

Slide 1



Australian Government  
Department of Education, Employment and Workplace Relations

# Labour Market and Recruitment Conditions

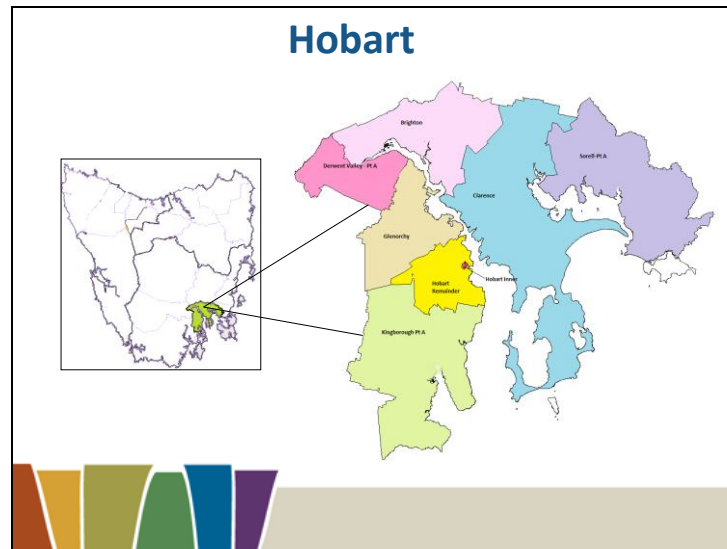
## Hobart

22 October 2012

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Slide 2



Around 85 per cent of the adult population in the Hobart LFR reside in the Hobart Statistical Division (SD), therefore the LFR results are a strong reflection of what is occurring in Hobart SD.

The Hobart SD is comprised of 8 SLAs

- Brighton
- Clarence
- Derwent Valley-Pt A
- Glenorchy
- Hobart Inner
- Hobart Remainder
- Kingsborough Pt A
- Sorell Pt A

There are 7 LGAs in the Hobart SD

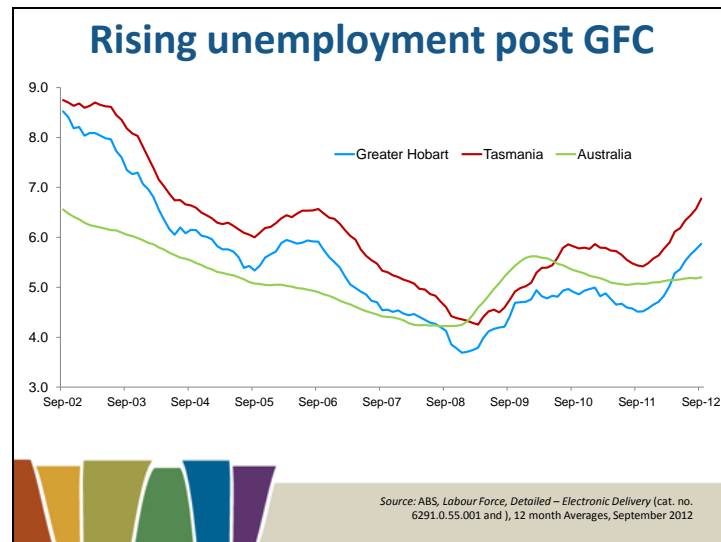
- Brighton LGA
- Clarence LGA
- Derwent Valley LGA
- Glenorchy LGA
- Hobart LGA
- Kingsborough LGA
- Sorell LGA

### Hobart labour market profile

	Hobart	Tasmania	Australia
<b>Adult population (15+)</b>	<b>175,500</b>	<b>415,500</b>	<b>18,640,200</b>
% aged 65 and over	19.9%	20.6%	17.5%
<b>Total Employment</b>	<b>103,080</b>	<b>232,800</b>	<b>11,500,580</b>
% change: year to Sep-12	-0.1%	-3.4%	0.5%
<b>Unemployment rate</b>	<b>5.7%</b>	<b>6.7%</b>	<b>5.1%</b>
% pt change: year to Sep-12	1.4%	1.7%	0.1%
<b>Participation rate (15-64)</b>	<b>75.0%</b>	<b>72.9%</b>	<b>76.3%</b>
% pt change: year to Sep-12	-0.1%	0.0%	-0.4%

Source: ABS Labour Force, Electronic Delivery, cat. no. 6291.0.55.001, September 2012 three month averages of original data;

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Source: ABS, *Labour Force, Detailed – Electronic Delivery* (cat. no. 6291.0.55.001 and ), 12 month Averages, September 2012

The unemployment rate for Hobart and Tasmania has increased since the start of the GFC, but remains relatively low by historical standards. In general, the unemployment rate for Hobart has been less than that of Tasmania.

