

REPORT ON THE JOB MARKET 2025

Insights into the mindsets of employers
and employees in Aotearoa New Zealand



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WELCOME TO TRADE ME'S EIGHTH REPORT ON THE JOB MARKET

Kia ora koutou - I'm excited to present Trade Me's 2025 Job Market Report, offering a comprehensive look into the evolving dynamics of employment in Aotearoa New Zealand. This year's report is based on significant engagement from Trade Me members, with responses from 5,622 job hunters and employees, nearly three times the number from our 2024 survey. We also gained valuable insights from 476 employers and recruiters, representing 16,000 staff. This robust response rate allows us to deliver a rich understanding of the motivations and intentions shaping today's job market.

The insights in this report highlight a notable shift in the employment landscape. After a challenging 2024, where economic headwinds led to cautious hiring practices and employees remaining in their roles, we are seeing a renewed sense of optimism. Employees are now proactively seeking career growth and new opportunities, with 40% planning to leave their current jobs in 2025. Employers are also demonstrating a desire to expand their businesses, moving beyond just replacing departing staff."

However, this positive momentum is not without its challenges. Job seekers still report difficulties in finding new roles, and employers face ongoing labor shortages. This report delves into these complexities, providing crucial insights to help navigate the opportunities and challenges that lie ahead. For instance, job hunters are prioritising career development, flexibility, and pay, while employers are focusing on workplace culture and competitive salaries to attract talent.

Within these pages, you'll find an in-depth analysis of job hunter and employer sentiment, key trends in hiring and retention, and an economic overview for 2025. Our goal is to equip you with the knowledge to make informed decisions, whether you're building teams or growing an agency.

I trust that the insights in this report will serve as a valuable resource for navigating the Aotearoa New Zealand job market in 2025.

Nicole Williams
Head of Jobs - Trade Me



WE DISCOVERED A MIX OF HOPE AND PESSIMISM AMONG WORKERS

People are open to new employment, but finding work is still tough

84% of people we surveyed are open to or looking for work, and 40% of people plan to leave their current job in 2025. However, over half of those looking (54%) say they are finding it difficult to get a new job.

People are still pessimistic about the economy

We deducted the proportion of optimists from pessimists. 19% more people are pessimistic than optimistic about the economy. This is consistent with other surveys of people's confidence in the economy.

Workers are mostly optimistic about their own industries

A net 17% of workers are optimistic about their own industries. Employees have a good understanding about their own industries, so this returning optimism is significant.

This optimism is widespread across most sectors of the economy, with two exceptions: government and council, and arts and creativity.

People are in the 'hope stage'

People are currently in the 'hope' part of the fear-hope-confidence-apathy part of the economic cycle. As the year progresses and the economy recovers, we predict that job hunters will be increasingly more active.



WORKERS HAVE RENEWED OPTIMISM ABOUT CAREER PROGRESSION

Most people feel optimistic about progressing their career

More than half (58%) of workers we surveyed are optimistic about their career prospects, and this is providing motivation to search for roles.

Employees are hunkering down less

Recessions see people become risk averse and hunker down, making it easier for employers to keep staff. This has now changed, and people are now more likely to be motivated and looking for work in 2025.

Renewed confidence is feeding into job-search activity

Because of renewed confidence among employees, job-search activity is now returning to the levels seen in 2023, although remains below what we saw in 2021 and 2022. This is an improvement on job-search activity in 2024.

Job hunters have different motivations for job hunting

Our survey shows the most important motivators are:

- career prospects
- better pay
- flexibility

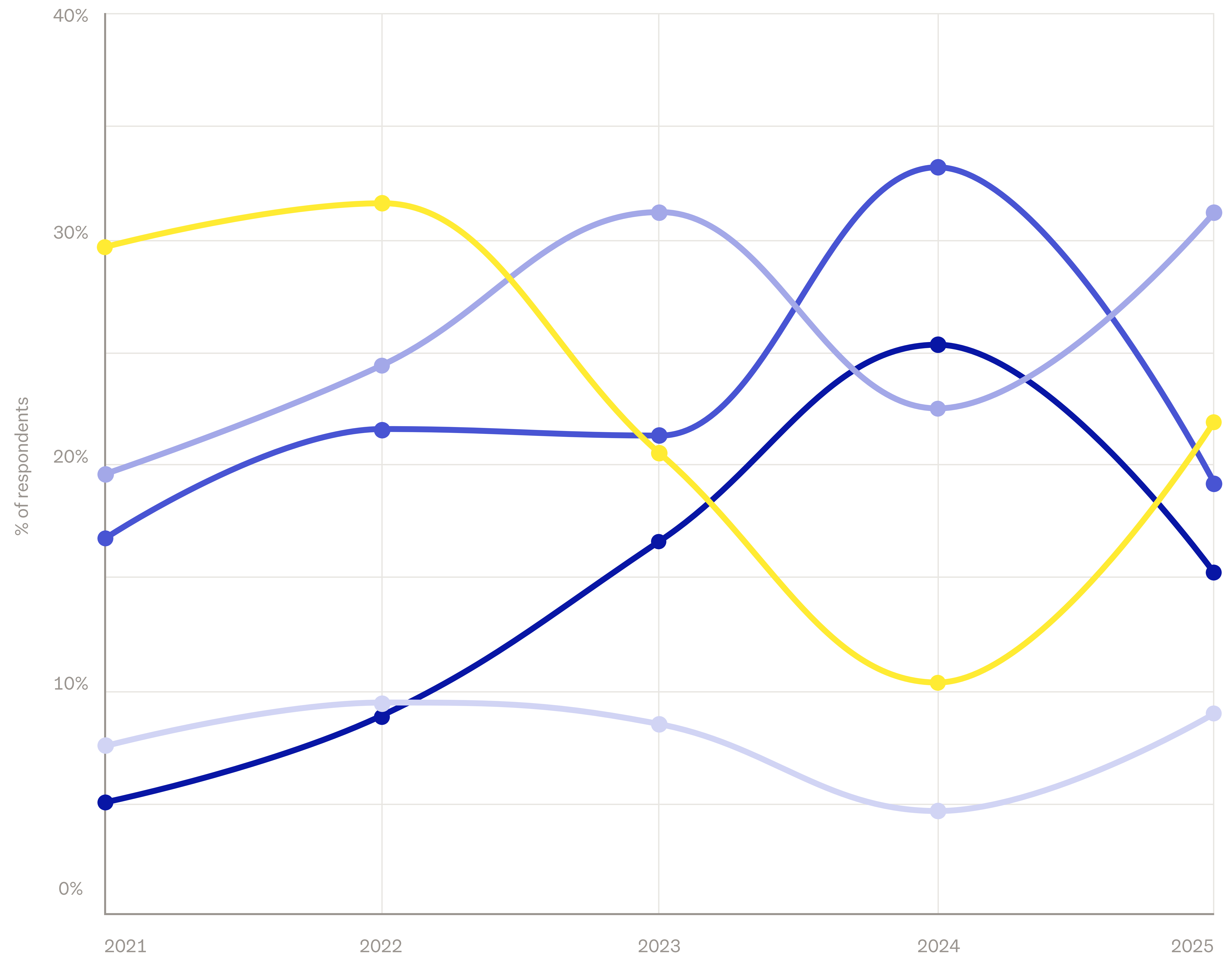


KIWI ARE LOOKING OUT FOR NEW JOB OPPORTUNITIES

Job changes may be on the horizon for many

A massive 84% of people we surveyed are open to new job opportunities or looking for work, and 40% of people plan to leave their current job in 2025. However, not all are actively seeking roles. Many are keeping an eye out, or are open to a role change if the right job opportunity presented itself.

How active Kiwi are in looking for jobs



- I'm not looking for a job at all
- I'm not looking, but would be open to a new opportunity if it came up
- I'm keeping an eye out for new opportunities
- I'm actively looking but have yet to apply for any jobs
- I'm actively looking and applying for new jobs

EMPLOYEES HAVE CLEAR REASONS FOR ACCEPTING ROLES

Pay and career prospects are top motivators

Better pay (17%) and career prospects (16%) are still the top two reasons employees accepted their current role. However, better pay is now more important to employees than career prospects, which topped the list in 2024.

