



13 June 2024

Trend Decline Extends

Job ads fall sharply in May

Applications per job ad continue to trend higher

Construction related industries among weakest

Mining, Resources & Energy job ads jump

OVERVIEW

SEEK NEW JOB ADS

	May-22	May-23	Mar-24	Apr-24	May-24
m/m % change	2.7	-3.9	-0.7	-4.9	-4.8
m/m % change (trend)	0.5	-2.1	-2.2	-2.1	-1.8
3m/3m	2.7	-2.0	-4.8	-5.5	-7.3
Ann % change (m/m)	14.1	-21.1	-27.3	-29.9	-30.5
Ann % change (3m/3m)	17.6	-16.1	-26.1	-28.0	-29.2
Ann % change (12m/12m)	40.3	-1.5	-24.5	-25.7	-26.5

Seasonally adjusted unless otherwise indicated

There has been no respite in the trend decline in job ads. Job ads fell 4.8% in May. This follows a similar sized drop in April, taking job ads' annual decline to 30.5%. Aside from Covid lockdown periods, job ads are at their lowest level since February 2016.

Labour market softening continues

Fewer job ads represents a pullback in firm's demand for labour. With fewer ads and labour supply increasing, the number of applications per job ad continued to trend aggressively higher in April. The ratio of job applications per job ad is 69% higher than a year earlier. Fewer job ads and more applications per ad are consistent with employment struggling to grow and an increase in the unemployment rate.

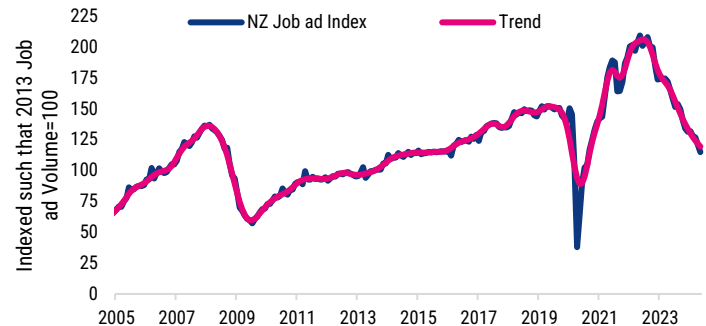
Construction drops; Mining, Resources & Energy jumps

Construction related activities like Design & Architecture, Engineering, and Construction itself saw some of the larger declines in job ads in May across industries. This amid reports of less building work being done. The trend in construction job ads has fallen to its lowest level since January 2014. At the other end of the spectrum in May, job ads in Mining, Resources, & Energy rose a hefty 21%. This sees that industry as one of very few to see job ads higher than a year earlier. Relatedly, job ads rose in renowned mining areas like West Coast (+39%) and Taranaki (+3%) in May, in contrast to drops in most other areas.

All regions see job ads lower than a year ago

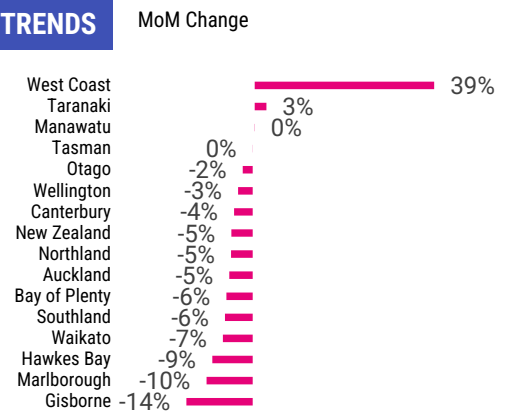
Despite some monthly variation by region in May, all major regions show double digit declines in jobs ads compared to the same time last year. Marlborough (-46%) and Wellington (-42%) have seen the largest annual drop, while Otago (-19%) and Northland (-22%) the smallest declines.

NZ JOB ADS



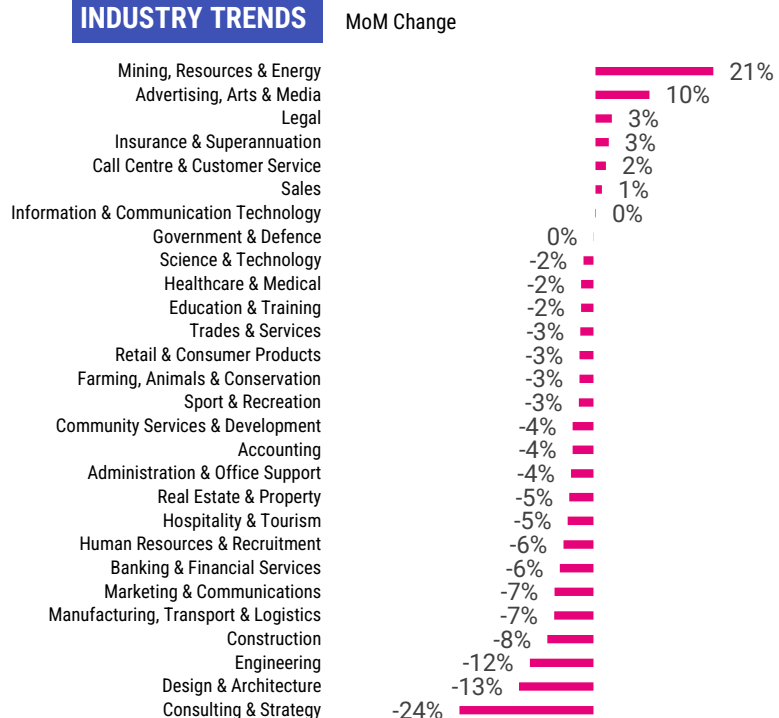
Source: SEEK, BNZ

REGIONAL TRENDS



Source: SEEK, BNZ

INDUSTRY TRENDS



Source: SEEK, BNZ



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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.