

## Slide 1 – Brisbane Labour Market



Presented on 27 June 2014 by Ivan Neville, Labour Market Research and Analysis Branch, Department of Employment

Brisbane is defined as the Greater Capital City Statistical Area of Greater Brisbane.

Greater Brisbane Includes the following SA4 regions:

- Brisbane - East
- Brisbane - North
- Brisbane - South
- Brisbane - West
- Brisbane Inner City
- Ipswich
- Logan - Beaudesert
- Moreton Bay - North
- Moreton Bay - South

## Slide 2 – Australian labour market overview



Source: ABS, Labour Force, May 2014 (Seasonally adjusted)

Labour market conditions in Australia have remained reasonably soft over the year to May 2014.

Employment growth – up by a modest 98 700 (or 0.9 per cent).

Unemployment rate – up from 5.5 per cent to 5.8 per cent.

Participation rate – down from 65.0 per cent to 64.6 per cent.

### Slide 3 – How is the Brisbane labour market performing?



Source: ABS, Labour Force Survey, Australia, May 2014; Department of Employment, Survey of Employers' Recruitment Experiences in Capital Cities, 2013

Unemployment rate – relatively stable over the last year. Currently stands at 5.9 per cent.  
Employment growth – growth in the 12 months to May 2014 was 1.8 per cent.  
Participation rate – remains at 67.4 per cent over the past year but has decreased by 1.8 percentage points over the past 5 years.  
Soft recruitment conditions – Fewer vacancies and higher applicant numbers.

**Slide 4 - Internet vacancies – Brisbane**

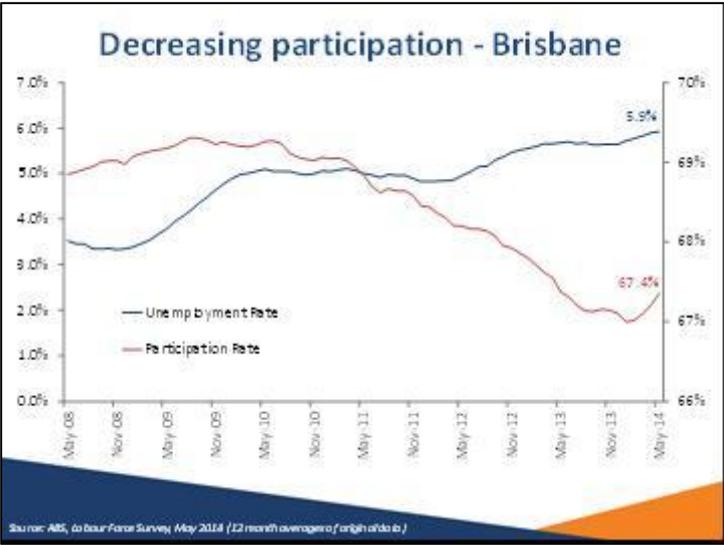


Source: Department of Employment, Vacancy Report, May 2014

Compared with May 2010, there are a smaller number of internet vacancies advertised in Brisbane.

Where are the vacancies?	May 2014
PROFESSIONALS	5,400
CLERICAL AND ADMINISTRATIVE WORKERS	3,400
TECHNICIANS AND TRADES WORKERS	2,400
MANAGERS	2,300
SALES WORKERS	1,900
COMMUNITY AND PERSONAL SERVICE WORKERS	1,400
LABOURERS	1,000
MACHINERY OPERATORS AND DRIVERS	800

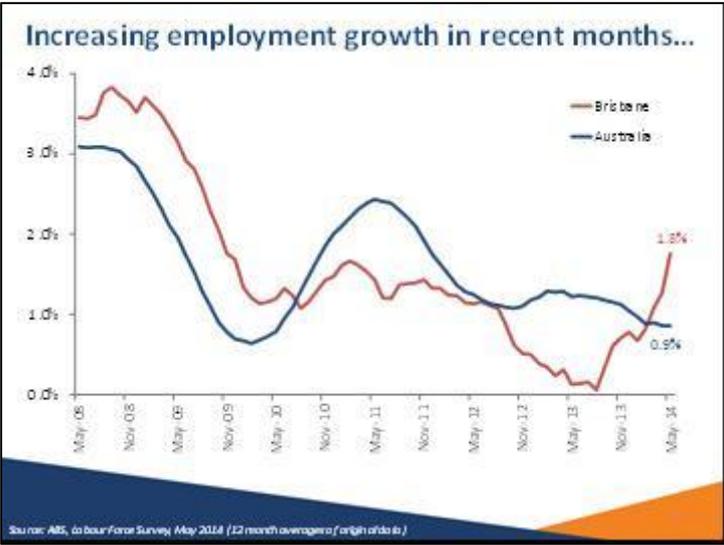
**Slide 5 - Decreasing participation - Brisbane**



