

ANZ AUSTRALIAN JOB ADVERTISEMENTS MEDIA RELEASE

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ANZ JOB ADS: CONSISTENT WITH ONGOING LABOUR MARKET STRENGTH

	Seasonally adjusted			Trend	
	Number	% m/m	% y/y	% m/m	% y/y
Total Job Ads	169,577	1.4	12.5	0.5	12.2

KEY POINTS

- ANZ Job Advertisements rose 1.4% m/m in October, more than reversing the 0.7% decline previously. They now sit 12.5% higher than they did a year ago.
- In trend terms, job ads were up 0.5% m/m in October after a 0.7% rise the previous month. Annual trend growth eased slightly, from 12.4% in September to 12.2%.

ANZ'S HEAD OF AUSTRALIAN ECONOMICS, DAVID PLANK, COMMENTED

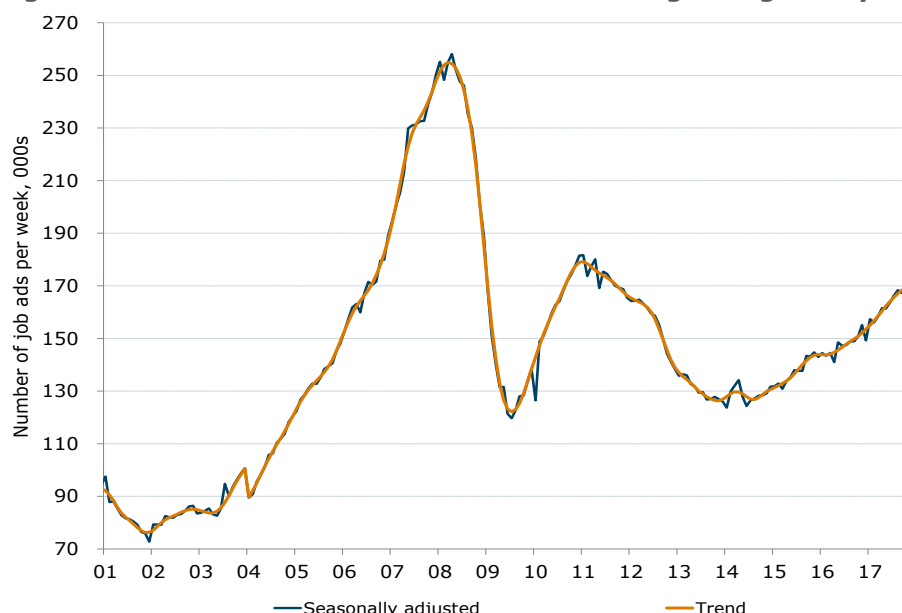
"The bounce in ANZ Australian Job Advertisements in October is consistent with elevated business conditions and capacity utilisation. The slight slowing in the month-on-month trend growth since August supports our view that employment growth is likely to moderate a touch after this extraordinary period of strength. We also note that the official employment data appears to overshoot the level implied by ANZ Job Advertisements.

Even as the labour market strengthens, with the unemployment rate falling to a four-year low of 5.5% in September, solid growth in nominal wages continues to remain elusive. The experiences of other advanced economies that are at or close to levels of full employment suggest that global factors are keeping nominal wage growth low. Even so, we think it reasonable to expect some upward pressure on wages as the labour market tightens, given some evidence that sectors experiencing stronger labour demand have stronger growth in average weekly wages. As such, we find the fall in our monthly estimate of underemployment quite encouraging.

We will be closely watching the Q3 Wage Price Index, out next week, for any signs of improvement in underlying conditions, though this may be difficult to discern given the impact of the higher minimum wage."

Note: There have been revisions back to 2013 that impact the level of job ads but not the month-to-month change.

