

## Australia: Jobs surprise

Employment growth of 50,900 in June beat the consensus view of a 16,500 gain in jobs. What's more, these are mostly full-time jobs.



Source: Shutterstock

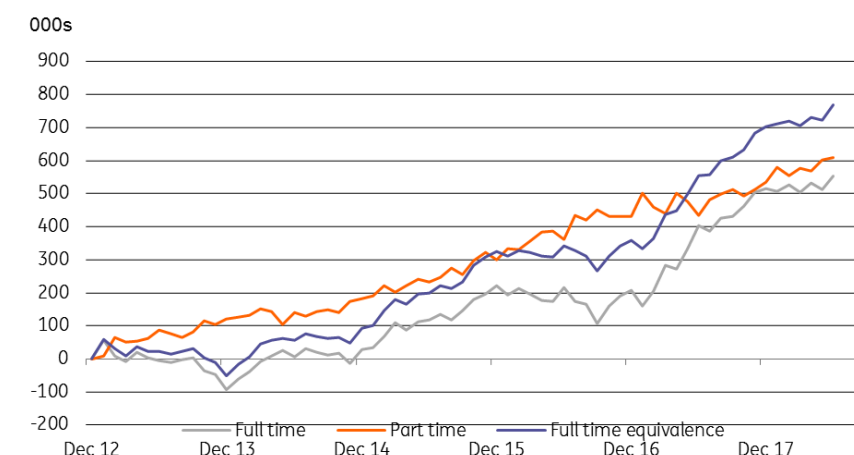
**50,900** jobs growth  
June 2018

Higher than expected

### Full time jobs dominate

Strong growth in full-time jobs in June helped to shift a labour market that was beginning to be dominated by part-time jobs. Our full-time equivalence measure suggests that labour demand is now picking up strength. Were this to also be reflected in some improved wages growth, it could radically change the outlook for the Reserve Bank of Australia, which most forecasters see on hold all this year, and possibly all of next year too.

## Cumulative Australian employment growth since 2012



Source: Bloomberg

## Queensland provides most of the pick up

While the labour markets in Victoria and New South Wales seem to be alternately chopping up and then down for no significant aggregate trend, this month, an outside 14,800 gain in Queensland has provided most of the upwards push, making this state the second biggest job creator year to date at 26,600, behind New South Wales at 62,600, but ahead of Victoria at 21,900.

The local government puts the gains down to Back to Work programmes and re-skilling, though tourism associated with the April 2018 Commonwealth Games, and heavy investment in LNG export infrastructure projects and population inflows from expensive property areas such as Melbourne and Sydney are more likely to be doing the heavy lifting.

The June employment data were certainly an outside month on month bounce. Though given the volatility of this series, not that eye-watering. This data will only likely become a significant market mover if repeated in July.

### Author

#### Robert Carnell

Regional Head of Research, Asia-Pacific

[robert.carnell@asia.ing.com](mailto:robert.carnell@asia.ing.com)

### Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. (“ING”) solely for information purposes without regard to any particular user’s investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.