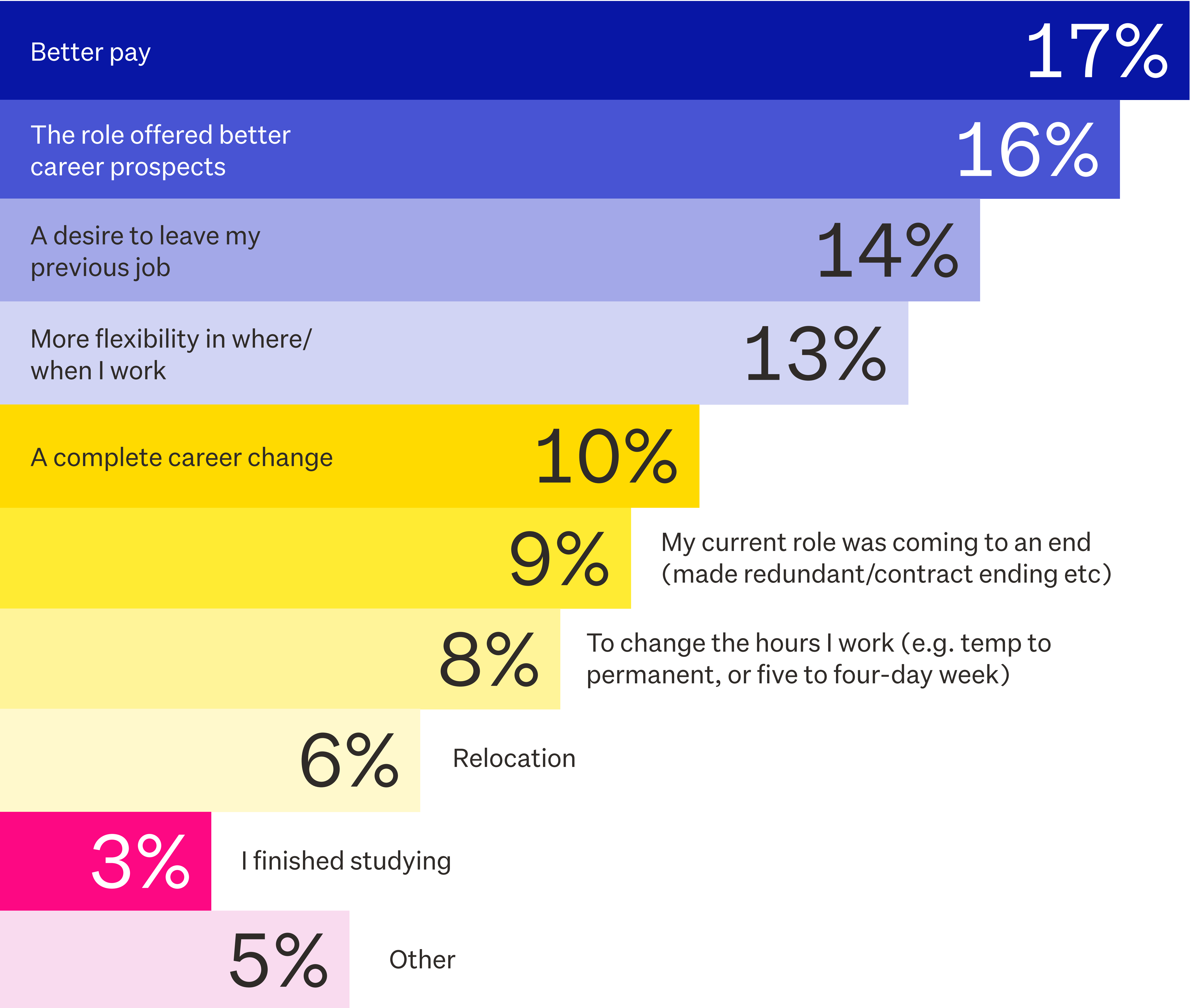
Leaving a previous role was a more popular reason for accepting a job

In 2025, less people accepted jobs because of a role coming to an end: 9% compared to 14% in 2024. However, the ‘desire to leave my previous job’ has jumped from 9% in 2024 to 14% in 2025.

Flexibility is growing in popularity

Employees increasingly value flexibility in terms of where and when they work. This statistic more than tripled in 2025 – going from 4% in 2024 to 13%. The big takeaway is that employers need to offer flexible working arrangements to attract and keep top-quality talent.

Why employees accepted their current role



EMPLOYEES HAVE SPECIFIC REASONS FOR LEAVING ROLES

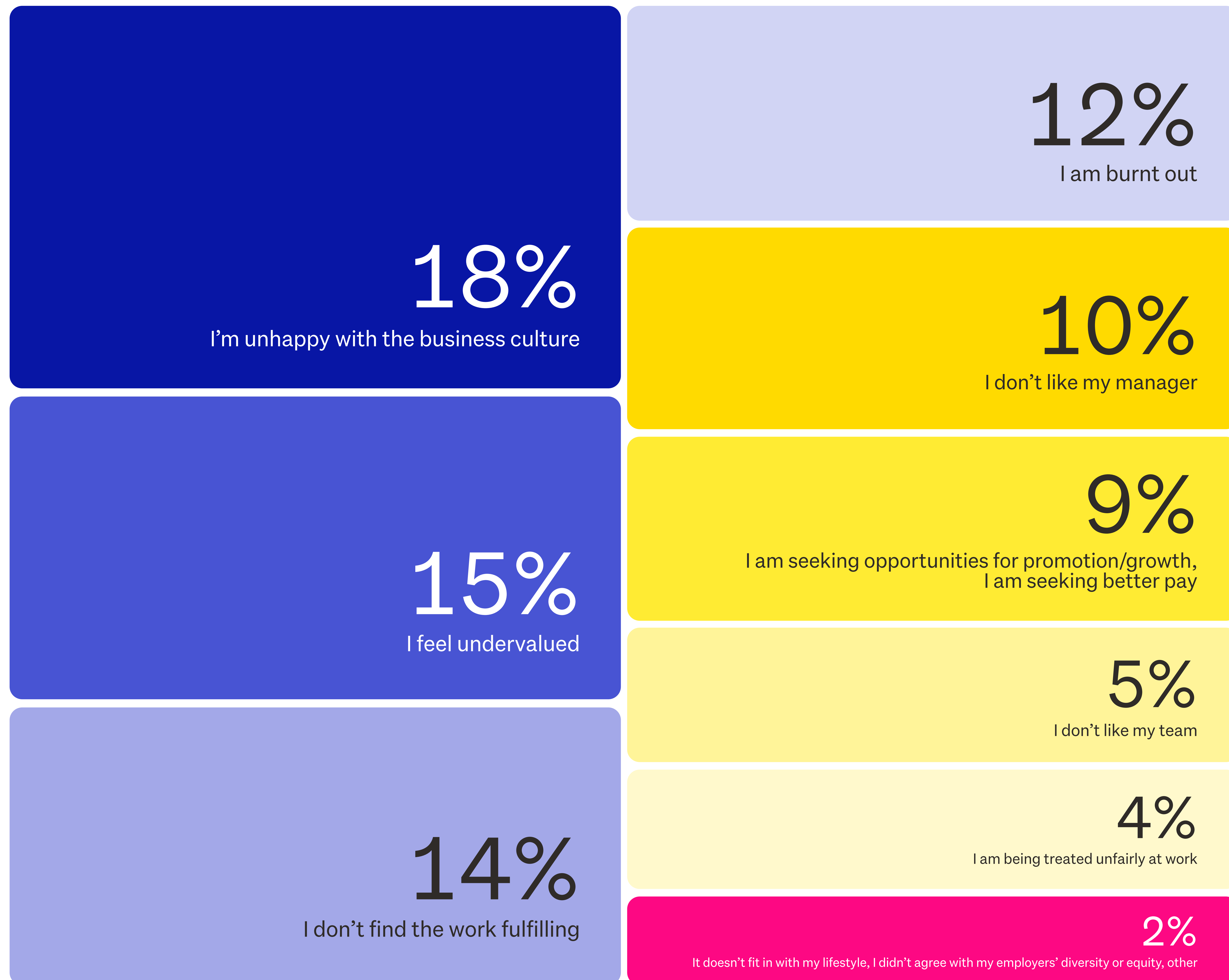
Many employees want to leave because of organisational issues

Of the people we surveyed, 18% said they want to leave their current role because they were unhappy with the business culture. Other top reasons for leaving roles were feeling undervalued (15%) and not finding the work fulfilling (14%).

