

**WESTPAC : McDERMOTT MILLER EMPLOYMENT CONFIDENCE SURVEY
PRESS RELEASE
DECEMBER 2017**

“Generally, New Zealanders remain optimistic about the country’s employment situation, but there are signs of uncertainty, even pessimism, in some respondent categories in this December Quarter of the Westpac : McDermott Miller Employment Confidence Survey” announced Richard Miller, Managing Director of Strategy and Economics Consultancy, McDermott Miller Limited. “New Zealand-wide, the Employment Confidence Index (ECI) for December 2017 remains firmly optimistic at 113.9” observed Miller.

“The December survey interviews took place when the Labour, New Zealand First and Greens coalition Government was starting to indicate its policy intentions. It seems clear that the sentiment of various categories of employees has been influenced by the outcome of the General Election”, suggested Miller. “Some categories who were pessimistic under the previous Government are less so now and others more so”, he noted.

“Perhaps a highlight of the survey results is that all employee groups earning less than \$100,000 per annum increased in confidence and are optimistic this December Quarter” stated Miller. “This is largely because of more positive expectation of increased earnings over the coming year”. “In contrast, employees in the highest income bracket (more than \$100,000 pa) while still optimistic, lost confidence slightly, because they expect lower earnings and are more anxious about job security” observed Miller.

“The election also seems to have shaken the confidence of consumers in the Private Sector more than those in the Public Sector” observed Miller. The Private Sector Employment Confidence Index dropped 8.9 points to 110.5, while the Public Sector increased in optimism, up 9 points to 116.7”, said Miller. “This is the first time the Public Sector has been more optimistic than the Private Sector since June 2009”. “This helps explain the divergence in employment confidence of Auckland, the main Private Sector employment centre, and Wellington, the main Public Service centre (Auckland fell by over 6 points to 115.6, while Wellington increased significantly, up 11.2 points to 113.9)”.

ENDS

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Index Background

The Consumer Confidence Index is based on a survey of a representative sample of 1555 New Zealand households interviewed during 1-10 December 2017. 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.

Acknowledgement

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