

ANZ NEW ZEALAND JOB ADS AS GOOD AS IT GETS

Data for November 2016,
released 7 December 2016

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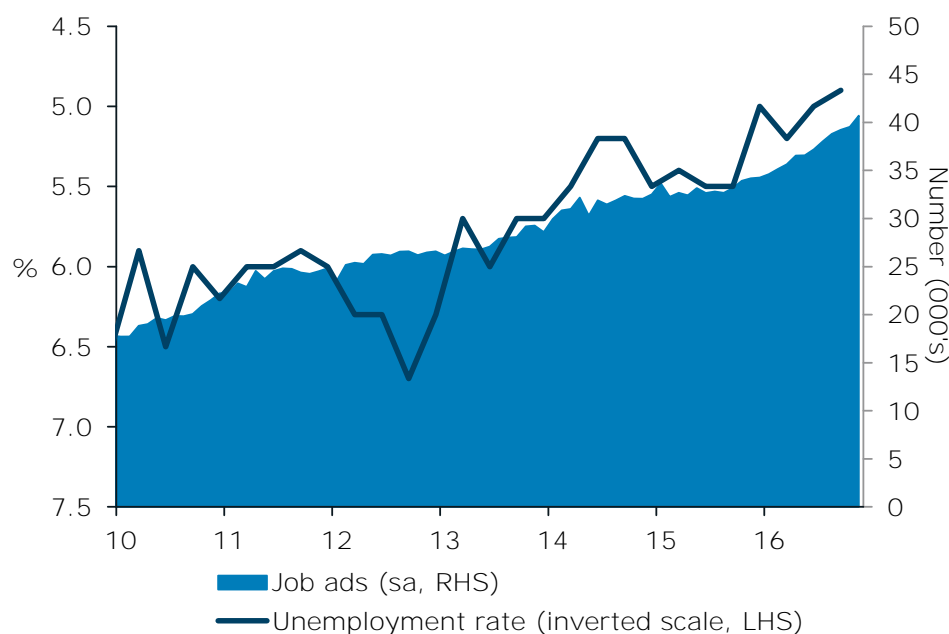
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SUMMARY

- ANZ job ads rose 2.9% in November (seasonally adjusted) to be 18% higher than a year ago (3-month average).¹ This is the strongest monthly growth in almost two years, and is all the more impressive in that it is off a high base: job ads have risen every month since September last year (seasonally adjusted).
- Auckland is the strongest of the three main centres, with job ads 18.1% higher than a year ago (+5.0% m/m).
- However, our largest cities are being outpaced by the regions. More than half of the 11 less-urbanised regions are recording annual job ad growth of over 30% (3-month average). Gisborne has charged into top spot with ads up 46% on a year ago, pipping the Bay of Plenty (+42.6%), while Taranaki and Southland are up "just" 13%.
- The construction, utilities, manufacturing and transport sector is the single largest sectoral driver of total job ads growth at present, followed by retail, tourism and recreation and services.
- A shortage of workers **is the main constraint on firms' expansion** at present, reflecting the current strength of the economic cycle. We expect wage growth will soon start to respond.

FIGURE 1. ANZ JOB ADS AND THE UNEMPLOYMENT RATE



Source: ANZ, Statistics NZ, Seek, Trade Me

¹ Because newspaper ads have become such a small proportion of the market, we now exclude them from our job ads measure. However, they are present in the data before mid-2007.. Details on how the historical phase-out was implemented (and the revised historical data) are available on request.

