

NZ TECH & LEADERSHIP · MARKET REPORT

the elevator is going up, but we started in the basement.

Job ads grew through May and June, then fell in July for the first time in about eighteen months. Here is what actually moved this quarter, and what it means if you are hiring through the rest of 2026.

+6.2%

All NZ job ads y/y
July 2026

-0.8%

All NZ job ads m/m
First fall this cycle

5.6%

National unemployment
11-year high

16.7%

Of ICT ads mention AI
Up from 15.0% in May

**Chris Reid · Founder**

chris@reidandco.co.nz · reidandco.co.nz

01

improving, but from a long way down

Three months that opened with momentum and closed with the first fall in job ads this cycle. My read on what that actually means.

The job market still resembles a mixed bag at best. My last report closed out April on a reasonably positive note, and then May slowed everything down as the geopolitical tension started to bite. Job ads grew 0.3% across the country that month, a noticeable drop on what came before, and June managed only 0.2%. July gave us the first month on month decline of this cycle at -0.8%.

I would still say we are in a better position than 2024 or 2025, because there are more positive signals in this market than either of those years ever produced. What gets lost is how far we fell to get here. I have worked in the New Zealand job market for almost two decades and lived here my whole life, and I do not believe it has ever been as hard as the last three years have been. So when I say things have improved, understand what that is benchmarked against. We were not on the ground floor, we had fallen all the way to the basement. The elevator is going up and that counts for something, but there are a lot of floors to climb before I will call this a sustainable recovery.

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We were not on the ground floor, we had fallen all the way to the basement. The elevator is going up and that counts for something, but there are a lot of floors to climb.

02

market pulse

Three months of Seek data, one quarterly Stats NZ release, and a market that changed direction partway through.

+6.2%

Seek · NZ job ads y/y, July
Down from +10.7% in June

5.6%

National unemployment · Jun
Q
Highest since 2015

13.8%

Underutilisation · 440,000
people
Up from 12.9%

The picture shifted through the quarter. Job ads were still growing year-on-year at +12.2% in May and +10.7% in June, then that growth roughly halved by July to +6.2%. July also brought the first month-on-month fall of this cycle at -0.8%, after roughly a year and a half of monthly growth. Sources differ on exactly how many consecutive months of decline that represents, so treat the count as directionally right rather than exact.

AI-skill demand is decelerating on the same pattern, still growing but well off its highs, running at +118.9% year-on-year in May, +107.3% in June and +94.1% in July, and now sitting at 16.7% of ICT ads. Against that, the Stats NZ June quarter release put national unemployment at 5.6%, up from 5.4% and an eleven-year high, with underutilisation at 13.8%, or 440,000 people. Annual inflation for the same quarter came in at 4.1%, sharply up from 3.1% in March, while wage growth held at 2.0%. Real wages kept losing ground.

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July saw a further decline in job ads across New Zealand, with only pockets of growth.

ROB CLARK · SEEK NZ COUNTRY MANAGER · 12 AUGUST 2026

Only four regions grew in July, being Hawke's Bay, Marlborough, West Coast and Otago, and the larger centres are facing what Clark called greater headwinds. Auckland fell 0.9% and Wellington 1.3% month-on-month.

03

reading the contradiction

Rising job ads and rising unemployment at the same time. What is actually moving underneath the headline 5.6%.

The data backs up a good deal of what I am seeing on the ground, which is a job market that cannot get out of second gear. May and June read as a decelerating recovery, and depending on which end of the market you operate in it may have felt like feast or famine. July is the month that concerns me. Job ad growth halved from June, we got the first month on month fall of this cycle, and only four of fifteen regions were still growing. One soft month is not a trend and I am not going to call it one yet, but put it alongside the unemployment and inflation numbers and there is reason to be concerned.

Unemployment rose to 5.6% over the quarter, an eleven-year high, and every major forecaster undershot it, with the RBNZ at 5.4% and ANZ and ASB at 5.5%. I was not surprised by the print, and what concerns me more is that the true figure is higher, because the official definition misses the volume of people who are out of work and no longer counted. Underutilisation rose faster again. We have a labour market where a lot of people are desperate and are taking jobs well beneath their capabilities just so they can feed their families and pay their mortgages. Shamubeel Eaqub, the economist from Simplicity, has the sharpest line going on this, which is that it is not a high-quality recovery yet. Job growth per head of population has not recovered, it has only kept pace with the population.

Inflation is the layer worth naming directly. CPI jumped from 3.1% to 4.1% year-on-year over the quarter, the worst reading in more than two years, with the geopolitical tension cited as a contributing factor. Wage growth stayed flat at 2.0%, so the real-wage gap widened rather than closed, right as job ad growth itself started to turn.

