

ANZ AUSTRALIAN JOB ADVERTISEMENTS MEDIA RELEASE

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DECEMBER RETREAT

	Seasonally adjusted			Trend	
	Number	% m/m	% y/y	% m/m	% y/y
Total Job Ads	167,656	-2.3	11.4	0.1	10.8

KEY POINTS

- In seasonally adjusted terms, ANZ Job Advertisements fell 2.3% in December largely unwinding the increase over the previous two months. On an annual basis job ads are up 11.4%, a slight moderation from 12.0% y/y growth the previous month.
- In trend terms, job ads were up 0.1% m/m in December. The m/m trend which averaged 1.2% and 0.9% over Q2 and Q3 2017 respectively has slowed to 0.3% m/m in Q4.

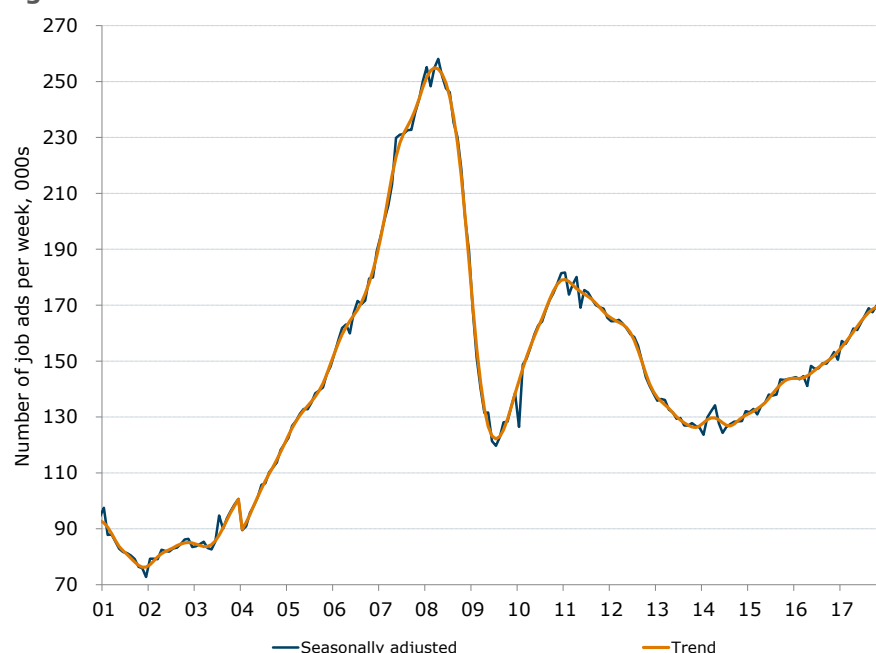
ANZ'S HEAD OF AUSTRALIAN ECONOMICS, DAVID PLANK, COMMENTED

"The labour market in 2017 was characterised by widespread job growth (particularly in full time jobs), an increase in participation and a fall in the unemployment rate to a four-year low of 5.4%. Growth in ANZ Job Ads provided a leading signal of this strong performance.

As such, the fall in job ads in December might be a source of concern. There can be considerable volatility around this time of year, however. For this reason we are not unduly worried around the drop in December job ads. We note, for instance, that job ads fell nearly 2% in December 2016 without signalling a turn in labour market conditions. Having said this, the easing in the trend pace of job ads growth in the fourth quarter lends support to our view that we may see a slowing in employment growth over the coming months. We believe that, after 14 straight months of growth, employment has overshot the levels implied by job ads (Figure 3) and as such a period of moderation in jobs growth is likely.

Despite this our assessment of economic conditions suggests a continued improvement in labour market conditions over 2018, albeit at a slower pace. A slow but steady reduction in spare capacity should also eventually feed into wage growth, providing some support for consumers."

