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Some Christmas cheer in employment data

According to latest monthly ABS regional monthly employment figures, the employment market across the Hunter region remains tight despite some signs of softening in November, observes the region's peak business group, **Business Hunter**.

In Newcastle and Lake Macquarie, the monthly unemployment rate continues to display volatility, leaping from 1.8 percent in October to 3.6 percent in November, whilst in the Hunter Valley, the figure fell from 4 percent in October to 3.2 percent.

Both subregions have moved closer to the 12-month unemployment rate average, which sits at 2.9 percent in Newcastle and Lake Macquarie, and 3.2 percent in the Hunter Valley.

These figures continue to compare favourably to the NSW average of 3.3 percent, which shows the Hunter region continues to perform well compared to the broader economy.

Business Hunter CEO, Bob Hawes said despite there still being an appetite for the region's businesses to seek employees, the participation rates, which measures the proportion of people aged 15 and over either in work or actively looking for it, remains lower than they were pre-Covid.

"The participation rates indicate there is workforce capacity out there not actively looking for employment," said Mr Hawes.

The monthly Jobs and Skills Australia Internet Vacancy Index for November showed employers are still posting job ads despite a dip from 6,974 in October to 6,536 in November, a drop of around 6 percent.

“Worker shortages are still very apparent across the region, however employers typically back off from recruiting efforts this time of the year, and this year is no different,” said Mr Hawes.

Mr Hawes said the employment market figures were a positive sign leading into Christmas and pointed to the labour market remaining relatively strong into 2024.

“The employment and job ad figures suggest any slowing in the economy is gradual and consistent with predictions being made by a range of economists that any significant dip in the Australian economy in 2024 points to there being a soft landing rather than a thud. Based on feedback from businesses in the region, we’re hoping this will also be the case in the Hunter region.

“We also need to remember the estimates of the population growth of civilians aged 15 and over in the region since early 2020 is around 50,000 people. The fact our economy has been able to maintain employment rates and absorb the increase in population is testament to the strength of elements of our economy despite some sectors being smashed across the last three years.”

Mr Hawes said our largest employers in the region span health, education and other service sectors and these tended to have more resilience than sectors that were completely exposed to market forces such as retail and manufacturing.

“Our pay packet impact across the region has remained steady relative to regions that are based purely on tourism or other single sectors,” he said.

The rate of Youth unemployment (15 to 24 year olds) across the region softened in November increasing from 5.3 percent to 8.6 percent.

“The monthly figures continue to show volatility and increases are anticipated this time of year, reflecting the seasonal flood of school and University leavers hitting the market.”

The pool of unemployed youth swelled in November by around 3,000 people across the region, which is low by historical standards.

“The youth unemployment rates continue to be well below the long-term rates for the region, and there continues to be a relatively small pool of youth actively looking for work currently compared to pre-Covid levels. This continues to suggest it’s a very tight labour market for this cohort,” said Mr Hawes.

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