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CHRIS REID · REID & CO

4.1%

Annual CPI · June quarter
Up from 3.1% in March

2.0%

Wage growth y/y
Flat on the March quarter

440,000

People underutilised
13.8% of the labour force

04

where the work is coming from

Which sectors are carrying the demand, and which have gone quiet. The published data first, then my own read underneath it.

What the sector data shows this quarter

Seek's published industry-level movements for this quarter are thin compared with the March edition. What did get published is set out below.

SECTOR	MOVEMENT	READ
Mining, resources & energy	+38.5% y/y · +3.3% m/m (July)	One of the few sectors still growing month-on-month in July, against the broader slowdown
Healthcare & Medical	+11.6% y/y (May) · -1.4% m/m (July)	Strongest annual figure published this quarter, but the July monthly dip is worth watching
Regional split (July)	4 of 15 regions growing	Hawke's Bay, Marlborough, West Coast and Otago grew. Auckland -0.9%, Wellington -1.3%, Canterbury down
ICT	+9.9% y/y (June only)	Not published in the May or July editions, so no quarter-end ICT figure is available

Public sector and financial services were not broken out as separate industry movements in the May, June or July Seek editions. Their absence here is a gap in the data rather than a signal that hiring stopped, and my read on both follows.

My read

public sector

Cooled after a first-quarter resurgence. Wellington turned negative in July.

After a resurgence in the first quarter of the year the public sector has cooled. Wellington job ad data followed the national pattern of slower growth through May and June before turning negative in July. There will be a few breaths being held with the election on the horizon, and in a landscape this unsettled I expect agencies to keep pausing until October's result is clear.

financial services

The most buoyant sector I deal with. All five major banks still hiring.

business analysis

solution architecture

integration

data engineering

cyber security

Financial services remains the most buoyant sector I deal with, with all five major banks still hiring a mix of contract and permanent resource. It reads as a continuation of statements of work already under way around open banking, API and integration work, cloud migration, AI and automation, data governance, core platform upgrades, and the constant flow of conduct, risk and remediation obligations. Banks and insurers are not just buying technical skills. They want people who understand regulated complexity and can operate across technology, risk, product and the business. Most of the demand I am seeing sits in business analysis, solution architecture, integration, data engineering and cyber security.

05

where the heat is right now

Month by month, so the quarter's trajectory is visible rather than just its endpoint.

INDICATOR	MAY	JUNE	JULY
All NZ job ads (y/y)	+12.2%	+10.7%	+6.2%
All NZ job ads (m/m)	+0.3%	+0.2%	-0.8%
ICT job ads (y/y)	Not published	+9.9%	Not published
AI skill references (y/y)	+118.9%	+107.3%	+94.1%
AI references, share of ICT ads	15.0%	Not published	16.7%
Applications per ad (m/m)	+0.6%	Stable	+1.6%
Auckland job ads (m/m)	-0.3%	-0.4%	-0.9%
Healthcare & Medical	+11.6% y/y	Not published	-1.4% m/m

Applications per ad is reported with a one-month lag in every Seek edition, so the figure shown against each month is the one Seek itself attributed to that month's release. Software Engineer-specific figures were not published in any of the three months this quarter.

High demand right now

01 **AI-capable engineers**

AI skill references reached 16.7% of ICT ads in July, still the highest concentration of any category, even as the annual growth rate eased from 118.9% in May to 94.1% by July as the comparison base gets harder.

02 **Mining, resources and energy**

Up 38.5% year-on-year and one of only a handful of sectors still growing month-on-month in July at +3.3%, bucking the broader slowdown.

03 **Healthcare and Medical tech-adjacent**

+11.6% y/y in May, the most recent annual figure published, though the sector posted a monthly dip in July at -1.4% that is worth watching next edition.

04 **Regional divergence**

Only four regions grew in July, being Hawke's Bay, Marlborough, West Coast and Otago, against declines in Auckland, Wellington and Canterbury. That is a sharp change from June, when Wellington and Canterbury were among the strongest performers.

AI in hiring

AI-skill demand is still outrunning every other hiring signal, though the growth rate has now eased for three straight months, from 118.9% in May to 107.3% in June to 94.1% in July. That is deceleration off a very high base rather than a turn negative. The concentration in ICT keeps deepening even as the annual rate cools, with 16.7% of ICT ads referencing AI in July against 15.0% in May, and AI ethics and governance is the fastest-growing sub-category of the lot, up 368.8% year-on-year in July off a small base.

AI has reached a level of maturity where people can no longer ignore it. I have had several roles recently where the deciding factor was a candidate's ability to demonstrate how they have used a particular LLM in their ways of working. Organisations are starting to fixate on specific LLMs within their hiring process, which is an interesting development and a slightly concerning one given how fast these tools fall in and out of favour.