Employers can take action to retain staff

Employers can influence high value factors for employees like opportunities for growth, pay, team and manager relations to retain staff. It will be particularly important given that 40% of people who responded to our survey plan to leave their jobs in 2025.

Factors that make employees want to leave their current role



WHAT EMPLOYEES VALUE

Career development and flexibility are valued most

Employees most value career development opportunities (25%) and flexible working hours (20%).

Employers overestimate the importance of job security and stability

Job security/stability gained a rating of 25% from employers but only 13% by employees. Employees prioritise career development, flexible working hours, pay and company culture above it.

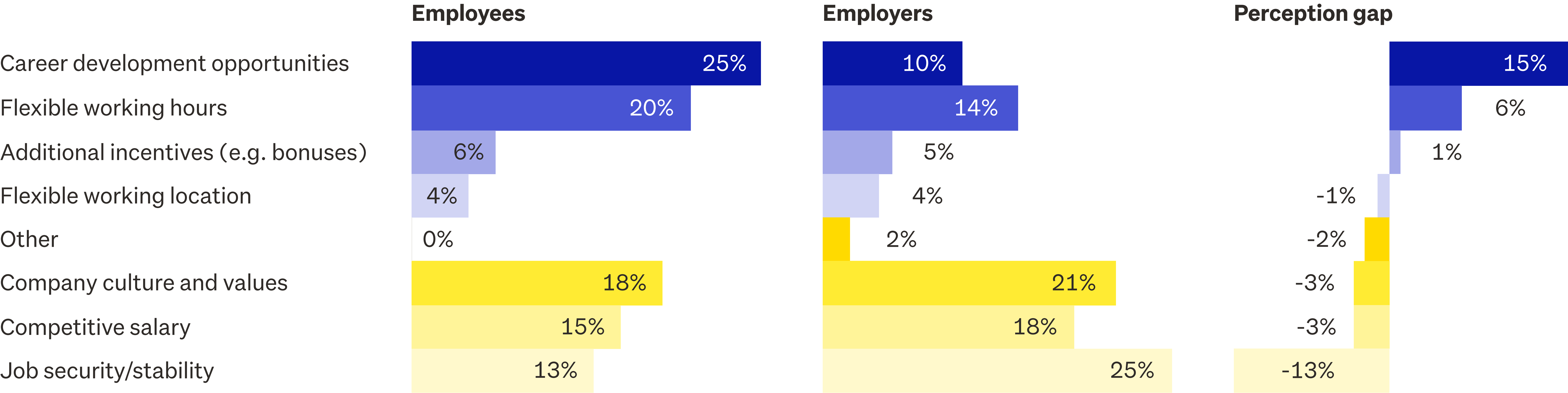
This gap in perception may mean that employers may be focusing on the wrong things when it comes to retention and attracting new employees.

Employers could align retention and attraction strategies with what employees value most

By better understanding what employees value, employers can fine tune their strategies for retention and attraction. Examples might be:

- Communication of career progression
- Flexible working conditions
- Pay negotiation frameworks

What employees value vs what employers think employees value



JOB SITES ARE STILL THE BEST PLACES TO FIND ROLES

Job hunters have more success with job websites and apps

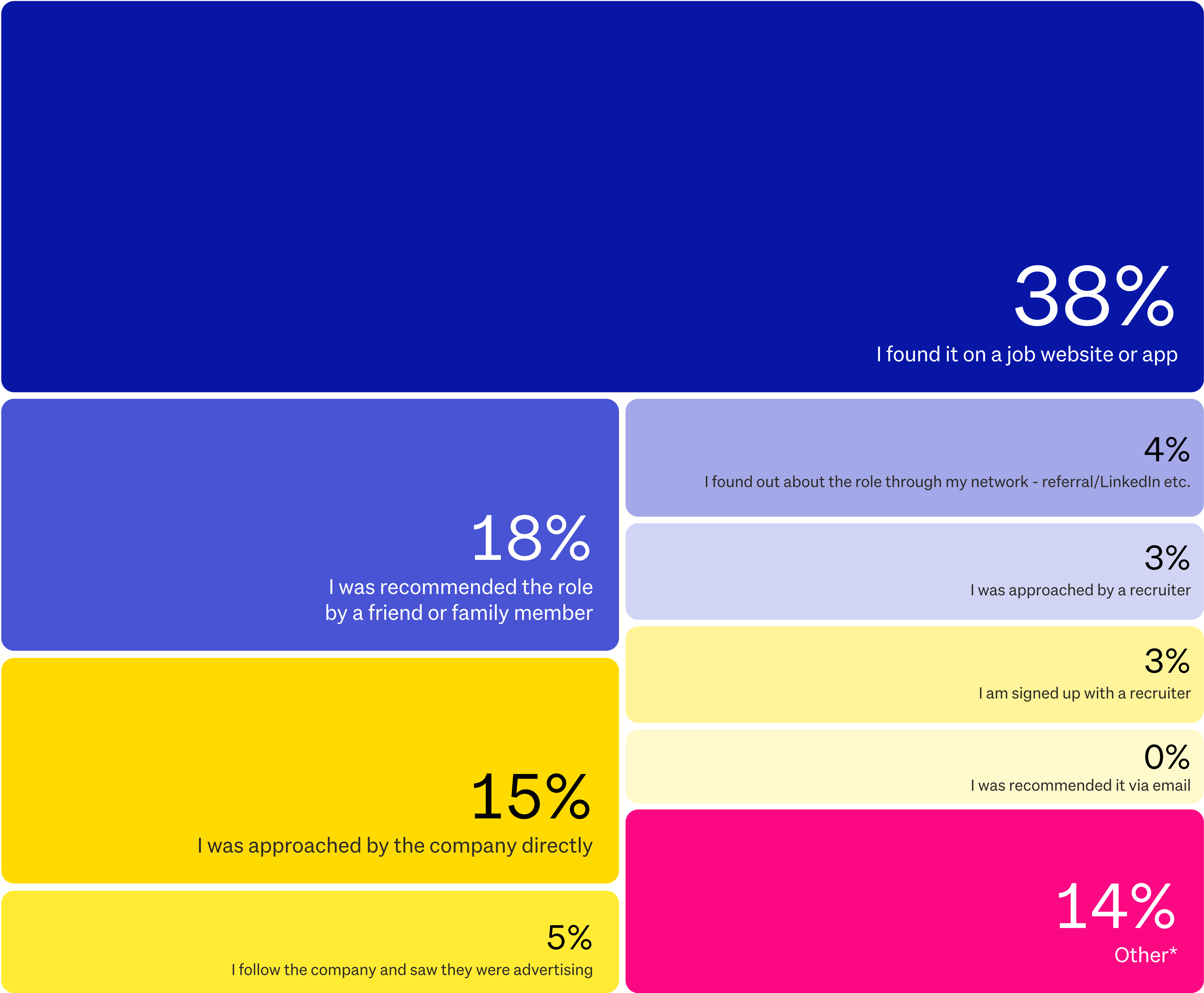
Of the people we surveyed, 38% got this role via a job website or app. This is down 4% from last year (42%). Personal recommendations (18%) are also down 8% from 2024 (26%).

Other recruiting methods are still useful

If you're an employer or recruiter, you need a strong presence online as online job ads are the most popular way for job hunters to find roles. But personal recommendations by word-of-mouth are also effective, as well as low cost.

Keep your database of candidates up-to-date, and maintain your relationships with job hunters. The ideal candidate may already be known to you – and a direct approach could nab you the right person. You might also consider streamlining to make the application and screening processes easier, and provide feedback where possible. Automation and rules-based approaches could help.

How did you find this role?



