Labour Market Conditions and Survey of Employers’ Recruitment Experiences
Northern Adelaide Employment Service Area

Australian Government
Department of Education, Employment and Workplace Relations
Labour Market Conditions and Survey of Employers’ Recruitment Experiences
Northern Adelaide Employment Service Area
Northern Adelaide ESA

This map shows the Local Government Areas (LGAs) within the Northern Adelaide Employment Service Area.

The Playford, Salisbury and Tea Tree Gully LGAs fall entirely within the Northern Adelaide ESA.

Slightly fewer than one fifth of people living in the Adelaide Hills LGA live in the Northern Adelaide ESA.

Around half of Port Adelaide Enfield LGA residents live in Northern Adelaide ESA.

Of the 39,703 people that reside in the Adelaide Hills LGA, 17.5% (or 6958 people) fall within the Northern Adelaide ESA

Of the 109,922 people that reside in the Port Adelaide Enfield LGA, 49.5% (or 54,416 people) fall within the Northern Adelaide ESA

2006 Census
### Northern Adelaide – Profile
Comparisons with South Australia

<table>
<thead>
<tr>
<th>Category</th>
<th>Northern Adelaide</th>
<th>South Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Age Population WAP (15-64):</td>
<td>246,300</td>
<td></td>
</tr>
<tr>
<td>Unemployment Rate:</td>
<td>7.8% vs 5.6%</td>
<td></td>
</tr>
<tr>
<td>WAP on Centrelink Allowances:</td>
<td>35% vs 24%</td>
<td></td>
</tr>
<tr>
<td>Finished Year 12:</td>
<td>28% vs 38%</td>
<td></td>
</tr>
<tr>
<td>Large Manufacturing Sector</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Employment by industry

In this chart, employment by industry for Northern Adelaide ESA is compared with South Australia.

We can see here the importance of the Manufacturing sector to the region which, at the time of the 2006 Census, employed 17.3% of workers in the Northern Adelaide ESA.
Projected employment growth, 5 years to 2014-15

Source: DEEWR Regional Employment Projections, Feb 2010

This slide gives the projected employment growth in Northern Adelaide LFR over the 5 years to 2014-15.

These projections were updated in February 2010 to take into account recent economic developments in Australia and abroad.

Health Care and Social Assistance is projected to be a key growth area in the region.
Unemployment Rate

*Source: DEEWR Small Area Labour Markets data – Smoothed Series, December quarter 2009*

This chart shows the unemployment rate for the Northern Adelaide ESA (Blue line) compared to Metropolitan Adelaide (Pink line) and South Australia (Yellow line) between March 2008 and December 2009 (most recent data).

We can see that the unemployment rate in the Northern Adelaide ESA has remained consistently higher than the unemployment rates for Metropolitan Adelaide and for South Australia.
This table shows unemployment rates in December 2008 and December 2009 for the LGA’s that make up Northern Adelaide ESA and compares these results with South Australia and Australia.

For the Northern Adelaide ESA we can see that:

- The unemployment rate for Northern Adelaide is higher than for South Australia, (7.8% compared to 5.6% for South Australia).
- The increase in the unemployment rate over the past 12 months has been greater in Northern Adelaide than for South Australia (1.7 percentage point increase for Northern Adelaide compared to a 0.7 percentage point increase for South Australia).

For LGA’s within the Northern Adelaide ESA:

- unemployment rates vary greatly. The unemployment rate is particularly high in Playford (14.4%).
- unemployment has not increased evenly in different regions.
- regions with the highest levels of unemployment have experienced the greatest percentage point increases in their unemployment rates over the past 12 months (Playford 2.8 percentage points, Salisbury 1.9 percentage points, Port Adelaide/Enfield 1.8 percentage points).
In December 2009, there were 60,300 Northern Adelaide residents (24% of the working age population) in receipt of a Centrelink allowance. This compares to 20% for South Australia and 17% for Australia.

There is also an above average proportion of the Working Age Population Receiving the Disability Support Pension in the Northern Adelaide ESA. 8% in Northern Adelaide compared to 7% in South Australia and 5% for Australia.

Most prominent in this table are the results for the Playford LGA where: More than one in three people of working age (35%) receive a Centrelink Allowance of some kind; and 11% of people of working age receive the Disability Support Pension.
### Disability and Labour Force Status

<table>
<thead>
<tr>
<th>South Australia</th>
<th>Schooling or employment restriction</th>
<th>All with reported disability</th>
<th>No reported disabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed People (%)</td>
<td>8%</td>
<td>13%</td>
<td>87%</td>
</tr>
<tr>
<td>Unemployment Rate (%)</td>
<td>10.2%</td>
<td>9.2%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Participation Rate (%)</td>
<td>45.2%</td>
<td>51.4%</td>
<td>81.0%</td>
</tr>
</tbody>
</table>

