



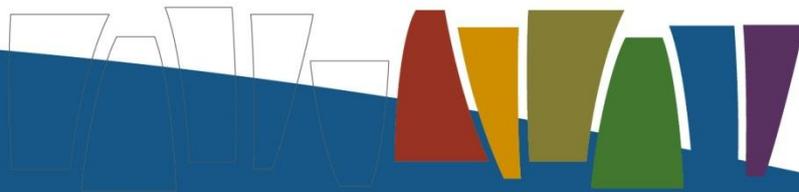
Australian Government

Department of Education, Employment and Workplace Relations

Survey of Employers' Recruitment Experiences

Ipswich-Logan Priority Employment Area

February 2013





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This report was prepared by the Labour Market Research and Analysis Branch and is based on research conducted by the Branch.

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The Ipswich-Logan Priority Employment Area

The Ipswich-Logan Priority Employment Area (PEA) is comprised of the Ipswich and Logan Local Government Areas (LGAs).¹ In 2011, the adult population of the PEA was 281,063.²

- The unemployment rate in the PEA has been consistently high, and was 6.7 per cent in the December quarter 2012, higher than both the Queensland and Australian unemployment rates (5.6 per cent and 5.5 per cent respectively).³
- There is large disparity, especially in the Logan LGA, with persistently high rates of unemployment in the SLAs of Woodridge (18.1 per cent), Kingston (18.0 per cent), Marsden (11.7 per cent) and Loganlea (10.9 per cent).⁴
- The main employing industries in the Ipswich and Logan LGAs at the time of the 2011 Census were Retail Trade, Manufacturing, Health Care and Social Assistance and Education and Training.⁵
- The department conducted a survey of employers' recruitment experiences in the Ipswich-Logan PEA in February 2013, collecting responses from 379 employers. The region was previously surveyed in January 2012.

Key Findings

Overall, labour market conditions in the PEA remain subdued. The survey results show that recruitment activity remains soft, and has weakened since the previous survey. There were fewer recruiting employers, unfilled vacancies, lower recruitment difficulty, and strong competition for limited vacancies. The decrease in recruitment activity in the Ipswich LGA was particularly pronounced.

Key Indicators (previous 12 months)	Recruiting employers	Unfilled vacancies	Recruitment difficulty
February 2013	50%	3.8%	43%
January 2012	66%	4.2%	47%
All PEAs surveyed (12 months to March 2013)	60%	4.5%	48%

¹The data in this report refers to current LGA boundaries in some instances. The borders of the Ipswich LGA are essentially unchanged. The post-2008 Logan LGA includes the entire pre-2008 Logan LGA (68 per cent of the working age population) and parts of the pre-2008 Beaudesert and Gold Coast LGAs (32 per cent of the WAP; these are not part of the PEA).

² ABS Estimated Resident Population 2011

³ DEEWR Small Area Labour Markets, December 2012 (Ipswich-Logan PEA); ABS Labour Force, April 2013 (Queensland and Australia) (seasonally adjusted data)

⁴ Ibid.

⁵ ABS Census of Population and Housing 2011 (place of work, 2011 LGA boundaries)

- The average number of applicants per vacancy (16.1) in the most recent recruitment round has increased since the previous survey (11.2), indicating strong competition for a limited number of vacancies. While employers found more applicants suitable (3.6) compared with January 2012 (2.9), the average number was low as a proportion of total applicants.
- These findings suggest that, due to the soft labour market, those employers who recruited have a large pool of applicants from which to choose, and may not need to employ applicants without relevant skills or experience.

Decline in employment in the Manufacturing industry

Employment in the Manufacturing industry has decreased in both the Ipswich and Logan LGAs, and recruitment activity in this industry was weak.

- Between 2006 and 2011, the number of people of working age employed in the Manufacturing industry decreased by 11 per cent in both the Ipswich and Logan LGAs. By contrast, employment in Manufacturing fell by 3 per cent in Queensland and 4 per cent in Australia over the same period.⁶
- The results from the February 2013 survey suggest that recruitment activity in the Manufacturing industry decreased substantially since the previous survey. There was a lower proportion of recruiting employers, unfilled vacancies and employers reporting recruitment difficulty.
- The large decrease in both the proportion of Manufacturing employers who expected to recruit (from 54 per cent to 31 per cent) and those who expected to increase staff numbers (from 30 per cent to 15 per cent) indicates that most employers do not expect conditions in the industry to improve in the near future.

Key Indicators (Manufacturing industry)	Recruited (previous 12 months)	Unfilled vacancies (previous 12 months)	Recruitment difficulty (previous 12 months)	Expect to recruit (next 12 months)
February 2013	47%	2.6%	35%	31%
Change since previous survey (2012)	-14%	-3.4%	-25%	-23%

Large decrease in recruitment activity in the Ipswich LGA

While the labour market in the Logan LGA continues to be softer than that in the Ipswich LGA, conditions in the Ipswich LGA have eased more recently.

