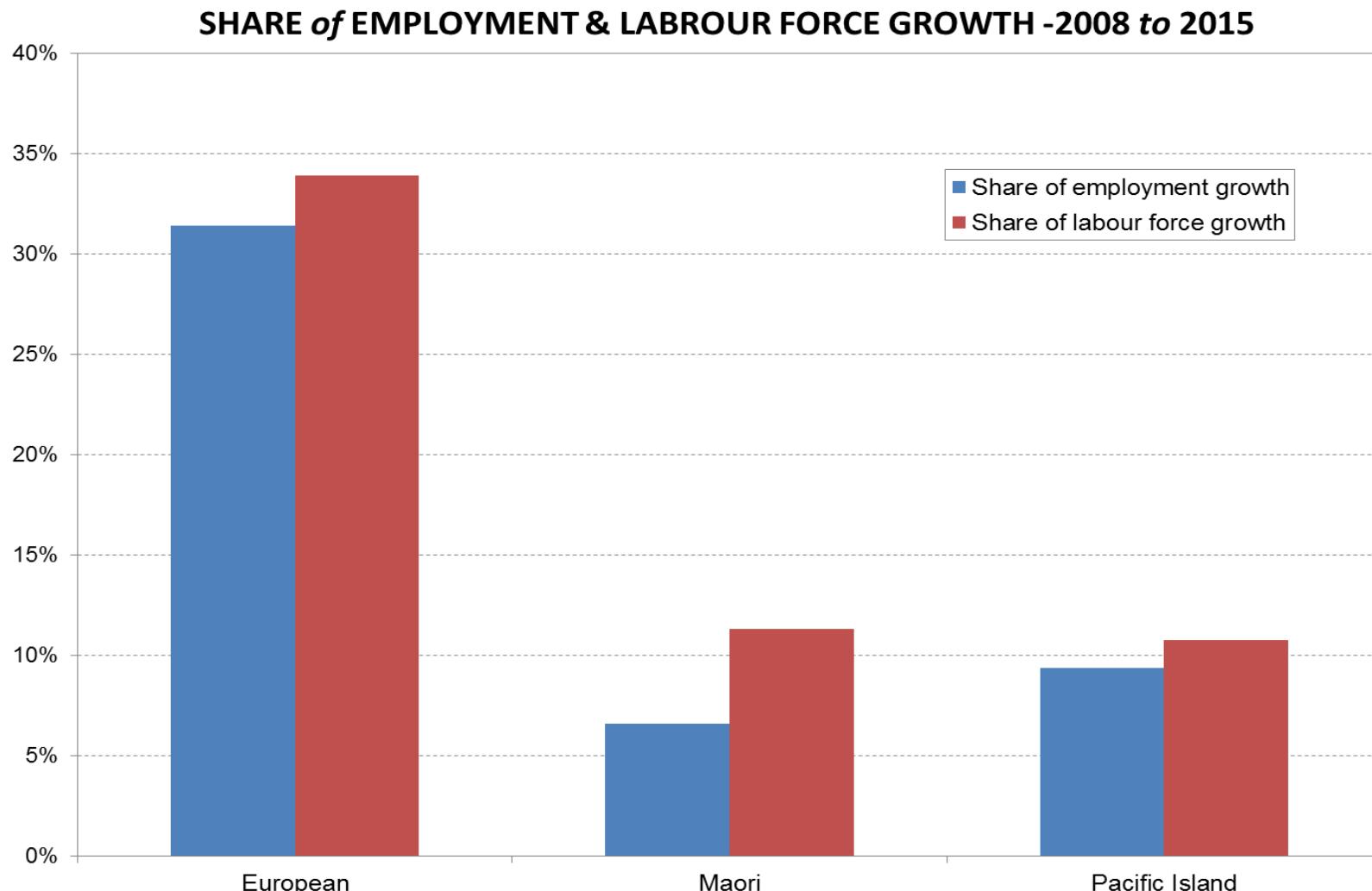
The employment decisions of households with children have been influenced both by policy and opportunity - unsurprisingly

EMPLOYMENT OUTCOMES FOR DIFFERENT ETHNIC GROUPS

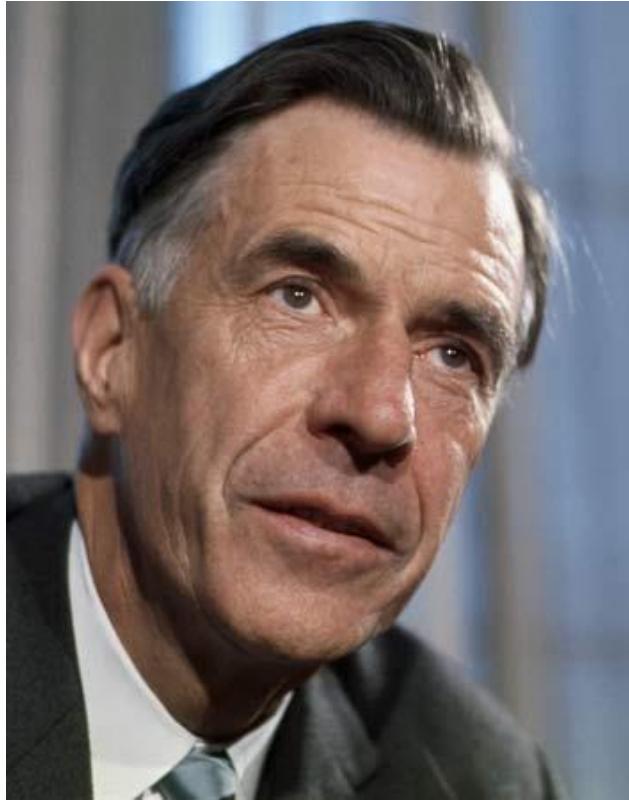


Maori and Pacific Island people were hit more severely by the GFC than Europeans – Pacific Islanders appear to have recovered while Maori are struggling still

EMPLOYMENT OUTCOMES FOR DIFFERENT ETHNIC GROUPS



Much of the new job growth has been picked by other ethnicities although the age profiles of each ethnicity's adult population complicates this picture



JOHN KENNETH GALBRAITH
Canadian economist
1908 - 2006

‘The only function of economic forecasting is to make astrology look respectable’

SOME CONCLUSIONS

-  There is more than a total jobs story in the HLFS & it should be told more often
-  Distributional stories – especially as they relate to the most vulnerable citizens are essential to tell
-  In particular the tautology of participation rates and unemployment rates needs to be examined & explained
-  While the error rates are high for sub-sub categories of results it is the slightly longer term and the slightly bigger picture which is both more useful and probably less unreliable
-  This means that in much of our use of social and economic statistics we can only draw broad conclusions and should avoid a pretence or illusion of precisioness

BEWARE of TRUTHINESS

Truthiness, according to the American comedian Stephen Colbert, who coined the word in a pilot episode of his hit TV show back in 2005, is ‘the truth that you feel in your gut regardless of what the facts support’.



‘I just don't feel that we need to trawl through evidence and give that much kind of evidence to something that is just so obvious.’ **Paula Bennett**