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Hunter job market bucks state and national trend

The jobs market spiked and unemployment dropped in the Hunter region in February, bucking the national trend and buffering the region's workforce against the economic shocks of the escalating Middle East crisis.

The latest Australian Bureau of Statistics (ABS) figures show the unemployment rate across the Hunter region fell from 4.6 per cent in January to 4.2 per cent in February. The rate moved from 4.6 per cent to 4.4 per cent in the Newcastle and Lake Macquarie statistical area and from 4.5 per cent to 4.0 per cent in the rest of the Hunter Valley.

The declining figures run counter to the broader trend, with both the NSW and national unemployment rates climbing from 4.1 per cent to 4.3 per cent in the same month.

Business Hunter CEO Bob Hawes said the figures, along with data on new starts, job advertisements and feedback received from business, confirmed a recovery in market conditions following a rise in regional unemployment across December and into January.

"While there is always volatility in the regional figures month to month, we also saw the ABS reporting surprisingly strong employment growth of 9,300 positions across the month – more than double the overall growth for the previous 12 months to January 2026 of 4,100 positions."

"Traditionally, we have seen a bit of a bump in February, as businesses re-start their rehiring programs after the Christmas break and school leavers, graduates, apprentices and trainees begin new roles. But this year's increase in new positions is notably larger than what we would normally see."

Accordingly, the rate for youth unemployment (15 to 24-year-olds) also fell across the region in February, dropping from 10.7 per cent to 10 per cent.

The growth in employment overall was accompanied by an improvement in the workforce participation rate, suggesting strong job availability is enticing people back to the labour market.

The Jobs and Skills Australia Internet Vacancy Index also pointed to a buoyant job market in the Hunter, with the number of advertised jobs rising by 2.5 per cent from 4,515 in January to 4,626 in February. In contrast, figures fell by 5 per cent nationally over the same period.

"There were some big announcements made about the progression of major projects, like High Speed Rail and the Hunter Transmission Project, which are supporting workforce growth, and sectors like health and professional services are also still displaying strong underlying demand," Mr Hawes said.

"It will be interesting to see what happens going forward, and whether geopolitical factors and the impact of fuel shortages on household and business budgets will have an impact on the March workforce and employment figures."

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