Source: ABS, Labour Force Survey, May 2014 (12 month averages of original data)

At May 2014, the unemployment rate for Brisbane (Greater Capital City Statistical Area) stood at 5.9 per cent, an increase of 0.2 percentage points in the preceding 12 months. The participation rate in May 2014 was 67.4 per cent.

**Slide 6 - Positive employment growth in recent months**

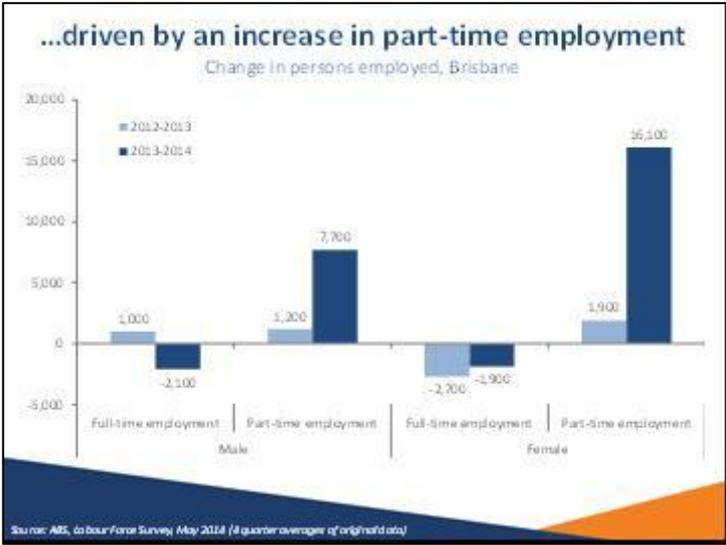


Source: ABS, Labour Force Survey, May 2014 (12 month averages of original data)

As at May 2014, over 1,145,800 people were employed and working in Brisbane (Greater Capital City Statistical Area).

In the 12 months to May 2014 Brisbane experienced employment growth of 1.8 per cent (over 19,000 people), compared with 0.9 per cent for Australia over the same period.

**Slide 7 - driven by an increase in part-time employment**



Source: ABS, Labour Force Survey, May 2014 (4 quarter averages of original data)

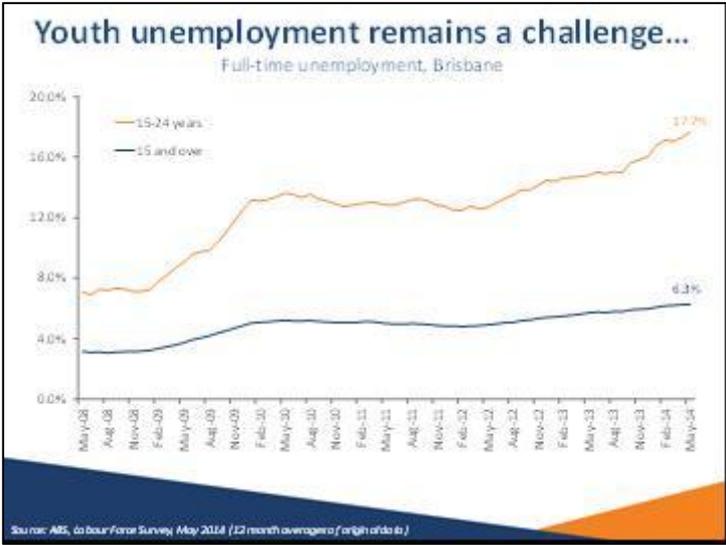
There was a significant increase in both male and female part-time employment between May 2013 and May 2014 in Brisbane (Greater Capital City Statistical Area) .

The number of males employed part-time increased by 7700 and the number of females increased by 16,100.

Between 2013 and 2014 there was a decrease in the number of people employed full-time employed for both males and females.