**Source:** ABS, Disability, Ageing and Carers, Australia: Summary of Findings 2003, cat. no. 4430.0

This table shows that 13 per cent of employed persons have a reported disability and that people with disabilities have worse labour market outcomes (latest figures available are from 2003).
**Educational attainment by LGA**

<table>
<thead>
<tr>
<th>Region</th>
<th>Proportion of working age population (aged 15 to 64 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Finished Year 12 or equivalent</td>
</tr>
<tr>
<td>Tea Tree Gully LGA</td>
<td>43%</td>
</tr>
<tr>
<td>Salisbury LGA</td>
<td>35%</td>
</tr>
<tr>
<td>Playford LGA</td>
<td>28%</td>
</tr>
<tr>
<td>Adelaide Hills LGA*</td>
<td>55%</td>
</tr>
<tr>
<td>Port Adelaide Enfield LGA*</td>
<td>42%</td>
</tr>
<tr>
<td>Northern Adelaide ESA</td>
<td>38%</td>
</tr>
<tr>
<td>South Australia</td>
<td>43%</td>
</tr>
<tr>
<td>Australia</td>
<td>47%</td>
</tr>
</tbody>
</table>

*Source: ABS, 2006 Census of Population and Housing*

**Educational Attainment by LGA**

*Source: ABS, 2006 Census of Population and Housing*

This table highlights the lower than average levels of educational attainment in most LGA’s that make up Northern Adelaide ESA.
Labour Market Outcomes

Source: ABS, 2006 Census of Population and Housing. Working age (15-64 years) population

The level of educational attainment is strongly linked with labour market performance and the ability of a region (or its population) to respond flexibly to an economic shock. High levels of educational attainment, for instance, allows people to gain employment in higher skilled occupations, such as Professional, Manager and Technician and Trades Worker occupations, which tend to be more stable, more in demand and higher paid.

Accordingly, regions with relatively low levels of educational attainment tend, on average, to be less flexible in the face of economic slowdowns and face greater labour market difficulties. For example, upon retrenchment, those with lower educational attainment will find it significantly more difficult to find subsequent employment than their more highly skilled counterparts.

As can be seen in this chart, those people in the Northern Adelaide ESA with relatively high levels of education perform better in the labour market, with higher labour force participation rates and lower unemployment rates, compared with those with lower levels of educational attainment.
Playford – indicators of disadvantage

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Playford</th>
<th>South Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Unemployed</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td>% of families with children where no parent is working</td>
<td>31</td>
<td>20</td>
</tr>
<tr>
<td>% of families with children where family income is less than the average wage ($800 per week)</td>
<td>42</td>
<td>29</td>
</tr>
<tr>
<td>% of population aged 15-64 who have not completed Year 10</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>% of population aged 15-64 on a Centrelink allowance</td>
<td>27</td>
<td>18</td>
</tr>
</tbody>
</table>


Playford – Indicators of Disadvantage


There is a high incidence of disadvantage in Playford LGA.
Employer Survey

- Northern and Western Adelaide Priority Employment Area
- 249 employers surveyed in March 2010
- 80% of employers recruited
  - 51% of employers had difficulty recruiting
- 7.1% of recent vacancies unfilled

Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, March 2010

The survey covered the priority region of Northern and Western Adelaide, which includes the Labour Force Regions of Northern Adelaide and Western Adelaide and the Local Government Area of Adelaide.

Northern and Western Adelaide Priority Employment Area:
- 249 employers surveyed in March 2010
- 80% of employers recruited
- 51% of employers had difficulty recruiting
- 7.1% of recent vacancies unfilled
Changes to Staff Numbers

Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, March 2010

The past 12 months has been a volatile time for many businesses in the region and this is reflected in changes in the number of workers employed in local workplaces.

Across all industries 28% of surveyed businesses increased staff numbers while 21% reduced staff numbers.
Recruitment Difficulty

More than half of recruiting employers said that recruitment for at least one occupation was ‘difficult’.

Employers had difficulty recruiting across a range of industries.

<table>
<thead>
<tr>
<th>Industry group of most recent vacancy</th>
<th>% of employers reporting that recruitment was &quot;Difficult&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care</td>
<td>63%</td>
</tr>
<tr>
<td>Construction</td>
<td>60%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>53%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>49%</td>
</tr>
<tr>
<td>Professional, Scientific and Technical Services</td>
<td>41%</td>
</tr>
<tr>
<td>All Industries</td>
<td>51%</td>
</tr>
</tbody>
</table>

Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers' Recruitment Experiences, March 2010
Vacancies Unfilled or Inadequately Filled

Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, March 2010

Despite the above average levels of unemployment in the region, many employers could not fill vacancies with the workers who had the skills that they were looking for.

This table shows the proportion of vacancies that remained unfilled by each major occupation group and the proportion of vacancies that were filled with workers who lacked the skills or capabilities desired by the employer.

