



23 September 2024

Return to Trend-Decline

Job ads fall in August

Labour demand still weakening

Bouncing around a low level

Applications per job ad hit a new high

OVERVIEW

SEEK NEW JOB ADS

	Aug-22	Aug-23	Jun-24	Jul-24	Aug-24
m/m % change	2.5	1.7	-7.9	3.5	-1.3
m/m % change (trend)	-0.8	-3.1	-3.3	-2.2	-0.9
3m/3m	1.6	-8.0	-12.1	-12.2	-10.8
Ann % change (m/m)	26.7	-26.2	-34.8	-28.6	-30.7
Ann % change (3m/3m)	13.6	-24.2	-31.7	-31.3	-31.4
Ann % change (12m/12m)	25.8	-11.0	-27.6	-27.8	-28.2

Seasonally adjusted unless otherwise indicated

Job ads in August are down 28.2% on a year earlier, and excluding Covid, are at their lowest level since 2013. They fell 1.3% in August, unwinding some of their 3.5% lift in July. The August outturn continues the general downwards trend of the last two years.

Labour demand still weakening

Declines in job ads in 11 of the 16 regions in August reflect widespread ailing demand for labour. While ads increased 5% in Marlborough, the region has seen one of the sharpest declines over the last year. Wellington (-41%) and Marlborough (-41%) have seen the largest annual drop, while Otago (-18%) and Taranaki (-19%) the smallest declines.

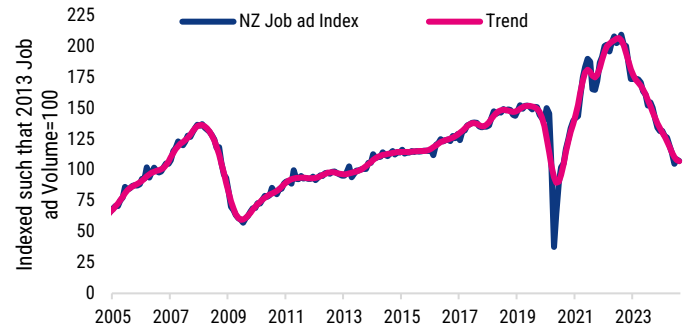
Bouncing around a low level

Movements in job ads were mixed across industries in August. Mining, Resources & Energy rose a hefty 24%, while Call Centre & Customer Service fell 11%. It is worth remembering that the current starting point for job ads remains very weak. Stepping back from month-to-month volatility, over the past 12 months we've seen the Consulting & Strategy (-50%), Administration & Office Support (-50%), and Government & Defence (-49%) industries record the largest pullback in job ads.

Applications per job ad hit a new high

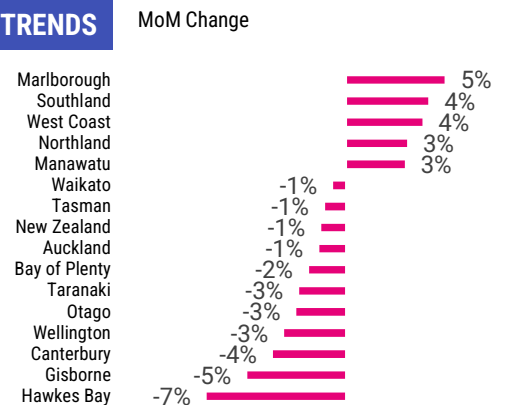
On the labour supply side, applications per job have continued to climb, up 3% to a new high. They remain elevated across almost all regions and industries, particularly in Wellington (+74%) and Retail & Consumer Products (+119%) which have seen the largest annual increases, respectively. Fewer job ads and increased applications per job are consistent with a clear loosening of the labour market.

NZ JOB ADS



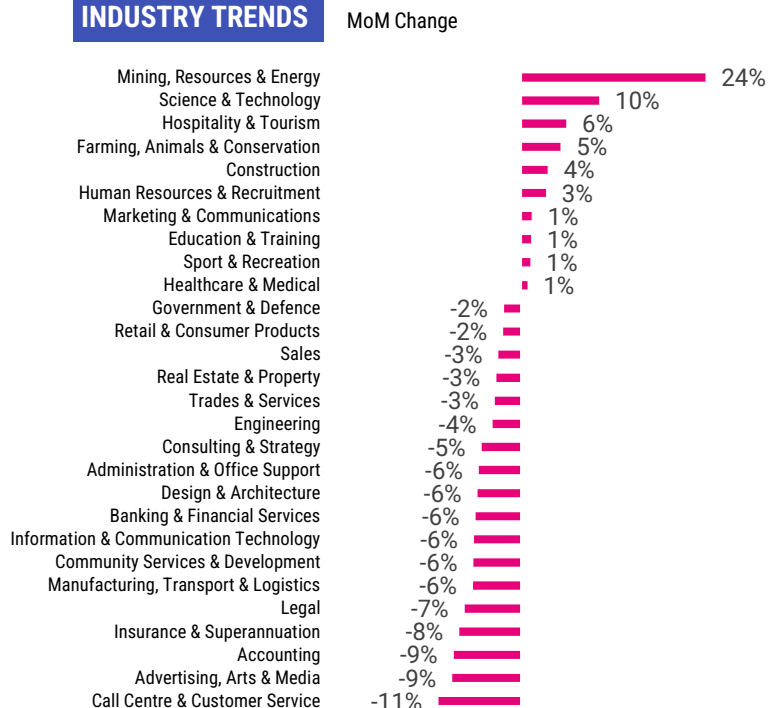
Source: SEEK, BNZ

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.