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WORKERS REMAIN SCARCE

The overall unemployment rate across the region remains tight at 3.1 percent, according to the latest employment figures released by the Australian Bureau of Statistics (ABS).

Unemployment across the region continues to be much lower than the state, which sits at 4 per cent. Business Hunter CEO, Bob Hawes said it was “historically unusual to see unemployment in the region consistently outperforming the state”.

“The state figures tend to be lower than ours. It’s unusual to see the Hunter region economy outperforming the state, and for such a sustained period. It’s a conundrum. On one hand, strong employment supports the economy, which is helping business, yet worker shortages have become a handbrake for many businesses,” said Mr Hawes.

The region grew by just over 5,400 jobs in April and the total number of people employed across the region exceeded 380,000 for the second time in history, the first occurring roughly one year ago in March 2023.

The monthly rate for Newcastle and Lake Macquarie dropped to 2.5 percent from 3.1 percent in March, whilst the rate in the Hunter Valley eased to 4.1 percent, up from 3.1 percent in March.

“These figures still speak to a tight job market across the region and businesses are continuing to feel the pain of not being able to fill vacant positions,” said Mr Hawes.

Based on the latest release from Jobs and Skills Australia, the Internet Vacancy Index remained steady from March to April, with nearly 5,800 jobs on offer, a drop of only 180 roles compared to March.

The pool of unemployed people across the region was also virtually unchanged at around 12,300 people.

“This offers little wiggle room when the job ads are around half that number,” said Mr Hawes.

The jump in the number of unemployed in the Hunter valley of around 1,600 persons was offset by a drop of around 1,400 in Newcastle and Lake Macquarie.

There was a slight increase in the participation rate (which measures the proportion of people aged 15 and over either in work or actively looking for it) in the Hunter Valley. This

will partially explain the increase in the unemployment rate, as more people were looking for work in April.

“The participation rate in Newcastle and Lake Macquarie also increased slightly and the employment figures suggest the additional people were able to secure work,” said Mr Hawes.

“Given our softer participation rate, our unemployment rate is quite sensitive to small changes. A surge in people looking for work could soften our unemployment rate quite quickly,” he added.

“We hope that even if the unemployment figures begin to soften, the current economic conditions locally will provide a soft landing, with plenty of people in work and earning incomes sufficient to continue to support those local businesses doing it tough.”

“We have a dual speed economy here in the Hunter, with some businesses doing very well, while others, particularly those in customer facing sectors such as hospitality and retail, are suffering the equivalent of multiple years of drought.”

The youth market (15 to 24 year olds) is also remaining strong with single digit unemployment rates across the region compared to double digit numbers we came to accept prior to 2020. The participation rate for youth exceeds 80 percent with a pool of around 2,700 looking for work.

For interviews, please contact Bob Hawes: 0418 496 745