The Perth region can be broken down into 3 Employment Service Areas (ESA’S)

- Central and West Metro ESA = Central LFR and South West LFR
- East Metro ESA = South East LFR
- North Metro ESA = North LFR and East LFR
### Labour Market Profile, by ESA

<table>
<thead>
<tr>
<th></th>
<th>Central and West Metro ESA</th>
<th>East Metro ESA</th>
<th>North Metro ESA</th>
<th>Perth</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult population (15+)</td>
<td>416,720</td>
<td>315,900</td>
<td>643,970</td>
<td>1,376,599</td>
<td>18,098,642</td>
</tr>
<tr>
<td>Annual % change 2009-2010</td>
<td>1%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Employment</td>
<td>278,700</td>
<td>208,000</td>
<td>441,000</td>
<td>929,900</td>
<td>11,440,600</td>
</tr>
<tr>
<td>Annual % change to Sept 2011</td>
<td>1.2%</td>
<td>2.1%</td>
<td>0.5%</td>
<td>1.1%</td>
<td>1.3%</td>
</tr>
<tr>
<td>6 month % change to Sept 2011</td>
<td>0.1%</td>
<td>3.9%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>4.6%</td>
<td>3.7%</td>
<td>3.7%</td>
<td>4.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Annual %pt change to Sept 2011</td>
<td>-0.6 pts</td>
<td>-0.2 pts</td>
<td>-0.4 pts</td>
<td>-0.4 pts</td>
<td>0.1 pts</td>
</tr>
<tr>
<td>Participation rate [15-64]</td>
<td>78.3%</td>
<td>78.2%</td>
<td>80.0%</td>
<td>79.1%</td>
<td>76.6%</td>
</tr>
<tr>
<td>Annual %pt change to Sept 2011</td>
<td>-1.3 pts</td>
<td>1.0 pts</td>
<td>0.5 pts</td>
<td>-0.4 pts</td>
<td>0.3 pts</td>
</tr>
</tbody>
</table>

Source: ABS Labour Force, Electronic Delivery, cat. no. 6291.0.55.003, September 2011, three month averages of original data, Adult population—data From ERP ABS – Cat. No. 3235.0

Labour market conditions in Perth are stronger than those for Australia overall.
The unemployment rate for Perth is below the National rate.
While unemployment has been declining in the past 18 months, long-term unemployment in Perth has been increasing.

Approximately 40,000 people are unemployed in Perth. Of the 5,600 long-term unemployed, 2,300 are very long-term unemployed (over 104 weeks).

Average weeks unemployed (September 2011) – 12 month averages
Perth - 27 weeks (a 4 week increase from September 2010)
Australia – 37 weeks (a 3 week increase from September 2010)
A key indicator of teenage disadvantage is the proportion of teenagers who are neither working nor studying.

The proportion of teenagers who were neither working nor studying varied among the 3 Perth ESA’s regions:
- **Perth**: 5.5% of teenagers in Perth MSR overall were neither working nor studying, compared with 7 per cent for Australia.
- **Central Metro ESA**: 5.1% of teenagers in the Central Metro ESA were neither working nor studying.
- **East Metro ESA**: 6.6% of teenagers in EAST Metro ESA were neither working nor studying.
- **North Metro ESA**: 5.2% of teenagers in North Metro ESA were neither working nor studying.

### Teenage Full-Time Unemployment

<table>
<thead>
<tr>
<th>Region</th>
<th>% of teens looking for full-time work</th>
<th>Teenage full-time unemployment rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central and Western Metro ESA</td>
<td>4.3%</td>
<td>22.7%</td>
</tr>
<tr>
<td>East Metro ESA</td>
<td>5.4%</td>
<td>23.6%</td>
</tr>
<tr>
<td>North Metro ESA</td>
<td>3.6%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Perth</td>
<td>4.2%</td>
<td>18.5%</td>
</tr>
<tr>
<td>Australia</td>
<td>3.3%</td>
<td>22.9%</td>
</tr>
</tbody>
</table>

Source: ABS Labour Force, Australia, (Cat No. 6291.0.55.001), 12 month averages of original estimates, September 2011
A lower proportion of the working age population in Perth is on a Centrelink Benefit than is the case for Australia.

