



## Are you looking for a job in Australia?

The Australian Labour Market Update provides information on the Australian labour market on a quarterly basis. It is intended to help people interested in working in Australia on a temporary or permanent basis.

Further information on job prospects, earnings and related information is available at [www.joboutlook.gov.au](http://www.joboutlook.gov.au).

Unless otherwise stated, data are from the Australian Bureau of Statistics (ABS) Labour Force Survey, May 2011.

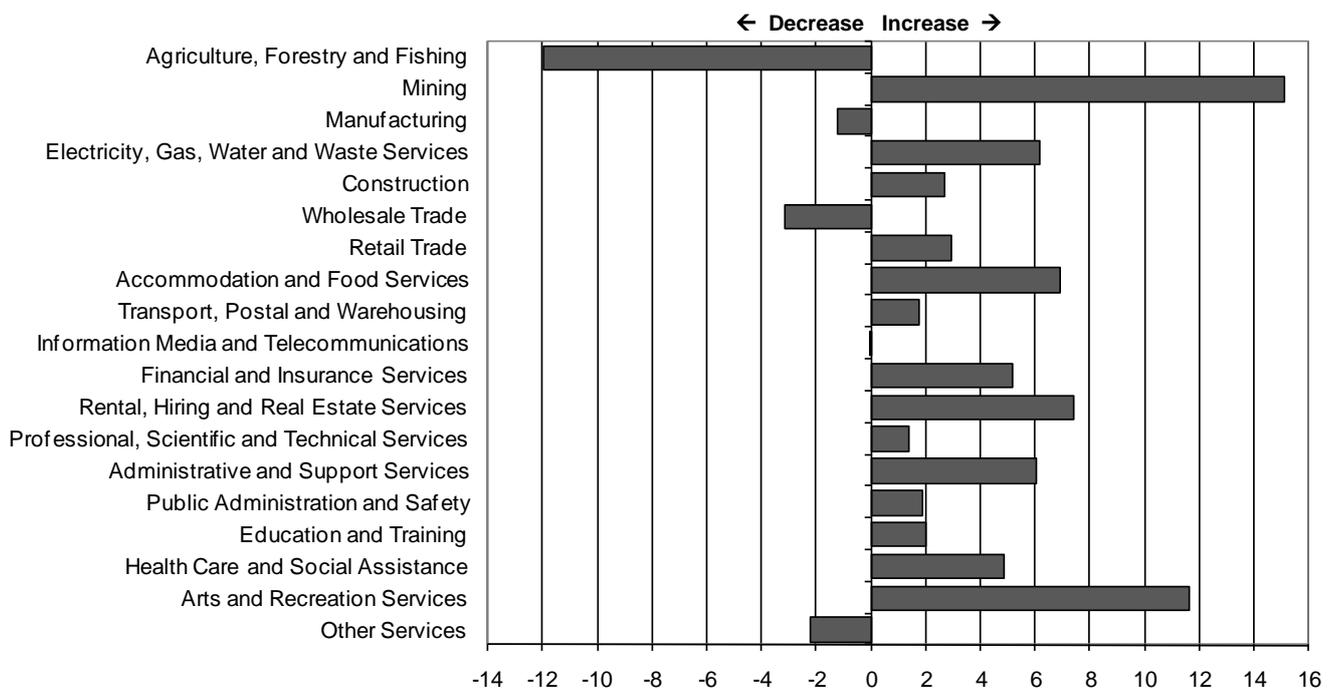
## EMPLOYMENT

Over the year to May 2011, trend employment increased by 251 700 (or 2.2 per cent). The pace of trend employment growth in recent months has slowed, from its peak of 36 600 jobs per month in August 2010 to its current modest pace of just 3 900 jobs per month in May 2011. The recent spate of natural disasters has clearly resulted in a 'soft patch' for the Australian labour market, although a resumption in the pace of economic activity (due in large part to an expected boom in mining investment) should result in a lift in the pace of employment growth in the second half of the year.

Over the 12 months to May 2011, employment (in trend terms) increased in all States and Territories (the States) with the largest employment growth occurring in Victoria (3.0%), New South Wales (2.7%) and Western Australia (2.0%).

