



Trans-Tasman Comparison

Job ads appear to be stabilising in Australia and NZ

After sharper declines in NZ

Gentler rise in Australia's unemployment rate

Relative labour market conditions affecting migration

OVERVIEW

SEEK NEW JOB ADS

	Jan-23	Jan-24	Nov-24	Dec-24	Jan-25
m/m % change	-1.0	-1.5	1.2	-1.9	4.1
m/m % change (trend)	-2.8	-2.7	0.3	0.4	0.3
3m/3m	-12.7	-10.7	-1.0	-2.3	0.0
Ann % change (m/m)	-13.3	-24.4	-21.4	-21.9	-17.4
Ann % change (3m/3m)	-7.8	-25.4	-25.7	-23.2	-20.2
Ann % change (12m/12m)	11.4	-22.1	-27.9	-27.8	-27.4

Seasonally adjusted unless otherwise indicated

Last week, the RBNZ reduced the official cash rate by 50 basis points to 3.75% as widely expected. In the details, the accompanying statement noted lower net migration in NZ was "partly in response to subdued labour market conditions relative to Australia." We take a brief look at employment in both countries below.

Job ads stabilising for both countries, after sharper drop in NZ

While Australia's labour market has weakened over the past two years, it has done so at a much gentler pace than NZ's. Job ads in Australia are down 7.2% on a year earlier, compared to a 17.4% drop in NZ. Although ads increased 5.1% and 4.1% respectively in January, stepping back from month-to-month volatility they appear to be stabilising in both economies.

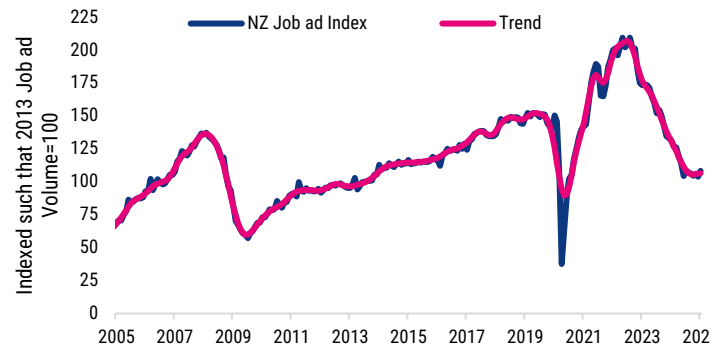
Gentler rise in Australia's unemployment rate

NZ's unemployment rate rose to 5.1% in the December 2024 quarter. This sits well above Australia, which averaged 4% over the same period. For most of the past decade, NZ's unemployment rate was consistently below Australia's. Indeed, the last time it was this far above our neighbours was in 2012. Further rises in Australia's unemployment rate are expected to be modest. In NZ, our economic forecasts are for the labour market to lag a pick-up in activity, such that the unemployment rate pushes a bit higher before peaking around 5.5%.

Relative labour market conditions affecting migration

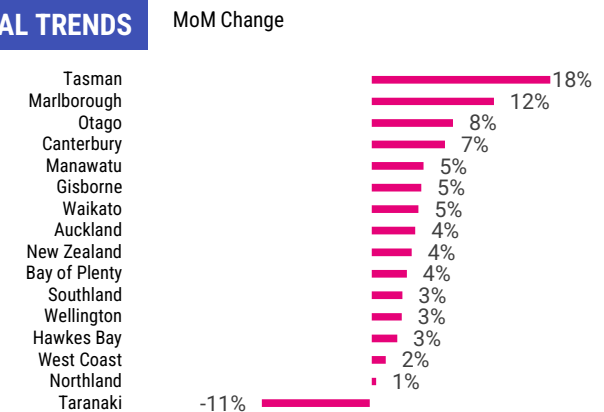
Net migration across the Tasman is typically in Australia's favour. This averaged around 30,000 a year from 2004 - 2013, and 3,000 a year from 2014 - 2019. In the year to June 2024 (the latest available figures), the net outflow from NZ to Australia lifted back to 30,200. Given the relative near-term outlook, net migration outflow from NZ to Australia is likely to continue.

