

ANZ NEW ZEALAND JOB ADS

Data for June 2017,
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The next release of ANZ Job
Ads will be on 3 August.

JOBS EVERYWHERE

SUMMARY

- ANZ job ads lifted 1.3% m/m in June (seasonally adjusted) to a new record high.
- The number of ads being posted is up 14.1% versus a year ago (3-month average).¹ **That's a step down from the close to 20% rates seen earlier in the year, but it's a deceleration that's akin to moving from warp speed to light speed.**
- Auckland remains the strongest of the main centres in annual growth terms (13.2%), despite dipping for a second month (-0.9% m/m) and now lagging annual growth in national ads (14.1% y/y). Wellington job ads are up 8.7% y/y (+2.8% m/m), while Canterbury job ads jumped 4% m/m to their highest level since early 2015 (+8.6% y/y).
- The strong labour market remains a national phenomenon, with all the less-urbanised regions still experiencing stronger annual job ad growth than any of the three main centres.
- As has been the case for some time, the construction, utilities, manufacturing and transport sector is the largest drivers of total job ads growth. The service sector is also contributing strongly, as is retail and tourism.
- We expect the unemployment rate to remain under 5% this year and wage growth to lift.

FIGURE 1. ANZ JOB ADS AND EMPLOYMENT GROWTH



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.

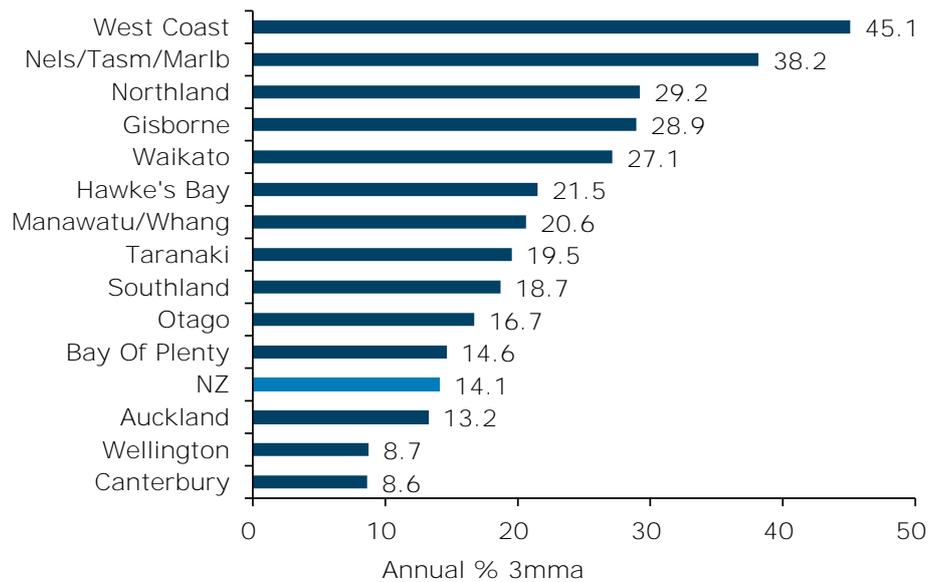
ANZ NEW ZEALAND JOB ADS

ANZ job ads rose 1.3% in June (seasonally adjusted), easily recovering the small fall in May. Annual growth is now easing, which is inevitable after hitting nearly 20% at the start of the year. The level of job ads continues to trend up, but at a marginally less expeditious rate. On a rolling 3-month average basis, job ads are still up 14.1% from a year ago, with levels at record highs.

Auckland remains the strongest of the main centres on an annual growth basis (+13.2% y/y) but may soon lose its crown, with the level of job ads falling in the past two months. **Wellington job ads lifted 2.8% m/m,** their strongest monthly increase in 15 months (+8.7% y/y, 3m average). **Growth in Canterbury job ads jumped 4% m/m, the strongest monthly increase since mid-2015,** with annual growth (3m average) lifting to 8.6%, the strongest rate since early 2015.

The regions continue to outperform. All of the 11 less-urbanised regions are experiencing stronger annual job ad growth than any of the three main centres (figure 2). Job ads increased in eight regions and fell in three in the month.