- Unemployment in the Logan LGA reached 8.4 per cent in September 2010, while in the Ipswich LGA it was 4.6 per cent. This gap has since narrowed, with unemployment falling to 7.2 per cent in the Logan LGA in the December quarter 2012 and rising to 5.6 per cent in the Ipswich LGA.⁷

⁶ ABS Census of Population and Housing, 2006 and 2011 (place of work, 2011 LGA boundaries)

⁷ DEEWR Small Area Labour Markets, December 2012 (2011 LGA boundaries)

The survey results indicate that the decrease in recruitment activity since the last survey was larger in Ipswich than in Logan.

- The proportion of recruiting employers decreased by 25 per cent in the Ipswich LGA (from 74 per cent to 49 per cent), compared with 9 per cent in the Logan LGA (from 60 per cent to 51 per cent).
- Of those employers who recruited, only 33 per cent in the Ipswich LGA did so to increase staff numbers (down from 49 per cent in 2012) compared with 42 per cent in the Logan LGA.

Travel outside the region for work

Just over half (51 per cent) of employed people of working age in the combined Ipswich and Logan LGAs work outside these LGAs, with the Brisbane (43 per cent) and Gold Coast (4 per cent) LGAs being the most common destinations. By contrast, 33 per cent of the employed working age population who work in the combined Ipswich and Logan LGAs travel from outside these LGAs to work, mostly from the Brisbane (19 per cent) and Gold Coast (6 per cent) LGAs.⁸

- Of the employed working age population who live in the combined Ipswich and Logan LGAs but work elsewhere, the most common occupation groups were Machinery Operators and Drivers (61 per cent) and Clerical and Administrative Workers (59 per cent).⁹
- Of the employed working age population who work in the combined Ipswich and Logan LGAs but live elsewhere, the most common occupation groups were Professionals (49 per cent) and Managers (43 per cent).¹⁰

This suggests that there may be limited vacancies for lower to medium skilled workers in these LGAs, while employers may struggle to fill vacancies for higher skilled vacancies with local applicants.

The Future

Employers' recruitment expectations for the year following the survey were subdued compared with January 2012.

- A substantially lower proportion of employers (39 per cent) expected to recruit in the year following the survey compared with the previous survey (55 per cent). In addition, the proportion of employers who expected to increase staff numbers had also decreased from 27 per cent to 19 per cent.
- While the proportion of employers who expected challenges (46 per cent) was similar to the previous survey, reduced business activity was a greater concern among employers than previously, having increased from 33 per cent to 50 per cent.

⁸ ABS Census of Population and Housing, 2011 (place of work, 2011 LGA boundaries)

⁹ Ibid.

¹⁰ Ibid.

Where are the jobs?

Despite the weakness in recruitment activity, opportunities for job seekers exist in those industries which have experienced employment growth, and where employers' recruitment outlook is more positive, particularly the Health Care and Social Assistance industry. Likewise, there are also opportunities in those occupations with low numbers of suitable applicants and which employers found difficult to fill.

- Employment in the Health Care and Social Assistance industry increased by 27 per cent between 2006 and 2011.¹¹ Recruitment activity in this industry has been strong relative to other major industries and has a high proportion of employers who expected to recruit (53 per cent) compared with the average of all industries in the PEA (39 per cent).
- Recruitment expectations were also strong in the Accommodation and Food Services industry, where a relatively high proportion of employers expected to recruit (59 per cent) or increase staff (38 per cent).
- Demand for Technicians and Trades Workers remained high, with a high proportion of unfilled vacancies (8.8 per cent) compared with the proportion of unfilled vacancies for all occupations (3.7 per cent). Vacancies for Chefs, Motor Mechanics and Structural Steel and Welding Workers were reported as difficult to fill. Employers also considered a low average number of applicants (1.9 applicants per vacancy) to be suitable, suggesting opportunities exist for workers with the requisite skills and qualifications.
- Other occupations for which employers had difficulty recruiting included lower-skilled and entry level occupations such as Housekeepers, Truck Drivers and Waiters.

More Information

Survey of Employers' Recruitment Experiences: www.deewr.gov.au/regionalreports

Labour Market Information Portal: www.deewr.gov.au/lmip

Skill Shortages: www.deewr.gov.au/skillshortages

Job Outlook: www.joboutlook.deewr.gov.au

SkillsInfo: www.skillsinfo.gov.au

Australian Jobs: www.deewr.gov.au/australianjobs

¹¹ ABS Census of Population and Housing, 2006 and 2011, combined Ipswich and Logan LGAs (place of work, 2011 LGA boundaries)