16.7%

Of ICT ads reference AI · July
Up from 15.0% in May

+94.1%

AI skill references y/y · July
Third month of deceleration

+368.8%

AI ethics & governance y/y
Off a small base

“

AI has reached a level of maturity where people can no longer ignore it.

CHRIS REID · REID & CO

06

contracting market / leadership market

Two ends of the market moving at different speeds.

Contracting market

The contracting market continues to be the brightest bulb in the box. Large statements of work keep commencing, with organisations reaching for seasoned contractors to fill skill gaps rather than committing to permanent hires. A good deal of that momentum comes off the new Australian financial year, which plenty of New Zealand organisations run to, including the major financial services institutions, which are doing most of the consuming.

Competition in this space is still hot on the candidate side as it remains a buyer's market, which is why rates have stayed below their 2022 peaks. Contracting has more going for it than the permanent space at the moment, but I am also watching organisations park projects until the other side of the election. If you are a contractor looking for your next gig, that leaves us poised for a fast finish into Christmas potentially.

Leadership market

The leadership market had a few moments in the sun over the last quarter. Several C level executives in my coaching practice landed roles during this period, and one head of engineering I know had been looking for a couple of months with very little to show for it before three offers arrived inside two weeks. That has been a long time coming after a very lean stretch at Head Of level and above. The wider trend has not shifted though. Unemployment and underutilisation at that level is rampant, and when a Head Of resigns organisations are restructuring rather than replacing, with the new role usually a hybrid that pushes accountability down and widens the scope.

More people at this level keep setting up their own businesses. Ideas are free and execution is everything, and I am now seeing the first wave of those who went down that path circling back to the market for full time positions.

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07

once bitten, twice shy

Confidence recovered early in the year and then took a hit. What candidates are actually doing about it.

Apprehensive is the word for candidate sentiment right now, and it is a case of once bitten, twice shy. We picked up a bit of steam in the first quarter of the year and the signals were more positive then, with passive candidates prepared to entertain a call again. The conflict in Iran and the flow-on effects seem to have rocked everyone's confidence, which is understandable.

A strong portion of the candidate population is still struggling to get meaningful engagement from the market. Application rates remain at a level where the noise makes it extremely hard to stand out, even for the most qualified applicant, and good talent is sitting unused as a result. There is growing frustration about the speed of recruitment processes too, and about what are best described as ghost jobs, where candidates invest in several rounds of interviews only to be told the role has been filled internally or closed.

The battle to keep good employees is at fever pitch. I have never seen more counter offers in my career than I am seeing right now. My advice to candidates is to think long and hard about why you are entering the job market before you do, because if it is solely about money then running a recruitment process to elicit that pay rise is a risky move in this climate. The research on counter offers holding up long term is not flattering.

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CHRIS REID · REID & CO

08

what the market is paying

Indicative NZD ranges for Auckland-based roles. Contractor rates exclude GST.

National wage growth held at 2.0% year-on-year against CPI of 4.1% for the June 2026 quarter, up from 3.1% in March, so real wages went further backwards this quarter than last. In practice that keeps softening salary escalation pressure for most roles, with the exception of high-demand specialisms like AI-capable engineers.

Leadership · permanent salary

ROLE	2025 (NZD)	2026 (NZD)	TREND
Engineering Manager	\$150k – \$220k	\$160k – \$200k	Stable
Head of Engineering*	\$150k – \$240k	\$180k – \$240k	Stable
VP Engineering*	\$200k – \$260k	\$230k – \$280k	Stable
CTO (Series A/B)	\$220k – \$320k	\$220k – \$320k	Stable

Leadership · contractor rates

ROLE	2025 (NZD/H)	2026 (NZD/H)	TREND
Engineering Manager	\$130 – \$170/h	\$130 – \$170/h	Stable
Head of Engineering*	\$135 – \$170/h	\$140 – \$175/h	Stable
VP Engineering*	\$150 – \$210/h	\$160 – \$220/h	Stable
CTO (Series A/B)	\$180 – \$250/h	\$180 – \$245/h	Stable

* Public NZ data is sparse for these titles. Ranges are proxied from adjacent roles and market intel.

individual contributor

Low, mid and high read as roughly junior, established mid and senior-market typical. Confidence ratings are based on available public data and my own placement volume. Lower confidence does not mean less accurate, it means cross-check before you commit.