• 11 per cent (or 38 165 persons) of the working age population in the Central and Western Metro ESA are in receipt of a Centrelink benefit and 2 per cent (or 8 500 persons) are in receipt of an unemployment benefit.
• 13 per cent (or 35 900 persons) of the working age population in the East Metro ESA are in receipt of a Centrelink benefit and 3 per cent (or 8 700 persons) are in receipt of an unemployment benefit.
• 12 per cent (or 64 800 persons) of the working age population in the North Metro ESA are in receipt of a Centrelink benefit and 3 per cent (or 15 000 persons) are in receipt of an unemployment benefit.
• 13 per cent (or 202 600 persons) of the working age population in WA are in receipt of a Centrelink benefit and 3 per cent (or 50 000 persons) are in receipt of an unemployment benefit.

% of WAP on DSP

<table>
<thead>
<tr>
<th>Region</th>
<th>% of WAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central and Western metro ESA</td>
<td>3.5%</td>
</tr>
<tr>
<td>East Metro ESA</td>
<td>3.7%</td>
</tr>
<tr>
<td>North metro ESA</td>
<td>3.4%</td>
</tr>
<tr>
<td>Perth</td>
<td>3.5%</td>
</tr>
<tr>
<td>WA</td>
<td>4.0%</td>
</tr>
<tr>
<td>Australia</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Perth</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Homeless</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Ex-Offender</td>
<td>14%</td>
<td>11%</td>
</tr>
<tr>
<td>NESB</td>
<td>21%</td>
<td>17%</td>
</tr>
<tr>
<td>Indigenous</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Refugee</td>
<td>7%</td>
<td>4%</td>
</tr>
<tr>
<td>No. of Job Seekers on Caseload</td>
<td>41,677</td>
<td>764,23</td>
</tr>
<tr>
<td>% of WAP on JSA Caseload</td>
<td>4%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: DEEWR, JSA caseload data, as at 29 April 2011.

- A lower proportion of the Working Age Population (4%) are on the JSA caseload than is the case for Australia (6%).
  - There is a higher proportion of job seekers on the JSA caseload in some disadvantaged groups
    - Homeless – 11% compared with 9% for Australia.
    - Ex-offender - 14% compared with 11% for Australia.
    - Non English Speaking Background - 21% compared with 17% for Australia.
    - Refugee - 7% compared with 4% for Australia.
    - 21% or (8900 persons) of the JSA case load were from a non English Speaking Background.
    - More than one half of these people (52 per cent or 4650 persons) reside in the North Metro ESA.
A high proportion of Australian Migrants arrive in Perth relative to its population. 8 per cent of the Australia's population live in Perth.
7 per cent of total migration to the Perth region is from the Humanitarian stream.

**Top seven countries – Raw numbers of entrants**

- **Burma**: 1275
- **Sudan**: 725
- **Afghanistan**: 760
- **Thailand**: 446
- **Iraq**: 509
- **Congo**: 272
- **Liberia**: 257
Labour Market outcomes are significantly worse for job seekers with lower levels of English proficiency.
1.5 per cent of the population of Perth identify themselves as being Indigenous.

The unemployment rate is substantially higher for Indigenous persons compared with non-Indigenous persons in both WA and Australia. Furthermore, the participation rate for those identifying as Indigenous is much lower compared with those who are non-Indigenous in both WA and Australia.

**WA**

Indigenous persons have an unemployment rate of 22.1 per cent and a participation rate of 57.4 per cent

Non-Indigenous persons have an unemployment rate of 4.2 per cent and a participation rate of 79.0 per cent

**Australia**

Indigenous persons have an unemployment rate of 18.2 per cent and a participation rate of 58.1 per cent

Non-Indigenous persons have an unemployment rate of 5.3 per cent and a participation rate of 76.4 per cent
Labour Market Outcomes for Persons (aged 15-74) with a Disability, 2009

<table>
<thead>
<tr>
<th>Share of total employment (%)</th>
<th>Has a disability/health condition that restricts their employment or schooling</th>
<th>Without a reported disability or health condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts for 10.4% of total employment</td>
<td>Accounts for 71.3% of total employment</td>
<td></td>
</tr>
</tbody>
</table>

Key Labour Market Indicators

<table>
<thead>
<tr>
<th>Unemployment rate</th>
<th>10.1%</th>
<th>5.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation rate*</td>
<td>54.4%</td>
<td>81.9%</td>
</tr>
</tbody>
</table>

In Perth region 3.5 per cent of the working age population (or 41 575 persons) are in receipt of a Disability Support Benefit.

* Please note: data excludes persons aged 65-74 years who are not in or are not marginally attached to the labour force.