Figure 1. ANZ Australian Job Advertisements are growing solidly



Source: ANZ Research

Table 1. Average total number of job advertisements per week - Australia

	Original		Seasonally adjusted (a)		Trend estimate (b)		
	Number	Number	Per cent change		Number	Per cent change	
			Month	Year (c)		Month	Year
2009-10	139,554	139,528		-22.6	140,823		-21.9
2010-11	174,478	174,623		25.2	174,772		24.1
2011-12	166,698	166,504		-4.6	166,505		-4.7
2012-13	141,107	140,811		-15.4	140,751		-15.5
2013-14	128,162	128,012		-9.1	128,051		-9.0
2014-15	131,138	131,144		2.4	131,017		2.3
2015-16	143,244	143,229		9.2	143,248		9.3
2016-17	154,844	154,874		8.1	154,989		8.2
Oct 2015	149,777	143,147	-0.2	11.5	142,839	0.9	11.0
Nov 2015	146,963	144,735	1.1	12.1	143,633	0.6	10.6
Dec 2015	127,409	143,008	-1.2	8.6	143,899	0.2	10.1
Jan 2016	115,281	144,424	1.0	9.6	143,846	0.0	9.5
Feb 2016	149,464	143,424	-0.7	7.9	143,778	0.0	8.8
Mar 2016	151,091	144,529	0.8	10.4	144,046	0.2	8.4
Apr 2016	141,627	141,054	-2.4	5.4	144,733	0.5	8.1
May 2016	150,191	148,485	5.3	9.8	145,601	0.6	7.8
Jun 2016	149,554	147,190	-0.9	6.7	146,694	0.8	7.4
Jul 2016	148,377	147,425	0.2	7.1	147,783	0.7	6.9
Aug 2016	156,126	148,849	1.0	8.1	148,830	0.7	6.3
Sep 2016	159,981	148,901	0.0	3.9	149,821	0.7	5.8
Oct 2016	157,715	150,788	1.3	5.3	150,838	0.7	5.6
Nov 2016	157,420	155,093	2.9	7.2	152,039	0.8	5.9
Dec 2016	131,609	149,236	-3.8	4.4	153,512	1.0	6.7
Jan 2017	127,149	157,365	5.4	9.0	155,065	1.0	7.8
Feb 2017	162,453	156,063	-0.8	8.8	156,710	1.1	9.0
Mar 2017	166,671	158,268	1.4	9.5	158,508	1.1	10.0
Apr 2017	161,217	161,529	2.1	14.5	160,409	1.2	10.8
May 2017	163,031	161,346	-0.1	8.7	162,312	1.2	11.5
Jun 2017	166,379	163,623	1.4	11.2	164,045	1.1	11.8
Jul 2017	167,146	166,353	1.7	12.8	165,662	1.0	12.1
Aug 2017	176,692	168,379	1.2	13.1	167,123	0.9	12.3
Sep 2017	179,686	167,273	-0.7	12.3	168,340	0.7	12.4
Oct 2017	177,326	169,577	1.4	12.5	169,231	0.5	12.2

Notes: The internet series counts the average number of job ads carried by each of the sites contributing to the series on the same day of each week in the month indicated. The day (which is not necessarily the same for each site) is selected by the site operator as broadly representative of its activity levels. The above data are based on information provided by the operators of the following sites: Seek.com.au; and the Department of Employment's Australian JobSearch site: Jobsearch.gov.au.