permanent salary · annual base, nzd

SKILLSET	2025 (LOW / MID / HIGH)	2026 (LOW / MID / HIGH)	CONFIDENCE
Software engineer (backend)	\$100k / \$115k / \$130k	\$105k / \$120k / \$140k	Medium
Frontend developer	\$105k / \$115k / \$140k	\$110k / \$120k / \$140k	Medium
Full-stack developer	\$110k / \$125k / \$145k	\$110k / \$125k / \$155k	Medium
DevOps / SRE	\$125k / \$143k / \$160k	\$130k / \$150k / \$175k	High
Cloud architect	\$150k / \$180k / \$210k	\$155k / \$175k / \$185k	Medium-high
Solution architect	\$130k / \$160k / \$185k	\$135k / \$165k / \$190k	High
Data engineer	\$110k / \$133k / \$155k	\$115k / \$135k / \$160k	High
Data scientist / ML engineer	\$115k / \$135k / \$160k	\$120k / \$145k / \$170k	Medium
QA / test automation	\$85k / \$110k / \$140k	\$90k / \$115k / \$145k	Medium
Product manager	\$110k / \$125k / \$140k	\$115k / \$130k / \$145k	Medium
UX / UI designer	\$95k / \$125k / \$155k	\$90k / \$110k / \$135k	Medium-low
Cybersecurity engineer	\$110k / \$135k / \$170k	\$120k / \$145k / \$170k	Medium
Mobile developer	\$100k / \$115k / \$130k	\$100k / \$120k / \$140k	Low-medium
Business analyst	\$95k / \$110k / \$130k	\$100k / \$120k / \$140k	Medium
Database administrator	\$95k / \$110k / \$125k	\$100k / \$115k / \$125k	Medium-low
Project manager	\$120k / \$140k / \$160k	\$130k / \$155k / \$170k	Medium

Source stack: SEEK New Zealand live permanent ads and several prominent recruitment agency salary reports across 2025/26.

individual contributor

contractor rates · nzd per hour, excluding gst

SKILLSET	2025 (LOW / MID / HIGH)	2026 (LOW / MID / HIGH)	CONFIDENCE
Software engineer (backend)	90 / 110 / 135	95 / 115 / 140	Medium
Frontend developer	90 / 110 / 130	95 / 115 / 140	Medium
Full-stack developer	95 / 115 / 140	100 / 120 / 145	High
DevOps / SRE	100 / 125 / 150	105 / 130 / 160	Medium-high
Cloud architect	120 / 140 / 170	125 / 150 / 180	Medium
Solution architect	120 / 135 / 160	125 / 140 / 160	Medium-high
Data engineer	100 / 115 / 135	105 / 120 / 145	High
Data scientist / ML engineer	100 / 120 / 145	110 / 130 / 150	Medium-high
QA / test automation	80 / 95 / 110	90 / 100 / 125	High
Product manager	95 / 110 / 125	100 / 115 / 130	Medium-high
UX / UI designer	80 / 90 / 105	90 / 100 / 110	Medium-high
Cybersecurity engineer	100 / 120 / 145	110 / 125 / 150	Medium
Mobile developer	95 / 110 / 130	100 / 120 / 135	Medium
Business analyst	90 / 105 / 125	95 / 120 / 130	High
Database administrator	80 / 90 / 105	85 / 95 / 110	Medium-high
Project manager	110 / 125 / 145	120 / 130 / 150	High

Source stack: SEEK New Zealand live contract ads and several prominent recruitment agency salary reports across 2025/26.

09

signals to track this quarter

Four things worth watching between now and the next edition.

The more things change, the more they stay the same. If you are in the market for top talent, the number one thing that will determine your level of success is the speed of your recruitment process. The battle for talent in certain pockets is real and it is the quick or the dead.

01 August job ad volumes

Whether August confirms July's fall or reverses it. One month of decline after eighteen months of growth could be noise. A second consecutive monthly fall would confirm the turn Eaquib and Eckhold have been flagging since the June quarter data landed.

02 Whether unemployment peaks or keeps climbing

Every major forecaster undershot the 5.6% print, which is itself a signal that the consensus view has been too optimistic through this cycle. The September quarter release, due roughly November, is the one to watch for a genuine peak.

03 The gap between CPI and wage growth

CPI at 4.1% and rising against wage growth at 2.0% and flat. If that gap keeps widening, expect more counter-offer activity as employers use pay rather than headcount to hold onto people, which is exactly the pattern already showing up in section 07.

04 Your own time-to-offer metric

If you are taking more than three weeks from first interview to offer, you are losing candidates to the counter-offer cycle described in this report. This is within your control in a way that macro signals are not.

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want to talk through any of this?

I'm happy to have a no-agenda conversation about what this means for your hiring plans. Reply directly to my email, or book a time at the link below.

EMAIL

chris@reidandco.co.nz

WEB

reidandco.co.nz



Chris Reid · Founder

Specialist tech and leadership recruitment. Auckland, New Zealand.

chris@reidandco.co.nz · reidandco.co.nz

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