

1 February 2024

Jobs picture remains positive

The latest ABS regional employment data reveals the Hunter's employment market continues to show resilience compared to state and national figures, observes the region's peak business group, **Business Hunter**.

In Newcastle and Lake Macquarie, the monthly unemployment rate dropped from 3.6 per cent in November to 2.5 per cent in December, whilst in the Hunter Valley, the corresponding figure fell from 3.2 per cent to 3.1 per cent.

The less volatile 12-month average unemployment rate remained at 2.9 per cent in Newcastle and Lake Macquarie, and fell to 3.1 per cent in the Hunter Valley.

"These figures are remarkable when you consider the unemployment figures here in the Hunter have traditionally lagged the state and national rates," Business Hunter CEO, Bob Hawes said.

Mr Hawes said notwithstanding the headline figures from the latest statistics, there were clear signs the labour market was showing signs of loosening in line with other indicators, noting a slowing economy.

"The labour force participation rates, which measures the proportion of people aged 15 and over either in work or actively looking for it, continue to soften across the region," said Mr Hawes.

While the pool of unemployed people across the region remains low, the number of people not in the labour force grew from 184,700 people in December 2022, to 216,200 in December 2023.

"This remains somewhat concerning in that businesses are still looking for people and clearly the mismatch between the skills and experience they are looking for and the credentials of the job seekers is causing some to give up and withdraw from the job market altogether," said Mr Hawes.

The monthly Jobs and Skills Australia Internet Vacancy Index for December 2023 showed employers are still posting job ads, despite a dip from 6,536 in November, to 5,647 in December, a drop of around 13.6 per cent.

“Worker shortages are still very apparent across the region, however employers typically back off from recruiting efforts through December, and 2023 was no different,” said Mr Hawes.

Professions highly impacted by vacancies include health care (528 roles), automotive and engineering trades workers (482), carers and aides (394) legal, social and welfare professionals (195), and as highlighted in the media in recent days, education professionals (181).

Unemployment for the youth cohort (15 to 24 year olds) was also low, falling in Newcastle and Lake Macquarie from 8.2 per cent in November to 5.6 percent in December and in the Hunter Valley, from 9.4 percent to 5.6 percent.

“This is a time of year when you typically see change in the youth figures as the supply swells with school and tertiary students hitting the market, but it is also a time when employers are actively on the hunt for youth talent,” said Mr Hawes.

“Across the entire jobs market, there remains a question as to whether there is going to be a bounce back in the job ads in January and February 2024 and if there isn’t, this could be a sign that business expectations of reduced economic activity are creeping in and of continuing frustration that businesses can’t find the people they are looking for,” Mr Hawes added.

“Population growth continues to push up the number of people of working age living in the region, yet the total workforce has not grown by the same rate, which is mostly explained by the falling participation rates.”

Media enquiries: Bob Hawes 0418 496 745, Sheena Martin 0408 733 386