

ANZ Australian Job Advertisement Series

Media Release

7 June 2021



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ANZ Job Ads signalling sharply lower unemployment

ANZ Australian Job Ads rose 7.9% m/m in May to be up 38.8% on the pre-pandemic level. This points to continued rapid tightening in the labour market.

	Seasonally adjusted		
	Number	% m/m	% on Jan-20 (pre-COVID)
Total job ads	213,894	7.9	38.8

See page 4 for [technical details](#)

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Next release:
June 2021 data

Expected release date:
Monday 5 July 2021

ANZ Senior Economist, Catherine Birch, commented:

ANZ Job Ads hit 12 straight months of gains in May, and is now consistent with an unemployment rate of around 5%.

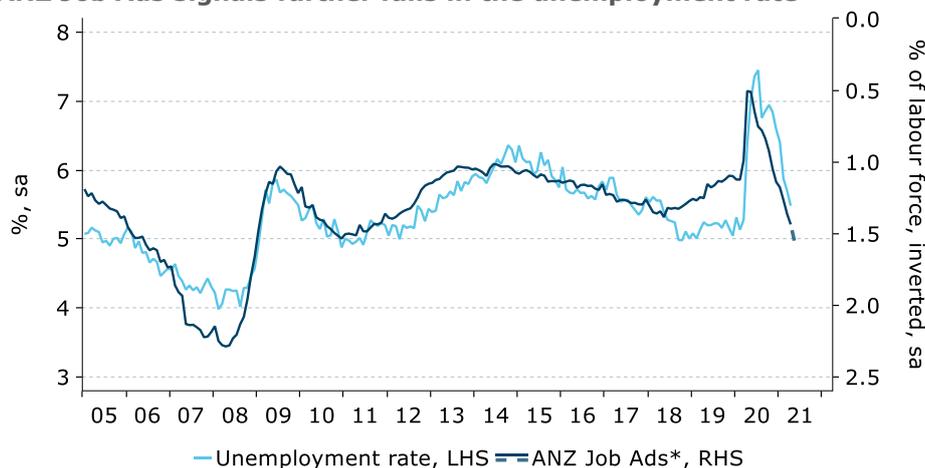
In May, we upgraded our labour market forecasts, and now expect an unemployment rate of 4.8% by the end of this year and 4.4% by end-2022. We think solid employment growth will drive this rapid improvement, notwithstanding near-term volatility post-JobKeeper.

The Victorian lockdown is unlikely to derail the state's labour market recovery. Even if we see some employment losses in June, as long as restrictions start easing from 11 June as currently planned, workers should be reinstated or find new jobs quite quickly, given the underlying strength in the labour market.

In addition to ANZ Job Ads, NAB's employment index and capacity utilisation are signalling further solid employment gains, and the Westpac-Melbourne Institute's Unemployment Expectations Index has fallen to a decade low. While the strength in ANZ Job Ads and ABS job vacancies is unlikely to fully translate into employment, due to skills mismatches and restricted labour mobility (both domestically and due to closed international borders), we still think employment growth will be very strong, particularly given such low population growth.

Consequently, we expect both unemployment and underemployment to fall further. What is still uncertain is the strength of the transition from lower underutilisation to higher wages growth, and then to inflation. The Q1 Wage Price Index was slightly stronger than expected, annualising at 2.4%. While still below the RBA's 3% yardstick, the gap is narrowing, which has implications for the timing and speed of RBA policy changes.

ANZ Job Ads signals further falls in the unemployment rate



*Last observation uses previous month's labour force as proxy.
Source: ABS, SEEK, Dept of Education Skills and Employment, Macrobond, ANZ Research



Average total number of job ads per month – Australia

Date	Original	Seasonally adjusted	
	Number	Number	Per cent change
			Month Year
2009-10	139,554	139,522	
2010-11	174,478	174,366	25.0
2011-12	166,698	166,581	-4.5
2012-13	141,107	140,987	-15.4
2013-14	128,162	128,055	-9.2
2014-15	131,138	131,236	2.5
2015-16	143,244	143,318	9.2
2016-17	154,844	154,928	8.1
2017-18	172,763	172,934	11.6
2018-19	169,905	170,038	-1.7
2019-20	131,970	132,088	-22.3
Jan 2019	136,971	168,962	-0.9 -2.1
Feb 2019	174,999	170,255	0.8 -4.7
Mar 2019	173,697	167,862	-1.4 -6.7
Apr 2019	164,923	169,537	1.0 -4.8
May 2019	154,097	156,685	-7.6 -14.5
Jun 2019	161,805	160,018	2.1 -8.9
Jul 2019	162,673	158,138	-1.2 -10.3
Aug 2019	164,305	154,662	-2.2 -12.1
Sep 2019	167,310	155,391	0.5 -12.0
Oct 2019	162,688	152,651	-1.8 -12.7
Nov 2019	157,876	149,722	-1.9 -13.5
Dec 2019	135,055	150,159	0.3 -11.9
Jan 2020	121,223	154,054	2.6 -8.8
Feb 2020	157,283	153,976	-0.1 -9.6
Mar 2020	141,911	135,783	-11.8 -19.1
Apr 2020	62,218	67,073	-50.6 -60.4
May 2020	61,546	66,887	-0.3 -57.3
Jun 2020	89,555	86,563	29.4 -45.9
Jul 2020	107,765	101,654	17.4 -35.7
Aug 2020	115,238	105,667	3.9 -31.7
Sep 2020	126,148	113,294	7.2 -27.1
Oct 2020	136,763	126,800	11.9 -16.9
Nov 2020	152,918	144,491	14.0 -3.5
Dec 2020	143,285	157,254	8.8 4.7
Jan 2021	127,452	162,458	3.3 5.5
Feb 2021	176,684	174,936	7.7 13.6
Mar 2021	195,106	188,972	8.0 39.2
Apr 2021	192,908	198,201	4.9 195.5
May 2021	208,158	213,894	7.9 219.8

Note changes in methodology in November 2020 release and resulting revisions to the historical series. The inclusion of newspaper job ads was discontinued from January 2019 and the seasonal adjustment process modified from November 2020. See Appendix.



