



Labour Market Conditions in the Cairns Priority Employment Area

Overall, labour market conditions in the Cairns PEA are subdued, although they have been relatively stable over the last year.

- The unemployment rate remains high at 7.9 per cent, but has decreased substantially after reaching 10.6 per cent in March 2010.¹
- The proportion of unemployed people who are long-term unemployed (52 weeks or more) has risen to 26.8 per cent from 18.9 per cent over the last year. The average duration of unemployment (50 weeks) is also very high compared with Australia (37 weeks).²
- The largest employing industries in the PEA are Health Care and Social Assistance, Retail Trade and Accommodation and Food Services.³

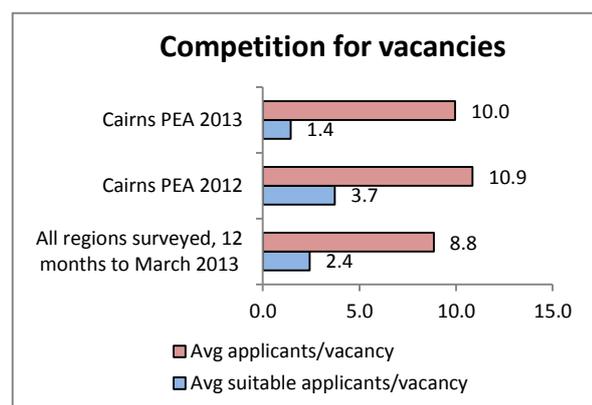
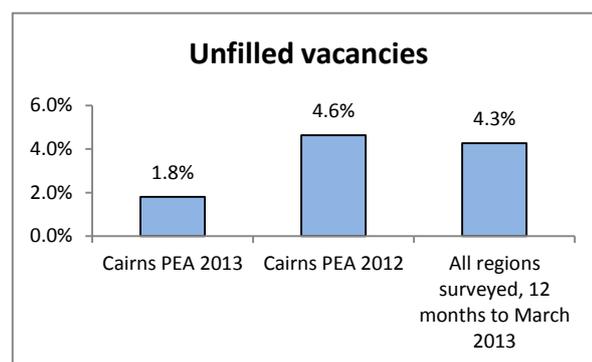


Region	Unemployment Rate (SALM, June 2013)	Long-term unemployed (Labour Force Survey, September 2013)	Employment Growth (Census, 2006, 2011)*	Year 12 Completion (25-34 year olds) (Census, 2011)
Cairns PEA	7.9%	26.8%	7%	69%
Australia	5.6% ⁴	18.8%	10%	75%

*working age population

What employers are telling us⁵

- Recruitment activity was high, with 67 per cent of employers recruiting in the year before the survey and an average of 24 vacancies per 100 staff.
- A majority of all employers (59 per cent), however, reported staff numbers had remained unchanged over the past year, suggesting that staff turnover was the main reason for the recruitment activity.
- While 31 per cent of employers experienced difficulty in their most recent recruitment round, only 1.8 per cent of vacancies remained unfilled.
- Competition for vacancies was strong, with an average of 10.0 applicants per vacancy, of whom only 1.4 were considered suitable.
- Some 74 per cent of applicants did not receive an interview, with the most common reasons for this being lack of relevant experience and insufficient qualifications or training.
- Some 38 per cent of employers expected to recruit in the year following the survey and 17 per cent expected to increase staff numbers.



Where are the opportunities?

Staff turnover and therefore recruitment activity in the Accommodation and Food Services industry was high, with employers expecting to recruit for occupations such as Waiters, Bar Attendants and Baristas, Chefs and Kitchenhands. Employers also reported difficulty filling vacancies for Early Childhood (Pre-primary School) Teachers, Motor Mechanics, Airconditioning and Refrigeration Mechanics and Structural Steel and Welding Trades Workers.

¹ Department of Employment, Small Area Labour Markets, June quarter 2013.

² ABS Labour Force Survey, September 2013, Far North Queensland Labour Force Region (LFR). Long-term unemployed are those who have been unemployed for 52 weeks or more, expressed as a proportion of all unemployed. The Cairns PEA makes up 91 per cent of the working age population of the LFR.

³ ABS Census of Population and Housing, 2011.

⁴ ABS Labour Force (Seasonally Adjusted), September 2013.

⁵ Based on a Survey of Employers' Recruitment Experiences of 387 employers undertaken by the Department of Employment in July 2013.