



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

18 NOVEMBER 2024

Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

Highlights

- Annual Net migration falls to under 50,000 to reach the lowest level since 2020.
- Prime Minister attends APEC Leaders' Meeting.
- GDP up by 0.4% and employment up by 0.2% in the euro area.

Regional updates

Domestic

Net migration falls to under 50,000

- New Zealand had a net migration gain of 44,900 in the September 2024 year, according to provisional estimates released by Stats NZ.
- Annual net migration gains have continued falling from the provisional peak of 136,300 in the October 2023 year. The fall in net migration reflects a fading post-COVID surge in migrant arrivals, while at the same time departures (particularly of New Zealand citizens) are up.
- There were 177,900 migrant arrivals in the September 2024 year, which is still high by historical standards. This compared with a record 235,500 migrant arrivals in the October 2023 year. There were a record 133,000 migrant departures in the September 2024 year, compared with 99,300 migrant departures in the October 2023 year.
- Changes in migration are typically due to a combination of factors. These include relative economic and labour market conditions between New Zealand and the rest of the world, and immigration policy in New Zealand and other countries.

Food prices increase 1.2 percent annually

- Food prices increased 1.2 percent in the 12 months to October 2024, maintaining the same increase as the 12 months to September 2024.
 - Higher prices for restaurant meals and ready-to-eat food as well as grocery food drove the annual increase in food prices, up 3.4% and 2.5%, respectively.
 - The price increase in restaurant meals and ready-to-eat food was due to rising prices for lunch/brunch, takeaway coffees, and takeaway meals.
 - Grocery food prices also rose, driven by higher prices for olive oil, butter, and standard 2L milk. A 500g block of butter now costs over one-third more than it did last year, with an average price of \$6.67. The price for a standard 2L bottle of milk increased around 9% over the same period, averaging \$4.21 a bottle.
 - Despite an overall increase in food prices, decreasing prices in the fruit and vegetables group had the largest impact on food prices. Fruit and vegetable prices fell 8.9% in the 12 months to October 2024.
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Australia

Wages grow 3.5% for the year

- The Wage Price Index (WPI) rose 0.8% in September quarter 2024, and 3.5% for the year, according to seasonally adjusted data released this week by the Australian Bureau of Statistics (ABS).
- September annual wage growth was 3.5%, falling below 4.0% for the first time since June quarter 2023.
- A similar proportion of jobs had a wage change in September quarter 2024 (45%) as in September quarter 2023 (46%). The average size of hourly wage change was lower in September quarter 2024 (+3.7%) compared to the same period in 2023 (+5.4%).
- Wage rises for many jobs can be directly or indirectly linked to the outcomes of the Fair Work Commission Annual Wage Review decision. The latest decision of a 3.75% wage increase paid from 1 July 2024 was lower than the September quarter 2023 increase of 5.75%. It was also lower than the Commission's September quarter 2022 awarded increase of between 4.6% and 5.2%.
- Seasonally adjusted, annual public sector wage growth was higher than private sector growth for the first time since December quarter 2020. Public sector annual growth (+3.7%) was higher than in the same quarter last year (+3.5%), but lower than the recent peak (+4.2%) seen in December quarter 2023.
- Annual growth in the private sector was 3.5% in the September quarter 2024. This is the lowest private sector annual growth since the September quarter 2022.

Unemployment rate steady at 4.1% in October

- The unemployment rate was steady at 4.1% in October according to seasonally adjusted data released this week by the Australian Bureau of Statistics (ABS).
 - With employment rising by around 16,000 people and the number of unemployed up by around 8,000, the unemployment rate remained at 4.1%.
 - This was the third month in a row that the unemployment rate had been at 4.1%. This is around 0.6 percentage points above its recent low of 3.5% in June 2023, but is 1.1 percentage points below March 2020, when it was 5.2%.
 - The number of unemployed people in October was 67,000 higher than a year ago, but was still 82,000 people lower than in March 2020. While employment grew in October, the 0.1% increase was the slowest growth in recent months. This was lower than each of the previous six months, when employment rose by an average of 0.3% per month.
 - With population growth in October outpacing the small rise in employment and unemployment, the participation rate fell slightly to 67.1%, while the employment-to-population ratio remained at the historical high of 64.4%.
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Americas

Prime Minister attends APEC Leaders' Meeting

- Prime Minister Christopher Luxon attended the annual APEC Economic Leaders' Meeting from 15 to 16 November.
 - The APEC Summit is a key moment in the regional calendar. It's an opportunity to meet with counterparts who are also grappling with cost-of-living challenges and choices about driving more productive economies. It provides an opportunity to discuss regional economic policy, as well as some of the global challenges we are all navigating.
 - For a country like New Zealand, where one in four Kiwi jobs depend on trade, and more than three quarters of our exports are destined for APEC economies, removing economic barriers in the Asia-Pacific is critical to our national interests.
 - The APEC region is home to around 40% of the world's population and represents more than 60% of world GDP. New Zealand exported \$74.2 billion in goods and services to APEC economies in the year to June 2024.
 - APEC is also an opportunity to meet bilaterally with other Leaders. While in Peru, Prime Minister Luxon met with the leaders of some of the world's largest economies to advance New Zealand's interests.
 - Minister of Foreign Affairs Winston Peters and Minister for Trade Todd McClay also travelled to Peru for the APEC Ministerial Meeting from 13 to 14 November.
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Europe

GDP up by 0.4% and employment up by 0.2% in the euro area

- In the third quarter of 2024, seasonally adjusted GDP increased by 0.4% in the euro area and by 0.3% in the EU, compared with the previous quarter, according to a flash estimate published by Eurostat, the statistical office of the European Union. In the second quarter of 2024, GDP had grown by 0.2% in the euro area and by 0.3% in the EU.
 - Compared with the same quarter of the previous year, seasonally adjusted GDP increased by 0.9% in the euro area and by 1.0% in the EU in the third quarter of 2024, after +0.6% in the euro area and +0.8% in the EU in the previous quarter.
 - The number of employed persons increased by 0.2% in the euro area and by 0.1% in the EU in the third quarter of 2024, compared with the previous quarter. In the second quarter of 2024, employment had grown by 0.1% in both areas.
 - Compared with the same quarter of the previous year, employment increased by 1.0% in the euro area and by 0.8% in the EU in the third quarter of 2024, after +0.9% in both areas in the second quarter of 2024.
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External links

The following links may provide useful information to businesses:

- [NZTE's website](#) and [myNZTE](#) provide a range of insights and tools available to support New Zealand exporters.
- The Treasury releases a [weekly economic update](#) every Friday. Stats NZ has published a [data portal](#) with near real-time economic indicators.
- MBIE publishes a [sector reports series](#) which provides regularly updated reports on all industry sectors that make up the New Zealand economy. These include official economic data and the challenges and opportunities that face New Zealand's industry sectors.
- [Business.govt.nz](#) provides tools and advice from across government to save small businesses' time and help make the business a success.
- MFAT has created a [tariff finder](#) which is designed to help goods exporters and importers maximise benefits from New Zealand's Free Trade Agreements and compare tariffs in 136 other markets.
- The all of government [Trade Barriers](#) website can be used to register any trade barriers experienced or issues exporting to an offshore market. Queries can be sent via the website or through the MFAT Exporter Helpline 0800 824 605. Enquiries will be sent to the government agency best placed to answer.
- Tatauranga Aotearoa Stats NZ provides official data on the value of New Zealand's exports and imports of both goods and services, by commodity type via the [New Zealand Trade Dashboard](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

More info

More reports

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