

WESTPAC : McDERMOTT MILLER EMPLOYMENT CONFIDENCE SURVEY

DECEMBER 2012

"Recovery of Employment Confidence in New Zealand may have stalled" announced Richard Miller, Managing Director of Strategy Planning Consultancy McDermott Miller. "The Westpac: McDermott Miller Employment Confidence Index for New Zealand in December 2012 stood at 99.1, up a mere 0.2 points from September 2012". (See [Graph 1](#))

"Loss of confidence by employees in some of New Zealand's largest and most important labour markets has restrained a further lift in the national Index" observed Richard Miller, (Auckland's index fell -3.9 points to a pessimistic 96.9; Bay of Plenty's -5.2 points to 92.5; Otago's -3.5 to 94.4; and, Southland is -4.1 to 97.5).

"But the national employment confidence index level would have fallen more sharply had employees in the large Wellington and Canterbury labour markets not become more optimistic" (up, respectively, 2.6 to 101.1 and 2.6 to 113.5)" he noted. (see [Graph 2](#))

"Private sector employees continue to be more optimistic than their Public Sector counterparts," said Richard Miller. "The Private Sector Employment Confidence Index fell from 101.4 in September to 100.3 in December while the Public Sector index rose from 96.3 to 97.4", Richard Miller said. "Personal job security expectations of Private Sector employees have fallen, with the net percentage expecting personal job security to improve over the next year now only 4.8% compared to 13.6% in September." (See [Graph 4](#))

"Private Sector employees are again more confident than public sector employees on four of the five questions comprising the Employment Confidence Index", Richard Miller noted. "But again, the exception is earnings now compared to a year ago; a net 20.7% of private sector employees feel their incomes are up, in contrast to the 29.7% of public sector employees who believe this."

"The December Employment Confidence survey responses reinforce indications in September that Public Sector employees are settling in the reorganised public sector environment and feel more secure about their jobs. On the other hand, Private Sector employment confidence remains in neutral", concluded Richard Miller.

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Index Background

The Consumer Confidence Index is based on a survey of a representative sample of 1577 New Zealand households interviewed during 1-10 December 2012. 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

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