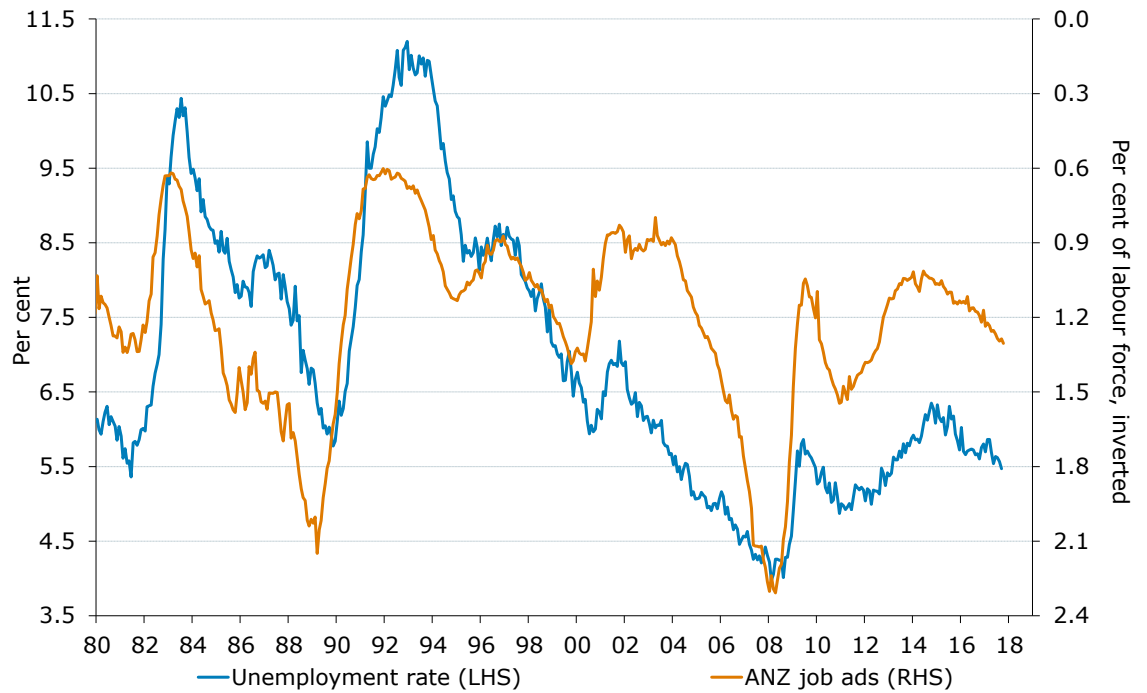
(a) Concurrent seasonal adjustment method (see Technical Appendix for further details).

(b) The trend estimates came from applying a 13-term Henderson moving average to the seasonally adjusted series. This smoothing technique enables estimates to be produced for the latest month, but it also results in revisions to the most recent six months as additional observations become available.

(c) Annual changes are on a year-average basis.