Gender	Employment type	2012-2013	2013-2014
Male	Full-time employment	1000	-2100
Male	Part-time employment	1200	7700
Female	Full-time employment	-2700	-1900
Female	Part-time employment	1900	16100

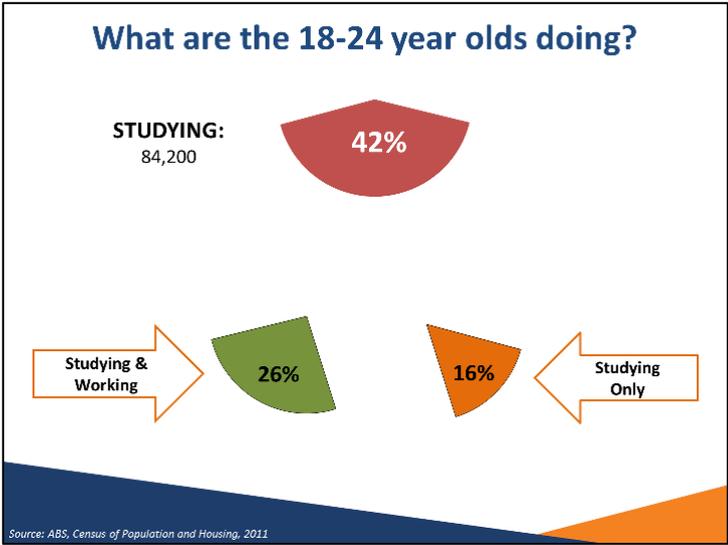
**Slide 8 - Youth unemployment remains a challenge**



Source: ABS, Labour Force Survey, May 2014 (12 month averages of original data)

In Brisbane (Greater Capital City Statistical Area), for persons aged 15 to 24 years, the full-time unemployment rate was 17.7 per cent as at May 2014. This rate is significantly higher than the full-time unemployment rate at for all ages (6.3 per cent).

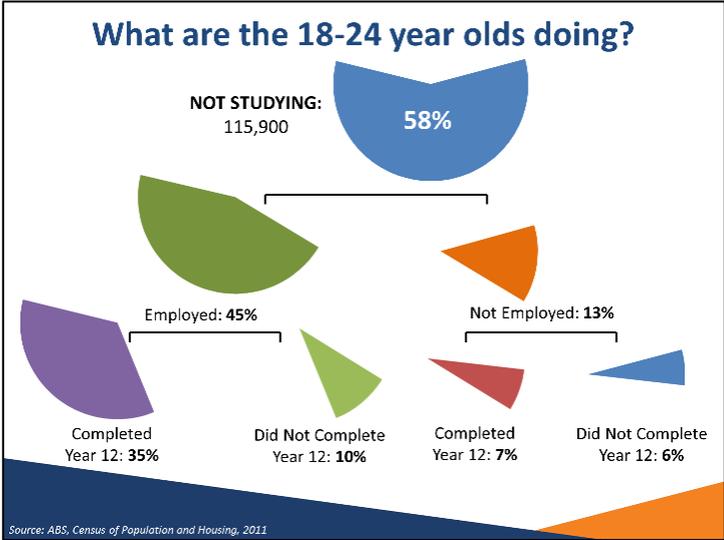
**Slide 9 - What are the 18-24 year olds doing?**



Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, 42 per cent of 18 to 24 year olds living in Brisbane (Greater Capital City Statistical Area) were studying.  
Of all 18 to 24 year olds, 26 per cent were studying and working while 16 per cent were studying only.

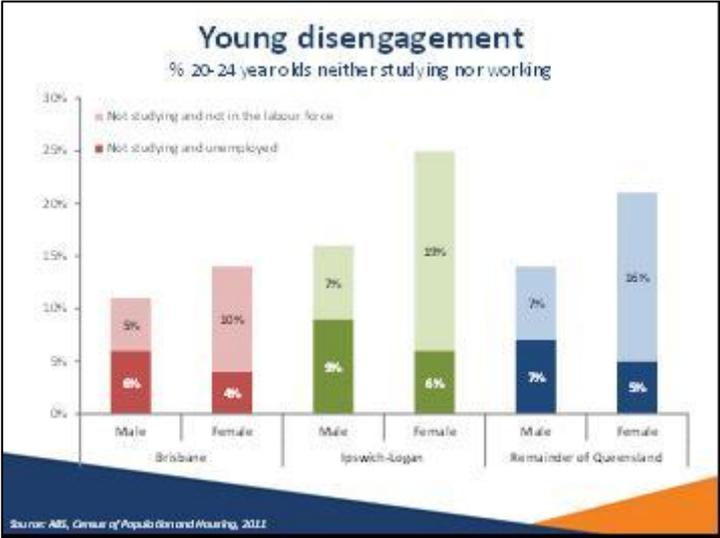
**Slide 10 - What are the 18-24 year olds doing?**



Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, 58 per cent of 18 to 24 year olds living in Brisbane (Greater Capital City Statistical Area) were not studying. Of all 18 to 24 year olds, 45 per cent were employed and not studying while 13 per cent were not studying and either unemployed or not in the labour force.