*online work and shifting to self-employment made up the majority of this response

JOB HUNTERS HAVE SOME COMMON FRUSTRATIONS

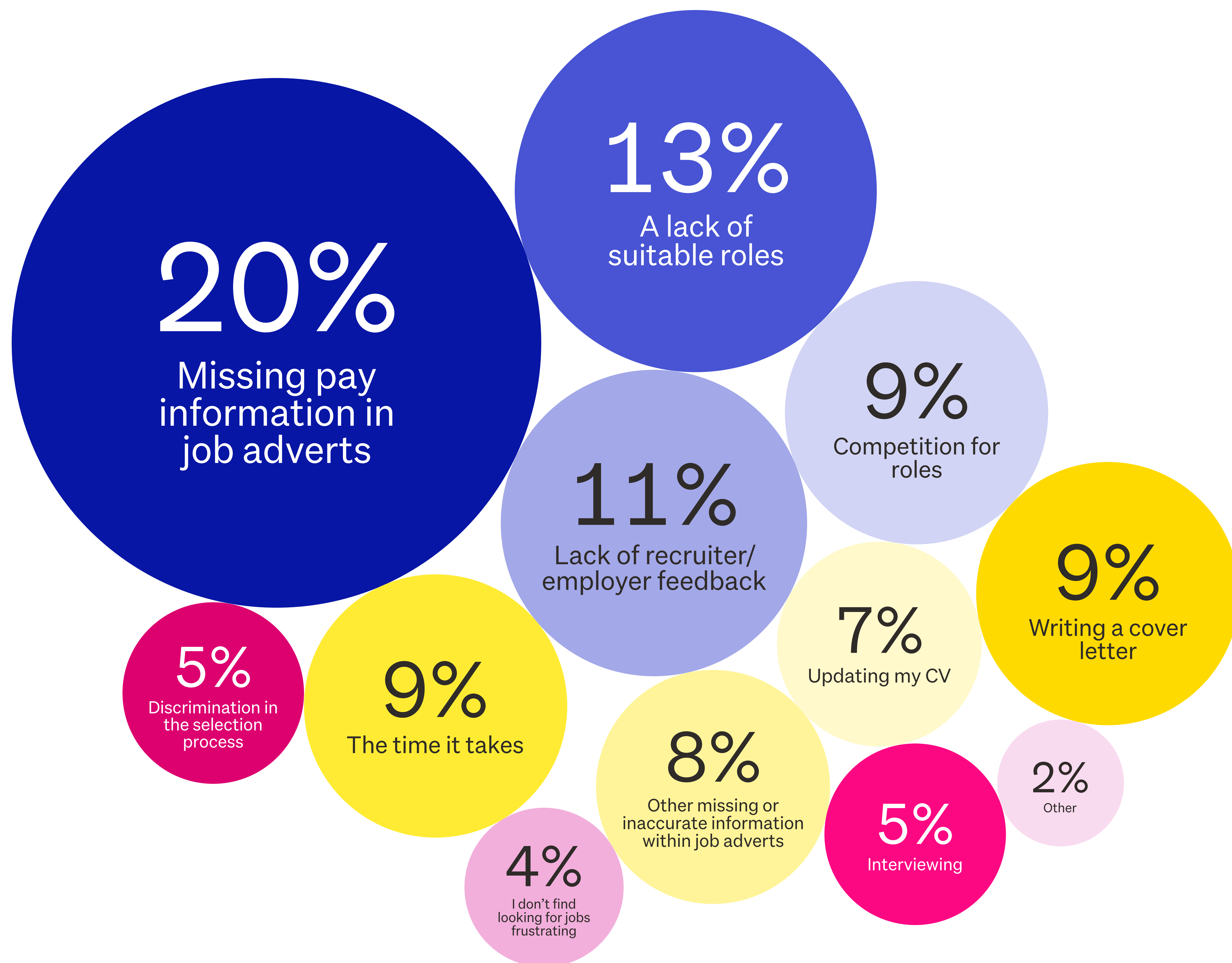
Many job hunters are frustrated by missing information in job ads

The absence of information about pay in job ads is particularly frustrating for job hunters.

Missing pay information in job adverts is now the number one frustration for job hunters, moving up from fifth place in 2024. Lack of suitable roles takes second place in 2025, moving from first place in 2024. Lack of recruiter/employer feedback was the third most popular frustration in both 2024 and 2025.

"There's a real opportunity to attract the right talent by being more transparent on the pay band in job listings",
says Trade Me Head of Jobs, Nicole Williams.

What are your biggest frustrations when looking for a new job?



MOST JOB HUNTERS WOULD RELOCATE FOR A POSITION

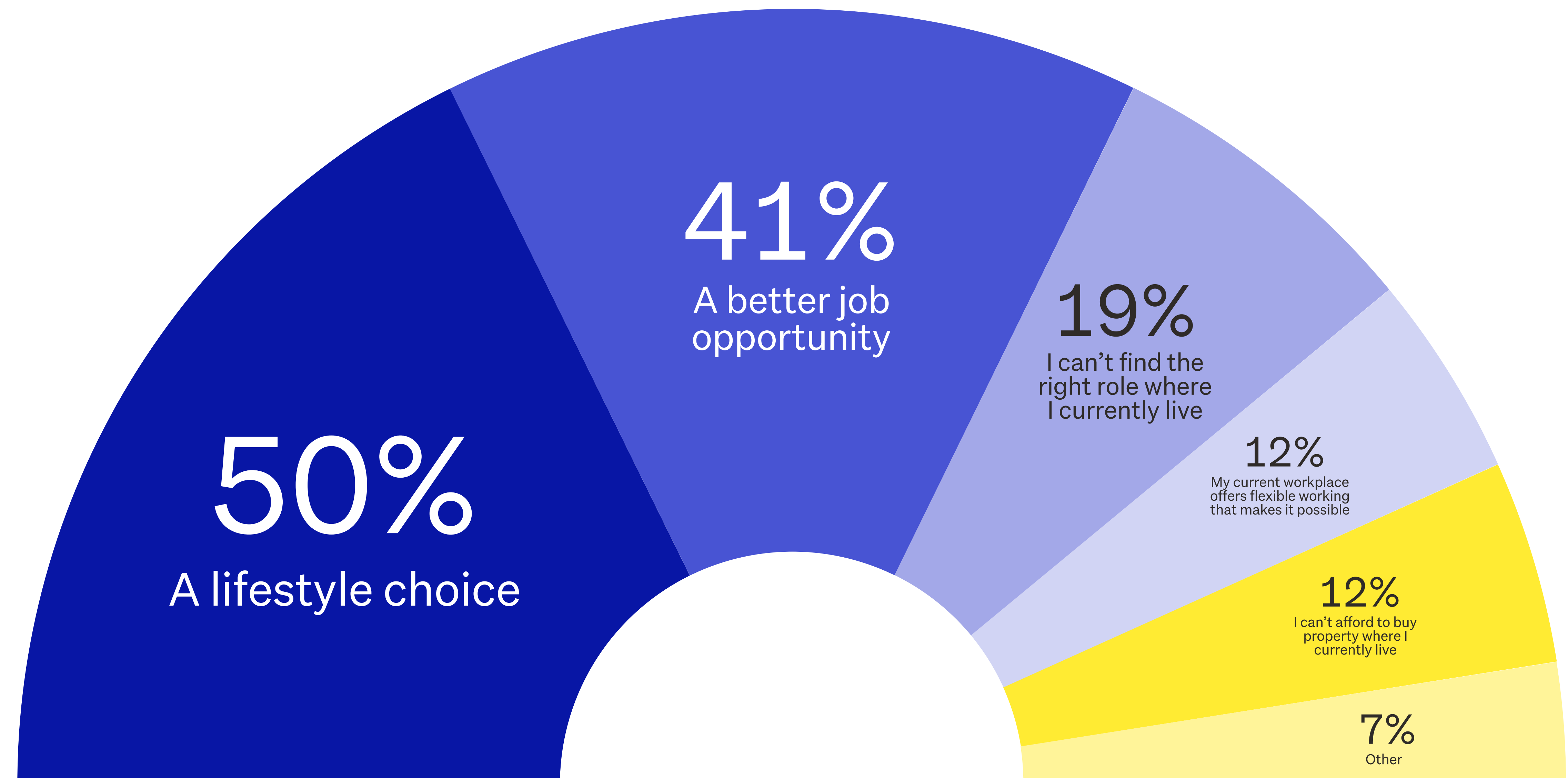
63% of job hunters would relocate for a job

Many employees do not feel tied to the location where they work, posing challenges for retaining staff. On the flip side, many job hunters are happy to relocate from elsewhere to fill vacancies. The percentage of people who would relocate for a job increased by more than 10% from 2024 to 2025 - up from 52% to 63%. For this reason, employers could consider listing their vacancies in multiple regions to attract candidates who are willing to move.