However, the unemployment rate is not the whole story.

- The underutilisation rate for Tasmania of 16.3%.

This includes an additional 9.2% of the labour force in Tasmania who are underemployed

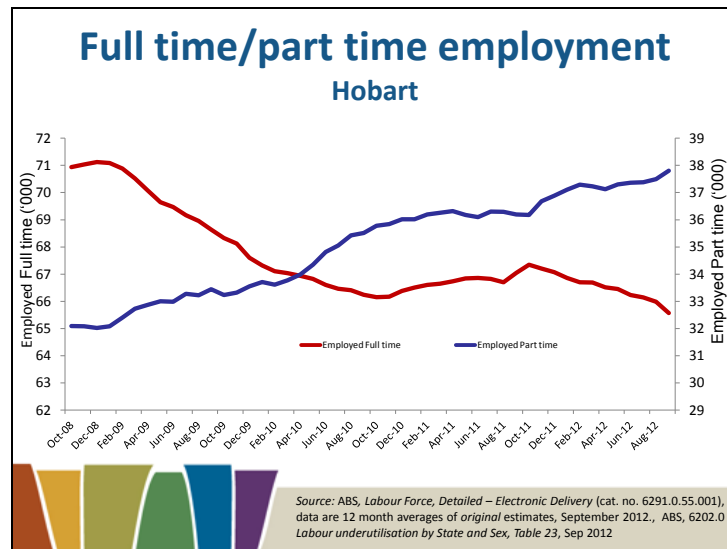
### Regional Disparity

Region	Unemployment Rate (June 2012)	Change in Unemployment rate over the year to June 2012 (percentage point)	WAP Participation Rate (2006)
Brighton SLA	8.6%	1.5%pts	66%
Clarence SLA	4.7%	0.7%pts	74%
Derwent Valley Pt A SLA	9.9%	2.2%pts	66%
Glenorchy SLA	8.6%	1.5%pts	72%
Hobart – Inner SLA	5.4%	0.7%pts	69%
Hobart – Remainder SLA	3.9%	0.5%pts	77%
Kingborough Pt A SLA	3.2%	0.4%pts	77%
Sorell SLA Pt A SLA	6.3%	1.0%pts	73%
Hobart	5.5%	0.9%pts	74%
Tasmania	6.3%	0.7%pts	72%
Australia	5.2%	0.1%pts	75%

Source: DEEWR Small Area Labour Markets, June 2011 and June 2012; DEEWR admin data, June 2012; ABS Estimated Residential Population as at June 2011, ABS 2012.

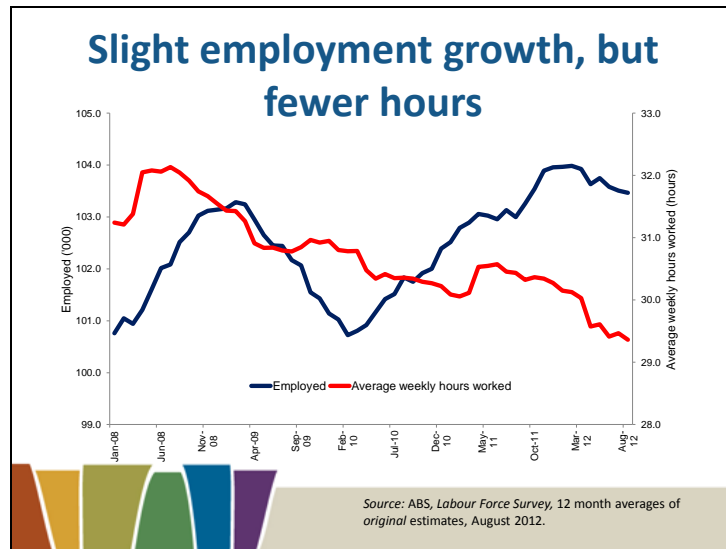
Source: DEEWR Small Area Labour Markets, June 2011 and June 2012; DEEWR admin data, June 2012; ABS Estimated Residential Population as at June 2011, ABS 2012.

This table shows the regional disparity in the Hobart area and that those SLAs with higher unemployment rates have lower participation rates.



Source: ABS, Labour Force, Detailed – Electronic Delivery (cat. no. 6291.0.55.001), data are 12 month averages of original estimates, September 2012., ABS, 6202.0 Labour underutilisation by State and Sex, Table 23, Sep 2012

This graph shows that part time employment in the greater Hobart LFR has increased since October 2008, while full time employment has decreased.