This slide shows the effect of having a disability on labour market outcomes.
In 2009, over one in four (28.7%) of employed persons aged 15-74 years reported having a disability.
10.4% of employed persons (aged 15-74 years) reported having a disability that restricted their employment or schooling.
In contrast, almost one in three (32.9%) of the total population aged 15-74 years reported having a disability in 2009.
15.5% of the population (aged 15-74 years) reported having a disability that restricted their employment or schooling.
The unemployment rate was much higher and the participation rate was much lower for people with a disability that restrict their employment/schooling.

Please note: data excludes persons aged 65-74 years who are not in or marginally attached to the labour force.
Some regions within Perth have high levels of disadvantage. Three regions with high levels of disadvantage are:

- Kwinana SLA in Central and Western Metro ESA
- Armadale SLA in East metro ESA
- Wanneroo North West SLA in North Metro ESA
This chart highlights that labour market outcomes are improved significantly with greater levels of education.
This chart provides a breakdown of Industry of Employment in Perth.
In Perth, there has been strong employment growth in the Construction industry over the 5 years to 2011, however employment has declined in Manufacturing.
Vacancy numbers have been recovering in Western Australia much faster than for Australia overall. In recent months, however, there has been a decline in the Internet Vacancy Index (IVI). The number of job vacancies remain below the levels prior to the global financial crises.
Survey of Employers in Capital cities, March/April 2011.
2650 responses
Follows 2010 survey
Response Rate 76.1%
77.3% of respondents from State Capital cities were also surveyed in 2010.

Compared with 2010 results and the 2011 results for all capital cities, employers in Perth in the previous six months:
• reported higher levels of recruitment activity
• had a higher proportion of vacancies remaining unfilled
• were more likely to report that recruitment difficulty was ‘difficult’
• were significantly more likely to report that staff retention was a significant problem for their business.
• were more likely to report that recruitment and retention difficulties prevented them from meeting the market demand for their goods and services, or prevented them from carrying out an investment project.
Across all industries 18% of employers reduced staff numbers in the previous 6 months while 28% increased staff numbers. However, there were significant differences by industry.

• 30 per cent of employers in Manufacturing reduced staff numbers in the previous six months.
• Only 10 per cent of employers in Health Care and Social Assistance, Construction and Retail trade reduced staff numbers.
... So what recruitment methods did employers use to fill these vacancies?

We asked about the methods used to recruit staff in their most recent recruitment round. **Formal Methods** are shown in purple:

**Definition of Formal Methods:** Vacancies can be accessed by job seekers from publically available and commonly known sources

**Informal Methods:** dark blue

**Definition of informal Methods:** vacancies not advertised where a wide range of job seekers can access them. Often do not have a formal application date or selection process.

Employers often use more than one recruitment method

The proportion of employers who used a:

Formal method only: 64% vs 65% for Australia
Informal method only: 16% vs 16% for Australia
Both formal and informal methods: 19% vs 17% for Australia
Formality unknown: 1% vs 2% for Australia (consisting of ‘other’ where it is not clear if the method was formal or informal + recruited internally – which could be either formal or informal).
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 more than one in three (34%) 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 (24%). The proportion of vacancies remaining unfilled were particularly high for Professionals (22%) and Technicians and Trades Workers (16%).

Employers frequently filled vacancies with workers who did not have the skills/capabilities that they were looking for when recruiting for. Technicians and Trades Workers (35%) – Technical Skills and Experience were the most common skills shortfalls. Machinery Operators (30%) – Technical Skills and Qualifications were the most common skills shortfalls. Sales Workers (33.3%) - Technical Skills and Experience were the most common skills shortfalls.
In cases where sufficient information was received to make an assessment, this table shows the high skilled occupations for which:

- employers commonly had vacancies remaining unfilled;
- employers had difficulty recruiting suitable staff;
- recruitment difficulties were not widespread.

The high number of red squares on this slide is consistent with the high proportion of vacancies remaining unfilled for Professionals and Technicians and Trades Workers.