Employment opportunities and growth varied across industries. Over the 12 months to May 2011, the largest increases in trend employment occurred in Health Care and Social Assistance (up 59 600), Accommodation and Food Services (up 51 900), Retail Trade (up 35 100) and Mining (up 28 000). The strongest rates of employment growth were in Mining (15.1%), Arts and Recreation Services (11.6%), and Rental, Hiring and Real Estate Services (7.4%). Employment growth rates by industry are shown in Figure 1.

Figure 1: Percentage change in trend employment by industry – May 2010 to May 2011



Source: ABS, Labour Force, Australia, Detailed, Quarterly, May 2011, ABS Cat. No. 6291.0.55.003.

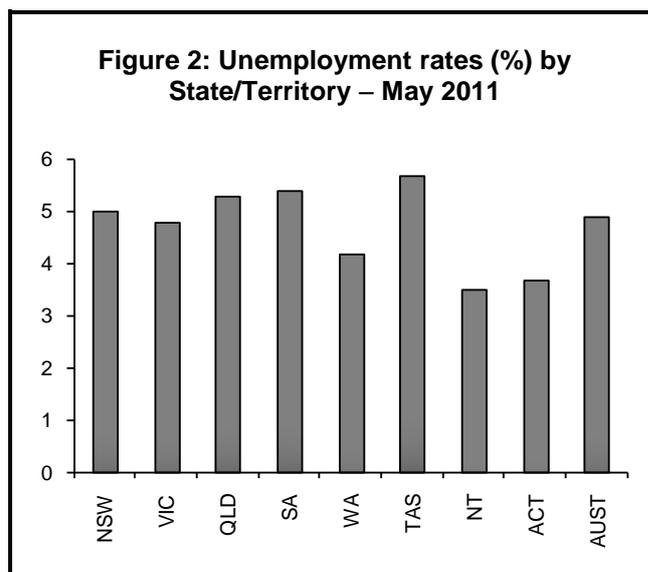
## UNEMPLOYMENT

The trend rate of unemployment was 4.9% in May 2011, compared with 5.2% in May 2010.

In the past year, trend unemployment rates increased in the Northern Territory (NT, up 0.6 percentage points), the Australian Capital Territory (ACT, up 0.5 percentage points) and South Australia (SA, up 0.1 percentage points).

In May 2011, the trend unemployment rate was highest in Tasmania (5.7%) SA (5.4%) and Queensland (5.3%). See Figure 2.

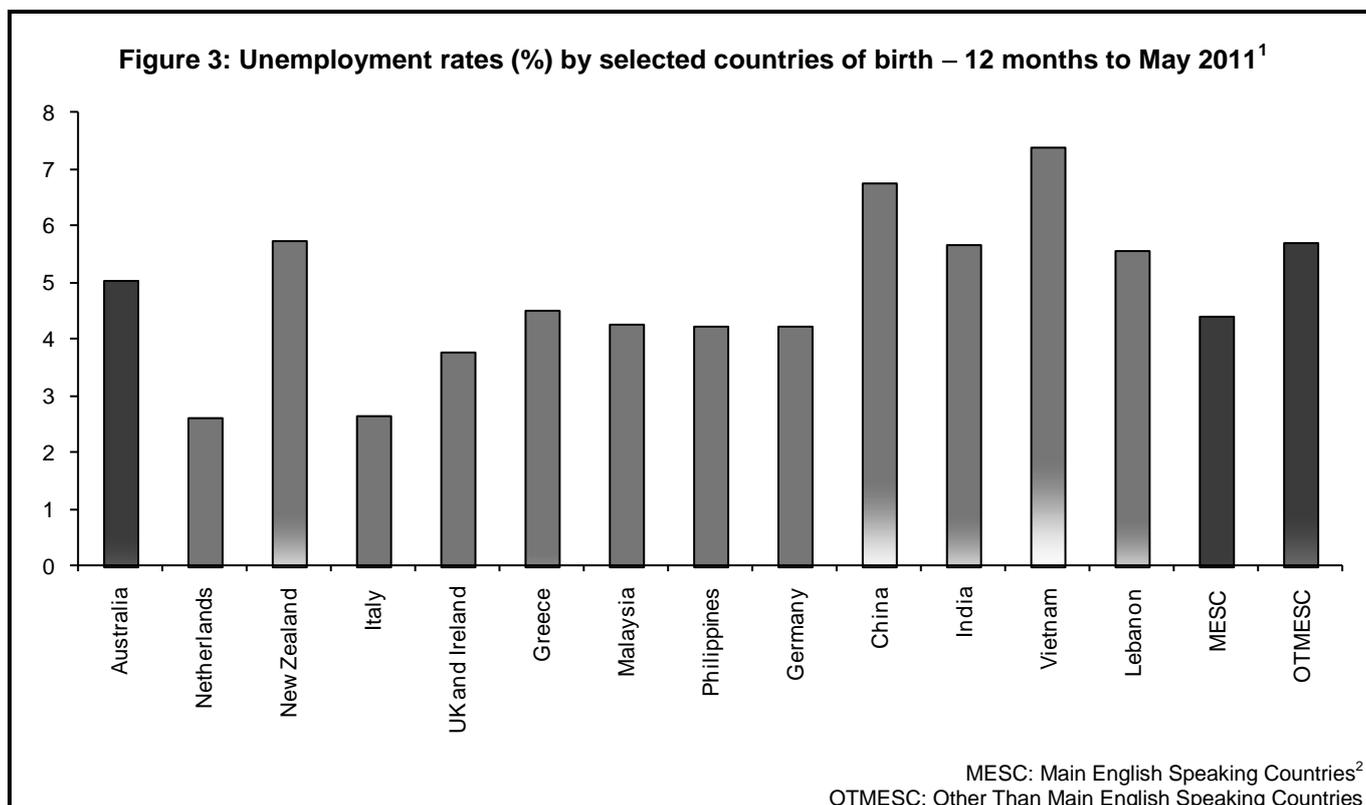
Generally, people in more highly-skilled occupational groups are less likely to experience unemployment. For the four quarters to May 2011, the unemployment rate for those who were formerly employed as Labourers was about four times that of former Professionals.