Source: ABS, *Labour Force, Detailed – Electronic Delivery* (cat. no. 6291.0.55.001), data are 12 month averages of original estimates, August 2012.

There has been a steady decrease in average weekly hours worked from a peak of 32.1 in July 2009 down to a low of 29.4 in August 2012.

<b>Long-term Unemployment</b>			
Region	Long-term unemployed (52 weeks or more)		Average duration of unemployment
	Persons ('000)	Percent of all unemployed	
Hobart	1.3	20.6%	50 Weeks
Tasmania	4.0	23.7%	47 Weeks
Australia	118.1	18.8%	37 Weeks

Source: ABS Labour Force Data, September 2012,  
12 month averages of original data

**Long Term Unemployment**

*Source: ABS Labour Force Data, September 2012, 12 month averages of original data*

The long-term unemployed are those who have been unemployed and looking for work for at least 52 weeks.

The proportion of unemployed persons who were long-term unemployed in the Greater Hobart Labour Force Region (LFR) (20.6 per cent) was slightly higher than the national rate (18.8 per cent) but lower than for the state (23.7 per cent).

The average duration of unemployment in the Greater Hobart LFR was 50 weeks, significantly above the national average (37 weeks).



### Income Support Payments Working age population

Region	Proportion of the working age population on a Centrelink Benefit (September 2012)	Proportion of the working age population on an Unemployment Benefit (Newstart Allowance or Youth Allowance) (September 2012)
Brighton SLA	32%	8%
Clarence SLA	19%	5%
Derwent Valley Pt A SLA	35%	10%
Glenorchy SLA	31%	8%
Hobart Inner SLA	8%	3%
Hobart Remainder SLA	17%	5%
Kingborough Pt A SLA	16%	4%
Sorell Pt A SLA	24%	6%
Hobart	22%	6%
Tasmania	24%	7%
Australia	17%	4%

Source: DEEWR Administrative Data, September 2012, Estimated Resident Population 2011.

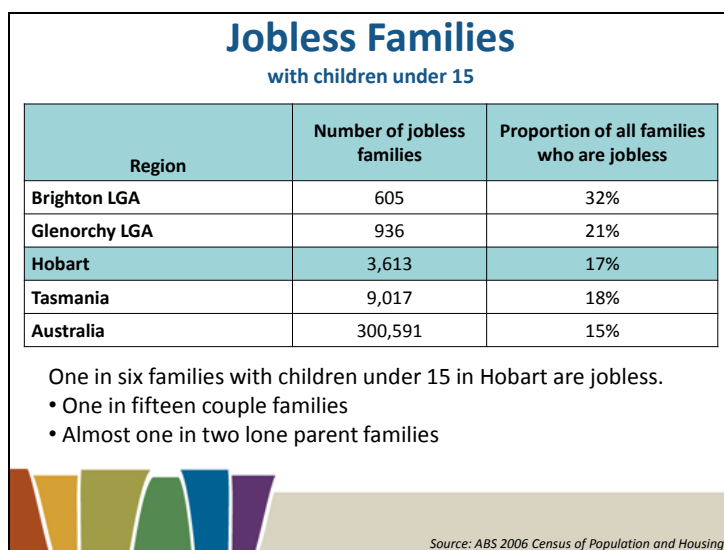
Source: DEEWR administrative data September 2012 and Estimated Resident Population 2011.

This table shows the proportion of the working age population in receipt of a Centrelink or Unemployment Benefit by SLA.

Overall in the Hobart Statistical Division, a significantly high proportion of the working age population were in receipt of a Centrelink Benefit (22%) compared with Australia (17%).

However, only a slightly higher proportion on an unemployment benefit (6%) than Australia (4%), and was lower than the state (7%).

The Derwent Valley Pt A SLA has a high proportion of the working age population in receipt of a Centrelink benefit (35%) and an Unemployment Benefit (10%) compared with Australia (17% and 4% respectively).



Source: ABS 2006 Census of Population and Housing

The proportion of families who are jobless in Hobart (17 per cent) is higher than Australia (15 per cent) but lower than Tasmania (18 per cent). However, areas within Hobart show a much higher proportion families who are jobless such as Brighton (32 per cent) and Derwent Valley (23 per cent).

