



*Job Creation and Local Economic Development 2020: Rebuilding Better* examines the impacts of COVID-19 on different types of local labour markets. It also considers their performance prior to the pandemic, and how COVID-19 could impact other ongoing local labour market transitions such as digitalisation, automation, and the polarisation of jobs. Finally, it discusses the role local actors will play in rebuilding better. Consult the full publication [here](#).

# New Zealand

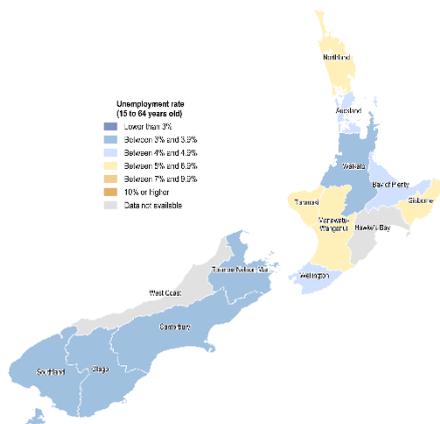
Nearly all New Zealand regions had unemployment rates higher in 2018 than in 2008, a pattern seen in less than one-third of OECD countries.

The Auckland Region was responsible for 42% of net employment growth over 2008-2018. In 2018, the region accounted for 36% of all employment in New Zealand.

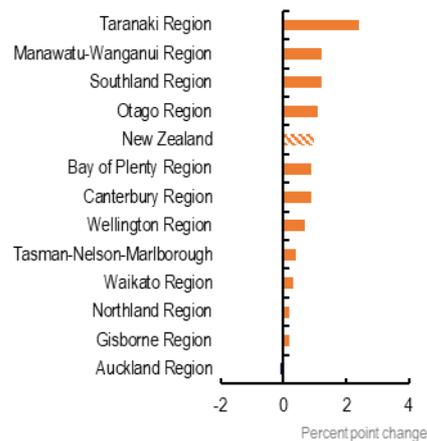
In most regions, between 2008 and 2018, decreasing shares of middle-skill jobs were predominantly offset by increasing shares of high-skill jobs.

## Local labour market performance prior to COVID-19

Unemployment rate, 2019



Change in unemployment rate, 2008-2018

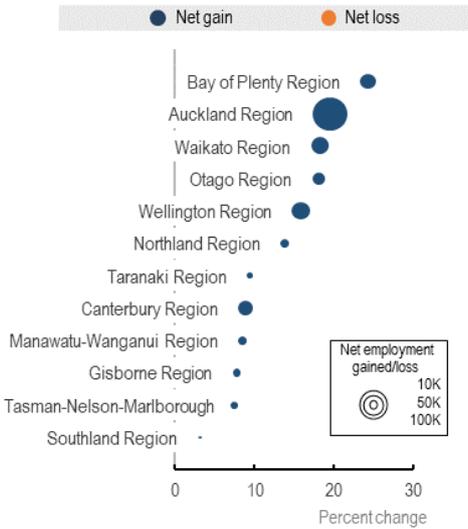


Note: The unemployment rate is computed as the share of unemployed people over the labour force, for the age group 15-64.  
Source: OECD (2020), "Regional labour markets", OECD Regional Statistics (database), <https://doi.org/10.1787/f7445d96-en>.