**Slide 11 - Young disengagement, 20 to 24 year olds**



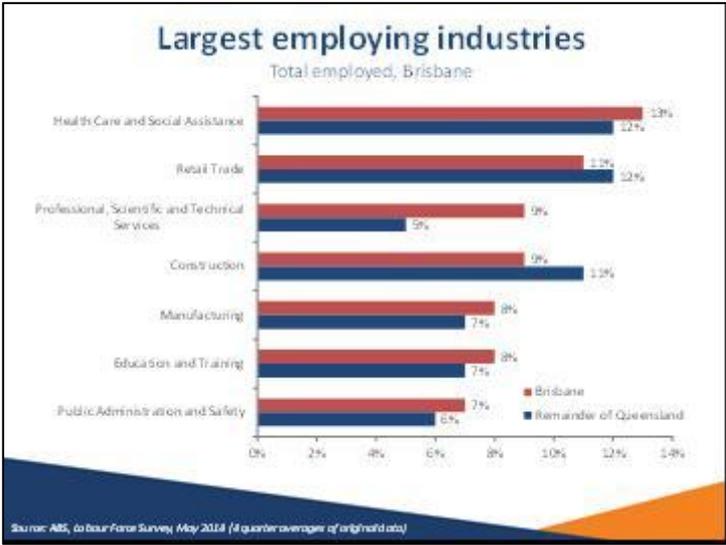
Source: ABS, Census of Population and Housing, 2011

Overall, some 13 per cent of 20 to 24 year olds in Brisbane (Greater Capital City Statistical Area) were disengaged (neither working nor studying), compared with 17 per cent for the remainder of Queensland.

For 20 to 24 year old Males in Brisbane, 5 per cent were not studying and unemployed and a further 6 per cent were not studying and not in the labour force.

For 20 to 24 year old females in Brisbane, 4 per cent were not studying and unemployed and a further 10 per cent were not studying and not in the labour force.

**Slide 12 - Largest employing industries, Brisbane**

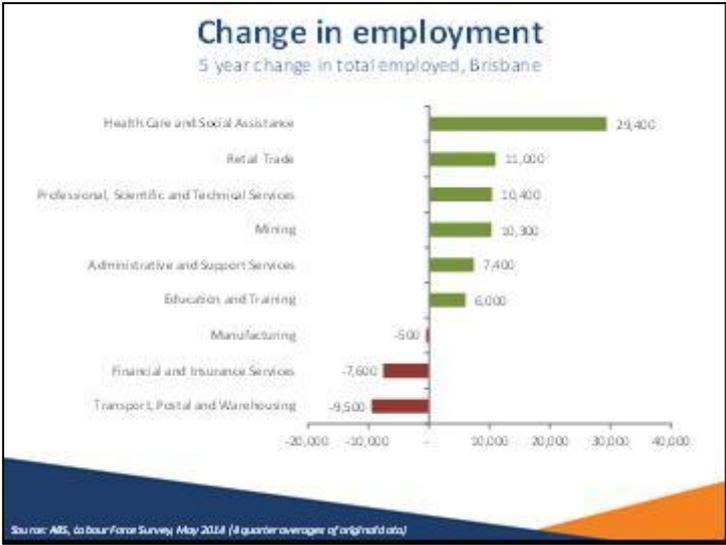


Source: ABS, Labour Force Survey, May 2014 (4 quarter averages of original data)

As at March 2014, Health Care and Social Assistance was the largest employing industry in Brisbane (Greater Capital City Statistical Area) accounting for 13 per cent of total employment. Retail Trade, Professional and, Scientific and Technical Services and Construction are also large employing industries in Brisbane.