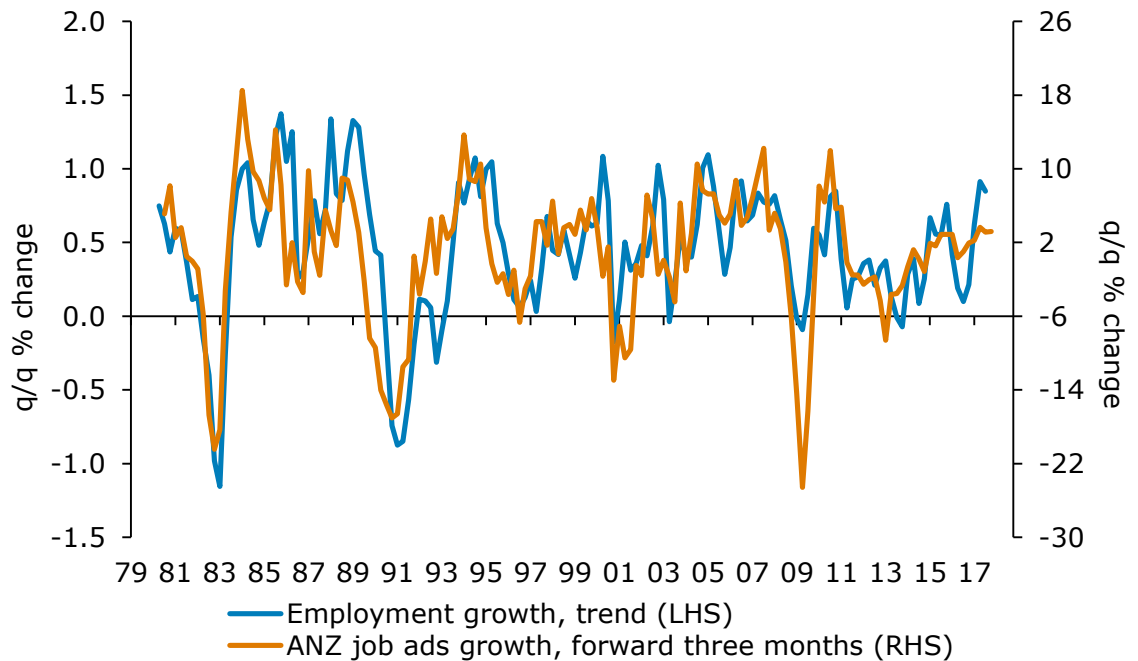
ANZ JOB ADVERTISEMENTS SERIES

Figure 2. The unemployment rate and ANZ Job Advertisements



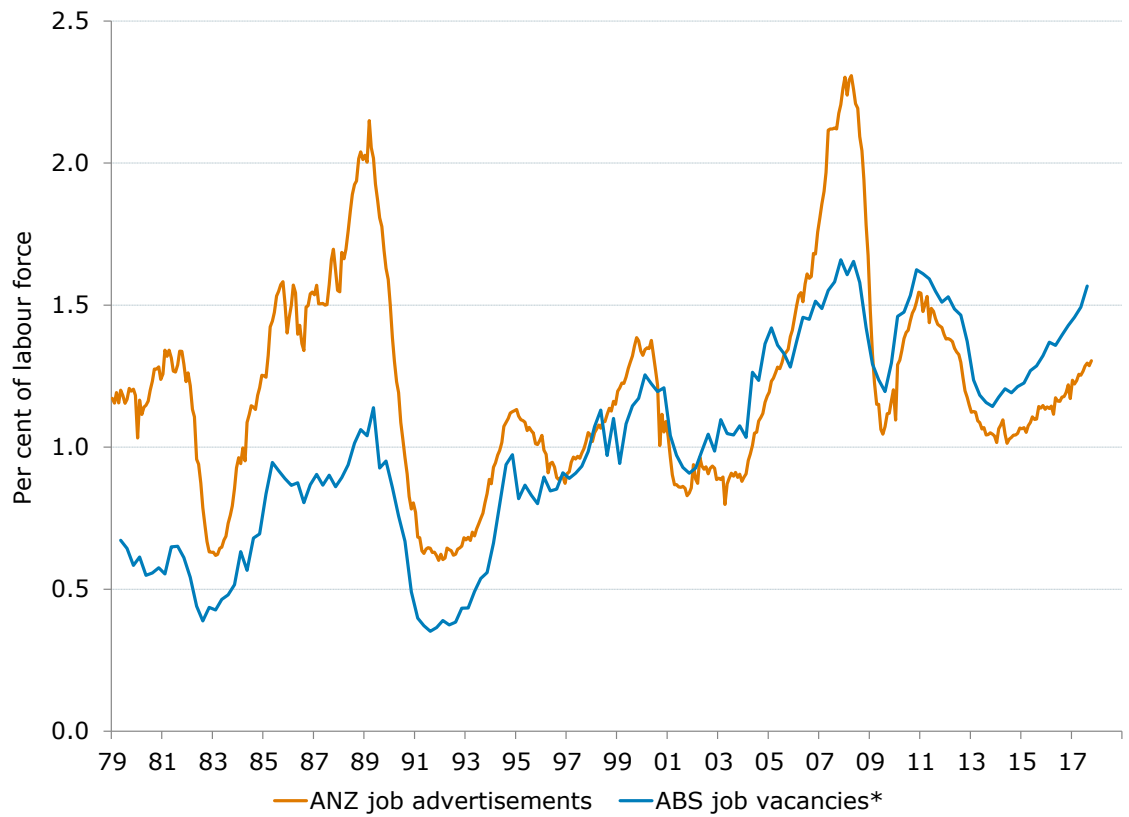
Source: ABS, ANZ Research

Figure 3. Growth in employment appears to have overshoot growth in ANZ Job Advertisements