The proportion of lone parent families who are jobless in Hobart (46 per cent) is lower than both the State (49 per cent) and Australia (47%). The proportion of lone parent families who are jobless varies between LGAs with Brighton and Derwent Valley having the highest proportion (67 per cent and 58 per cent) while Hobart has the lowest (33 per cent)

Jobless families are families where parents are not employed or in the labour force with children under 15 years of age (ABS 2006 Census of Population and Housing)

### Working Age Indigenous Population

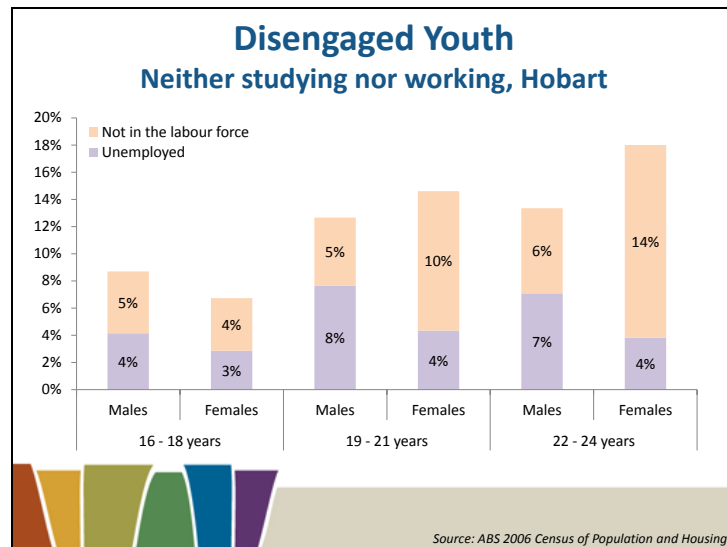
	Civilian population aged 15 to 64 years ('000)	Unemployment rate (%)	Participation rate (%)	Employment to population ratio (%)
<b>TASMANIA</b>				
Indigenous	13.0	12.2	65.8	57.8
Non-Indigenous	321.0	5.5	74.0	70.0
<b>Total</b>	<b>334.0</b>	<b>5.7</b>	<b>73.7</b>	<b>69.5</b>
<b>AUSTRALIA</b>				
Indigenous	356.9	16.4	57.7	48.3
Non-Indigenous	14,962.7	5.0	77.3	73.4
<b>Total</b>	<b>15,319.7</b>	<b>5.2</b>	<b>76.8</b>	<b>72.8</b>

Source: Labour Force Characteristics of Aboriginal and Torres Strait Islander Australians, Estimates from the Labour Force Survey, 2011 (cat. no. 6287.0)

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Across Australia the Indigenous population have worse labour market outcomes than the non-Indigenous population.

The Indigenous population make up 3.9% of the civilian population aged 15 to 64 years in Hobart compared to 2.3% for Australia.



*Source: ABS 2006 Census of Population and Housing*

This chart shows the proportion of the population aged 16 to 24 years, who are not working or studying by gender in Hobart.

At the time of the 2006 Census, the proportion of females aged 19 to 21 years and 22 to 24 years who were Not in the Labour Force was significantly higher compared with males in Hobart (10% and 14% compared with 5% and 6% respectively).

### Educational Attainment

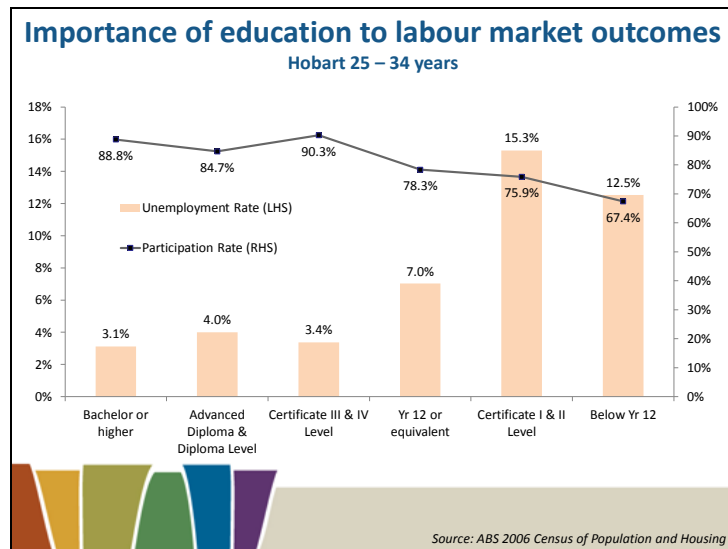
25-34 years of age

Region	% Attained:		
	Year 12 or equivalent	Advance Diploma, Diploma or Certificate Level	Bachelor degree or higher
Brighton SLA	36%	32%	5%
Glenorchy SLA	50%	33%	13%
Hobart	61%	31%	27%
Tasmania	50%	33%	20%
Australia	69%	32%	29%

Source: ABS 2006 Census of Population and Housing

*Source: ABS 2006 Census of Population and Housing*

Year 12 completion rates are lower in the Hobart statistical division compared with Australia, but considerably higher than the state. However, results vary within Hobart with only 5% of people aged 25 to 34 in Brighton having attained a bachelor degree or higher compared with 29% for Australia.