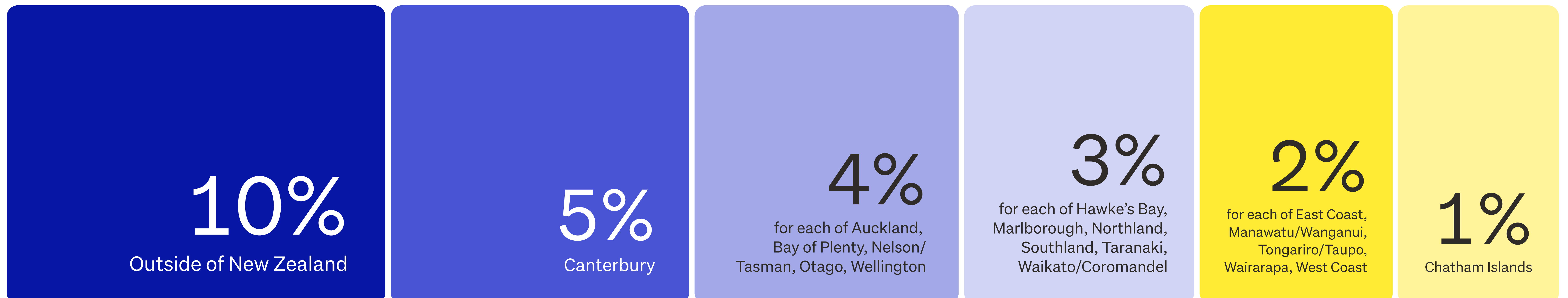
Lifestyle is a top reason for relocating

Half of people who would relocate for a job say they would do so for lifestyle reasons. Better job opportunities come in second at 41%.

What would be your main motivator to relocate?



Where would you relocate for a job?



COMPETITION FOR ROLES REMAINS STRONG

Job hunters are still finding it tough to land new roles

Weak economic conditions have affected hiring, and more people are searching for roles. Most people say it is hard to find a job – 54% think it's either somewhat difficult or very difficult. It's particularly hard for those who are young and less experienced.

The market still favours employers

With more employees open to job hunting, employers will have a greater number of motivated candidates to choose from.

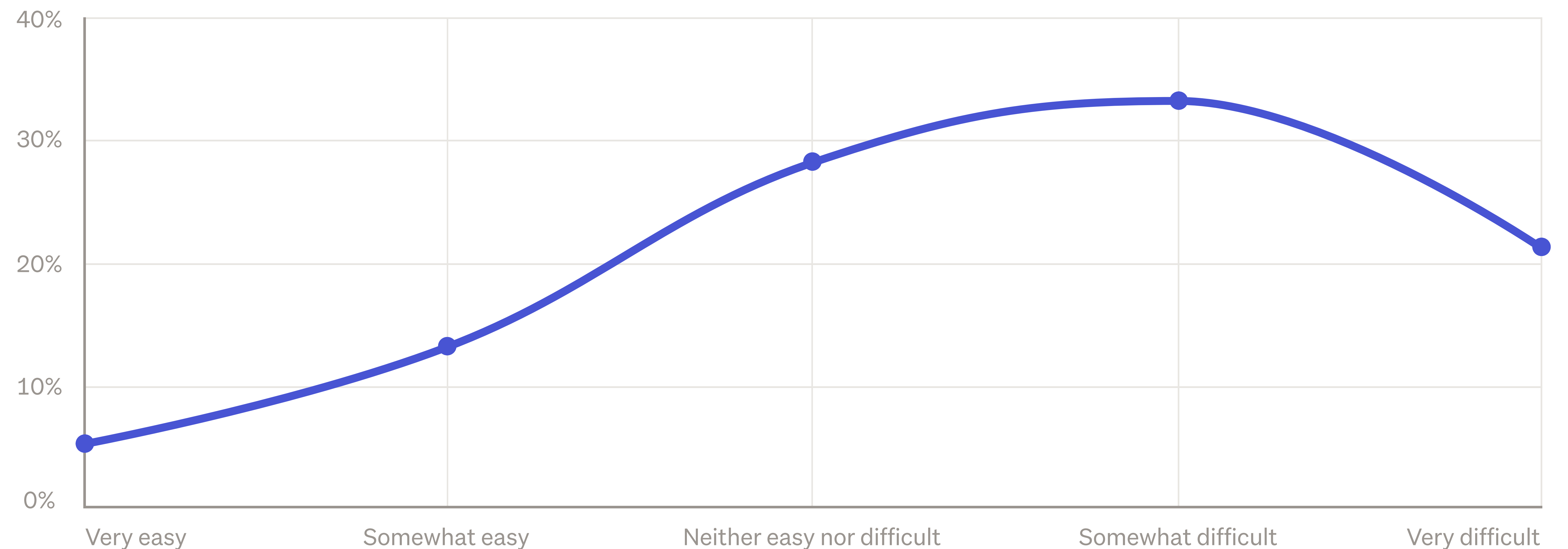
If you're a job hunter, don't be disheartened by the competition

More people are applying for roles, but employers are always after strong candidates. Prepare by:

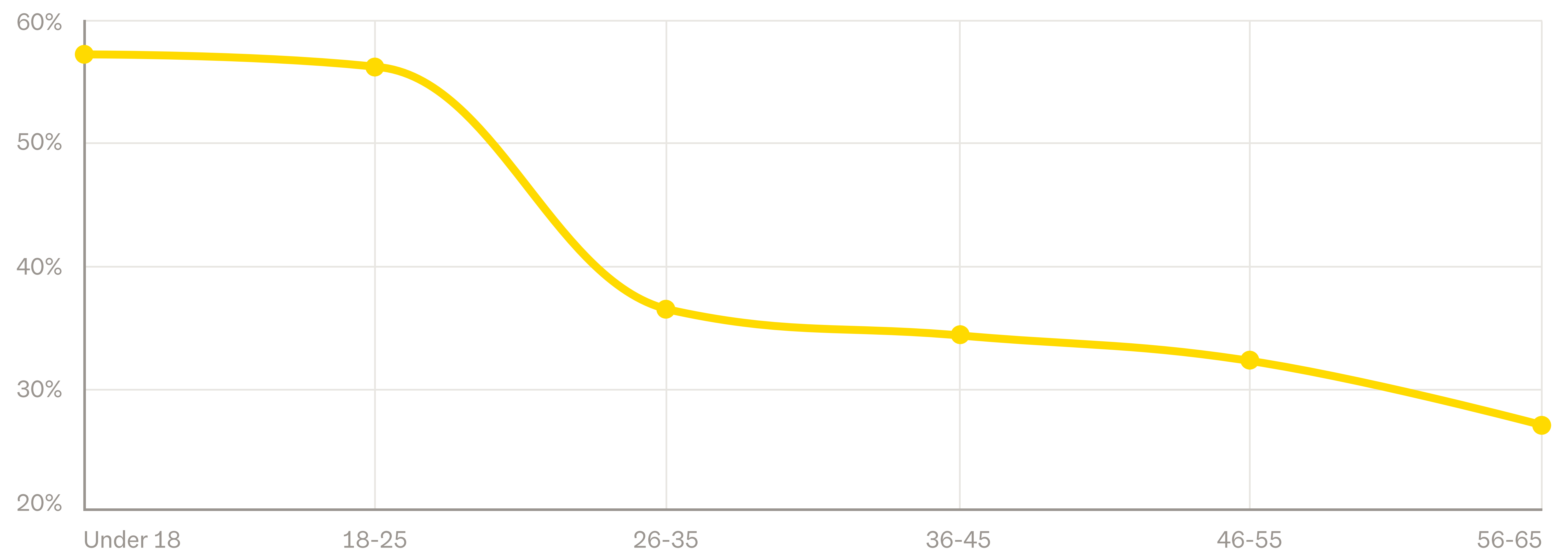
- updating your CV
- carefully tailoring cover letters
- getting interview practice
- clarifying your priorities (for example, career development, pay and flexibility)

Stand out from the crowd with a Gold Job Profile on Trade Me Jobs. Employers are 47% more likely to view a Gold Job Profile when looking through the Trade Me Jobs candidate database.