Source: ABS, ANZ Research

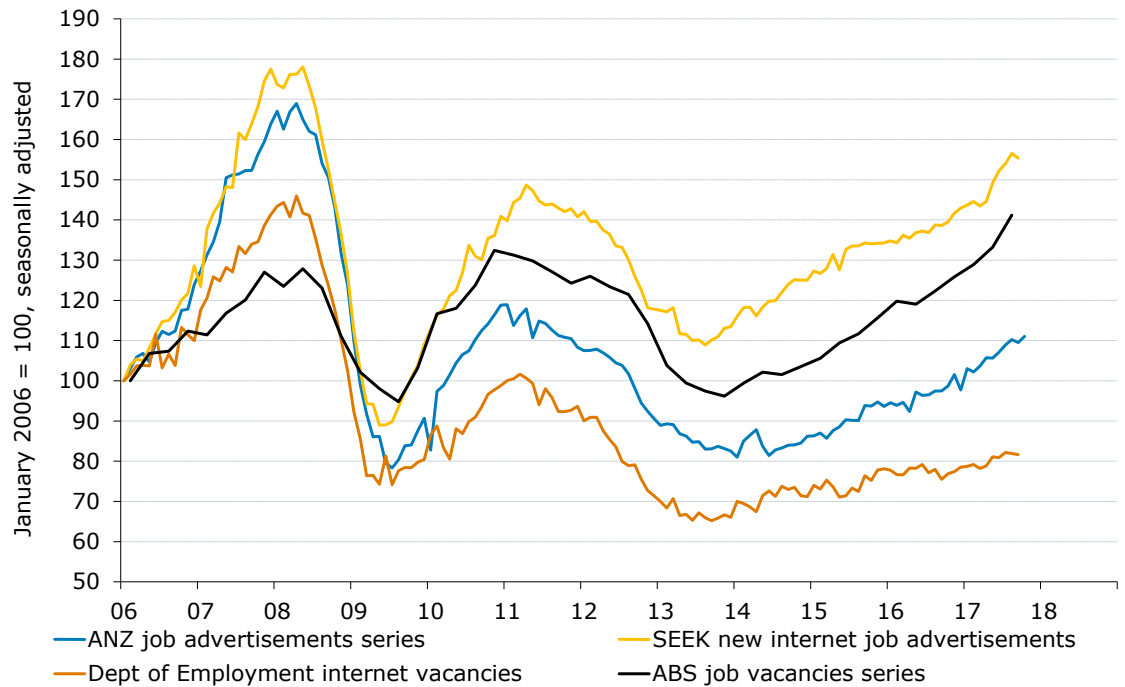
Figure 4. ANZ Job Advertisements and ABS Job Vacancies



* ABS job vacancies: latest data are for August 2017.

Source: ABS, ANZ Research

Figure 5. Australian Job Advertisements



* Latest data for SEEK and Department of Employment ads are for September 2017.

Source: Department of Employment, SEEK, ABS, ANZ Research

NB. State and territory charts have been discontinued.

TECHNICAL APPENDIX

The ANZ Job Advertisements series uses a concurrent seasonal adjustment methodology to derive the seasonal adjustment factors. This means that data from the current month are used in estimating seasonal factors for the current and previous months. Concurrent seasonal adjustment replaced the forward factor methodology from the June 2010 reference month.

The concurrent adjustment methodology uses the most recent data every month, whereas the forward factor approach used it only once a year. Under concurrent adjustment, the seasonal factors will also be more responsive to underlying dynamic changes than forward factors.

Concurrent adjustment can result in revisions to the seasonal factors each month to estimates for earlier periods. However, in most instances, the only noticeable revisions will be to the seasonal adjustment factors for the current month, the previous month and the same month a year ago.

The concurrent seasonal adjustment brings the ANZ Job Advertisements series in line with the methodology used by the ABS for its monthly employment data.

NOTE FOR EDITORS

For some of the newspapers surveyed, the ANZ Australian Job Advertisements series counts the number of advertisement 'bookings'. Each booking may contain multiple advertisements. In addition, the series counts classified advertisements only, and does not include display advertisements. For these reasons, it would be incorrect to draw any inference or correlation from the ANZ Australian Job Advertisements series regarding advertising volumes or revenues from employment advertising in the newspapers surveyed. The series is not intended as and should not be used as a tool to assess the financial performance of any of the newspapers it draws information from.

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