Source: ABS 2006 Census of Population and Housing

People in the Greater Hobart region with higher levels of education perform better in the labour market, with higher labour force participation rates and lower unemployment rates. This reflects the pattern seen across Australia and emphasises the importance of continuing education to help job seekers obtain employment and participate in the labour market.

### School results in Reading and Numeracy, 2011

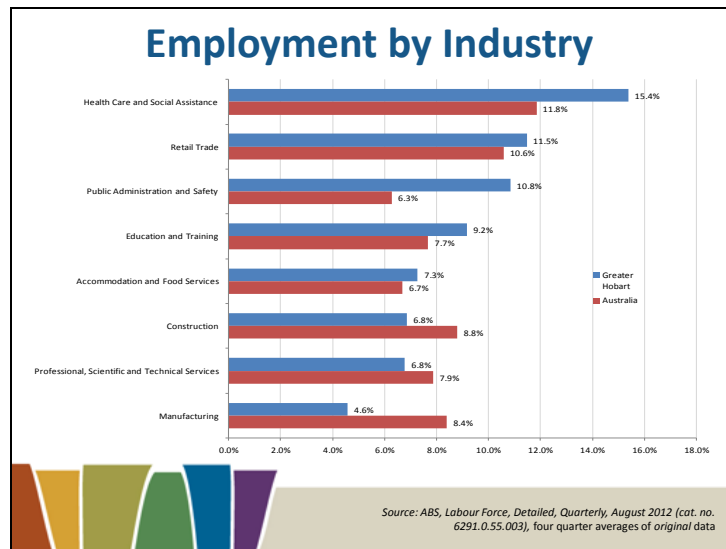
<b>% of Yr 9 government students who did not meet the minimum standards in:</b>	<b>Brighton SLA</b>	<b>Glenorchy SLA</b>	<b>Tasmania</b>	<b>Australia</b>
Reading	32%	32%	8%	6%
Numeracy	29%	17%	8%	6%

Source: Myschool website, 2011

*Source: Myschool website*

This slide shows the proportion of Year 9 students at a selected government high school in the Brighton and Glenorchy SLAs who did not meet minimum standards for literacy and numeracy in 2011, compared with the proportions of Year 9 students who did not meet minimum standards for literacy and numeracy in Tasmania and nationally.

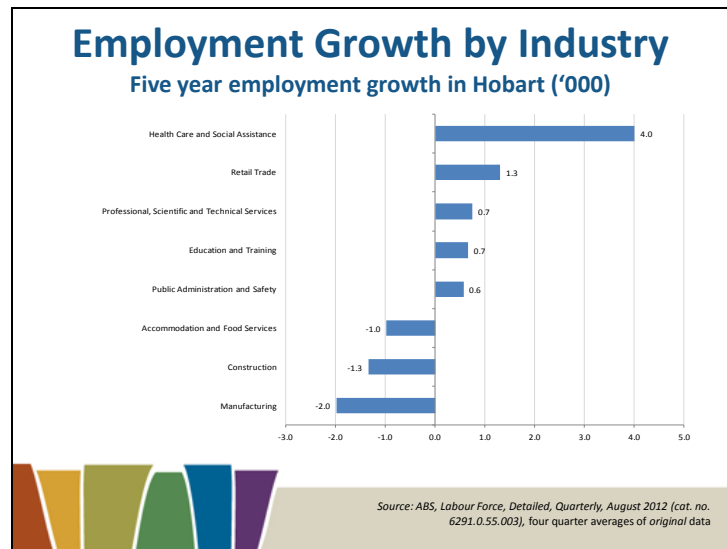
While the selected government school's data are not necessarily representative of all Year 9 students in the SLA, it demonstrates that there are at least pockets of disadvantage within these SLAs.



Source: ABS Labour Force, Australia, Detailed, Quarterly, August 2012 (cat. no. 6291.0.55.003) – four quarter averages of original data

Health Care and Social Assistance is the largest employing industry in the Greater Hobart LFR.



