

ANZ NEW ZEALAND JOB ADS KEEPING UP THE GOOD WORK

Data for May 2016, released
17 June 2016

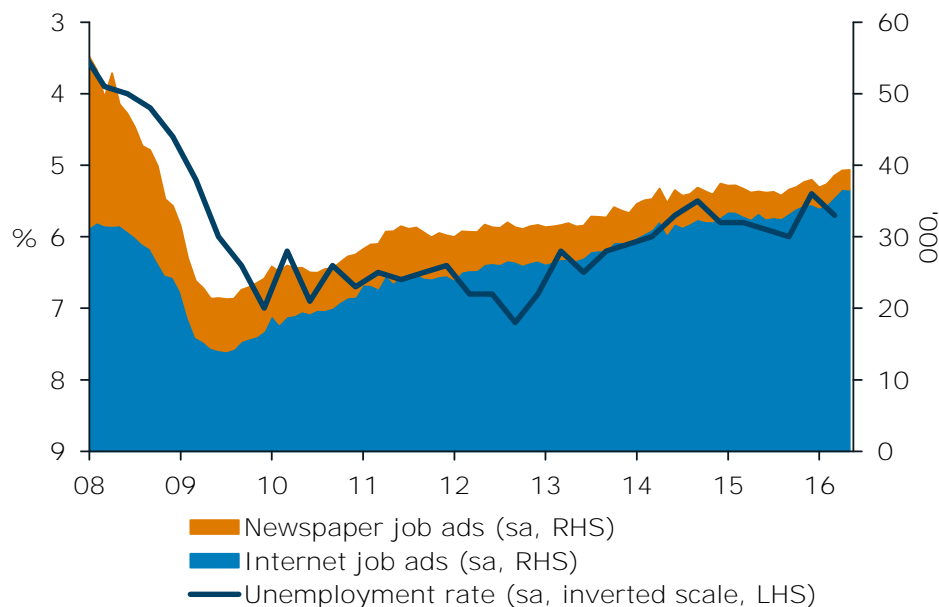
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SUMMARY

- Jobs ads lifted 0.2% in May (seasonally adjusted), and are on an upward trend, running 7.2% higher than a year ago (3-month average).
- Internet job advertising fell 0.3% in May (sa), while newspaper job advertising, which is much more volatile, lifted 7.9% m/m (sa) after a fall in April.
- **It remains a case of “up north down south” in the main centre regions,** with Auckland job ads 11.8% higher than a year ago, Wellington job ads up 4.2%, but Canterbury job ads 11.3% lower than a year ago (3-month average), though Canterbury appears to be bottoming out in annual growth terms.
- In the smaller regions, Otago has seized pole position with a surge to annual growth of 15.7%. All regions except Manawatu saw a monthly increase in job ads in May – the latter region took a breather after topping the monthly growth stakes last month.
- Job ads data suggests that employment demand remains fairly strong as the New Zealand economy keeps up the good work.

FIGURE 1. JOB ADS AND THE UNEMPLOYMENT RATE



Source: ANZ, Statistics NZ, Seek, Trade Me, Dominion Post, Hawke's Bay Today, Manawatu Standard, NZ Herald, ODT, The Press, Waikato Times