## MIGRANT UNEMPLOYMENT

The unemployment rates for people who migrate to Australia vary appreciably. Several factors influence migrant unemployment rates including the period since arrival in Australia (data consistently show recently-arrived migrants have a higher unemployment rate than those who have lived in Australia for some years), skill level, age, English proficiency, and recent and relevant work experience.

Figure 3 below shows unemployment rates (original data – average of the last 12 months to May 2011) for people resident in Australia who were born in selected overseas countries. For example, people born in the Netherlands and Italy have low unemployment rates (2.6% and 2.7% respectively), while unemployment rates for people born in Vietnam and China are relatively high (7.4% and 6.8% respectively).



<sup>1</sup> The estimates for individual countries in Figure 3 may be subject to high sampling variability.

<sup>2</sup> MESC are the United Kingdom, Republic of Ireland, South Africa, Canada, the United States of America and New Zealand.

## EMPLOYMENT AND UNEMPLOYMENT BY OCCUPATION

While employment growth is not the only factor influencing job prospects, it is often easier to obtain a job in an occupation which is experiencing strong employment growth than one growing only slowly or declining. Over the 12 months to May 2011 (original data – average of the last four quarters), the largest increases in employment occurred for Professionals (up 91 500), Technicians and Trades Workers (up 80 100) and Sales Workers (up 68 300). Employment growth rates, in descending skill order, are shown below.

The unemployment rate for occupational groups generally reflects skill levels. Highly skilled occupational groups experience lower rates of unemployment, while higher unemployment rates are generally associated with less-skilled occupations. The unemployment rates (for those who had worked for two weeks or more in the past two years) by occupational group are presented in descending skill order below (original data – average of the last four quarters).

| Employment Growth Rates for the 12 months to May 2011 |       | Unemployment Rates at May 2011         |      |
|---|-------|--|------|
| Managers  | -1.0% | Managers                               | 1.4% |
| Professionals   | 3.9%  | Professionals                          | 1.6% |
| Technicians and Trades Workers                        | 5.0%  | Technicians and Trades Workers         | 2.8% |
| Community and Personal Service Workers                | 5.5%  | Community and Personal Service Workers | 3.4% |
| Clerical and Administrative Workers                   | 0.9%  | Clerical and Administrative Workers    | 2.8% |
| Sales Workers   | 6.6%  | Sales Workers                          | 4.7% |
| Machinery Operators and Drivers                       | 4.0%  | Machinery Operators and Drivers        | 3.8% |
| Labourers   | 0.3%  | Labourers                              | 6.5% |

Additional information on Professional and Trade occupations is provided in the following section on internet vacancy trends.