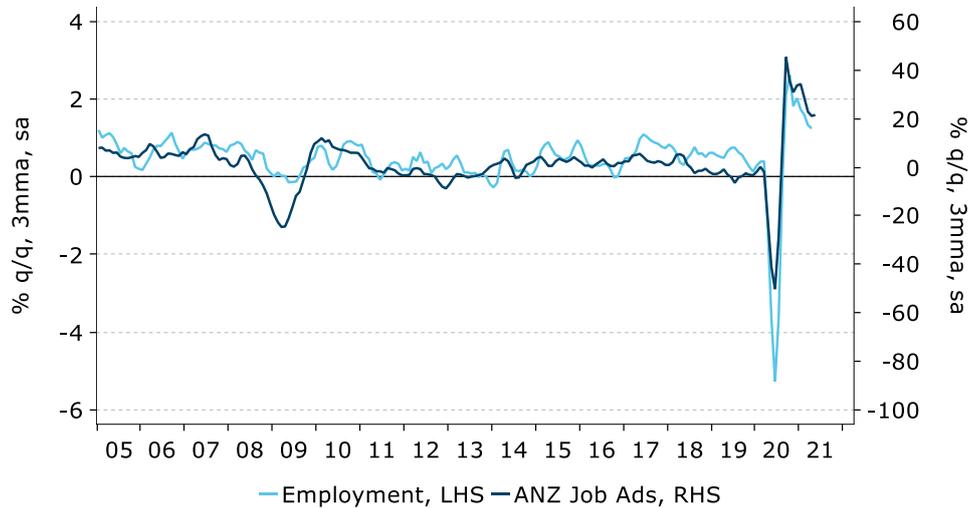
ANZ Job Ads in relation to other indicators

Figure 1. ANZ Job Ads rose 7.9% m/m in May



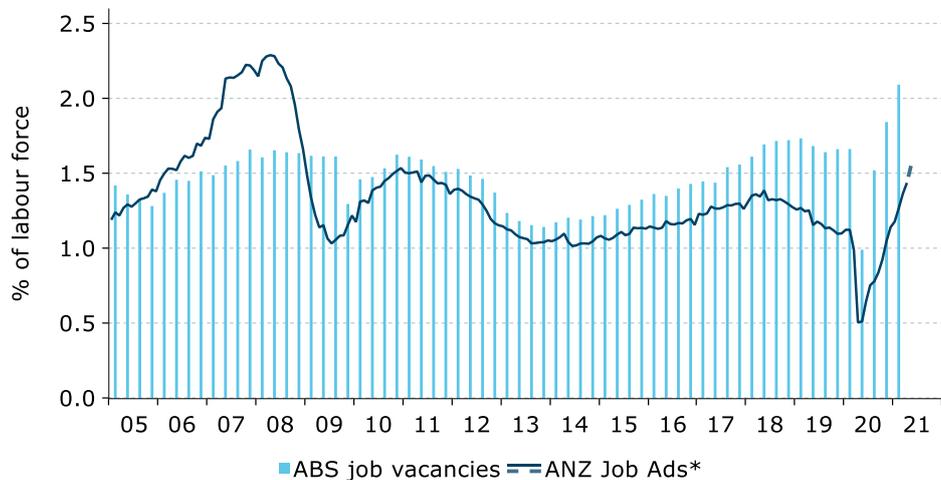
Source: SEEK, Dept of Education Skills and Employment, Macrobond, ANZ Research

Figure 2. ANZ Job Ads and employment growth



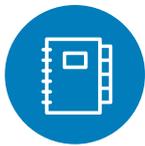
Source: ABS, SEEK, Dept of Education Skills and Employment, Macrobond, ANZ Research

Figure 3. ANZ Job Ads and ABS job vacancies



*Last observation uses previous month's labour force as proxy.

Source: ABS, SEEK, Dept of Education Skills and Employment, Macrobond, ANZ Research



Data sources

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 data are based on information provided by the operators of the following sites:

- Seek.com.au
- Department of Education, Skills and Employment's Australian JobSearch site (Jobsearch.gov.au).

As of the November 2020 release, newspaper job ads have been excluded from the series from January 2019 onwards, and the historical data were revised. Prior to this, for some of the newspapers surveyed, the ANZ Job Ads 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 Ads 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.

Seasonal adjustment and trend

The X-11 ARIMA seasonal adjustment method is used from the November 2020 release onwards. Note that new and revised original data can result in revisions to the seasonal factors applied to historical estimates.

Note that the trend data series has been temporarily suspended during the COVID-19 period. This is in line with the ABS's suspension of trend data series as "the interpretation of trend estimates during the period affected by COVID-19 could be misleading".



Important notice

[4 April 2019]

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