**Across all occupation categories:**

- 7% of recent vacancies remained unfilled (this compares to 5.2% for surveys conducted in the 12 months to December 2009).
- 16.5% of recent vacancies were filled with an applicant who did not have the skills or capabilities that the employer was looking for.
- About three quarters (76%) of employers said that successful applicants lacked the appropriate job specific skills.
- About one quarter (26%) of employers said that the workers that they hired lacked the generic or basic skills that they were looking for.
- In particular employers said workers lacked the necessary motivation (21%) and workload management skills (7%).

Overall almost one quarter (23.6%) of vacancies were either not filled, or filled with a worker who did not have the desired skills capabilities! This suggests that opportunities do exist for job seekers in the region if they have the skills and characteristics that employers are looking for.
### Employment Opportunities

**Source:** DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, May 2009, March 2010

This slide shows the occupations that employers most commonly told us that they:

- Were unable to fill vacancies for.
- They were forced to fill vacancies with applicants who did not have the skills or capabilities that they were looking for; or
- Had to delay the completion of the recruitment exercise because they could not find suitable candidates.

These occupations show that employment opportunities exist for appropriate staff across a range of skill levels and a range of industries. Local workers with the appropriate qualifications and/or characteristics in these occupations would have a very strong likelihood of securing employment in the region.

Although there are a number of jobs that require a higher level of education (either higher VET (Cert III/IV) or Bachelor Degree or higher), many of the occupations mentioned as difficult to fill are medium to lower skill level jobs such as cleaners and factory process labourers.

<table>
<thead>
<tr>
<th>Bachelor Degree or Higher VET Qualifications</th>
<th>Other occupations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Engineers</td>
<td>Commercial Cleaners</td>
</tr>
<tr>
<td>Structural Steel and Welding Trades Workers</td>
<td>Factory Process Labourers</td>
</tr>
<tr>
<td>Registered Nurses</td>
<td>Cafè Workers</td>
</tr>
<tr>
<td>Motor Mechanics</td>
<td>Call or Contact Centre Information Clerks</td>
</tr>
<tr>
<td>Electrician</td>
<td>Waiters</td>
</tr>
<tr>
<td>Hotel Service Managers</td>
<td>Bar Attendants</td>
</tr>
<tr>
<td>Kitchen hands</td>
<td>Cafe Workers</td>
</tr>
</tbody>
</table>

Local workers with the appropriate qualifications and/or characteristics in these occupations would have a very strong likelihood of securing employment in the region.
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**Competition for Vacancies**

*Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, March 2010*

**Across all occupations**

There was a slightly higher than usual average number of applicants per vacancy (10.9) when compared with all employers surveyed in the 12 months to December 2009 (9.7).

But employers reported a low average number of applicants being suitable per vacancy (1.7). This compares to 2.7 applicants suitable per vacancy for all employers surveyed in the 12 months to December 2009. This suggests that many applicants did not have the necessary skills to do the job for which they had applied.

**By Occupation**

There was a high average number of applicants for vacancies in all occupation categories.

The average number of suitable applicants were particularly low for Technicians and Trades Workers (1.1), Community and Personal Workers (ie Welfare workers and Bar/Café Workers) (1.4), and Labourers (0.8).
Of those employers that recruited 88% received one or more applicants who they did not regard as being suitable for the job during their most recent recruitment round. In a May 2009 survey in the region employers were asked the reasons why job seekers were considered unsuitable. Lack of work experience was the most common reason for applicant unsuitability, followed by insufficient technical skills or expertise.

Employers in Northern and Western Adelaide Priority Region also placed importance on the personality traits or qualities of applicants. The sorts of personality traits or qualities most sought after by employers included positive attitude, communication skills, teamwork skills, motivation and reliability.
Basic Employability Skills

Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, May 2009

Employers in the Northern and Western Adelaide Priority Region were asked when recruiting, whether they placed more importance on the applicant’s personal traits and qualities or on their technical skills and experience:

- 35% said that personal traits and qualities were most important
- 23% said that technical skills were most important
- 41% said that both personal traits and technical skills were equally important.

These survey results indicate that in today’s labour market, jobs seekers need to have both technical or job-specific skills and basic employability skills.
Expectations for the Next Six Months

Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, May 2009

Employment expectations for the next six months were reasonably optimistic in the region.

Employee Numbers

- 41% expect increase
  - Across a broad range of industries.
- 6% expect decrease
  - Manufacturing 12%
Northern Adelaide - Conclusion

- Labour market conditions have weakened.
- Pockets of significant disadvantage.
- Still opportunities
  - employers continuing to recruit
  - unfilled vacancies across all skill levels
- Target growth industries and occupations difficult to fill.
- Job-seekers need to be job ready
  - Work Experience
  - Training
  - Apprenticeships
- Continue to work with employers
- Work with local employment coordinator

Northern Adelaide – Conclusion

Source: DEEWR, Northern and Western Adelaide Priority Region Survey of Employers’ Recruitment Experiences, March 2010

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Further Information

For more information:
- www.workplace.gov.au/lmip
- www.productivityplaces.deewr.gov.au