For you, how easy or difficult is finding a new job?



Net difficulty by age



EMPLOYERS WANT TO HIRE, BUT THEY FACE CHALLENGES

Actual hires depend on improving economic and business conditions

51% of all employers intend to replace staff, and 35% of employers also intend to hire to expand the business. These positive intentions are consistent with other surveys (NZIER's QSBO & ANZ's Business Outlook).

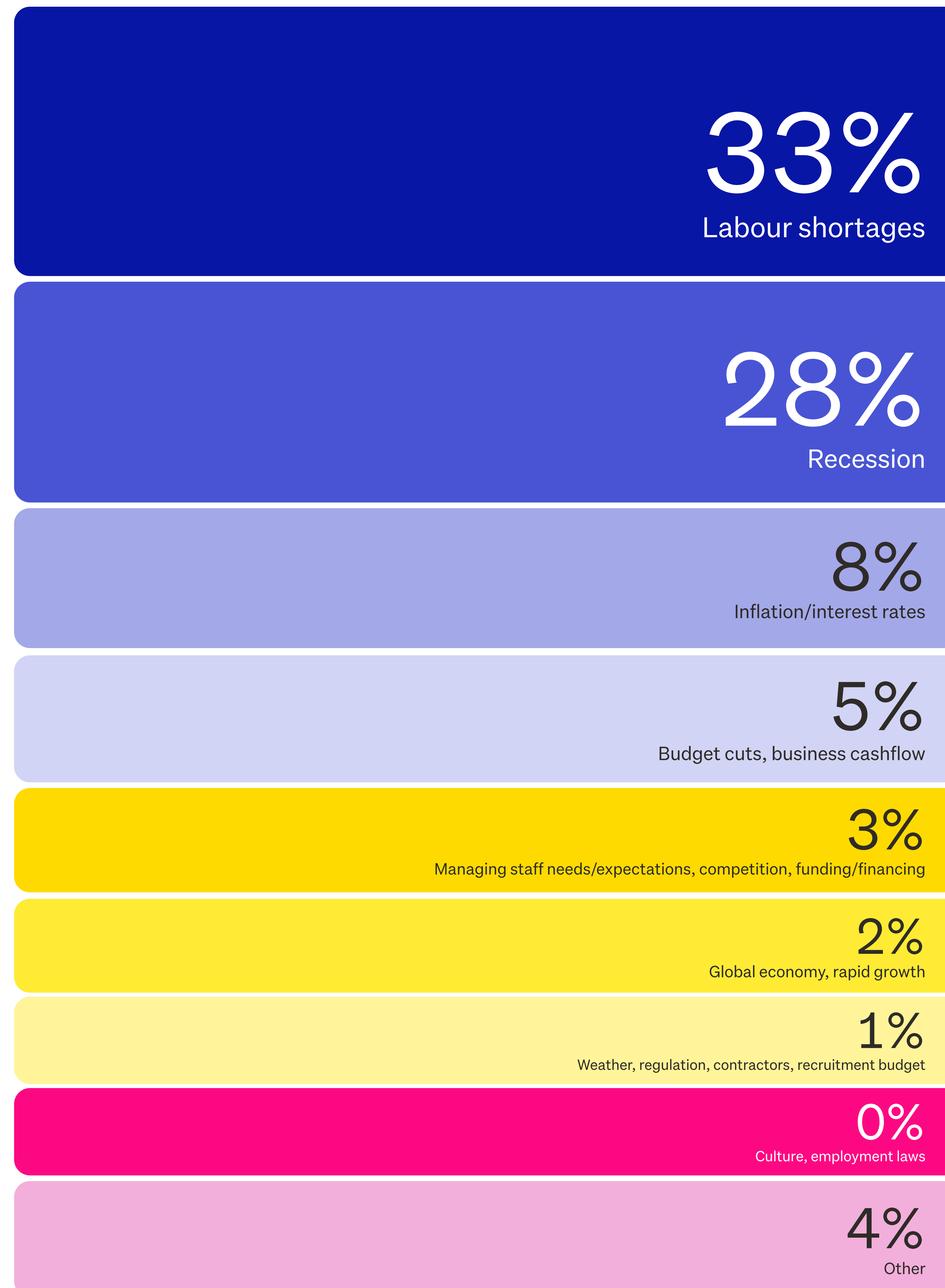
However, pessimism still remains. Economic and business conditions need to improve for employers to make actual hires. Only 1% of employers are looking to reduce the size of their team, and 5% intend not to hire any new employees.

Businesses are looking to attract the right talent during labour shortages

Labour shortages are a persistent issue facing all businesses. A net 81% of employers are prioritising workplace culture to retain staff. Others are offering salaries above market rate (net 35%) or extra incentives (net 16%) to attract new staff.

Despite a perception that we're in a tight rich market, labour and skill shortages are already the leading challenge for businesses. This impact will be stronger as the economy improves, so building strong candidate pipelines, and being proactive with hiring great talent now is critical.

What is your biggest business challenge at the moment?



Which statement best describes your business's hiring intentions in 2025?



EMPLOYERS CONTINUED TO HIRE DURING THE RECESSION

Reasons for hiring

In 2024, 54% of employers hired to cover turnover. Other top reasons for hiring included:

- expanding the business in new locations (23%)
- new projects or contracts (8%)
- adding new skills and experience to the business (7%).

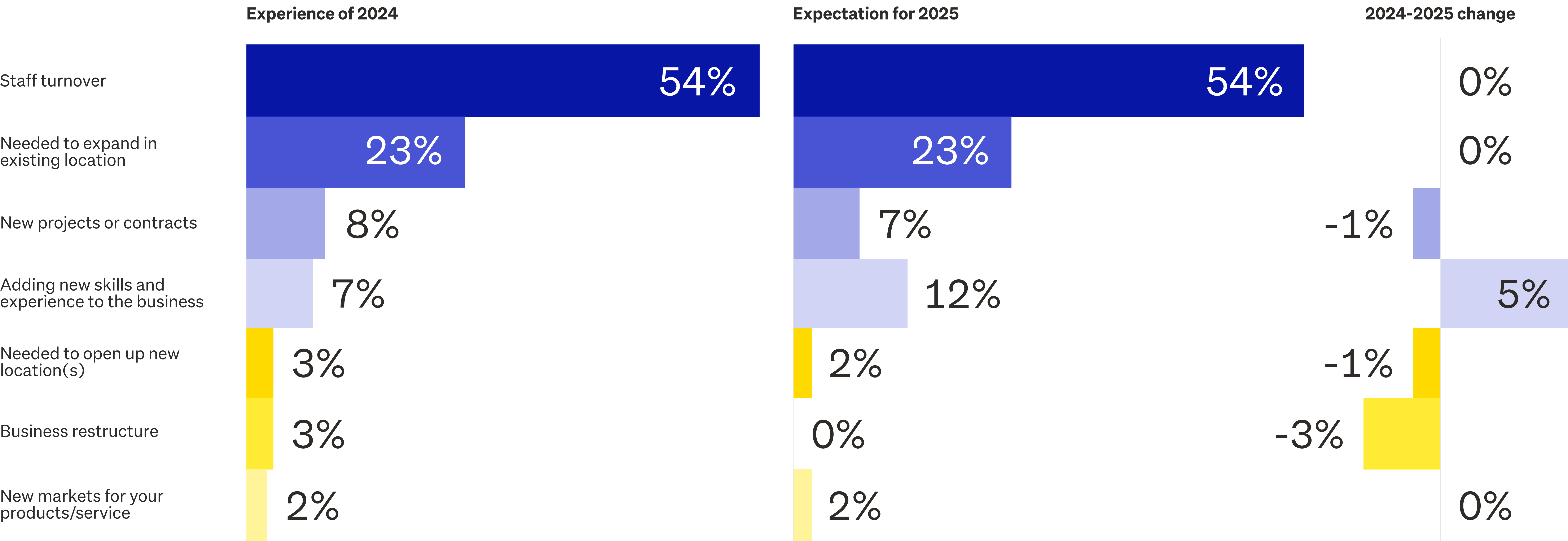
Employers seem increasingly optimistic

Restructuring was a big driver of recruitment decisions in 2024. In 2025, employers’ openness to growth suggests increasing optimism. Employers want to be ready with the right people and skills during the next part of the economic cycle.