NZ JOB ADS



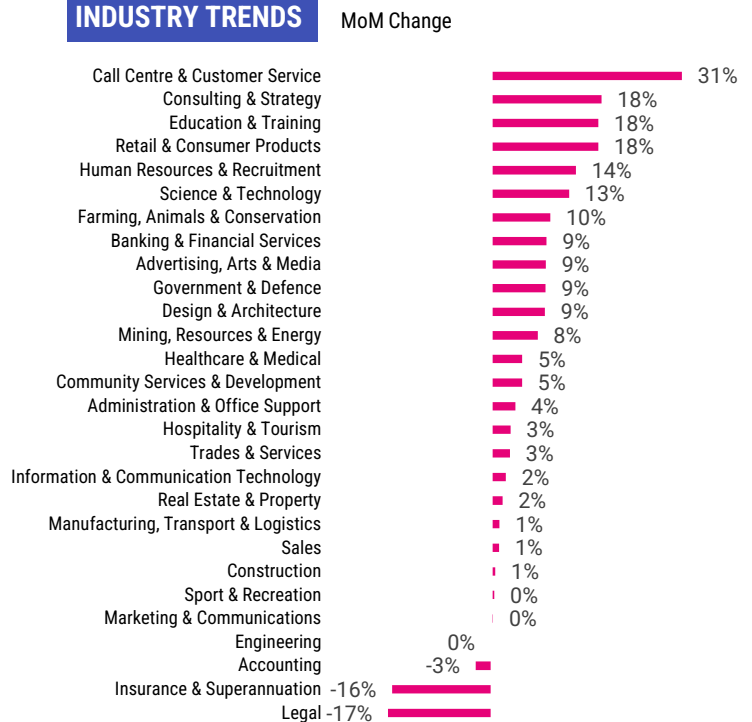
Source: SEEK, BNZ

REGIONAL TRENDS



Source: SEEK, BNZ

INDUSTRY TRENDS



Source: SEEK, BNZ



CONTACT DETAILS

BNZ RESEARCH

Stephen Toplis
Head of Research

Doug Steel
Senior Economist

Jason Wong
Senior Markets Strategist

Stuart Ritson
Senior Interest Rates Strategist

Matt Brunt
Economist

MAIN OFFICES

Wellington

Level 2, BNZ Place
1 Whitmore Street
Private Bag 39806
Wellington Mail Centre
Lower Hutt 5045
New Zealand
Toll Free: 0800 283 269

Auckland

80 Queen Street
Private Bag 92208
Auckland 1142
New Zealand
Toll Free: 0800 283 269

Christchurch

111 Cashel Street
Christchurch 8011
New Zealand
Toll Free: 0800 854 854

SEEK

Andy Maxey/ Laura Golden

SEEK
E: comms@seek.co.nz
P: +64 9884 1295

Lara Daly

Adhesive PR – SEEK
E: lara@adhesivepr.nz
P: +64 27 597 3709

This document has been produced by Bank of New Zealand (BNZ). BNZ is a registered bank in New Zealand and is only authorised to offer products and services to customers in New Zealand.

Analyst Disclaimer: The Information accurately reflects the personal views of the author(s) about the securities, issuers and other subject matters discussed, and is based upon sources reasonably believed to be reliable and accurate. The views of the author(s) do not necessarily reflect the views of the NAB Group. No part of the compensation of the author(s) was, is, or will be, directly or indirectly, related to any specific recommendations or views expressed.

BNZ maintains an effective information barrier between the research analysts and its private side operations. Private side functions are physically segregated from the research analysts and have no control over their remuneration or budget. The research functions do not report directly or indirectly to any private side function. The Research analyst might have received help from the issuer subject in the research report.

New Zealand: The information in this publication is provided for general information purposes only, and is a summary based on selective information which may not be complete for your purposes. This publication does not constitute any advice or recommendation with respect to any matter discussed in it, and its contents should not be relied on or used as a basis for entering into any products described in it. Bank of New Zealand recommends recipients seek independent advice prior to acting in relation to any of the matters discussed in this publication.

Any statements as to past performance do not represent future performance, and no statements as to future matters are guaranteed to be accurate or reliable.

Neither Bank of New Zealand nor any person involved in this publication accepts any liability for any loss or damage whatsoever which may directly or indirectly result from any advice, opinion, information, representation or omission, whether negligent or otherwise, contained in this publication.

USA: If this document is distributed in the United States, such distribution is by nabSecurities, LLC. This document is not intended as an offer or solicitation for the purchase or sale of any securities, financial instrument or product or to provide financial services. It is not the intention of nabSecurities to create legal relations on the basis of information provided herein.

SEEK Disclaimer: Data is provided by SEEK and includes the SEEK Employment Index (SEI). All Data is seasonally adjusted unless otherwise stated. The Data should be viewed and regarded as standalone information and should not be aggregated with any other information. The Data is provided in summary form and while care has been taken in its preparation, SEEK makes no representations whatsoever as to its completeness or accuracy. SEEK expressly bears no responsibility or liability for reliance placed by you on the Data or from the use of the Data by you. The SEI measures only new job ads posted within the reported month to provide a clean measure of demand for labour across all classifications. The SEI may differ to the job ad count on SEEK's website due to a number of factors including: 1) seasonal adjustments applied to the SEI; 2) the exclusion of duplicated job ads from the SEI; and 3) the exclusion of Company Listings (included under Company Profiles) from the SEI.

The Covid-19 pandemic led to a high level of volatility in labour market data between April 2020 and March 2022. As a result, caution is recommended when interpreting trend estimates during this period as large month-to-month changes in variables generated multiple trend breaks.

The applications per ad index contains a series break at Jan 2016 when the calculation of this series changed from using gross variables (inclusive of all SEEK job listings) to net variables (removing duplicate job listings). This change has a negligible impact on recent data points, but caution is recommended when interpreting data immediately following the series break, and particularly in 2016 where growth rates have not been adjusted for the series break.