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**Why is Social Procurement Important for Loddon
Mallee?**

September 11, 2014

Chris Sainsbury

Director

Labour Market Research and Analysis Branch

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	July 2014	Change over last 2 years
Employment	73,700	+1,100
- Full time	43,200	-2,700
- Part time	30,500	+3,800

Employment Growth

Source: ABS, Labour Force data, July 2014 (12 months averages)

Net employment in the Bendigo region (as approximated by the Bendigo SA4) has increased over the past two years by 1100 employed persons. The net increase is due to an increase in part-time employment of around 3,800 employed persons, which has offset a fall in full-time employment of around 2700 employed persons.

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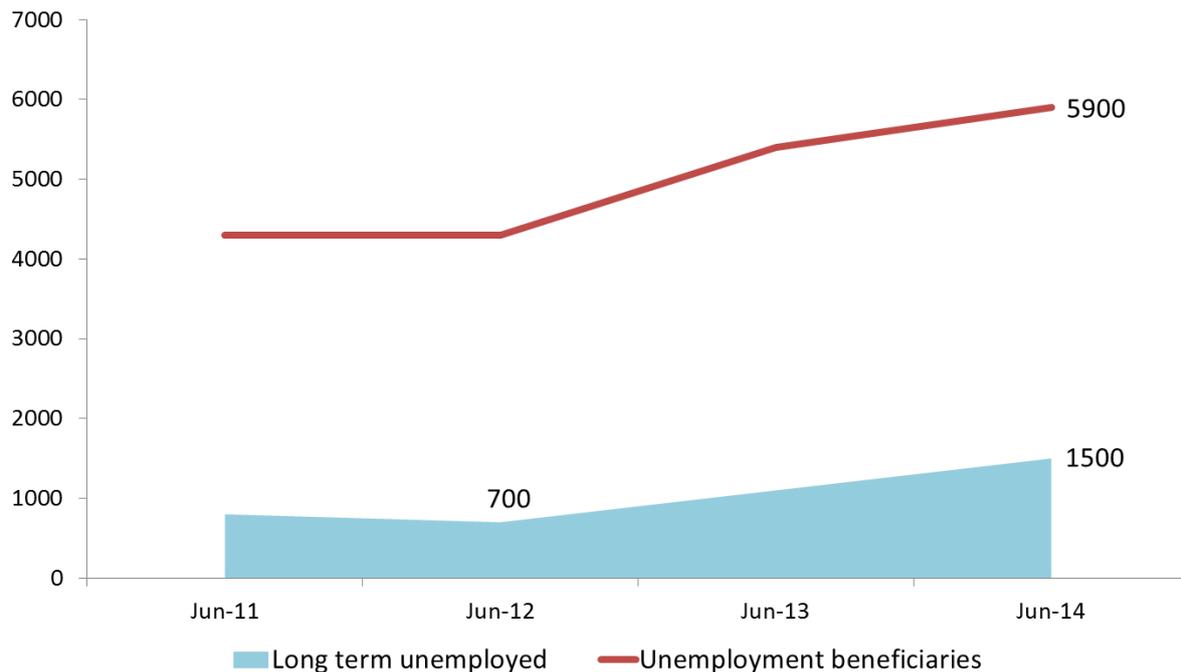


Fewer Opportunities

Source: Department of Employment, Internet Vacancy Index, July 2014

Internet job vacancies in the Bendigo and High Country IVI region have remained low and stable over the past two years and are substantially lower than the number of vacancies three to four years ago.

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Increasing unemployment and long term unemployment

Source: Department of Employment, administrative data, June 2014; ABS, Labour Force data, June 2014 (12 months averages)

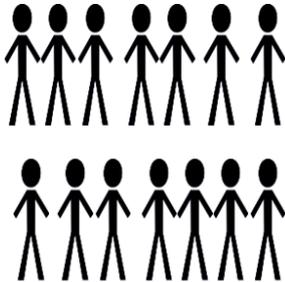
Long-term unemployed persons are defined as having been unemployed for a period of 52 weeks or longer.

Almost one third (29%) of unemployed people in the Bendigo SA4 were long-term unemployed in June 2014 and the average duration of unemployment was 31 weeks. The number of long-term unemployed persons has more than doubled between June 2012 and June 2014 from around 700 to around 150.

The number of recipients of unemployment benefits have increased over the last few years to 5900 in the June quarter 2014.

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High competition
14 applicants per vacancy



69% of employers*
not interviewing
applicants due to
lack of **experience**

* Employers who did not interview
at least one applicant

Recruitment Conditions

Source: Department of Employment, Survey of Employers' Recruitment Experiences Central Victoria PEA, November 2013

There is high competition for vacancies in the region, with an average of 14 applicants per vacancy that was formally advertised (58 per cent of all vacancies). Some 69 per cent of employers did not interview at least one applicant due to the applicants lack of experience.

