

ANZ NEW ZEALAND JOB ADS GOING ONE BETTER

Data for December 2016,
released 11 January 2017

CONTACTS

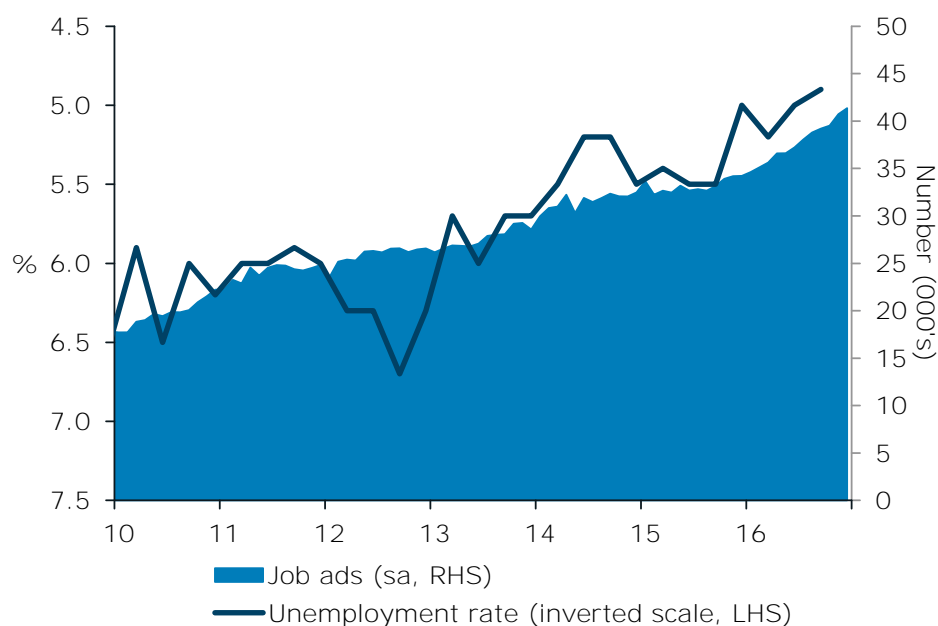
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SUMMARY

- ANZ job ads rose 1.6% in December (seasonally adjusted) to be 18.8% higher than a year ago (3-month average).¹ This is the strongest annual growth since late 2011.
- Job ads have now risen for 16 months in a row (seasonally adjusted). Such a string of increases flags very strong demand for labour.
- Auckland remains the strongest of the three main centres, with job ads 19.3% higher than a year ago (+6.7% 3m/3m). Wellington job ads appear to be flattening off (+2.3% 3m/3m) though are still up 15.2% on a year ago. Canterbury has been flat for some time (+1.5% 3m/3m, +1.9% y/y).
- Our largest cities continue to be outdone by the regions in growth terms. Nine of the 11 less-urbanised regions are recording annual job ad growth stronger than Auckland (3-month average), while the other two are no slugs either (Taranaki +18.9% y/y, Southland +17.8% y/y). Gisborne job ads are up 51% on a year ago, **with Hawke's Bay moving into second spot (+39% y/y)**.
- The construction, utilities, manufacturing and transport sector is the largest sectoral driver of total job ads growth at present. Retail, tourism and recreation and services are not far behind.
- The current strength of labour demand flags stronger wage growth in 2017.

FIGURE 1. ANZ JOB ADS AND THE UNEMPLOYMENT RATE



Source: ANZ, Statistics NZ, Seek, Trade Me

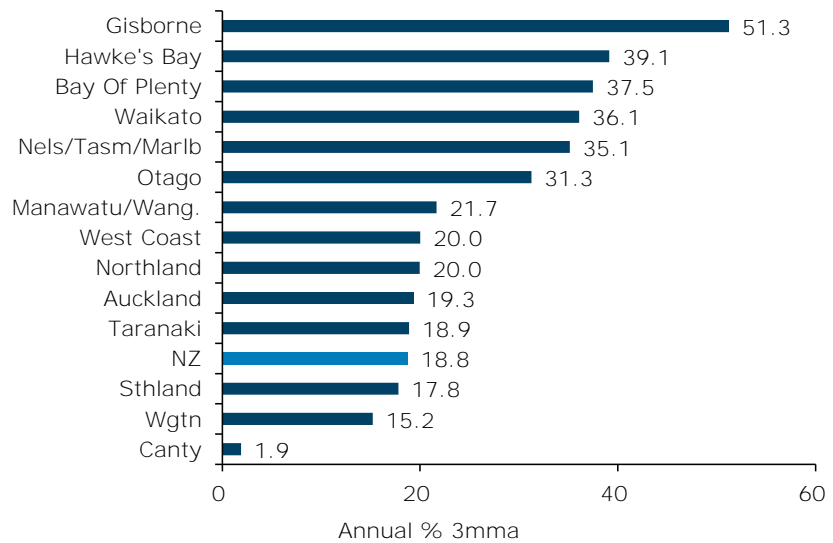
¹ Because newspaper ads have become such a small proportion of the market, we now exclude them from our job ads measure. However, they are present in the data before mid-2007. Details on how the historical phase-out was implemented (and the revised historical data) are available on request.

ANZ NEW ZEALAND JOB ADS

ANZ job advertising rose a further 1.6% in December (seasonally adjusted). This growth was off a strong base: job ads have lifted for 16 consecutive months. On a rolling 3-month average basis, job ads are up 18.8% from a year ago. This is the strongest growth in more than five years.