Industry	Brisbane	Remainder of Queensland
Health Care and Social Assistance	13%	12%
Retail Trade	11%	12%
Professional, Scientific and Technical Services	9%	5%
Construction	9%	11%
Manufacturing	8%	7%
Education and Training	8%	7%
Public Administration and Safety	7%	6%

**Slide 13 - Change in Employment, 5 year change in total employed, Brisbane**



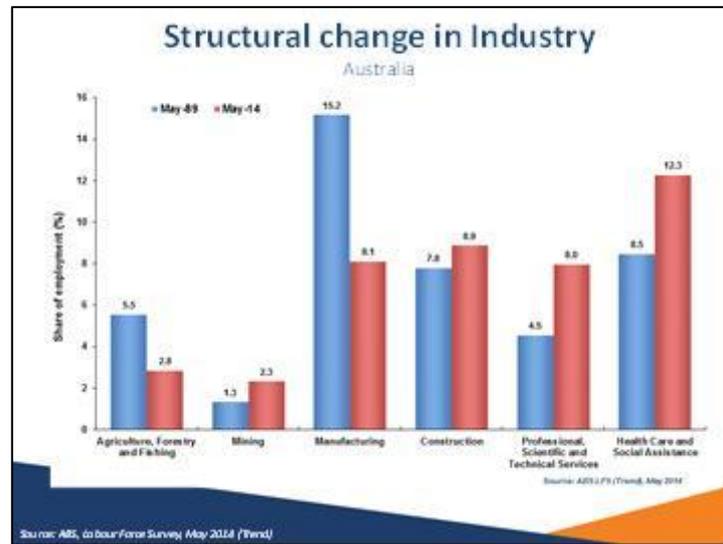
Source: ABS, Labour Force Survey, May 2014 (4 quarter averages of original data)

In the 5 years to May 2014 in Brisbane (Greater Capital City Statistical Area) the largest increase in employment was in the Health Care and Social Assistance industry (increase of almost 30,000 people).

The largest decrease in employment was in the Transport, Postal and Warehousing industry employing 9500 less people in 2014.

Industry	Change in persons employed
Health Care and Social Assistance	29400
Retail Trade	11000
Professional, Scientific and Technical Services	10400
Mining	10300
Administrative and Support Services	7400
Education and Training	6000
Manufacturing	-500
Financial and Insurance Services	-7600
Transport, Postal and Warehousing	-9500

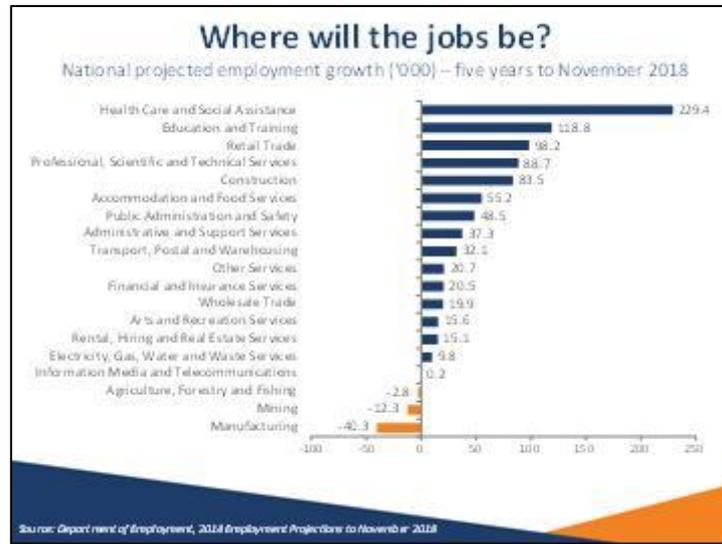
## Slide 14 - Structural change in Industry, Australia



Source: ABS, Labour Force Survey, May 2014 (Trend)

In the last 25 years in Australia, the Health Care and Social Assistance industry has increased from 8.5 per cent of total employment to account for 12.3 per cent of total employment. There has also been a large increase in the Professional, scientific and Technical Services industry accounting for 4.5 per cent of total employment in 1989 to 8.0 per cent in 2014. Over the same period, Manufacturing has declined from 15.2 per cent of total employment to 8.1 per cent and Agriculture, Forestry and Fishing has declined from 5.5 per cent of total employment to 2.8 per cent.