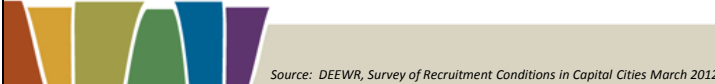


Source: ABS Labour Force, Australia, Detailed, Quarterly, August 2012, (Cat No. 6291.0.55.003), four quarter averages of original data

Health Care and Social Assistance has generated more jobs (about 4000) in the past five years than any other industry in the Greater Hobart LFR.

### Employer Survey Results - Hobart

- Soft labour market conditions, but vacancies still occur
  - 1 in 14 jobs became vacant in previous six months
- Below average difficulty filling vacancies
  - Half of employers still had difficulty recruiting in previous six months
  - Difficulty most common when recruiting for Technicians and Trades Workers or Machine Operators and Drivers occupations
- Employers anticipated subdued recruitment activity to continue



Source: DEEWR, Survey of Recruitment Conditions in Capital Cities March 2012

*Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012*

Survey of Employers in Hobart, March 2012.

- 250 responses
- also surveyed in 2011 and 2010

Results for Hobart show some significant differences compared with the results for all cities suggesting comparative softness in the Hobart labour market.

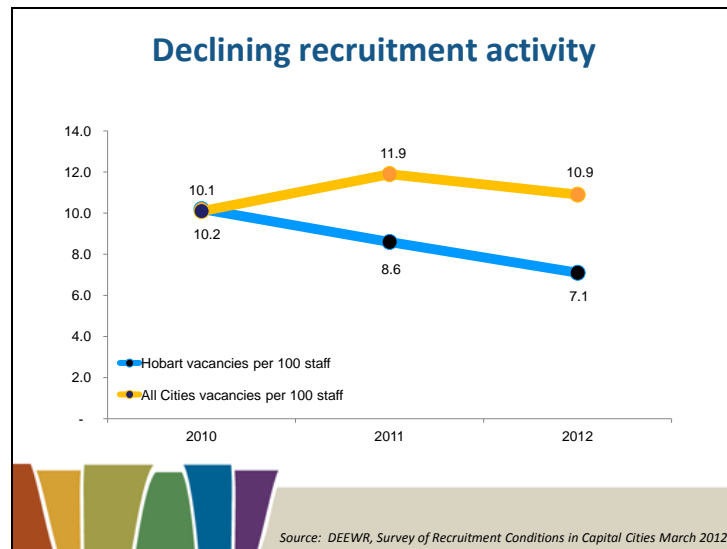
### Summary of recruitment conditions in each capital city

	RECRUITMENT ACTIVITY	RECRUITMENT DIFFICULTY	RECRUITMENT OUTLOOK
SYDNEY	MODERATE	MILD	WEAKENING
MELBOURNE	MODERATE	MODERATE	WEAKENING
BRISBANE	MODERATE	MODERATE	STEADY
ADELAIDE	MODERATE	MODERATE	WEAKENING
PERTH	HIGH	HIGH	STRONG
HOBART	<b>SUBDUED</b>	<b>MILD</b>	<b>SUBDUED</b>
DARWIN	HIGH	VERY HIGH	VERY STRONG
CANBERRA	MODERATE	HIGH	STEADY

Source: DEEWR, Survey of Recruitment Conditions in Capital Cities March 2012

Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

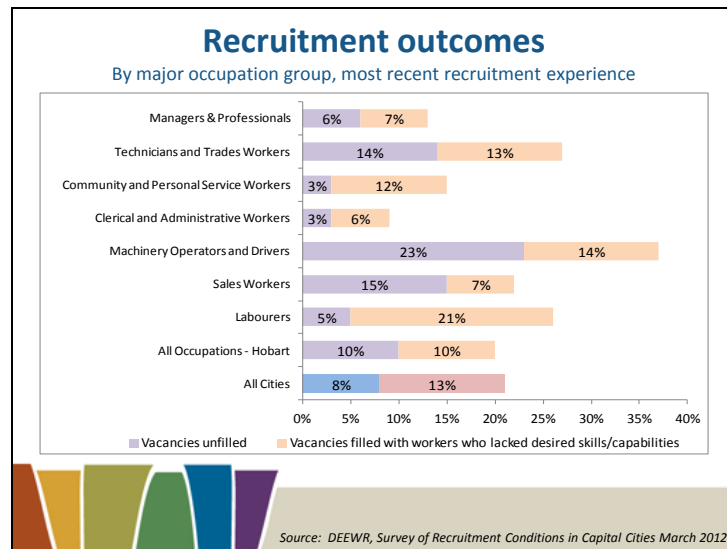
- Summary results were derived by considering a range of indicators collected in the survey.
- recruitment outlook was for the six months following the survey.



Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

The recruitment rate (the proportion of jobs that became vacant over the six months prior to the survey) indicates that less than one in ten positions (7.1 per cent) became vacant during the six months to March 2012. Additionally, and unlike the other capital cities, both the recruitment rate and proportion of employers recruiting have been in steady decline from the 2010 and 2011 surveys.

Despite subdued labour market conditions overall, nearly 4 out of 5 employers in the Accommodation and Food Services and Health Care and Social Assistance industries (both 79%) recruited in the six months prior to the survey. Additionally, the recruitment rate for both industries has seen a steady increase since the 2011 survey.

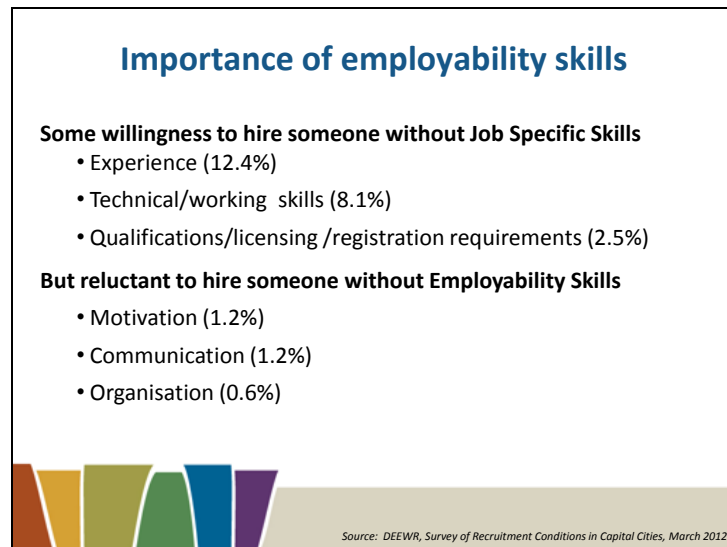


Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

This chart shows (in employer's most recent recruitment round) the proportion of vacancies that remained unfilled and the proportion of vacancies that were filled with workers who did not have the skills or capabilities desired by the employer.

Many employers had difficulty recruiting staff for a wide range of major occupation categories.

- Overall 20 per cent of vacancies either remained unfilled (10%) or were filled with a worker who did not have the skills or capabilities that the employer was looking for (10%).
- Almost one quarter (23%) of vacancies for Machinery Operators and Drivers occupations remained unfilled.
- One in five vacancies (21%) for Labourers occupations were filled with a worker who lacked the desired skills or capabilities.



*Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012*


Over one in six recently hired staff do not have the desired capabilities.

Employers have shown some willingness to hire someone without Job Specific Skills, but are reluctant to hire someone without Employability Skills

### Occupation Based Classifications

High Skilled Occupation Categories

Professionals and Managers	
Design and Engineering Professionals	
Registered Nurses	
Teachers	
Technicians and Trades Workers	
Food Trades Workers	
Engineering, ICT and Science Technicians	



Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

This table shows the extent that employers had difficulty filling vacancies for some high skilled occupations.

**Red** = the majority of employers recruiting for that occupation reported it being difficult to recruit for or a relatively high number of vacancies remained unfilled or both.

However, other indicators, such as the suitability of staff hired, the number of applicants and whether the employer extended the recruitment process, were also used when categorising each occupation.

**Yellow** = employers recruiting for that occupation often reported it being difficult to recruit for or employers often recruited a worker who did not have the skills or capabilities that he/she was seeking or both.


However, other indicators, such as the number of vacancies that remained unfilled, the number of applicants and whether the employer extended the recruitment process, were also used when categorising each occupation.

**Green** = few or no indicators of difficulty recruiting for the occupation.

### Occupation Based Classifications

Lower Skilled Occupation Categories

Community and Personal Services Workers	
Waiters	
Aged, Disability and Nursing Support Workers	
Clerical and Administrative Workers	
General Clerks	
Receptionists	
Sales Workers	
Sales Representatives	
Sales Assistants and Checkout Operators	
Machinery Operators and Drivers	
Drivers	
Labourers	
Factory Process Workers	
Food Preparation Assistants	



Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

This table shows the extent that employers had difficulty filling vacancies some lower skilled occupations.

**Red** = the majority of employers recruiting for that occupation reported it being difficult to recruit for or a relatively high number of vacancies remained unfilled or both.