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	Unemployment rate: July 2014	Unemployment rate: 2 yearly change
Bendigo	14.2%	+4.2%pts
Victoria	13.8%	+1.5%pts

Also above average level of disengagement for 20-24 year olds

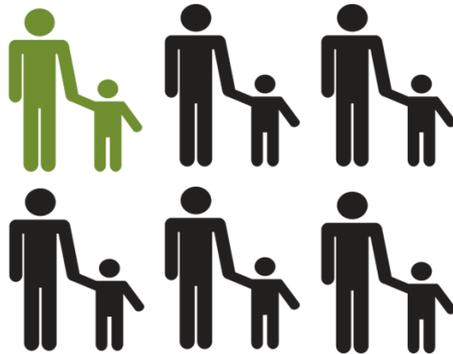
- 14 per cent are neither working nor studying

Youth Unemployment

Source: ABS, Labour Force data, July 2014 (12 months averages)

Youth unemployment has increased in the Bendigo SA4 over the past two years by 4.2 percentage points to stand at 14.2 per cent at July 2014, higher than for Victoria overall.

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**There are 3800
children in
jobless families
in Bendigo**

**One in Six Families (15%) in
Bendigo are jobless**

**One in Eight Families (13%)
in Victoria are jobless**

Jobless families

Source: ABS, Census of Population and Housing, 2011

According to the 2011 Census, one in six families with children under the age of 15 (15 per cent) in the Bendigo SA4 have no parent employed. This amounts to 16 per cent of children aged under 15, or around 3800.

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	Bendigo: Number of persons	Bendigo: Proportion of population	Victoria: Proportion of population
15 to 44 years	2,500	5%	3%
45 to 64 years	4,400	13%	9%
15 to 64 years	6,900	8%	5%

Disability support recipients

Source: Department of Employment, administrative data, June 2014

The Bendigo SA4 had a higher than average proportion of the working age population (15 to 64 year olds) on the disability support pension in the June quarter 2014 compared with Victoria overall. While this varies by age group, the proportion is consistently higher than that of Victoria as a whole.

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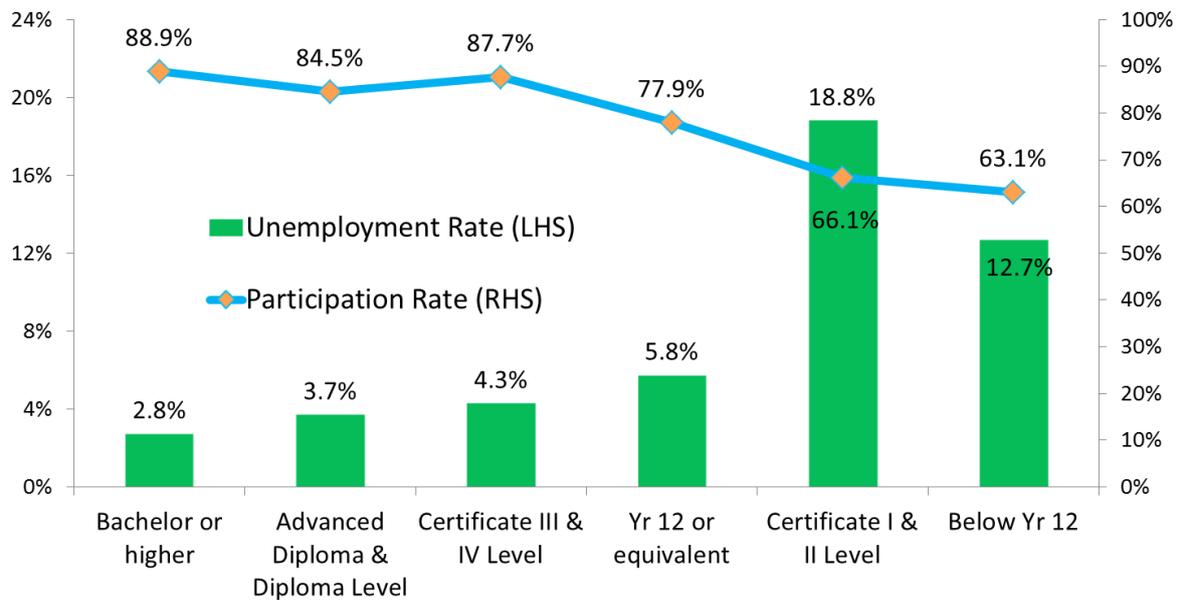
	Unemployment Rate	Participation Rate (WAP)
Indigenous	17.1%	54.9%
Non-Indigenous	4.9%	74.3%

Indigenous People

Source: ABS, 2011 Census of Population and Housing

The labour market outcomes for Indigenous people living in the Bendigo SA4 are significantly worse than the Non-Indigenous population. The unemployment rate at the 2011 Census was 17.1 per cent, compared with 4.9 per cent for the Non-Indigenous population. Participation was also far lower, at 54.9 per cent of the working age population (15 to 64 year olds), compared with 74.3 per cent for the Non-Indigenous working age population. While there are only a small number of people who identify as Indigenous in the Bendigo area (around 1100 responded to the labour force question in the 2011 census), they are a significant disadvantaged group in the region.