**Slide 15 - Where will the jobs be? National projected employment growth ('000) – five years to November 2018**

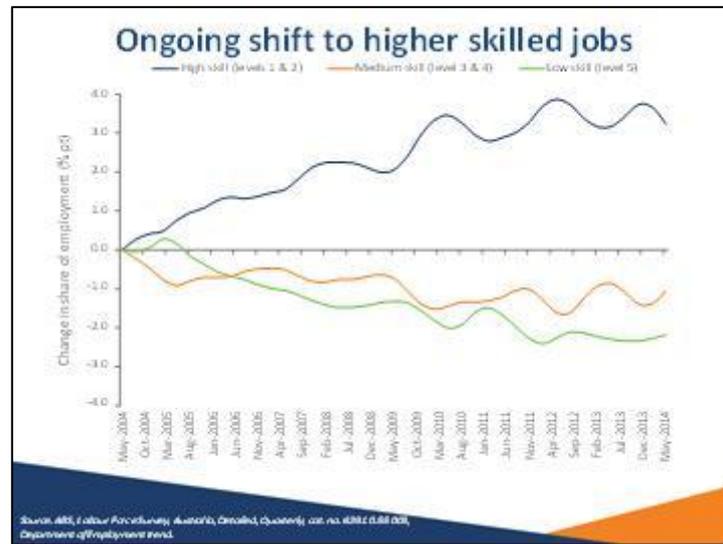


Source: Department of Employment, 2014 Employment Projections to November 2018.

For Australia, it is projected that the Health Care and Social Assistance industry will employ a further 229,000 people by 2018. Education and Training is also expected to employ a further 119,000 by 2018.

The largest decline in employment by 2018 is expected in the Manufacturing industry employing over 40,000 less people by 2018.

## Slide 16 - Ongoing shift to higher skilled jobs



Source: ABS, Labour Force, Australia, Detailed, Quarterly, cat. no. 6291.0.55.003, May 2014, Department of Employment trend.

The attainment of educational qualifications remains important given the strong past and projected growth of higher skilled occupations, as well as the lower unemployment rates recorded for people with higher qualifications.

Looking over the 10 year period from May 2004 to May 2014, it is clear that jobs at the higher skill levels (skill levels 1 and 2) are increasing as a proportion of overall employment – up from 37.7 per cent to 41.0 per cent. At the same time, jobs at the lowest skill level (skill level 5) are diminishing as a proportion of total employment from 19.7 per cent to 17.5 per cent.

**What this means for school leavers** is that yes, you may get a job when you leave school, **BUT** you may not experience the same employment stability or earn as much as those students whose education choices set them up for a career, rather than a series of low skilled jobs.

The key technical and trade group at skill level 3, corresponding to a Certificate IV or a formal apprenticeship, is declining as a share of employment, but growth rates vary considerably within this category.

### Note:

Skill Level 1 is commensurate with a Bachelor degree or higher qualification

Skill Level 2 is commensurate with an Advanced Diploma or Diploma

Skill Level 3 is commensurate with a Certificate IV or III (including at least 2 years of on-the-job training)

Skill Level 4 is commensurate with a Certificate II or III

Skill Level 5 is commensurate with a Certificate I or secondary education

**Slide 17 - Levels of educational attainment, Persons aged 25-34 years**

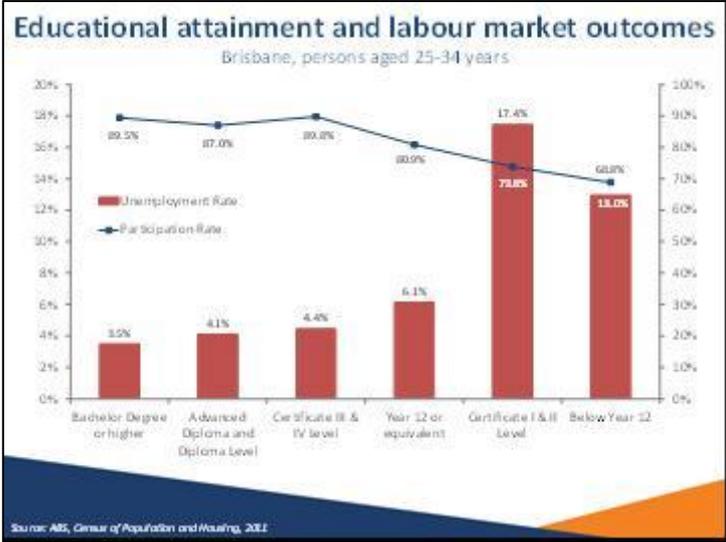


Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, a higher proportion of 25 to 34 year olds in Brisbane (Greater Capital City Statistical Area) had completed Year 12 or higher (87 per cent) compared with Australia (85 per cent).