## INTERNET VACANCY TRENDS<sup>3</sup>

The Department of Education, Employment and Workplace Relations (DEEWR) produces the monthly Vacancy Report<sup>4</sup>, containing the Internet Vacancy Index (IVI) (see Figure 4). Over the year to May 2011, the IVI (trend) increased by 12.0%, with increases across seven of the eight occupational groups.

Over the year to May 2011, vacancies increased in all States, except for Tasmania (down 21.6%). The most significant IVI increases were in the ACT (up 25.8%), Queensland (24.5%) and Western Australia (20.9%).

Vacancies increased for all of the eight occupational groups over the year, with the exception of Sales Workers (down 2.6%). The largest increases were for Machinery Operators and Drivers (up 20.5%), Professionals (16.7%) and Technicians and Trades Workers (15.3%).

Over the year to May 2011, vacancies increased in 41 of the 48 occupational clusters, with the largest increases being for Engineers (up 58.3%), Science Professionals and Veterinarians (58.1%) and Transport and Design Professionals, and Architects (50.0%). The largest declines over the same period were for Education Professionals (down 20.7%), Construction Trades (17.4%) and Farmers and Farm Managers (9.7%).

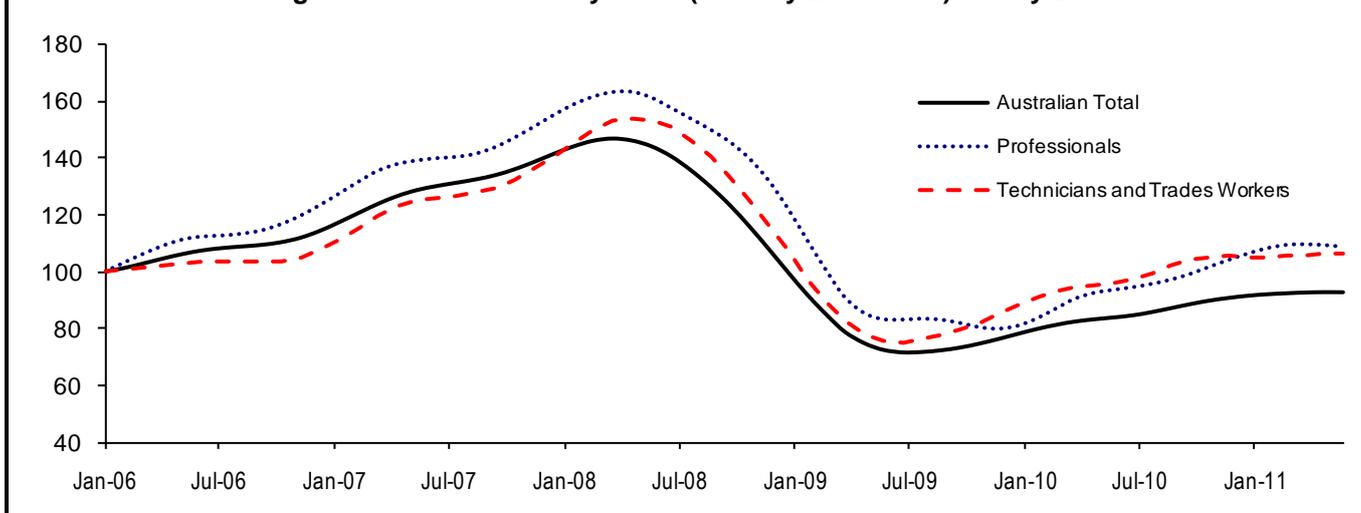
Notwithstanding the increase in the IVI over the year to May 2011, vacancies remain 36.9 per cent below the March 2008 peak.

<sup>3</sup> The Internet Vacancy Index (IVI) is based on a count of online vacancies newly lodged on SEEK, MyCareer, CareerOne and Australian JobSearch during the month. The data are seasonally adjusted and trended, and then indexed (January 2006 = 100). IVI vacancies have been coded by DEEWR to occupations based on the Australian and New Zealand Standard Classification of Occupations (ANZSCO), First Edition (ABS Cat. No. 1220.0). In view of the trending procedure, figures for the six months prior to the current month are subject to revision.