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



Source: ANZ, Seek, Trade Me

FIGURE 3. AUCKLAND JOB ADS

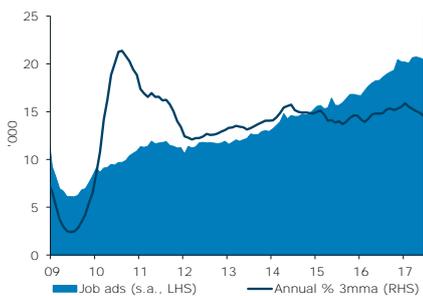


FIGURE 4. WELLINGTON JOB ADS

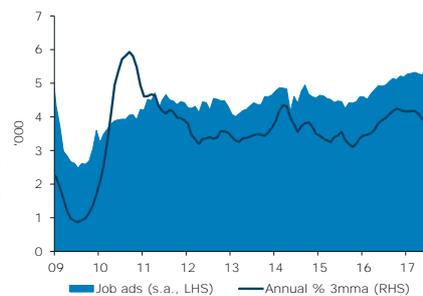


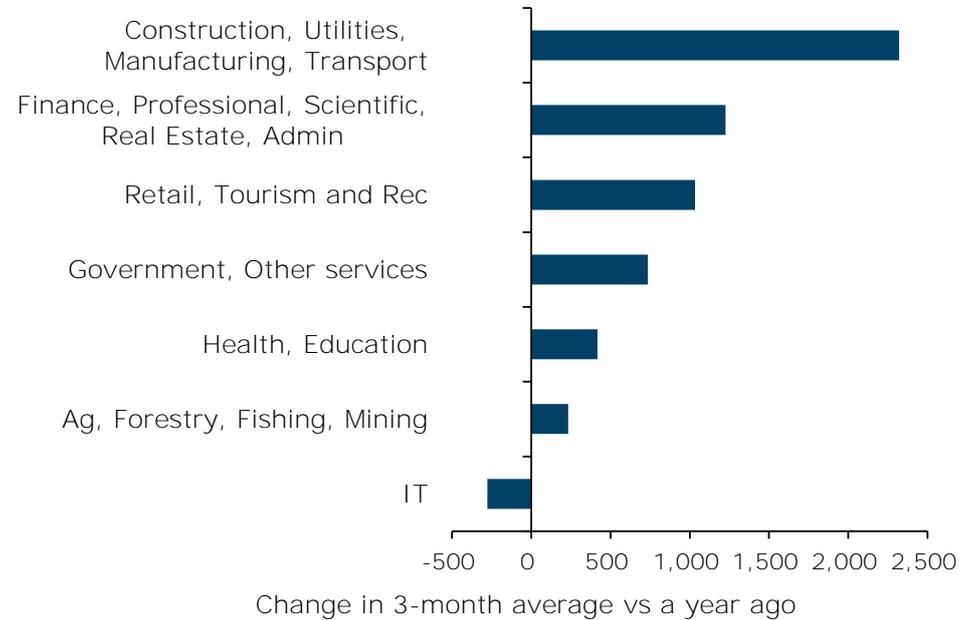
FIGURE 5. CANTERBURY JOB ADS



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The construction, utilities, manufacturing and transport sector continues to show the strongest annual growth in job ads (figure 6).²

FIGURE 6. ANNUAL JOB AD GROWTH BY SECTOR (3-MONTH AVERAGE)



Source: ANZ, Seek, Trade Me

The ongoing high level of job ads reflects strong demand across the economy. It suggests ongoing healthy growth in employment and we expect the unemployment rate to fall further.

Strong demand for labour, persistent skill shortages, and CPI inflation back at target (at least for now) is a cocktail for accelerating wage growth.

² The fall in IT job ads may be influenced by a shift in job advertising for the sector to more specialised websites that our index does not capture.

ANZ NEW ZEALAND JOB ADS

Job Ads	Jun-15	Jun-16	Apr-17	May-17	Jun-17
Seas adj	32,689	37,253	42,069	41,829	42,389
Monthly % change (sa)	-2.0	1.0	0.2	-0.6	1.3
Annual 3mma % chg (non-sa)	4.3	12.4	16.9	15.6	14.1
By region (seas. adjusted)					
Auckland	15,660	18,267	20,724	20,628	20,444
Bay Of Plenty	1,211	1,679	1,796	1,926	1,950
Canterbury	5,579	5,309	5,641	5,705	5,933
Gisborne	79	132	167	166	146
Hawkes Bay	527	669	715	799	797
Manawatu / Whanganui	688	824	926	988	1,000
Nelson/Tasman/Marlborough	554	723	953	957	983
Northland	381	517	651	634	693
Otago	1,031	1,383	1,651	1,558	1,566
Southland	328	326	343	407	439
Taranaki	367	404	474	513	495
Waikato	1,670	2,073	2,570	2,542	2,586
Wellington	4,471	4,911	5,279	5,246	5,395
West Coast	127	99	135	132	159
By sector (seas. adjusted)					
Ag, Forestry, Fishing, Mining	510	612	785	811	839
Construction, Utilities, Manufacturing, Transport	9,786	11,585	13,555	13,879	13,847
Finance, Professional, Scientific, Real Estate, Admin	9,534	10,951	11,943	11,839	12,085
Government, Other services	1,949	2,104	2,724	2,890	2,935
Health, Education	2,976	3,103	3,624	3,541	3,571
IT	3,022	2,900	2,632	2,601	2,544
Retail, Tourism & Rec	5,996	6,768	7,863	7,753	7,780

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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