

11 August 2021

## The heat is on

Job ads press up a further 1.7% in July

Strength radiates far wider than high-profile Construction

SEEK candidate availability index hitting lower lows

Consistent with the sharply falling NZ unemployment rate

## OVERVIEW

### SEEK NEW JOB ADS

	Jul-19	Jul-20	May-21	Jun-21	Jul-21
m/m % change	-2.9	16.7	6.1	0.8	1.7
m/m % change (trend)	-0.7	5.3	5.1	3.2	1.3
3m/3m	1.5	-10.0	25.8	26.4	19.8
Ann % change (m/m)	0.7	-30.5	192.9	115.2	87.6
Ann % change (3m/3m)	3.4	-43.6	156.1	189.9	123.6
Ann % change (12m/12m)	5.6	-20.9	6.3	18.1	28.4

Seasonally adjusted unless otherwise indicated

Job advertising levels lifted again in July. Recall, they were already riding very high in June – well clear of the pre-COVID peak that occurred around the middle of 2019. But their 1.7% expansion in July, seasonally adjusted, put them even further north of that mark, to the extent of 27%. That's far more than "just" a rebound.

### Regional

The recent regional pattern of strength has been maintained. As solid as the big centres were, it was the smaller regions where ads were the most ahead. A perceived blemish arose with job advertising in the South Island, excluding Canterbury, easing 4% in July. However, with its level cruising 32% above its pre-COVID peak, it was beating the national results on this basis.

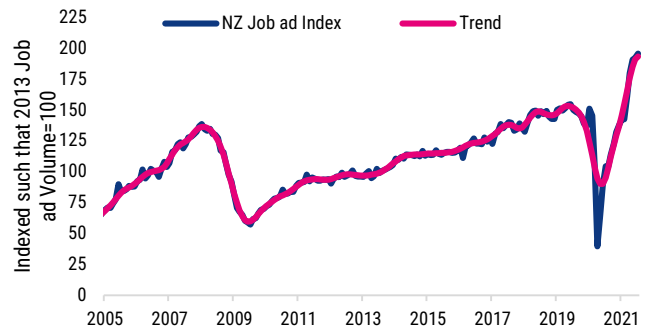
### Employment

The very strong trend in SEEK job advertising was one of reasons we expected the June quarter Household Labour Force Survey (HLFS) to show as much oomph as it did. The latter logged an employment increase of 1.0%, which lifted its annual growth rate to 1.7%. To be sure, the Construction industry was in the thick of this. However, as the trends in SEEK job advertising make clear, the heat in New Zealand's labour market is broadly based across industry type. Healthcare & Medical made an even bigger name for itself in this regard, for July.

### Unemployment

The SEEK figures have also proved a very good pointer to New Zealand's official unemployment rate. The latter dropped from 4.6% in the March quarter to 4.0% in the June quarter – about as low as it was just before COVID-19 first arose. In keeping with this, SEEK's candidate availability series continued to drop markedly in June (bearing in mind it is lagged one month to the job ads series). This reinforced it at a level as tight as anything recorded over the last few years, if not tighter. The messages of a relative lack of employees are in concert, in other words.

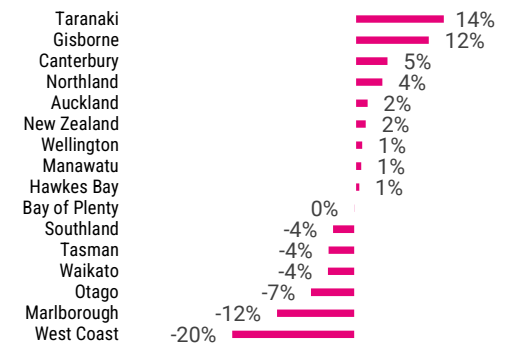
## NZ JOB ADS



Source: SEEK, BNZ

## REGIONAL TRENDS

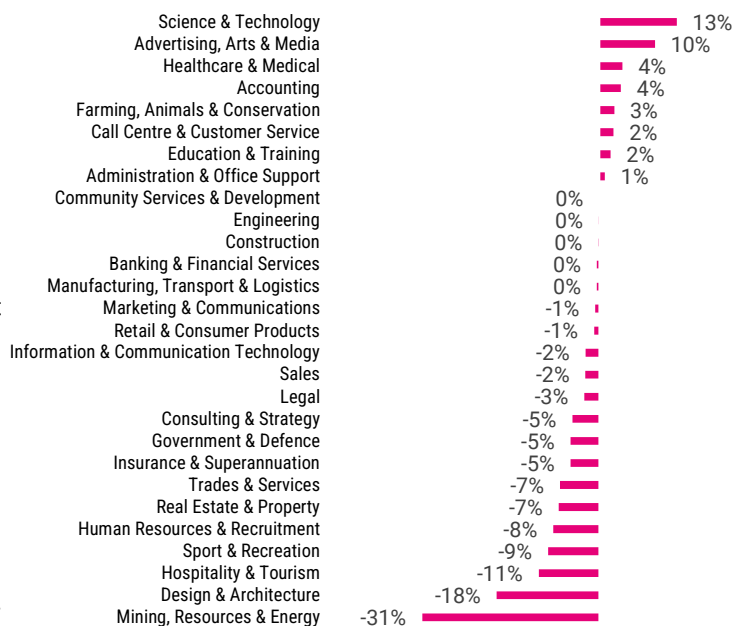
MoM Change



Source: SEEK, BNZ

## INDUSTRY TRENDS

MoM Change



Source: SEEK, BNZ



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