Region	% completed Year 12 or higher	% attained Advanced Diploma, Diploma or Certificate III/IV Level	% attained Bachelor Degree or higher
Brisbane	87%	29%	35%
Australia	85%	30%	35%

**Slide 18 - Educational attainment and labour market outcomes Brisbane, persons aged 25-34 years**



Source: ABS, Census of Population and Housing, 2011 (Figures are for the highest level of education attained)

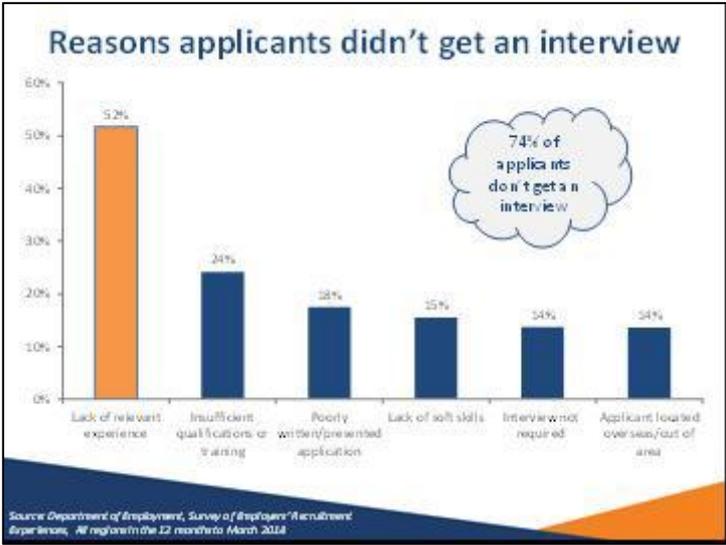
This chart demonstrates the positive relationship between educational attainment and labour market outcomes. In the Brisbane (Greater Capital City Statistical Area), those who hadn't completed Year 12 or had a Certificate I/II as their highest level of education faced low rates of labour force participation and high rates of unemployment.

Level of educational attainment	Unemployment Rate	Participation Rate
Bachelor Degree or higher	3.5%	89.5%
Advanced Diploma and Diploma Level	4.1%	87.0%
Certificate III & IV Level	4.4%	89.8%
Year 12 or equivalent	6.1%	80.9%
Certificate I & II Level	17.4%	73.8%
Below Year 12	13.0%	68.8%

**Slide 19 - What are employers telling us?**



**Slide 20 - Reasons applicants didn't get an interview**

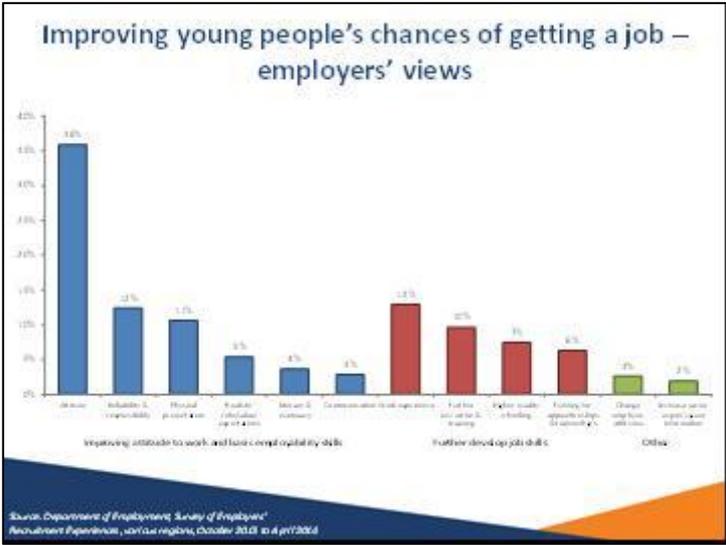


Source: Department of Employment, Survey of Employers' Recruitment Experiences, All regions in the 12 months to March 2014

On average, 74 per cent of applicants do not get an interview. When asked why applicants didn't get an interview, 52 per cent of employers mentioned that a lack of relevant experience was a factor.