Employers need to plan for success

Economic recovery is on the horizon, so businesses should plan ahead, before labour shortages return with a vengeance. In 2025, employers need to go all out to retain staff. They also need to plan recruitment for growth, and find the right people. This will ensure businesses make the most of the economy recovery.

What was your main reason for recruiting in 2024?



EMPLOYERS FACE CHALLENGES TO FILLING VACANCIES

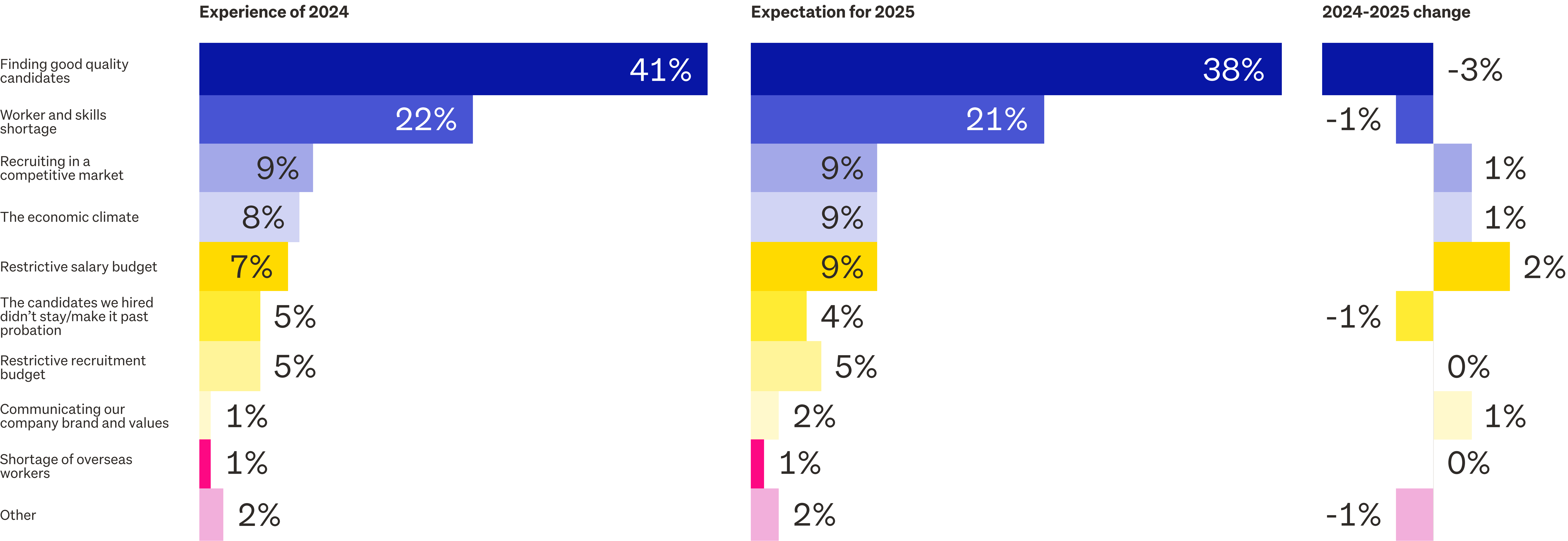
Finding good candidates is still tough

Employers said a lack of quality candidates made it difficult to fill vacancies (41%). Others found it tough to fill positions because of a labour and skills shortage (22%). Other top reasons included the competitive market (9%), the economic climate (8%), and restrictions on salary budgets (7%) – showing the recession’s influence on recruiting.

Aotearoa New Zealand still has a skills shortage

Even though it's an employers' market right now, Aotearoa New Zealand does not have enough people with specific qualifications and experience. The unemployment rate is lower than in previous recessions, and there are fewer available workers than expected. When recovery comes, labour shortages will become even more challenging for employers.

Biggest challenges in filling vacancies



MAKING WHAT EMPLOYEES VALUE A PRIORITY

Employers know flexibility is important, but they could offer more

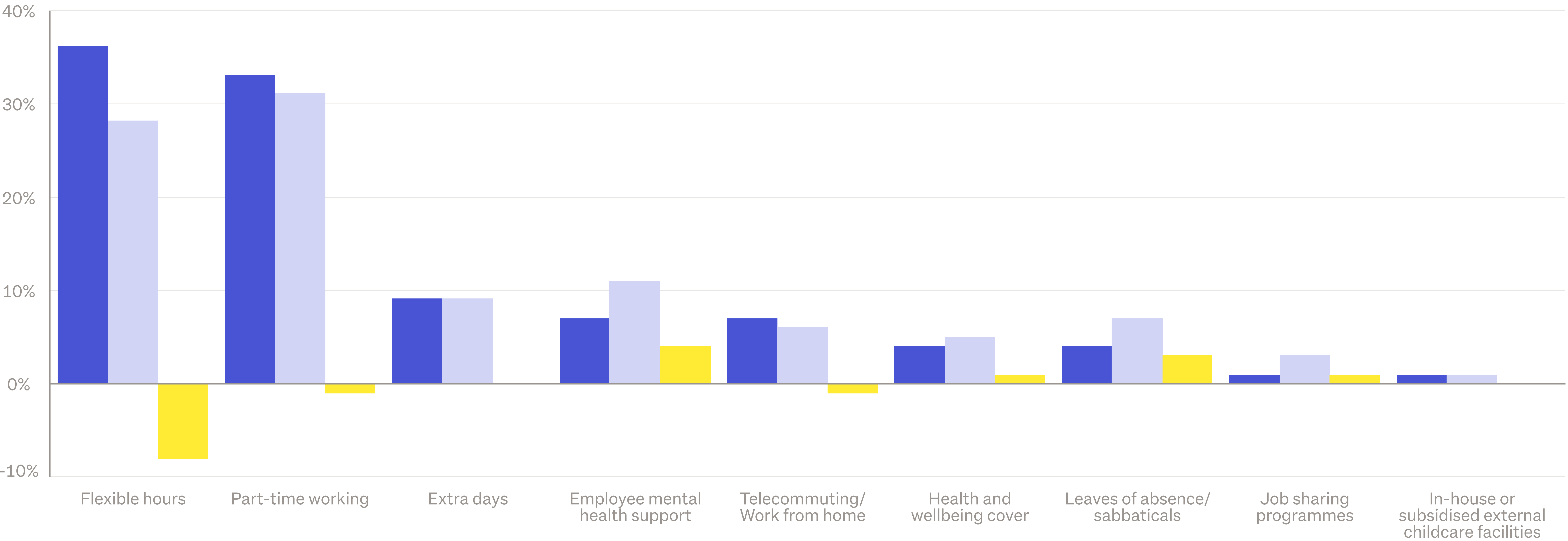
36% of employers know that employees value flexible hours highly, but only 28% of businesses offer flexible hours. That’s a gap of -8%. Businesses that can offer flexible hours will be more competitive in attracting candidates and keeping them.

Some offerings are not as critical

11% of employers offer mental health support, but only 7% report that employees value this offering.

Similarly, 7% of businesses offer sabbaticals, but only 4% of employers think employees value this.

Which of these do you think employees at your business value the most?



GOVERNMENT POLICIES HAVE AFFECTED SOME BUSINESSES

Most employers don't think government policy changes have affected their business

Most employers (69%) say that changes to government policy haven't affected their business, with 17% report that they have.