<sup>4</sup> Available for download from [www.skillsinfo.gov.au/skills/lmi/vacancyreport](http://www.skillsinfo.gov.au/skills/lmi/vacancyreport).



Figure 4: Internet Vacancy Index (January 2006 = 100) to May 2011



Source: Department of Education, Employment and Workplace Relations, Internet Vacancy Index (June 2011), [www.skillsinfo.gov.au/skills/lmi/vacancyreport](http://www.skillsinfo.gov.au/skills/lmi/vacancyreport).

## FUTURE JOB PROSPECTS

Future job prospects depend on many factors, some of which are difficult to predict. As there may be significant variation between and within States, information on job prospects should be used with caution.

The table below contains selected occupations with good job prospects over the medium term (to 2015-16). The prospects<sup>5</sup> are based on employment trends, projected employment growth, unemployment rates, vacancy trends, and other data. For prospects on other occupations, visit Job Outlook ([www.joboutlook.gov.au](http://www.joboutlook.gov.au)).

| Selected Occupational Groups with Good Job Prospects to 2015-16 <sup>6</sup>  |   |
|---|---|
| <b>Managers</b><br>Child Care Centre Managers   | <b>Technicians and Trades Workers</b><br>Airconditioning and Refrigeration Mechanics<br>Automotive Electricians<br>Bricklayers and Stonemasons<br>Carpenters and Joiners<br>Civil Engineering Draftspersons and Technicians<br>Electricians<br>Motor Mechanics<br>Plasterers<br>Plumbers<br>Sheetmetal Trades Workers<br>Structural Steel and Welding Trades Workers<br>Wall and Floor Tilers |
| <b>Professionals</b><br>Architects and Landscape Architects<br>Chemical and Materials Engineers<br>Civil Engineering Professionals<br>Dental Practitioners<br>Early Childhood (Pre-primary School) Teachers<br>Generalist Medical Practitioners<br>Industrial, Mechanical and Production Engineers<br>Medical Imaging Professionals<br>Medical Laboratory Scientists<br>Midwives<br>Physiotherapists<br>Psychiatrists | <b>Community and Personal Service Workers</b><br>Dental Hygienists, Technicians and Therapists  |

The Australian Labour Market Update uses the latest available detailed and consistent data at time of production. However, the labour market can change quickly and should be re-assessed prior to making a decision to lodge a visa application. Queries relating to this publication should be emailed to [migration@deewr.gov.au](mailto:migration@deewr.gov.au).

<sup>5</sup> Job prospect ratings are based on ANZSCO, First Edition (ABS Cat. No. 1220.0).

<sup>6</sup> This table does not identify all skilled occupations eligible for temporary or permanent migration to Australia. The lists of skilled occupations may include occupations with average or below average future job prospects.



## Australian Labour Market Update

# The Labour Market Experience of Recent Migrants

Research shows higher levels of skill, tertiary qualifications (assessed as comparable to the Australian standard), and English language ability enhance employment prospects of migrants and the economic benefits of migration.

The most recent release of the Australian Bureau of Statistics (ABS) publication *Characteristics of Recent Migrants*<sup>7</sup> supports the Australian Government's focus on skilled migration. Key labour market indicators – including skill level and qualifications – can be seen to be related to unemployment and participation rates with higher skill levels generally being an indicator of labour market success.

## LABOUR FORCE STATUS OF RECENT MIGRANTS

In November 2010, an estimated 487 900 recent migrants<sup>8</sup> were employed, 45 100 were unemployed and 186 500 were not in the labour force. The labour force participation rate for recent migrants was 74.1% compared with 69.1% for Australian born people. The unemployment rate for recent migrants was 8.5% compared with 4.6% for the Australian-born.

### Skills and Qualifications

The survey shows that for recent migrants, those granted permanent Australian residence through the Skill Stream of Australia's permanent Migration Program had lower unemployment rates and higher rates of labour force participation than the corresponding Family Stream migrants.

In November 2010, recent Skill Stream migrants had an unemployment rate of 5.7%\* and a participation rate of 81.0% while recent Family Stream migrants had an unemployment rate of 10.6% and a participation rate of 63.9% (see Figure A).