Reason applicant did not get an interview	Percentage
Lack of relevant experience	52%
Insufficient qualifications or training	24%
Poorly written/presented application	18%
Lack of soft skills	15%
Interview not required	14%
Applicant located overseas/out of area	14%

**Slide 21- Improving young people’s chances of getting a job – employers’ views**



Source: Department of Employment, Survey of Employers’ Recruitment Experiences, various regions, October 2013 to April 2014

The results in this graph are based on 3142 responding employers who were surveyed between October 2013 and April 2014 in the Gladstone Employment Service Area (ESA), Bundaberg ESA, Central Victoria Priority Employment Area (PEA), Port Augusta – Whyalla – Port Pirie PEA, Sydney West and Blue Mountains PEA, Illawarra PEA, Caboolture-Sunshine Coast PEA, and Tasmania (excluding Hobart Statistical District). Some employers provided more than one response.

Response	Percentage
Attitude	36%
Reliability & responsibility	12%
Physical presentation	11%
Realistic role/salary expectations	5%
Literacy & numeracy	4%
Communication	3%
Work experience	13%
Further education & training	10%
Higher quality schooling	7%
Funding for apprenticeships & traineeships	6%
Job search & application skills	8%
Change employer attitudes	3%
Increase career expos/career information	2%

## Slide 22 - Employability skills essential



Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013; Department of Employment, Survey of Employers' Recruitment Experiences, All regions surveyed in the 12 months to December 2010

71 per cent of employers said that personality traits/qualities are more or equally important as technical skills

Employers want people who can/have:

- Enthusiastic/positive attitude
- Interact/connect with others/teamwork
- Hardworking/good work ethic
- Communicate (higher order skill – e.g. hold an argument)
- Make good decisions
- Reliable

## Slide 23 - Some employers do not formally advertise vacancies

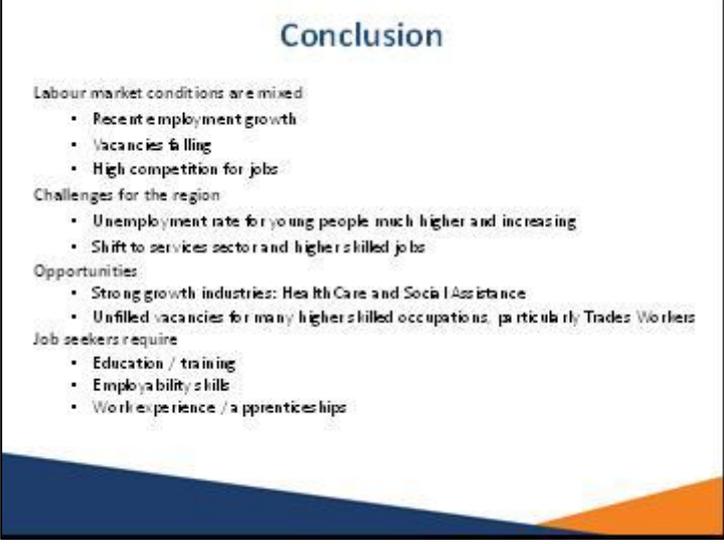


Source: Department of Employment, Survey of Employers' Recruitment Experiences in Capital Cities, 2013

In Brisbane, 84 per cent of employers used a formal method of recruitment in their most recent recruitment round including use of the internet, newspaper and company website. On average, formal recruitment methods attracted 16 applicants per vacancy of which 4 were considered suitable by the employer.

16 per cent of employers used an informal method ONLY, most commonly word of mouth and being approached by the job seeker. On average, using an informal method only attracted 3 applicants of which 2 were considered suitable by the employer.

## Slide 24 - Conclusion



**Conclusion**

Labour market conditions are mixed

- Recent employment growth
- Vacancies falling
- High competition for jobs

Challenges for the region

- Unemployment rate for young people much higher and increasing
- Shift to services sector and higher skilled jobs

Opportunities

- Strong growth industries: Health Care and Social Assistance
- Unfilled vacancies for many higher skilled occupations, particularly Trades Workers

Job seekers require

- Education / training
- Employability skills
- Work experience / apprenticeships

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## Slide 25 - Further Information



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

- [www.employment.gov.au/LMIP](http://www.employment.gov.au/LMIP)
- [www.employment.gov.au/SkillShortages](http://www.employment.gov.au/SkillShortages)
- [www.employment.gov.au/RegionalReports](http://www.employment.gov.au/RegionalReports)
- [www.employment.gov.au/australianjobs](http://www.employment.gov.au/australianjobs)
- [www.joboutlook.gov.au](http://www.joboutlook.gov.au)

A report on the survey findings for the fourth annual *Survey of Employers' Recruitment Experiences in Capital Cities* has been placed on the regional reports section of the Department of Employment - Regional Reports web site.

**Slide 26 – Australian Government Department of Employment**