Job ads growth is strong around most of the country, but noticeably stronger in the regions. Such demand signals that the constraint in most regions is not whether there are opportunities, but whether the labour is available to take advantage of them.

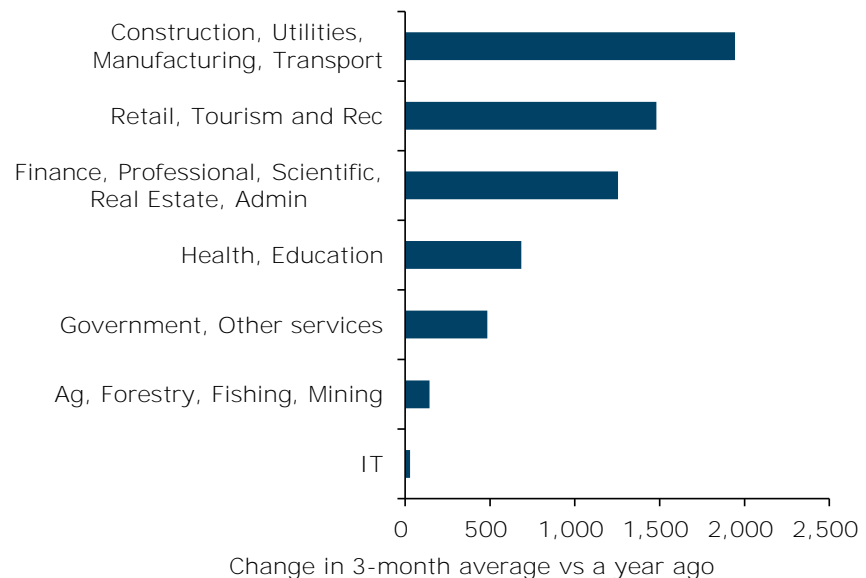
FIGURE 2. ANNUAL JOB AD % GROWTH IN THE REGIONS (3-MONTH AVERAGE)



Source: ANZ, Seek, Trade Me

As has been the case for some time, the construction, utilities, manufacturing and transport sector is 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 seek staff around the country. Despite record-high net migration, labour shortages clearly exist. When there is a shortage the price invariably goes up. We expect stronger wage growth to be a feature of 2017.

FIGURE 4. AUCKLAND JOB ADS

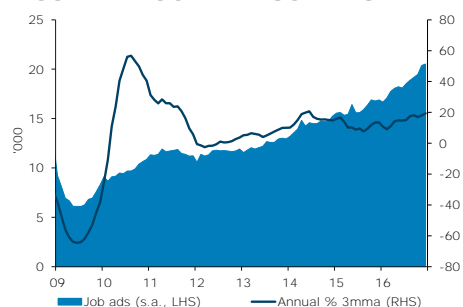


FIGURE 5. WELLINGTON JOB ADS

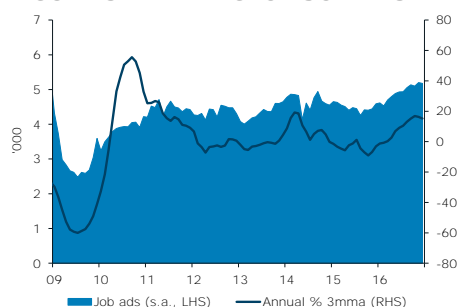
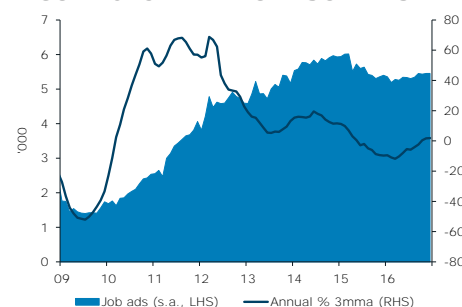


FIGURE 6. CANTERBURY JOB ADS



Job Ads	Dec-14	Dec-15	Oct-16	Nov-16	Dec-16
Seas adj	32,479	34,220	39,519	40,726	41,367
Monthly % change (sa)	1.3	0.1	0.8	3.1	1.6
Annual 3mma % chg (non-sa)	11.0	6.1	17.8	18.0	18.8
By region (seas. adjusted)					
Auckland	15,245	16,886	19,468	20,374	20,521
Bay Of Plenty	1,216	1,365	1,879	1,857	1,835
Canterbury	5,930	5,398	5,432	5,452	5,453
Gisborne	108	110	152	159	170
Hawkes Bay	438	540	712	745	778
Manawatu / Wanganui	646	691	847	870	910
Nelson/Tasman/Marlborough	529	599	806	864	920
Northland	438	456	550	548	582
Otago	1,013	1,137	1,495	1,445	1,612
Southland	303	324	375	372	417
Taranaki	383	367	425	465	455
Waikato	1,719	1,740	2,329	2,407	2,462
Wellington	4,550	4,588	5,098	5,201	5,176
West Coast	93	92	107	110	136
By sector (seas. adjusted)					
Ag, Forestry, Fishing, Mining	540	529	689	711	734
Construction, Utilities, Manufacturing, Transport	9,578	10,497	11,879	12,453	12,845
Finance, Professional, Scientific, Real Estate, Admin	9,534	10,398	11,371	11,878	11,967
Government, Other services	1,682	1,983	2,441	2,465	2,531
Health, Education	2,782	2,935	3,580	3,668	3,713
IT	3,572	2,868	2,818	2,899	2,776
Retail, Tourism & Rec	5,927	6,153	7,505	7,651	7,936

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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