

ANZ NEW ZEALAND JOB ADS A SUMMER DIP

Data for January 2017,
released 2 February 2017

CONTACTS

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UPSHOT

- Job ads took a pause for breath in January but remain very strong.

SUMMARY

- ANZ job ads dipped 0.2% in January (seasonally adjusted) to be 19.6% higher than a year ago (3-month average).¹ This is the strongest annual growth since late 2011.
- After 16 consecutive increases, it is hardly surprising to see job ads take a small breather. The strength of job ads still flags very strong demand for labour.
- Auckland is the strongest of the main centres. Wellington job ads appear to be flattening off, while Canterbury job ads are easing in line with the rebuild effort.
- Our largest cities continue to be outpaced by the regions. All but one of the 11 less-urbanised regions are recording annual job ad growth stronger than any of the main centres. Gisborne job ads are up 57% on a year ago and **Hawke's Bay** +42% y/y.
- The construction, utilities, manufacturing and transport sector remains the largest sectoral driver of total job ads growth. Retail, tourism and recreation and services are also contributing strongly.
- Despite an increase in the unemployment rate in Q4, the current strength of labour demand flags stronger wage growth this year.

FIGURE 1. ANZ JOB AD VACANCY RATE 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.

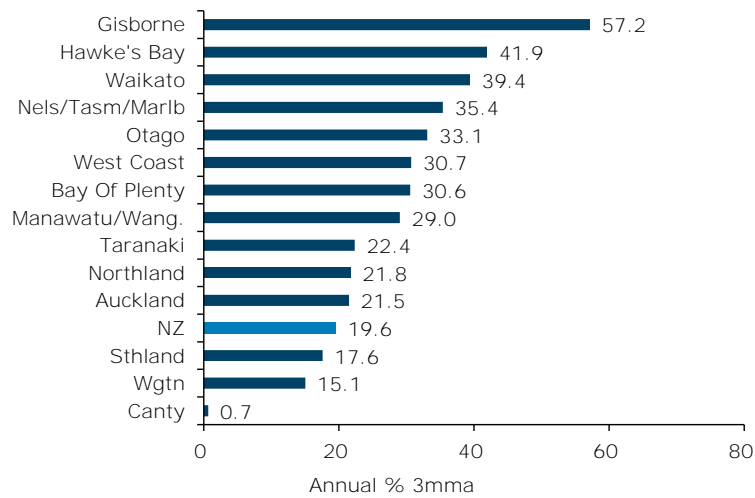
ANZ NEW ZEALAND JOB ADS

ANZ job advertising fell 0.2% in January (seasonally adjusted), its first fall in 17 months. On a rolling 3-month average basis, job ads are up 19.6% from a year ago, the strongest growth in more than five years.

Auckland is the strongest of the main centres, with job ads 21.5% higher than a year ago (+6.1% 3m/3m). **Wellington job ads are flattening** (+2.3% 3m/3m, +15.1% y/y). **Canterbury job ads reflect that the rebuild effort continues to slow** (-0.5% 3m/3m, +0.7% y/y) (all 3m average).

Our largest cities continue to be outdone by the regions. All but one of the 11 less-urbanised regions are recording annual job ad growth stronger than any of the three main centres (figure 2).

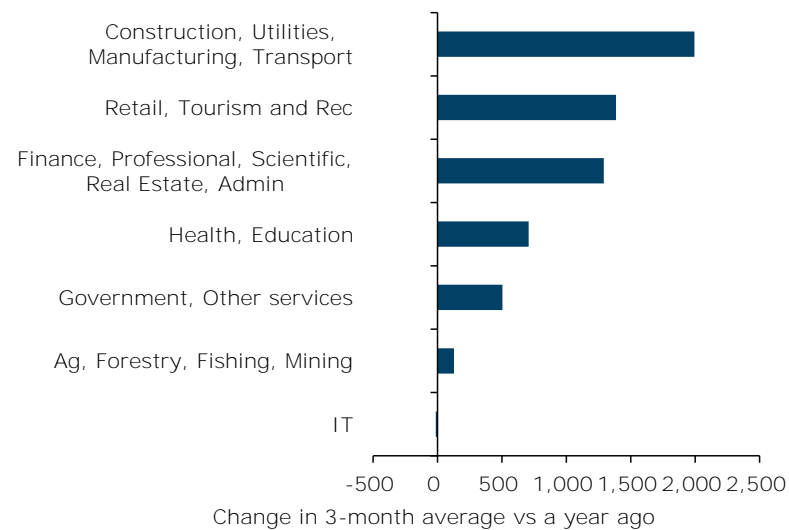
FIGURE 2. ANNUAL JOB AD GROWTH BY REGION (3-MONTH AVERAGE)