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Education

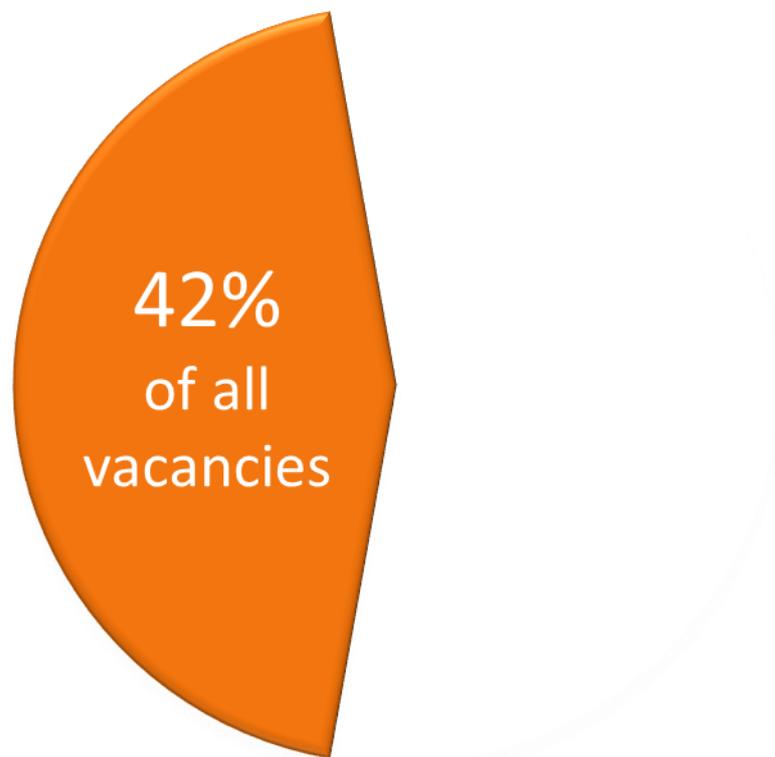
Source: ABS, Census of Population and Housing, 2011

There is a strong link between education and labour market outcomes in the Bendigo SA4. 25 to 34 year olds who have below a Year 12 education (including certificate 1 and certificate 2 qualification without a Year 12 Certificate) were at least twice as likely to be unemployed at the 2011 census than those with at least a Year 12 education.

Unemployment decreases and participation increases with educational attainment, with 25 to 34 year olds with a Bachelor degree or higher having an unemployment rate of only 2.8 per cent at the 2011 census, compared to 4.3 per cent for those with a Certificate 3 or 4 and 5.8 per cent for those with a Year 12 Certificate.

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INFORMAL methods ONLY



Disadvantaged job seekers less likely to be aware of these opportunities

- Poorer job search skills
- Few or non-existent networks
- Need to work with Employment Providers

Informal recruitment methods

Source: Department of Employment, Survey of Employers' Recruitment Experiences Central Victoria PEA, November 2013

A significant proportion of employment opportunities (42 per cent) are advertised using only informal methods of recruitment such as word of mouth, an employer approaching the jobseeker, a sign or billboard in the workplace, a jobseeker directly approaching a business or advertising through social media such as Facebook or Twitter.

Disadvantaged job seekers are less likely to be aware of these opportunities, they may have:

- Poorer job search skills
- Few or non-existent networks
- Need to work with Employment Providers

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	Bendigo: Number of persons	Bendigo: Proportion of Employment	Victoria: Proportion of Employment
Employment growth 5 years to 2018	8,500	12%	7%
Workers aged 55-64	12,200	17%	14%
Workers aged 65+	3,900	5%	4%

Future Job Opportunities

Source: Department of Employment, Employment Projections; ABS, Labour Force Survey, July 2014 (12 month average)

Employment in the Bendigo region is projected to grow faster than Victoria as a whole, with projected employment growth of 8,500 employed persons in the five years to November 2018

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Recruitment conditions are challenging for job seekers.

- Unemployment has been increasing
- Full-time employment declining
- Increasing competition for vacancies
- ... But there are still many opportunities

However, disadvantaged groups are missing out:

- Long term unemployed, job seekers without previous work experience, youth, persons with a disability, lower skilled, persons in jobless families, Indigenous persons.

Social procurement important for:

- Maintaining local skills base, labour market connectedness and work readiness, for when the economy picks up.
- correcting inequities in the recruitment market.

Conclusions

As per slide

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If you have any questions about the presentation please contact the Employer Surveys Section or Recruitment Analysis Section on:

Tel: 1800 059 439 or

Email: recruitmentsurveys@employment.gov.au

Contact Information

As per slide

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More information on labour market conditions and other research on small areas can be found on these web sites

- www.employment.gov.au/LMIP
- www.employment.gov.au/SkillShortages
- www.employment.gov.au/RegionalReports
- www.employment.gov.au/australianjobs
- www.joboutlook.gov.au
- www.mycareer.com.au

A report on the November 2013 survey findings for the Ballarat and Bendigo regions has been placed on the regional reports section of the Department of Employment website.

Thank you.

Further Information

As per slide