

Media Release
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Election jitters cool the Kiwi job market

The general election has cooled the New Zealand employment market according to analysis of over 71,000 vacancies advertised on Trade Me Jobs between July and September.

Head of Trade Me Jobs Jeremy Wade said the strong double-digit growth in new listings reported over the previous 12 months eased last quarter, and was only up a modest 4.8 per cent year-on-year, and well down on the high of 16 per cent growth in the December 2016 quarter.

“Over the past three months, we’ve seen Kiwi employers put their foot on the brakes as election apprehension has rippled throughout the country. Traditionally during an election we see some effect on the employment market, however greater uncertainty around this year’s general election has hit harder than expected.”

Listings from small and medium-sized businesses in particular tailed off more than during the 2014 election campaign.

An indicator of economic slowdown?

Mr Wade said uncertainty around who would be in Government has delayed any potential post-election recovery. “Once a Government forms, we typically see the job market bounce back as the country finds its employment rhythm again. However this year, with some policy horse-trading still to occur, we’ve yet to see a significant improvement post-election.”

Trades and services, which has been a large contributor to job growth over the past year, dropped 4 per cent year-on year for the September quarter. In contrast, transport and logistics which can be a bellwether for future economic growth, increased 28 per cent year-on year. “We’ll be watching these sectors closely once a Government is formed. If they continue to rein in their hiring aspirations, then this may have an impact on economic growth for New Zealand.”

Job hunters in the driver's seat

The average number of applications per role was down 17.1 per cent on a year ago, with applications for roles in Auckland region falling 22.5 per cent. “The market remains very much in favour of the job hunter and with a shortage of skilled people to fill roles, potential employees are being more selective about the jobs they apply for,” Mr Wade said.

After a considerable delay, the skilled labour shortage is manifesting itself in advertised wage growth. The average wage increased for the first time in 2017, up a modest 0.8 per

cent year-on-year. Combined with the relatively low competition for roles, Mr Wade said job hunters had good reason to be optimistic.

“Average pay is up almost one per cent on this time last year which will be encouraging for many Kiwis who have experienced little or no wage growth over the past few years. Across the sectors, the big movers included increases of 18 per cent for legal roles, 11 per cent for construction and roading roles, and a 7 per cent bump for architecture jobs,” Mr Wade said.

Regions continue to rise

Outside the main centres, every region except the Bay of Plenty saw an increase in new listings in the third quarter of 2017, with the West Coast up 53 per cent, Southland up 35 per cent and Marlborough up 31 per cent. “These increases are huge, even in relatively small markets and can be largely attributed to growth in the trades, services, hospitality, tourism, construction and roading sectors,” Mr Wade said.

The Bay of Plenty has been a star performer in recent years, but continues to slow with the number of new listings stagnant year-on-year. “As a result, employers in the Bay of Plenty have dug deep into their pockets with the average pay increasing 3.7 per cent in the region as companies fight to secure candidates,” Mr Wade said.

Despite Auckland slowing, the “halo regions” adjacent to the Super City of Waikato and Northland continue to exhibit strong, double-digit growth, albeit at rates lower than the previous quarter.

Around the sectors

The third quarter of 2017 was positive for the majority of sectors with most seeing an increase in new listings, led by increases in the architecture (up 28 per cent), property (up 33 per cent) and transport & logistics (up 28 per cent) categories.

The categories with the largest decrease in new listings included accounting (down 11 per cent), trades and services (down 4 per cent) and retail (down 4 per cent).

Auckland maintains hold over Wellington in the wage stakes

Auckland City continues to have a firm grip on the highest average wage, up 3.4 per cent on last year to \$72,338, and beating out Wellington (\$69,876) for the third consecutive quarter.

Mr Wade said Auckland has been in a “wage war” with the capital this year. “The divide between Wellington and Auckland City has continued to widen as the capital struggles to keep up with Auckland’s steady job landscape.”

IT jobs continue to hold strong as the most lucrative career, rounding out four of the top five highest paid roles on Trade Me Jobs, with IT project managers having the highest average advertised pay of \$142,738.

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MORE INFORMATION

Interviews and regional data: Jeremy Wade is available for interviews. To lock in an interview with Jeremy or for regional data, please contact Millie Silvester by emailing mediaenquiries@trademe.co.nz or phoning (027) 601 7999.

Regional data: Please let us know if there's any regional data we can look into for you.

Table 1: Top 5 listing growth by job category Q3 2017 vs Q3 2016

Category	Year-on-year % change Q3 2017 vs Q3 2016
Property	33.3%
Transport & logistics	28.3%
Architecture	28.0%
Agriculture-fishing & forestry	27.8%
Science & technology	26.4%

Table 2: Average pay by job category (full-time only): Q3 2017

	Highest Paid	Pay Rate (\$)
1	IT project managers	142,738
2	IT architects	142,155
3	IT managers	133,427
4	Construction/roading project managers	116,174
5	IT data warehousing and business intelligence	115,784

Table 3: Listings growth by region Q3 2017 vs Q3 2016

Region	Year-on-year % change Q3 2017 vs Q3 2016
Auckland	1.6 %
Bay Of Plenty	0.0 %
Canterbury	3.4 %
Gisborne	16.7 %
Hawke's Bay	12.8 %
Manawatu / Wanganui	7.7 %
Marlborough	31.0 %
Nelson / Tasman	19.0 %
Northland	19.6 %
Otago	13.7 %
Southland	34.8 %
Taranaki	6.9 %

Waikato	15.5 %
Wellington	- 1.0%
West Coast	53.2 %
Grand Total	4.8 %

Table 4 : Average pay by region (full-time only): Q3 2017

	Highest Paid	Pay Rate (\$)
1	Auckland City	72,338
2	Wellington	69,876
3	Waikato	59,390
4	New Plymouth	59,341
5	Greymouth	58,801

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