ANZ NEW ZEALAND JOB ADS

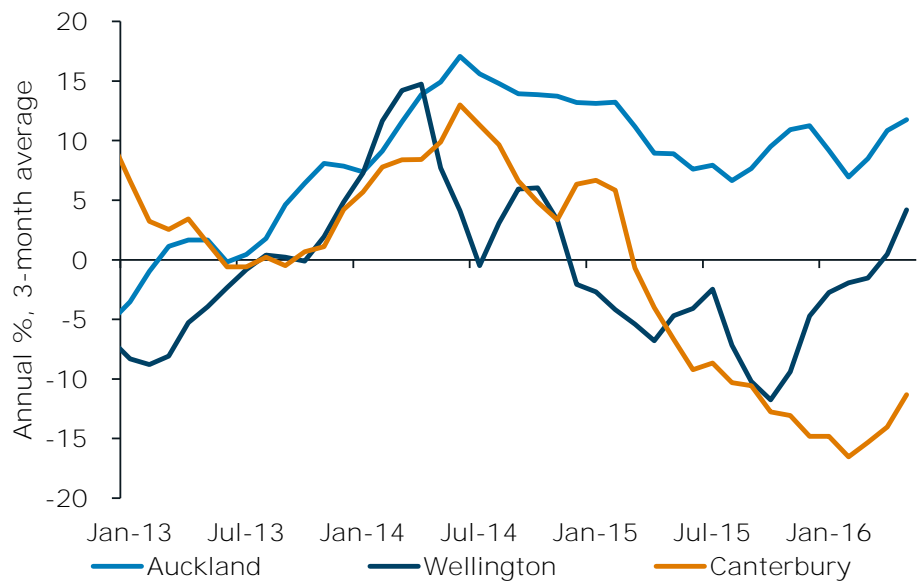
Total job advertising rose 0.2% in May (seasonally adjusted), its fourth consecutive increase. On a rolling 3-month average basis, job ads are up 7.2% versus a year ago, with annual growth continuing to bounce back from zero at the start of the year.

Nationwide internet job advertising fell 0.3% m/m (sa), and annual growth (3-month average) in ads in this medium is 10.1%. **Newspaper job advertising bounced 7.9% after a sharp fall in April**. In the bigger picture, it continues to shrink as it loses market share to internet-based job advertising.

Job ads rose in every region across the country except Manawatu in May (seasonally adjusted). That region had the largest monthly increase in April.

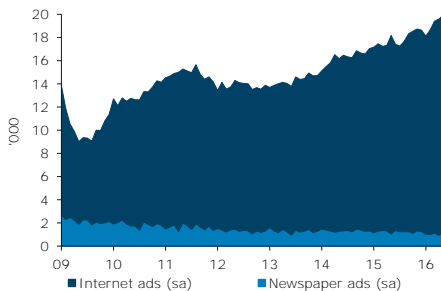
Of the main centres, **Canterbury job ads remain weakest but appears to have bottomed out (-11.3% y/y)**. Auckland job ads are 11.8% higher than a year ago, while **Wellington job ads growth is moving more firmly into the black (+4.2% y/y)** (all 3-month average).

FIGURE 2. ANNUAL TOTAL JOB AD GROWTH IN THE MAIN CENTRES (3-MONTH AVERAGE, NON-SEASONALLY ADJUSTED)



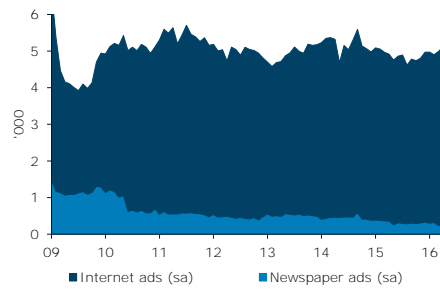
Source: ANZ, Seek, Trade Me, Dominion Post, NZ Herald, The Press

