

WESTPAC : McDERMOTT MILLER EMPLOYMENT CONFIDENCE SURVEY

DECEMBER 2014

“The Westpac: McDermott Miller Employment Confidence Index for New Zealand slipped in December 2014, down to 106.5 from 111.5 in September” announced John McDougall, Director Forecasting in Strategy Planning and Economics Consultancy, McDermott Miller. “This fall ended a trend of rising Employment Confidence that started in September 2013. However, Employment Confidence remains 3.1 points above its level a year ago (103.4 in December 2013) ” he observed.

“Employees are becoming somewhat less optimistic about their prospects over the next year”, suggested John McDougall. “Looking at the questions that underlie the index, the largest shift was in ‘personal job security over the coming year’; there was a 9.3 point fall in the net percentage expecting to feel more secure in their jobs, to 8.5%. There was also a substantial fall in the net percentage expecting to earn more in their paid work over the next year, down 8.6 points to 29.2%.”

“Employment confidence in Christchurch remains the highest of all areas surveyed, due to the rebuild in that City – though even here its December Index, at 115.4, is 11.9 points down from September”, noted John McDougall. “Employment confidence in Wellington in December stands at 110.4, which is up slightly (against the national trend) from 109.9 in September. In Auckland Employment Confidence stands at 106.2 (down from 113.5 in September); in Rural areas it is 106.0 (down from 107.7); and, in Secondary centres it stands at 99.5 (down from 105.7).

“The December Quarter Employment Confidence Index for Public Sector employees fell to 103.1, some 5.1 points lower than the 108.3 recorded in September. Private Sector employee confidence, at 107.9, is again higher than that of their public sector counterparts, although it is down from 111.6 in September”, John McDougall noted.

“The fall in Public Sector employee confidence arises mainly from a fall in the net percentage expecting their job to be more secure over the next year from, down from 18.9% in September to only 0.7% in December. This is a considerably more anxious perspective than that of Private Sector employees - a net 11.2% of whom expect their job security improve (down from 16.5% in September). Public sector employees appear to be concerned the re-elected National Government may consider it has a mandate to resume cutting jobs in the public sector.” he conjectured.

Enquiries to:

John McDougall
Director Forecasting
McDermott Miller Limited

Phone: 04 471 8502
Email: strategies@mcdermottmiller.co.nz
Website: <http://www.mcdermottmiller.co.nz/>

Email: strategies@mcdermottmiller.co.nz Website: www.mcdermottmiller.co.nz

Index Background

The Consumer Confidence Index is based on a survey of a representative sample of 1557 New Zealand households interviewed during 1-11 December 2014. It analyses answers to five standard questions on personal financial circumstances, expectations for the economy and attitude to buying substantial household items. Index scores measure consumer confidence in the economy, with a score of greater than 100 showing more optimism than pessimism and vice versa for a score below 100 (for more information see [Survey Specifications](#)).

Acknowledgement

The Westpac: McDermott Miller Consumer Confidence Survey and Index is owned by McDermott Miller Limited. Westpac : McDermott Miller should be acknowledged as the source when citing the Index, just as Westpac-Melbourne Institute should be acknowledged when citing the Australian Index of Consumer Sentiment. Graphs supplied may be reproduced by the news media provided the Westpac: McDermott Miller logo remains inset.