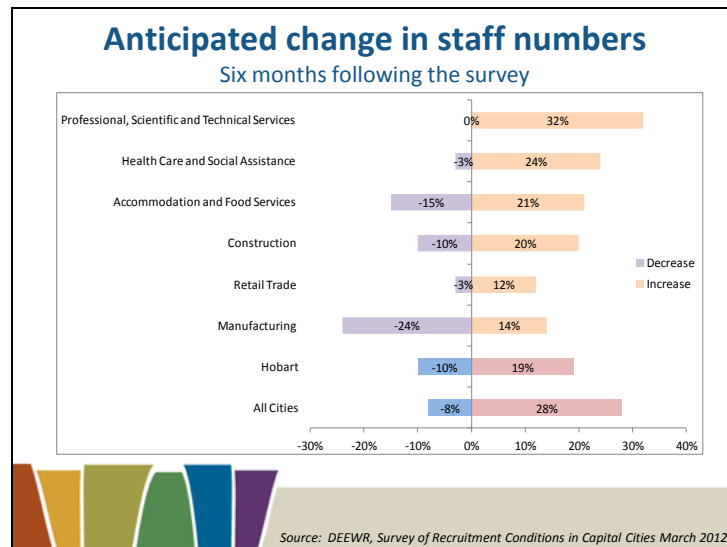
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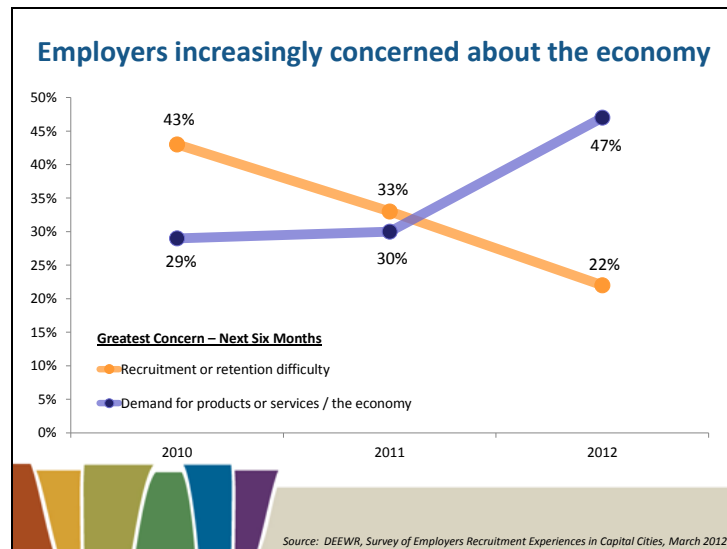


Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

Employers in Hobart are less likely to increase staff numbers (19%) compared to all cities (28%) in the six months following the survey. Furthermore, 10% of employers expect to decrease staff numbers compared to 8% for all cities.

While expectations remain below the average for all cities, results vary by industry:

- 32% of employers in the Professional, Scientific and Technical Services industry and 24% in the Health Care and Social Assistance industry anticipate increasing staff numbers with relatively low expectations to decrease.
- Almost one quarter (24%) of employers in the Manufacturing industry anticipate decreasing staff numbers in the 6 months following the survey.



Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

Almost half (47%) of employers reported Demand / Economy as their single greatest concern in the six months following the survey, the highest of the capital cities.

Variability across industries was evident with employers in the Health Care and Social Assistance industry, more commonly reporting recruitment or retention difficulties as their greatest concern. In contrast, employers in the Retail Trade, Construction and Manufacturing industries more commonly reported Demand / Economy as their single greatest concern.

## Conclusion

- Labour Market is subdued
  - higher than average unemployment rate and significant recent increases
  - rise in announced redundancies
  - lower recruitment activity
- Some disadvantaged groups
  - Long-term unemployed, disengaged youth, jobless families, Indigenous and lower educated
- Opportunities still exist
  - employers continue to recruit and having difficulty filling their vacancies
  - growth industries, including Health
  - a number of occupations difficult to fill across all skill levels
- Job seekers need to be job ready
  - work experience/education/training/apprenticeships
  - literacy and numeracy
  - employability skills essential
- Ongoing conversations amongst all stakeholders required.





Australian Government  
Department of Education, Employment and Workplace Relations

If you have any questions about the presentation please contact  
the Regional and Industry Employer Surveys Section on  
[1800 059 439](tel:1800059439) or email [recruitmentsurveys@deewr.gov.au](mailto:recruitmentsurveys@deewr.gov.au)

