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Hunter outperforms nation's labour market

Despite ongoing economic headwinds, the region's employment market is showing continued resilience, observes the region's peak industry body **Business Hunter**.

The latest ABS Regional Labour Force data for April 2023, reveal the Hunter region's unemployment rates have continued to fall, despite national unemployment rising.

Business Hunter CEO, Bob Hawes said this was an unusual outcome.

"While the monthly figures are volatile, we're typically a little softer than the national figure, so this is an interesting development and something we'll continue to track," said Mr Hawes.

The monthly unemployment rate in the Hunter Valley dropped to 1.7 per cent from 4.2 per cent in March and the rate in Newcastle and Lake Macquarie fell to 2.9 per cent, down from 3.4 per cent in March.

The less volatile 12-month average figures also continued to fall, from 4 per cent to 3.9 per cent in the Hunter Valley and 3.5 per cent to 3.3 per cent for Newcastle and Lake Macquarie. The national figure rose from 3.5 to 3.7 per cent.

Mr Hawes said at the surface, the regional labour force market was defying gravity, continuing to remain strong despite rising cost pressures and housing shortages.

"These rates continue to be very low by regional historical standards and show the labour market is still tight at a time when the Jobs and Skills Australia Internet Job Vacancy figures remain steady at around 6,700, which is twice the level we experienced pre-Covid," said Mr Hawes.

Despite this, the workforce pool shrank from 404,000 in March to 390,000 in April, and the pool of unemployed people across the region dropped considerably from 15,100 to 9,500.

"The data doesn't tease out the reasons underpinning these movements, but we could logically attribute them to a combination of factors including seasonal work, people having lost their jobs, or withdrawing entirely (not working or looking for work) from the labour market for other reasons," said Mr Hawes.

The total number of people employed in Newcastle and Lake Macquarie fell by just over 10,000, as the full-time workforce fell by a similar number. The situation was reversed in the

Hunter Valley where the total employed and full-time roles grew by 2,000 and 5,000 people respectively.

“The figures show there is still volatility in the employment market, but the underlying circumstance remains there are positions out there being advertised and the pool of potential labour to fill those roles remains small.”

“The participation rates across the region remain strong although there was a fall in Newcastle and Lake Macquarie reflective of the decrease in the overall workforce in those areas. The figures remain well above the pre Covid figure of 66.5 percent in March 2020.” Mr Hawes added.

Mr Hawes said the youth unemployment (15 to 24 year old) rate across the region remained well below 10 per cent.

“Youth unemployment in the Hunter Valley dropped to 3.2 percent from 7.4 percent in March whilst in Newcastle and Lake Macquarie it was 8.9 percent, very close to the March figure of 8.8 percent. It’s encouraging to see over the last 12 months the average figures for youth unemployment has dropped from 8.3 percent to 7 percent across the region.”

The monthly figures show there are 5,700 youth looking for work, a decrease on the 7,600 in March and still well below the 9,400 that were in the market pre-covid, in March 2020.

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