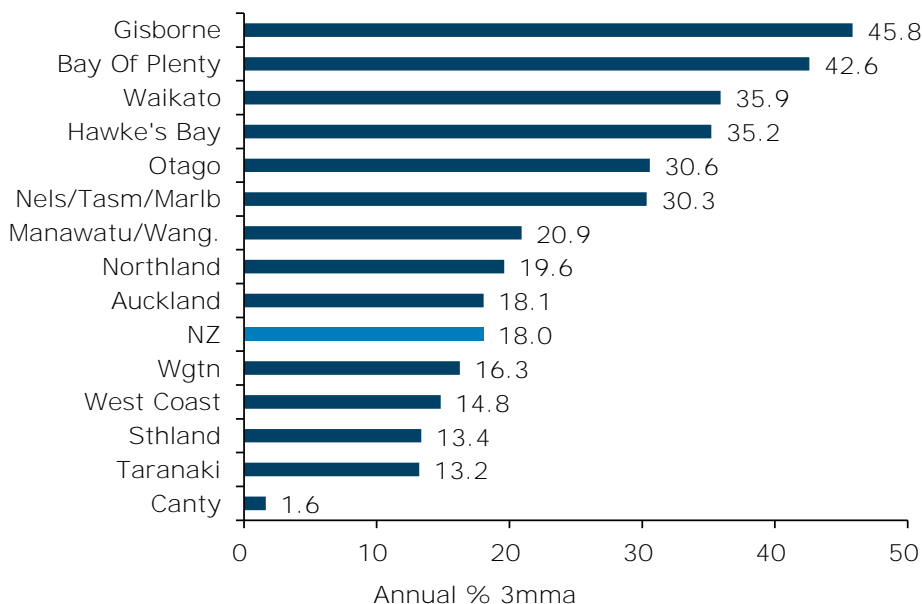
ANZ NEW ZEALAND JOB ADS

ANZ job advertising jumped 2.9% in November (seasonally adjusted).

This growth was off a strong base: job ads have risen every month since September 2015. On a rolling 3-month average basis, job ads are up 18% from a year ago. This is the strongest growth in five years.

As figure 2 below shows, **job ads growth is strong around most of the country**, led by the regions.

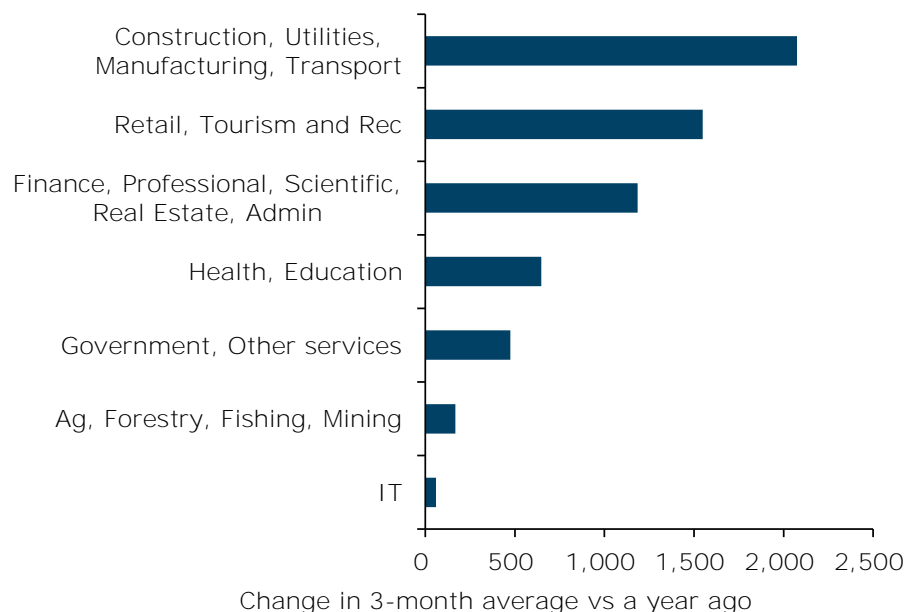
FIGURE 2. ANNUAL JOB AD % GROWTH IN THE REGIONS (3-MONTH AVERAGE)



Source: ANZ, Seek, Trade Me

The construction, utilities, manufacturing and transport sector is currently experiencing the largest growth in job ads, followed by retail/tourism/ recreation, and finance, professional, scientific, real estate and admin services.