Figure 1. Growth in ANZ Australian Job Advertisements slowed in Q4



Source: ANZ Research

Table 1. Average total number of job ads 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	140,822		-21.9
2010-11	174,478	174,621		25.2	174,772		24.1
2011-12	166,698	166,502		-4.6	166,504		-4.7
2012-13	141,107	140,810		-15.4	140,752		-15.5
2013-14	128,162	128,011		-9.1	128,052		-9.0
2014-15	131,138	131,147		2.4	131,022		2.3
2015-16	143,244	143,231		9.2	143,254		9.3
2016-17	154,844	154,878		8.1	154,998		8.2
Dec 2015	127,409	143,846	0.2	8.9	143,844	0.2	10.1
Jan 2016	115,281	144,262	0.3	9.5	143,832	0.0	9.5
Feb 2016	149,464	143,471	-0.5	7.9	143,797	0.0	8.9
Mar 2016	151,091	144,604	0.8	10.4	144,076	0.2	8.4
Apr 2016	141,627	141,123	-2.4	5.4	144,753	0.5	8.1
May 2016	150,191	148,303	5.1	9.8	145,654	0.6	7.8
Jun 2016	149,554	147,228	-0.7	6.7	146,766	0.8	7.4
Jul 2016	148,377	147,427	0.1	7.1	147,861	0.7	6.9
Aug 2016	156,126	149,265	1.2	8.2	148,856	0.7	6.3
Sep 2016	159,981	149,052	-0.1	3.9	149,782	0.6	5.8
Oct 2016	157,715	150,926	1.3	5.4	150,742	0.6	5.6
Nov 2016	157,420	153,252	1.5	6.8	151,927	0.8	5.8
Dec 2016	131,609	150,479	-1.8	4.6	153,433	1.0	6.7
Jan 2017	127,149	157,197	4.5	9.0	155,055	1.1	7.8
Feb 2017	162,453	156,131	-0.7	8.8	156,757	1.1	9.0
Mar 2017	166,671	158,386	1.4	9.5	158,573	1.2	10.1
Apr 2017	161,217	161,639	2.1	14.5	160,453	1.2	10.8
May 2017	163,031	161,107	-0.3	8.6	162,329	1.2	11.4
Jun 2017	166,379	163,668	1.6	11.2	164,206	1.2	11.9
Jul 2017	167,146	166,347	1.6	12.8	165,940	1.1	12.2
Aug 2017	176,692	168,913	1.5	13.2	167,426	0.9	12.5
Sep 2017	179,686	167,477	-0.9	12.4	168,540	0.7	12.5
Oct 2017	177,326	169,778	1.4	12.5	169,339	0.5	12.3
Nov 2017	176,668	171,654	1.1	12.0	169,864	0.3	11.8
Dec 2017	149,674	167,656	-2.3	11.4	170,021	0.1	10.8

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.

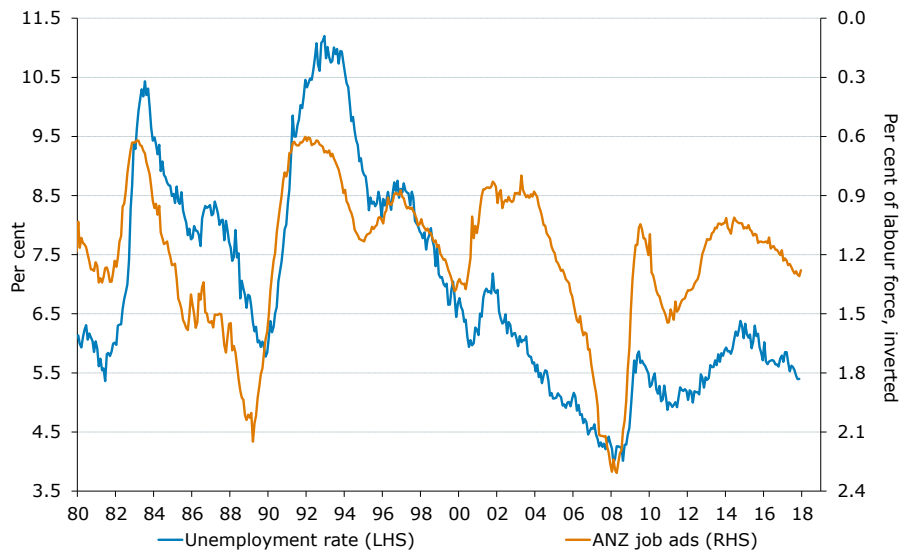
(a) Concurrent seasonal adjustment method (see Technical Appendix for further details).

(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.