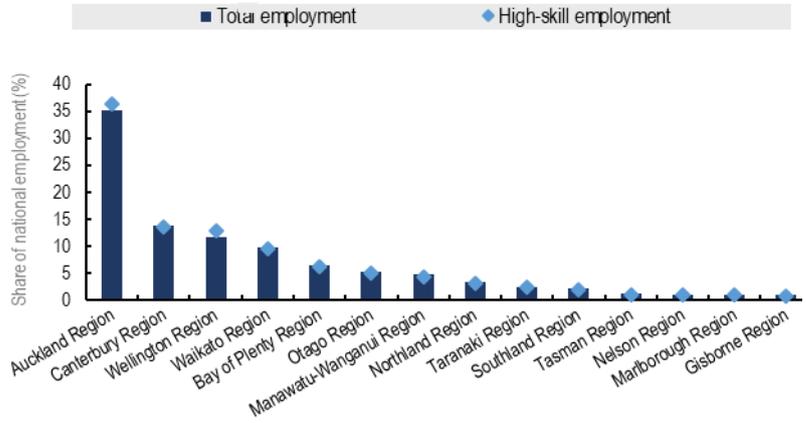
**Prior to the COVID-19 pandemic, unemployment rates in New Zealand were generally low.** Rates varied almost two-fold across regions, from a low of 3.5% in Otago Region to a high of 6.7% in Northland Region in 2019. Looking more specifically at the decade following the 2008 crisis, all regions except Auckland, the region with New Zealand's largest city, had higher unemployment rates in 2018 than in 2008. While regional gaps in unemployment shrank over this period, it was due to relatively larger increases in the regions with the lower rates in 2008. For example, the unemployment rate increased by 1.2 percentage points in Southland Region, which had one of the lowest unemployment rates in 2008. However, it should be noted that the population of Southland is relatively small (roughly 100 000).

*This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.*

**Change in net employment, 2008-2018**



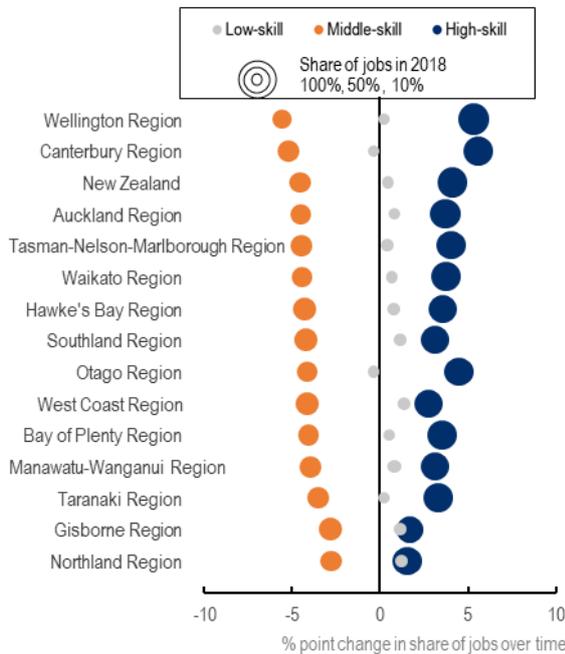
**Employment by region and skill level, 2018**



Source: OECD (2020), "Regional labour markets", OECD Regional Statistics (database), <https://doi.org/10.1787/f7445d96-en> and OECD calculations on Census.

**In all regions, the number of people employed grew between 2008 and 2018.** The Auckland Region was responsible for over 40% of net employment growth over this period, and in 2018, accounted for over one-third of all employment and of high-skill employment in New Zealand. Local labour market transitions

**Job polarisation, 2006-2018**



**Following general OECD patterns in New Zealand, all regions saw the share of middle-skill jobs decrease between 2006 and 2018.** The share of middle-skill jobs decreased by over 5 percentage points or more in Wellington Region and Canterbury Region. However, in most regions the absolute number of middle-skill jobs was relatively stable or actually grew, although relatively less than for other types of jobs. In all regions, decreasing shares of middle-skill jobs were predominantly offset by increasing shares of high-skill jobs.

Note: High-skill occupations include jobs classified under the ISCO-88 major groups 1, 2, and 3. That is, legislators, senior officials, and managers (group 1), professionals (group 2), and technicians and associate professionals (group 3). Middle-skill occupations include jobs classified under the ISCO-88 major groups 4, 6, 7, and 8. That is, clerks (group 4), skilled agricultural workers (group 6), craft and related trades workers (group 7), and plant and machine operators and assemblers (group 8); Low-skill occupations include jobs classified under the ISCO-88 major groups 5 and 9. That is, service workers and shop and market sales workers (group 5), and elementary occupations (group 9).

Source: OECD calculations based on Census.

## Notes

<sup>1</sup> Data is presented at the TL2 level, which typically corresponds to the first administrative tier of subnational government. See Reader's Guide of the full report for more information on the methodologies behind the calculations.