

# *ONLINE JOB VACANCY LISTINGS INDICATED BY BUSINESS OUTLOOK INDICES AND INDICATING EMPLOYMENT CHANGES*

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The Ministry of Business Innovation and Employment publishes Jobs Online (JOL), a monthly analysis of online job listings, in the context of labour market reporting. This paper reports on the variation of the All Vacancies Index (AVI) series from the JOL with changes in ANZ's measures of business confidence, activity outlook, exports and employment intentions. It is important to identify likely future changes in the AVI and, possibly, the turning points, including the key indicators of developments in the advertising behaviour of businesses. The Ministry investigated movements of the AVI series against the movements of ANZ's indices. The movements of the AVI appear to relate to patterns of change in the ANZ indices. A distributed – lag model was used to investigate how changes in the AVI are explained by changes in the indices. The results reveal that the business confidence index has a positive relationship with the AVI six months later. It is worthwhile monitoring this relationship as to whether the business confidence index could be used to predict vacancies. The paper also investigates the relationship between measures of ANZ's business confidence and AVI at the industry level, where there is suitable matching between industries. The relationship between Jobs Online and employment is also studied to test whether vacancies are a leading indicator of employment growth. This is expected since employers advertise vacancies when they require more labour. Initial analysis suggests that the AVI is positively related to employment counts from the Household Labour Force Survey, two quarters later.