

23 April 2025

Job ads still subdued

Increased 0.4% m/m in March

Labour demand flat overall

Labour supply still growing

Unemployment expected to push higher

OVERVIEW

SEEK NEW JOB ADS

	Mar-23	Mar-24	Jan-25	Feb-25	Mar-25
m/m % change	-0.4	-1.1	4.0	-1.7	0.4
m/m % change (trend)	-1.5	-2.9	0.0	0.1	0.3
3m/3m	-7.2	-6.0	0.0	0.4	2.1
Ann % change (m/m)	-11.5	-27.3	-17.4	-16.7	-15.4
Ann % change (3m/3m)	-12.8	-26.2	-20.2	-18.7	-16.6
Ann % change (12m/12m)	4.4	-24.5	-27.4	-26.7	-25.8

Seasonally adjusted unless otherwise indicated

New job ads remain subdued. They have been relatively stable over the last 10 months, albeit at a very weak level. Job ads increased 0.4% m/m in March but are still at levels last seen in 2013 (excluding Covid). Since 2013, the total labour force has grown by nearly 30%. This means far more people competing for an already scarce number of openings.

Labour demand flat

Filled jobs were little changed in January and February, consistent with frail labour demand. Uncertainty remains elevated and it would not surprise if firms held back on hiring plans until some of the dust from recent global events settles. Our economic forecasts (and the RBNZ's) are for flat employment growth in the March 2025 quarter.

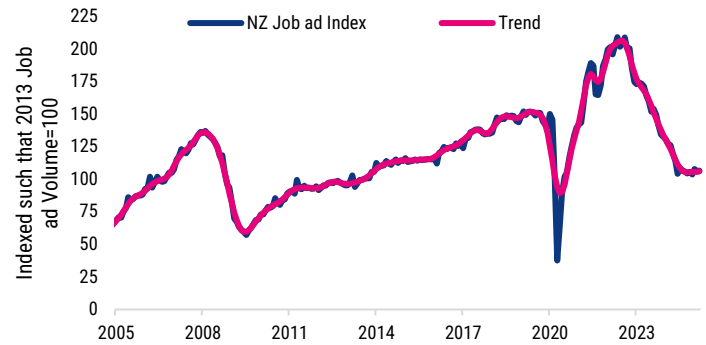
Labour supply still growing

The net inflow of migrants was 32,900 in the year to February, and is showing signs of stabilising. It follows a large decline from a massive peak annual inflow of 135,500 in late 2023. We expect this to stabilise around 30,000, which would be well above the RBNZ's projections from their February Statement. Although it has slowed, the annual net inflow is still positive and the labour force continues to expand.

Unemployment expected to push higher

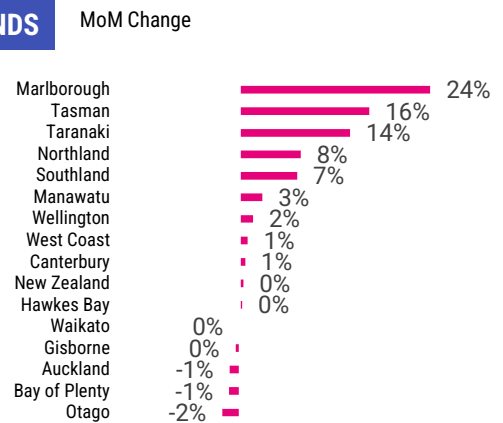
Flat quarterly employment with an expanding labour force suggests the unemployment rate will continue to edge higher. We expect the unemployment rate to peak around 5.5% later this year. Weak demand and ample labour supply are also dampening wages. Growth in SEEK's Advertised Salary Index slowed to 2.6% y/y in February, it's lowest annual rate since May 2021. We expect this moderation to continue as the labour market lags the broader economic recovery.

NZ JOB ADS



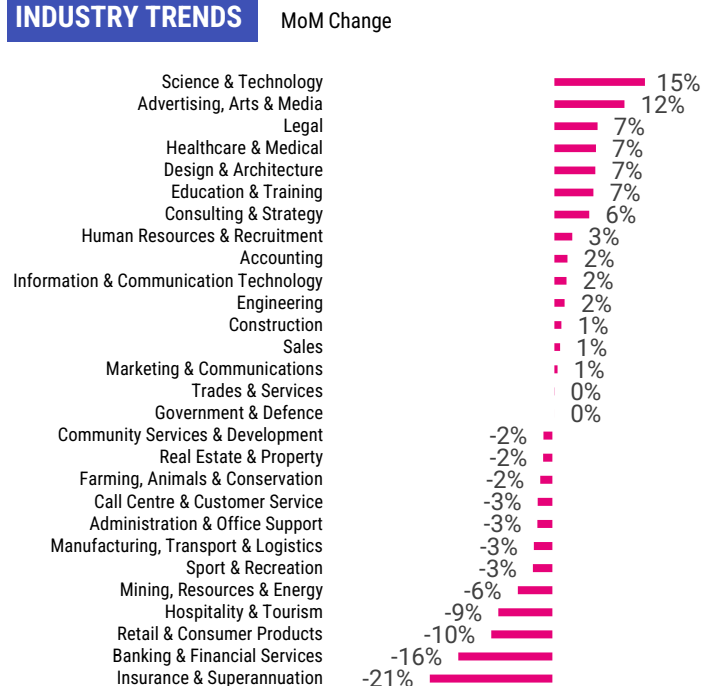
Source: SEEK, BNZ

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.