Source: ANZ, Seek, Trade Me

The construction, utilities, manufacturing and transport sector continues to experience the largest growth in job ads (figure 3).

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



Source: ANZ, Seek, Trade Me

Despite a lift in the unemployment rate in the December quarter due to strong labour supply growth, it seems clear that labour shortages exist around the country. We expect wage growth to lift this year.

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FIGURE 4. AUCKLAND JOB ADS

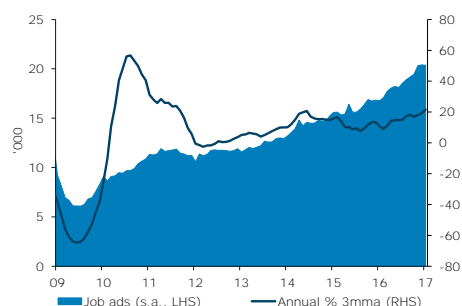


FIGURE 5. WELLINGTON JOB ADS

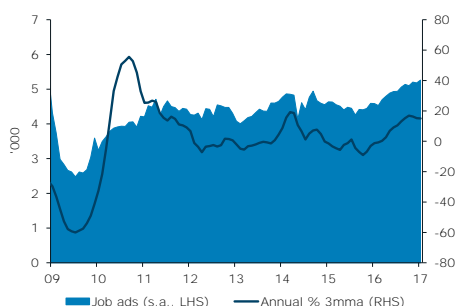
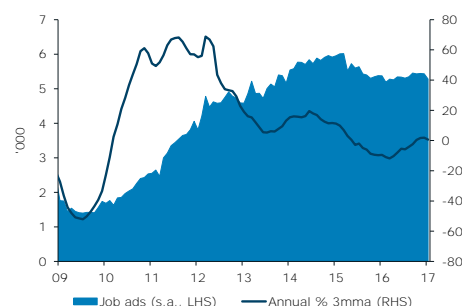


FIGURE 6. CANTERBURY JOB ADS



Job Ads	Jan-15	Jan-16	Nov-16	Dec-16	Jan-17
Seas adj	33,763	34,775	40,684	41,255	41,184
Monthly % change (sa)	4.1	1.8	3.0	1.4	-0.2
Annual 3mma % chg (non-sa)	11.7	5.2	18.0	18.8	19.6
By region (seas. adjusted)					
Auckland	15,585	16,764	20,318	20,402	20,358
Bay Of Plenty	1,272	1,415	1,843	1,825	1,734
Canterbury	5,954	5,373	5,442	5,432	5,281
Gisborne	106	101	159	169	166
Hawkes Bay	549	567	744	781	781
Manawatu / Wanganui	714	684	872	917	944
Nelson/Tasman/Marlborough	583	613	852	935	795
Northland	513	455	548	582	570
Otago	1,010	1,161	1,448	1,611	1,546
Southland	383	322	371	416	383
Taranaki	357	354	460	454	459
Waikato	1,766	1,747	2,406	2,466	2,483
Wellington	4,635	4,586	5,204	5,181	5,261
West Coast	89	98	110	137	137
By sector (seas. adjusted)					
Ag, Forestry, Fishing, Mining	560	551	700	728	673
Construction, Utilities, Manufacturing, Transport	9,925	10,380	12,461	12,839	12,747
Finance, Professional, Scientific, Real Estate, Admin	9,651	10,248	11,866	11,949	11,808
Government, Other services	1,803	2,004	2,476	2,550	2,611
Health, Education	3,119	2,932	3,670	3,715	3,751
IT	3,427	2,809	2,892	2,756	2,684
Retail, Tourism & Rec	6,251	6,203	7,654	7,950	7,703

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 (non seasonally adjusted) data is available on request.

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

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