FIGURE 3. ANNUAL JOB AD GROWTH BY SECTOR (3-MONTH AVERAGE)



Source: ANZ, Seek, Trade Me

ANZ NEW ZEALAND JOB ADS

The New Zealand economy is growing strongly, and firms clearly have the confidence to hire around the country. The supply of workers has increased rapidly too, courtesy of both strong net migration and strong labour force participation, but labour shortages clearly exist. We therefore expect wage growth to soon start to respond.

FIGURE 4. AUCKLAND JOB ADS

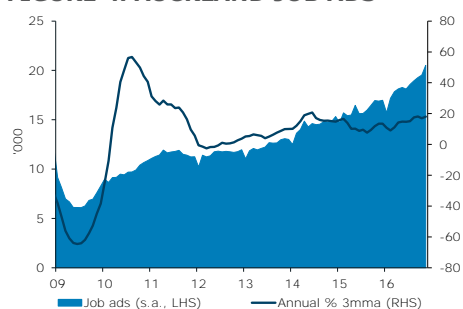


FIGURE 5. WELLINGTON JOB ADS

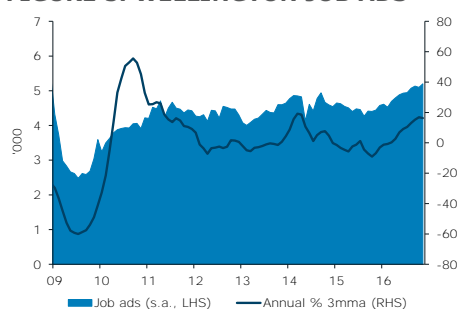
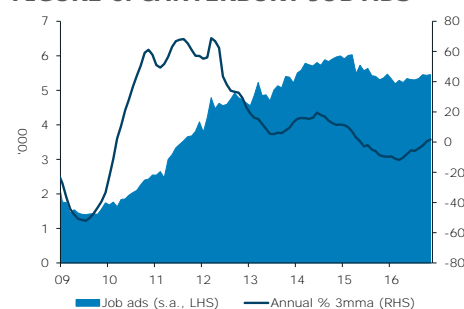


FIGURE 6. CANTERBURY JOB ADS



Job Ads	Nov-14	Nov-15	Sep-16	Oct-16	Nov-16
Seas adj	32,058	34,184	39,229	39,537	40,702
Monthly % change (sa)	-0.1	0.8	1.1	0.8	2.9
Annual 3mma % chg (non-sa)	11.8	5.1	17.6	17.8	18.0
By region (seas. adjusted)					
Auckland	14,841	16,887	19,273	19,529	20,514
Bay Of Plenty	1,158	1,430	1,901	1,881	1,920
Canterbury	5,967	5,357	5,452	5,434	5,454
Gisborne	105	103	142	151	159
Hawkes Bay	496	513	721	710	737
Manawatu / Wanganui	699	720	859	844	864
Nelson/Tasman/Marlborough	531	680	786	802	854
Northland	439	481	554	549	546
Otago	965	1,149	1,460	1,453	1,439
Southland	330	348	365	372	368
Taranaki	348	396	397	424	460
Waikato	1,602	1,768	2,221	2,325	2,384
Wellington	4,593	4,442	5,135	5,098	5,200
West Coast	91	99	117	106	108
By sector (seas. adjusted)					
Ag, Forestry, Fishing, Mining	520	577	660	689	703
Construction, Utilities, Manufacturing, Transport	9,115	10,281	12,275	11,863	12,383
Finance, Professional, Scientific, Real Estate, Admin	9,352	10,343	11,182	11,361	11,814
Government, Other services	1,663	1,961	2,352	2,450	2,460
Health, Education	2,774	2,873	3,403	3,576	3,664
IT	3,476	2,781	2,853	2,822	2,906
Retail, Tourism & Rec	5,908	6,237	7,519	7,517	7,662

Note: Subcomponents will not add precisely to the total due to a degree of double-counting in the source websites, independent seasonal adjustment and rounding. Actual data is available on request.

Source for all charts and tables: ANZ, SEEK, Trade Me

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