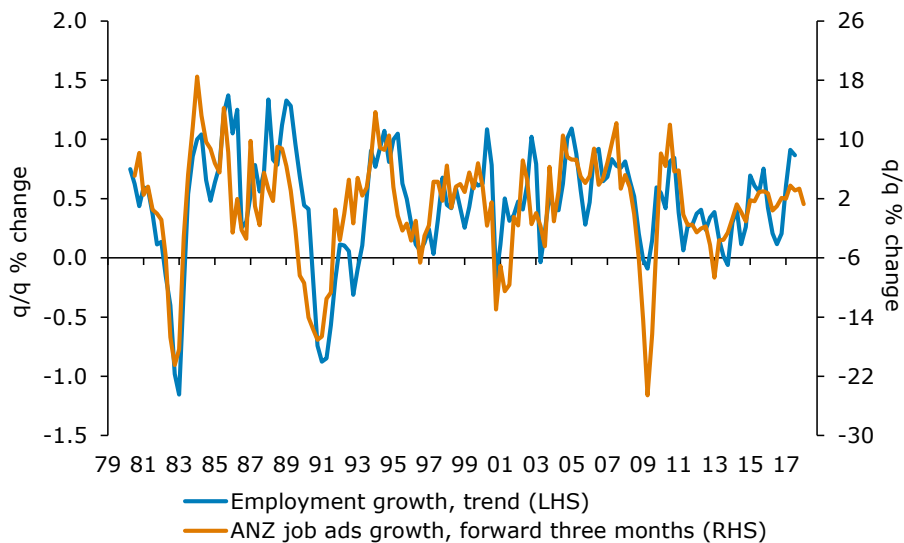
ANZ JOB ADVERTISEMENTS SERIES

Figure 2. Unemployment rate and ANZ Job Ads



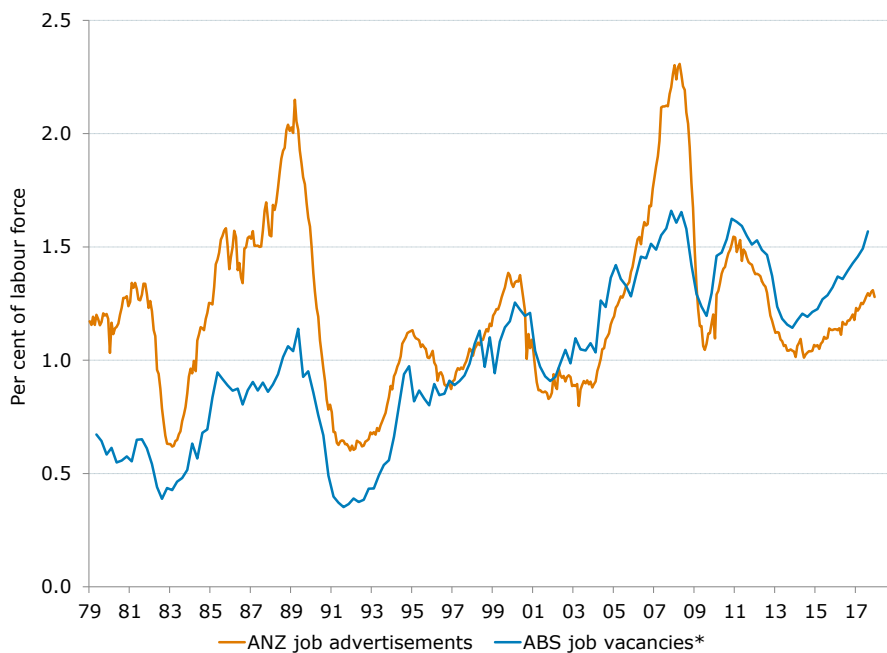
Source: ABS, ANZ Research

Figure 3. Growth in employment has overshoot growth in ANZ Job Ads



Source: ABS, ANZ Research

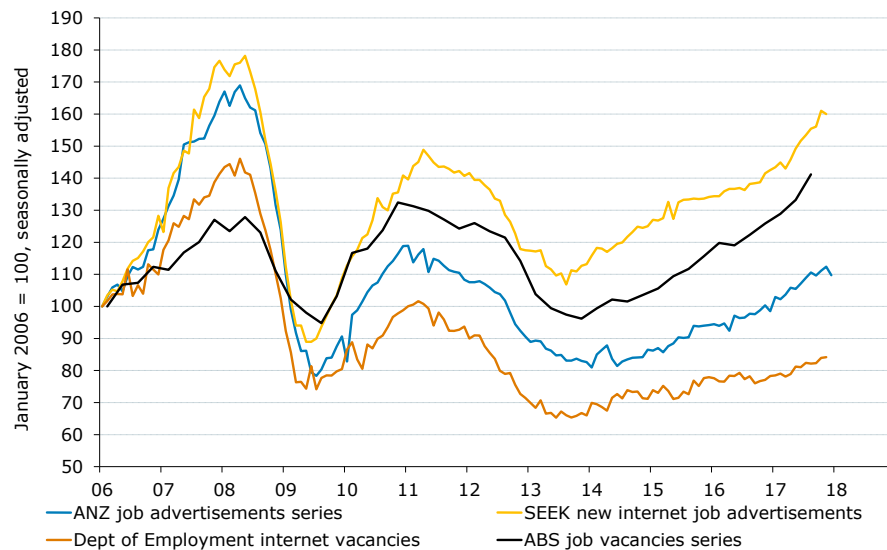
Figure 4. ANZ Job Ads and ABS Job Vacancies



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

Source: ABS, ANZ Research

Figure 5. Australian job vacancy indicators



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

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

NOTE: 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 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 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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