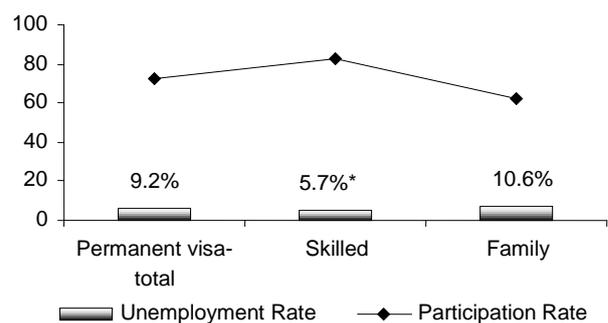
Among recent migrants, on average main applicants<sup>9</sup> had a lower unemployment rate (7.2%) and higher participation rate (72.3%) than other initial visa applicants. Main applicants in the Skill Stream also had a lower unemployment rate (1.8%)\* and higher labour force participation rate (88.6%) than main applicants in the Family Stream (with an unemployment rate of 11.1% and a participation rate of 64.9%).

The survey data also shows that recent migrants who arrived with post-school qualifications had higher participation rates and slightly lower unemployment rates than recent migrants who did not have post-school qualifications on arrival.

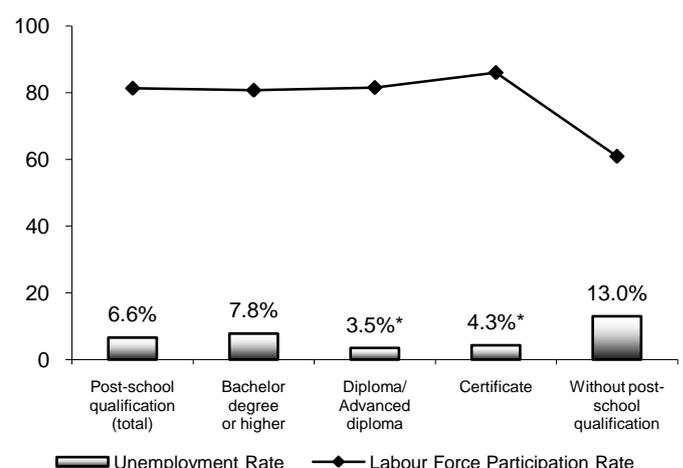
For example, recent migrants who arrived with post-school qualifications had a labour force participation rate of 81.3% (see Figure B). However, the participation rate for recent migrants without a post-school qualification is significantly lower at 60.9%.

In the Australian labour market, higher levels of educational attainment among recent migrants are associated with higher levels of labour force participation and lower levels of educational attainment are associated with lower levels of workforce participation.

**Figure A: Unemployment and Participation Rates (%) by Visa category**



**Figure B: Unemployment and Participation Rates by Educational attainment before arrival**



<sup>7</sup> Unless otherwise stated all data referred to in this Hot Topic are from ABS (2011), *Characteristics of Recent Migrants*, November 2010, ABS Cat. No. 6250.0.

<sup>8</sup> Recent migrants are defined as people who were born overseas, arrived in Australia after 2000, were aged 15 years or over on arrival, were not an Australian citizen or New Zealand citizen on arrival, do not hold New Zealand citizenship, and have permanent Australian resident status.

<sup>9</sup> Main applicants are those applicants who – as the principal visa applicant in a visa application process – are required, as a condition of visa grant, to demonstrate minimum qualification, experience and English proficiency skills to the Australian standard.

\* Estimate has a relative standard error of 25% to 50% and should be used with caution.