Immigration and budget cuts are a concern for some

7% of employers say new immigration policy changes have affected their business, while 5% have been affected by budget cuts. Others were concerned by 90-day trials (3%), minimum wage changes (2%), and apprentice scheme changes (1%).

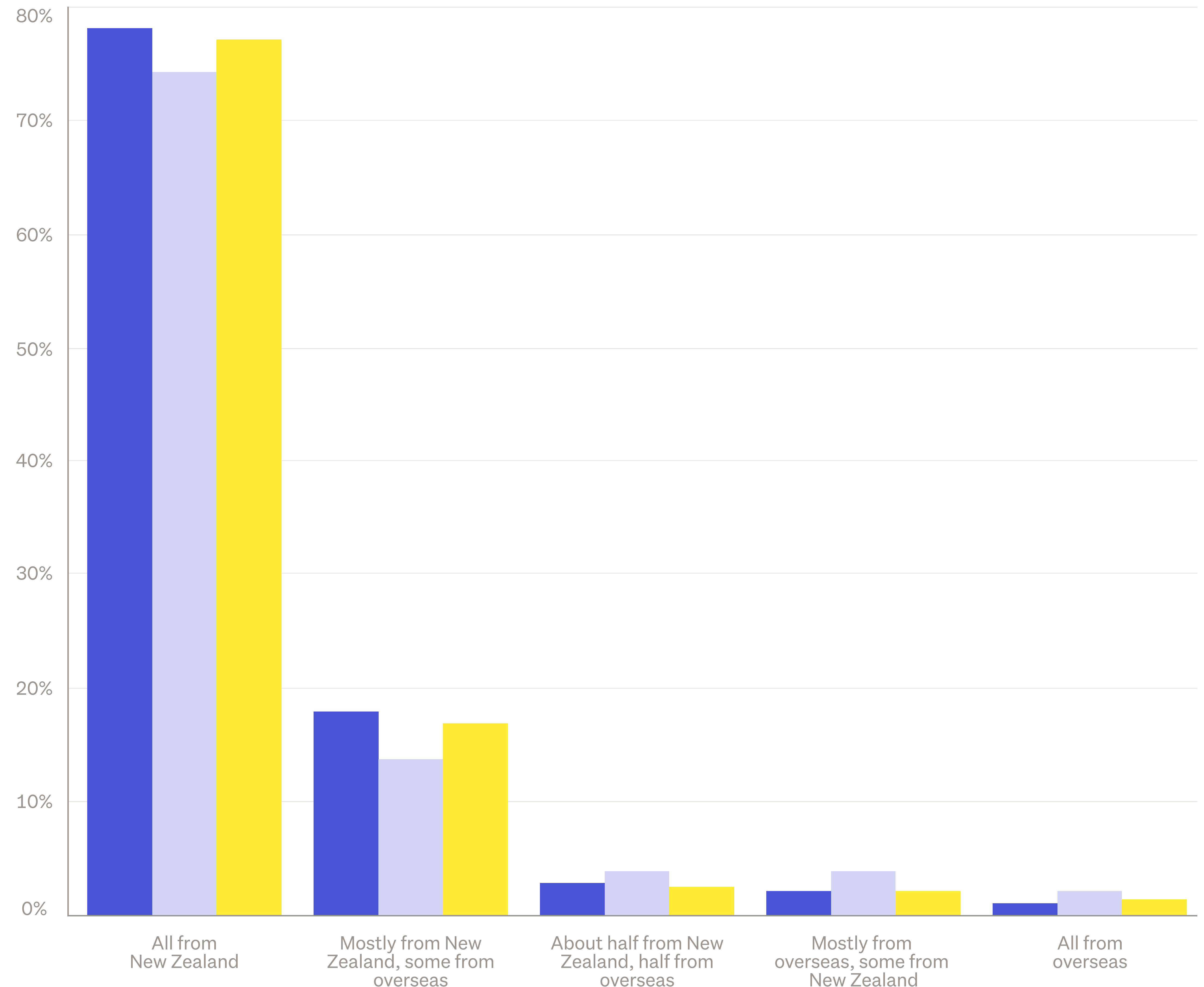
The concerns about immigration are likely linked to government policy, but also a sharp slowdown in net migration. This is causing increasing concerns about labour shortages as the economy begins to recover.

Most businesses expect to recruit people from Aotearoa New Zealand

Very few businesses are entirely reliant on immigration to recruit. Most businesses (78%) will be recruiting people from Aotearoa New Zealand in 2025.

Where staff will come from

● Aim: 2024 ● Actual: 2024 ● Aim: 2025



LOOKING AHEAD FOR 2025

Shamubeel Eaqub predicts what's in store for this year

New Zealand has been in the grips of a long and deep recession, rivalling the Global Financial Crisis (GFC). But there are growing signs of stabilisation in early 2025, and a recovery later in the year.

The economy got through the pandemic years well

Massive amounts of fiscal and monetary stimulus, and relatively few domestic restrictions meant the economy in Aotearoa New Zealand was stronger through the pandemic than peers. Closed borders during this period meant very little migration. This caused significant labour shortages as New Zealand relies on an inflow of migrants to boost labour and skill supply.

A weakened economy

After the pandemic, a global surge in inflation was accompanied by sharply higher interest rates to tame inflation. Government stimulus was reversed as emergency support ended, and efforts began to reduce government borrowing. All these factors intersected to cause a deep and long recession. Policy pressures came on top of a sharply higher cost of living. Because wages did not rise enough to offset this, people's spending power fell, and they ate into their savings.

2024 in summary

The combination of an already weak economy, higher interest rates, and reversal of fiscal stimulus all conspired to create a deep recession. The downturn was partly offset by a surge in immigration, which added more people to the economy and boosted growth. However, this did not improve wages or living standards.

Over 2024, net migration slowed, and this was a brake on the economy. Fewer people came to New Zealand, in part due to changes in immigration policy. More Kiwi also headed for overseas – mainly Australia. Job losses and business closures are key features of any recession, but, encouragingly, the extent of job losses has been much more moderate than previous cycles. Businesses are loathe to let staff go, because they have lived with persistent labour shortages for so long.



LOOKING AHEAD FOR 2025

The outlook for 2025

By the end of 2024, there were encouraging signs of job losses stabilising, and improvement in business confidence, hiring intentions, and consumer confidence. It's still early days, but the prospect of recovery is nearing.

The biggest catalyst for the recovery is lower interest rates from the RBNZ. Those refinancing their mortgages are increasingly doing so at lower interest rates. This, combined with growing confidence from banks to lend, will spur borrowing and investing by households and businesses.

The farming sector is also feeling brighter after a couple of years of stresses from low global prices and input costs. But 2025 is shaping up to be a better year.

Slowing net migration and fiscal austerity will continue to provide local challenges to the recovery. The global economy is also uncertain. Our biggest trading partner, China, has been in a funk. Our second biggest trading partner, USA, is very unpredictable under a renewed Trump presidency.

Despite these risks, there is every sign that New Zealand is nearing the bottom of this painful recession, and we should plan for a good end of 2025.

What's next for the labour market?

For the labour market, it means a gradual improvement from current levels. We are starting from a relatively tight labour market.

While the unemployment rate at the end of 2024 at 5.1% is high, it is much lower than in the GFC when it peaked at 6.7% – equivalent to nearly 55,000 more unemployed. The earliest signs of a recovery will be seen in job ads, which are beginning to stabilise.

How businesses can attract and retain staff

When firms start hiring in earnest, finding qualified staff will again become a frustration. The external reasons for our labour shortages will not go away: skills and location mismatches, and an ageing population. Businesses will need to think creatively about how to make their businesses more attractive to staff by offering career progression, flexibility, and competitive pay.

Businesses will also need to make better use of a more diverse labour force. For example, businesses could make employment more manageable for parents of young children by including more part-time workers or job-sharing roles. Similarly, businesses will need to seriously consider investing in labour saving initiatives. For example, using automation may allow businesses to pay their staff better.

Businesses also need to prioritise staff retention, which is the main reason for recruitment. That means investing in leadership, culture, and business processes. With the recession nearing its trough, smart businesses will use the lull before recovery to invest in their business and get ready to take full advantage of the cycle.