FIGURE 3. AUCKLAND JOB ADS



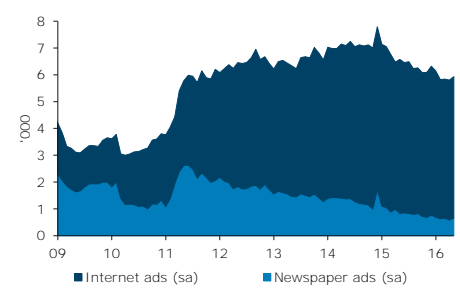
Source: ANZ, Seek, Trade Me, NZ Herald

FIGURE 4. WELLINGTON JOB ADS



Source: ANZ, Seek, Trade Me, Dominion Post

FIGURE 5. CANTERBURY JOB ADS



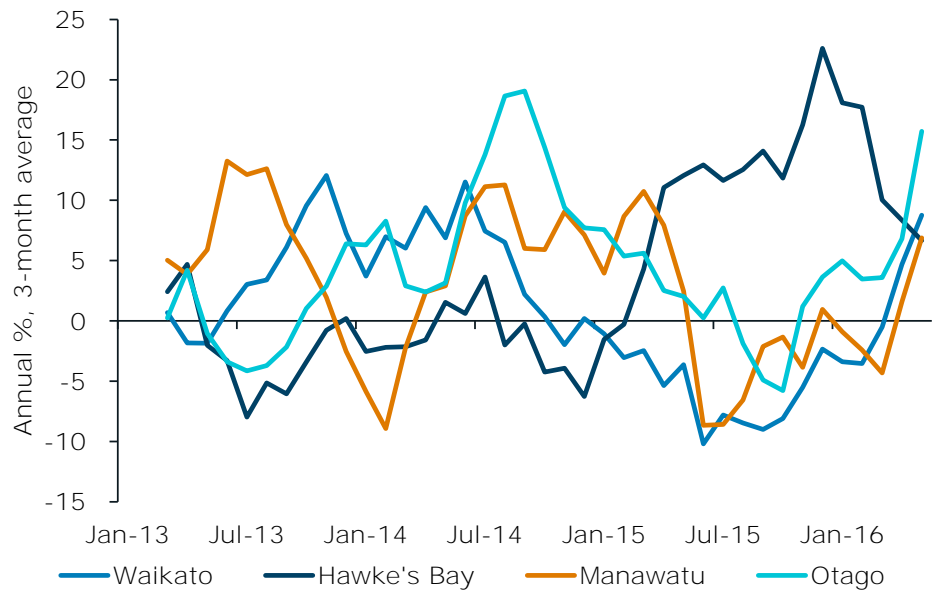
Source: ANZ, Seek, Trade Me, The Press

ANZ NEW ZEALAND JOB ADS

Job ads in the smaller centres are growing at solid rates year-on-year.

- Otago region job ads surged nearly 17% in May. While we are likely to see some payback next month, we suspect strong activity in Queenstown underlies a strengthening trend (15.7% y/y, 3-month average).
- Waikato job ads are up 8.8% y/y despite dairy sector woes, likely reflecting the booming construction sector. Manawatu is up 6.9% y/y, and Hawke’s Bay is up 6.7% y/y (all 3-month average).

FIGURE 6. ANNUAL TOTAL JOB AD GROWTH IN THE REGIONS (3-MONTH AVERAGE, NON-SEASONALLY ADJUSTED)



Source: ANZ, Waikato Times, Hawke’s Bay Today, Manawatu Evening Standard, Otago Daily Times, Seek, Trade Me

The construction and tourism sectors are booming. Job ads data suggest that this strength is managing to offset the weakness in the dairy sector in terms of the aggregate labour market. We concur with Reserve Bank Governor Graeme Wheeler that this economy is not in need of further interest rate stimulus at present.

Category	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Visual
Newspaper Ads								
Actual	3,111	2,284	2,783	3,206	3,050	2,691	2,821	Bar chart
Seas adj	3,227	3,434	2,820	2,831	2,944	2,568	2,770	Bar chart
Monthly % change (sa)	9.8	6.4	-17.9	0.4	4.0	-12.8	7.9	Line chart
Annual 3mma % chg (non-sa)	-23.6	-23.4	-20.6	-23.8	-22.6	-24.9	-20.4	Line chart
Internet Ads								
Actual	33,103	28,622	27,621	36,608	38,281	36,829	38,061	Bar chart
Seas adj	34,427	34,537	34,072	34,538	35,607	36,696	36,576	Bar chart
Monthly % change (sa)	1.2	0.3	-1.3	1.4	3.1	3.1	-0.3	Line chart
Annual 3mma % chg (non-sa)	5.1	6.1	4.8	3.4	4.6	8.0	10.1	Line chart
Total								
Actual	36,214	30,906	30,404	39,814	41,331	39,520	40,882	Bar chart
Seas adj	37,654	37,971	36,891	37,369	38,551	39,263	39,346	Bar chart
Monthly % change (sa)	1.9	0.8	-2.8	1.3	3.2	1.8	0.2	Line chart
Annual 3mma % chg (non-sa)	1.8	2.8	2.0	0.4	1.7	4.6	7.2	Line chart

Source: ANZ, NZ Herald, Dominion Post, The Press, Waikato Times, Hawke’s Bay Today, Manawatu Standard, Otago Daily Times, SEEK, Trade Me.



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