## Australian Labour Market Update

# STATE AND TERRITORY PROFILE OF RECENT MIGRANTS

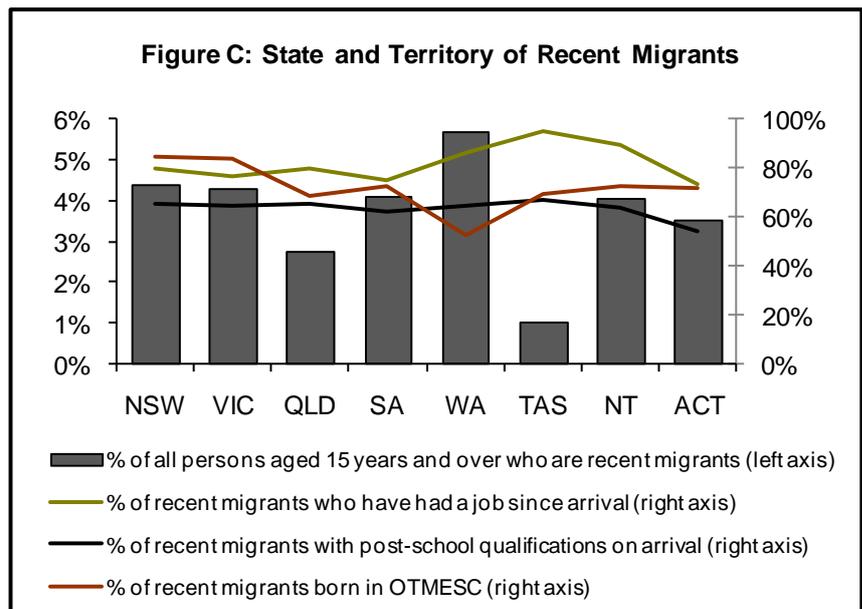
In November 2010, 4.1% of all persons aged 15 years or over were recent migrants.

The percentage of recent migrants who have had a job since arrival was highest in Tasmania (95.2%), followed by Northern Territory (89.7%), Western Australia (85.8%), New South Wales (80.0%), Queensland (79.7%), Victoria (76.9%), South Australia (75.3%) and the ACT (73.0%).

The percentage of recent migrants with a post-school qualification was reasonably uniform across the states, while the percentage of recent migrants born in Other Than Main English Speaking Countries (OTMESC) was highest in New South Wales (84.4%) and lowest in Western Australia (52.6%).

Western Australia had a significantly higher percentage of recent migrants as a percentage of all persons aged 15 years and over (5.7%), and a higher percentage in this cohort compared with the November 2007 survey<sup>10</sup> (4.5%). The robust Western Australian labour market may have contributed to the higher percentage of recent migrants represented in the aged 15 years and over population as well as the high engagement rate in the labour force.

Interestingly recent migrants in Western Australia were more likely to have been born in a Main English Speaking Country (MESC).<sup>11</sup>



## OTHER CHARACTERISTICS OF RECENT MIGRANTS

Analysis of the recently released *Characteristics of Recent Migrants* data reveals:

- since the last survey in November 2007, labour force participation rates have increased – both among recent migrants overall and the wider Australian born population:
  - workforce participation is important because it affects Australia's potential economic growth. Generally, the more people that participate in the labour force the larger the number of hours worked and therefore the higher the potential GDP per capita; and
  - economic growth is not the only reason participation matters. Higher workforce participation can also contribute to social inclusion and equity benefits and help reduce costs associated with providing welfare support for those not in the workforce.
- the labour force participation rate for recent migrants was 71.9% in November 2007 rising to 74.1% in November 2010. A similar trend exists when looking at the Australian born population (68.7% in November 2007 increasing to 69.1% in November 2010). In November 2010:
  - recent migrants born in Main English Speaking Countries (MESC) had a higher participation rate than those born in OTMESC (85.5% compared to 70.6%). In terms of qualifications, the highest participation rate among recent migrants was for those who obtained a bachelor degree or higher since arrival (89.3%).
- migrants who mainly spoke a language other than English at home and who had poorer English language proficiency when they first came to live in Australia were more likely to not be in the labour force and to have a higher rate of unemployment than migrants with good English proficiency:
  - the Australian-born population and MESC-born migrants (where migrants are defined as all overseas-born, regardless of period of residence or visa status) have had consistently lower unemployment rates than OTMESC-born migrants.

<sup>10</sup> While information in 2007 and 2010 was collected from migrants who arrived in the 10 years prior to the survey's enumeration, the definition of recent migrants for the 2007 survey excluded persons born in New Zealand who did not hold New Zealand citizenship.

<sup>11</sup> The ABS *Characteristics of Recent Migrants*, November 2010, ABS Cat. No. 6250.0 publication defines Main English speaking countries as the United Kingdom, the Republic of Ireland, New Zealand, Canada, South Africa and the United States of America.