<table>
<thead>
<tr>
<th>Occupation Category</th>
<th>High Skilled Occupations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers and Professionals</td>
<td></td>
</tr>
<tr>
<td>Hospitality, Retail and Service Managers</td>
<td>Construction Managers</td>
</tr>
<tr>
<td>Registered Nurses</td>
<td>ICT Professionals</td>
</tr>
<tr>
<td>Social and Welfare Professionals</td>
<td>Human Resource Professionals</td>
</tr>
<tr>
<td>Technicians and Trades Workers</td>
<td></td>
</tr>
<tr>
<td>Automotive Electricians and Mechanics</td>
<td>Electricians</td>
</tr>
<tr>
<td>Welding Tradespersons</td>
<td>Food Trades Workers</td>
</tr>
<tr>
<td>Metal Fitters and Machinists</td>
<td></td>
</tr>
</tbody>
</table>

Similarly, this table shows the lower skilled occupations (where sufficient information was available to make an assessment) for which:

- employers commonly had vacancies remaining unfilled;
- employers had difficulty recruiting suitable staff;
- recruitment difficulties were not widespread.
Basic Employability Skills

• Most importance placed on:
  • 30% personal traits and qualities only
  • 28% technical skills only
  • 41% both equally important

• Personal traits and qualities applicants lacked:
  • Communication
  • Motivation
  • Enthusiasm
  • Presentation

Source: DEEWR, Survey of Employers’ Recruitment Experiences, 12 months to December 2010

Results from all regions surveyed in the 12 months to December 2010 showed that, when recruiting, employers placed most importance placed on:
30 per cent personal traits and qualities only
28 per cent technical skills only
41 per cent both equally important

Personal traits and qualities that employers most commonly stated that applicants lacked:
Communication
Motivation
Enthusiasm
Presentation
Employers were asked about their single greatest concern for the next six months.
• 44% said that recruitment difficulties were their greatest concern for the next six months.
• 28% said that low or uncertain demand was their greatest concern.
• 9% of Perth based respondents said that they did not have any concerns for the next six months.

Across all industries we can see that employers in Perth were far more likely to report that recruitment difficulties was their single greatest concern for the next six months than was the case for all capital cities (44% compared with 32%).
## Recruitment Conditions in Capital Cities

### Survey Results

<table>
<thead>
<tr>
<th>State</th>
<th>Change in Recruitment Activity 2010-2011</th>
<th>Recruitment Difficulties Metro '11</th>
<th>Change in Recruitment Difficulties 2010-2011</th>
<th>Recruitment Outlook Next Six Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney</td>
<td>Increase</td>
<td>Moderate</td>
<td>Easing</td>
<td>Steady</td>
</tr>
<tr>
<td>Melbourne</td>
<td>Increase</td>
<td>Moderate</td>
<td>Steady</td>
<td>Steady</td>
</tr>
<tr>
<td>Brisbane</td>
<td>Steady</td>
<td>Moderate</td>
<td>Higher</td>
<td>Steady</td>
</tr>
<tr>
<td>Adelaide</td>
<td>Increase</td>
<td>Moderate</td>
<td>Easing</td>
<td>Subdued</td>
</tr>
<tr>
<td>Perth</td>
<td>Increase</td>
<td>High</td>
<td>Higher</td>
<td>Strong</td>
</tr>
<tr>
<td>Hobart</td>
<td>Steady</td>
<td>Mild</td>
<td>Easing</td>
<td>Subdued</td>
</tr>
<tr>
<td>Darwin</td>
<td>N/A</td>
<td>Very High</td>
<td>N/A</td>
<td>Very Strong</td>
</tr>
<tr>
<td>State Capitals</td>
<td>Increase</td>
<td>Moderate</td>
<td>Steady</td>
<td>Steady</td>
</tr>
</tbody>
</table>


---

Overall, and taking into account a wide range of indicators in Perth there has been:

- An increase in recruitment activity;
- An increase in recruitment difficulties which are now at a ‘high’ level; and
- The recruitment outlook for the next six months was strong.
Conclusion

Labour market conditions are strong
- Low unemployment rate
- Strong employment growth in last six months
- Employers are recruiting more; having greater difficulty filling vacancies; and more vacancies unfilled

Regional and Industry disparity

Some people are at risk of being left behind
- Job seekers with limited English; Teenagers; less educated; Indigenous; persons with a disability; long term unemployed.

Many opportunities: job seekers need to be job ready
- Work experience, training, apprenticeships;
- Communication, motivation, enthusiasm, presentation, language and literacy.

Continue to work with employers regarding their needs and expectations

Some signs that labour market conditions may strengthen further
This chart shows that we have conducted survey’s in the majority of Western Australia over the past 2 years.

We are scheduled to survey the South West Perth Metropolitan ESA in March 2012. The metro survey will be going ahead in March-April 2012.
Previous surveys show that, in many regional areas of Western Australia, levels of recruitment activity and recruitment difficulties have been high.
Further Information
– www.joboutlook.gov.au
– www.skillsinfo.gov.au
Australian Government
Department of Education, Employment and Workplace Relations