

WHO CREATES JOBS IN NEW ZEALAND? FIRM AND EMPLOYMENT DYNAMICS

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We use Statistics New Zealand's LBD (Longitudinal Business Database) to document the creation and destruction of jobs in firms of various ages and sizes. This gives us an accurate picture on the net number of jobs created by a new firm, if it survives the initial years. It will also answer the question on whether small or young or mature firms create the most jobs. This is the first project in a series that explores the effects of reallocation of productive inputs, namely labour and capital. In the following project we will investigate the potential gains in aggregate productivity if capital were able to reallocate freely and optimally between firms.