



Labour market conditions in Midlands/Wheatbelt

Labour market conditions in the Midlands/Wheatbelt Employment Service Area¹ remain reasonably sound.

- The unemployment rate for the region was 4.0 per cent in the September quarter 2014 (latest available data), which is well below the state (5.6 per cent) and national (6.4 per cent) rates.²
- However, there are some signs that conditions have begun to soften, with the number of people receiving unemployment benefits increasing by 11 per cent over the year to December 2014.³
- Employment is heavily concentrated in the *Agriculture, Forestry and Fishing* industry, which accounts for 22 per cent of total employment.⁴

Midlands/Wheatbelt has not recorded the strong population growth experienced by more mining-oriented areas of regional WA, with its adult population growing at around half the state average over the last five years.⁵

The region has one of Western Australia's older populations, with 49 per cent of the adult population 50 years of age or older.

What employers told us⁶

The majority of recruitment in Midlands/Wheatbelt was conducted by small businesses, with a preference for informal recruitment such as word of mouth. Consequently, more than half of vacancies in the region were not advertised.

- A relatively small population and low unemployment rate has resulted in some challenging recruitment conditions for local employers, especially when recruiting for higher skilled occupations⁷.
- Employers received an average of just 3.1 applicants per vacancy, well below the average for all regions surveyed in 2014 (10.3 applicants per vacancy).
 - In more than half of vacancies there was only one applicant, who was given the job. Informal methods were used by employers to fill almost all these vacancies, most commonly through word of mouth. This underscores that much of the recruitment in the region was small scale and informal, emphasising the importance of the need for employers and job seekers to establish networks.
 - Even when employers recruited through formal methods such as the internet or newspaper, they were only able to attract an average of 5.2 applicants per vacancy (compared with 16.6 for all regions).
- Finding local workers a small number of applicants can be difficult, with one third of employers hiring someone from outside their local area in their most recent recruitment round.
 - More than half (54 per cent) of employers who experienced difficulty recruiting identified the 'location' of the job as a reason for difficulty.
- Employers experienced significant difficulties finding local workers to fill higher skilled vacancies.

¹ The Midlands/Wheatbelt Employment Service Area (ESA) comprises 28 Local Government Areas including Northam, Gingin, Toodyay, Chittering and York.

² Department of Employment, *Small Area Labour Markets*, September quarter 2014; ABS Labour Force January 2015, seasonally adjusted (WA & Australia).

³ Centrelink Administrative Data - Department of Human Services Administrative Data (Department of Social Services Extract), December 2014.

⁴ ABS, *Census of Population and Housing*, 2011.

⁵ ABS, *Population Estimates by Age and Sex, Regions of Australia*, June 2013 (Cat. No. 3235.0).

⁶ Based on a *Survey of Employers' Recruitment Experiences* undertaken in the Midlands/Wheatbelt ESA in November 2014. Overall, 312 businesses were surveyed.

⁷ Higher skilled vacancies refer to those with *Australia and New Zealand Standard Classification of Occupations* (ANZSCO) skill level 1, 2 or 3. Lower skilled refer to ANZSCO occupations with skill level 4 or 5.

- Recruitment for higher skilled occupations was more commonly difficult (60 per cent of employers reported difficulty) compared with lower skilled occupations (28 per cent).
- Some 16 per cent of higher skilled vacancies remained unfilled (compared with 3 per cent for lower skilled vacancies), and of the employers who filled their vacancies, close to half hired someone from outside their local area.
- Even when advertising widely, usually on the internet or in a newspaper, many employers were still unable to attract many, or any, suitable applicants for higher skilled vacancies.
- These results demonstrate that emerging skill demands can be difficult to meet locally in areas with a small population. Compounding this, it may be more difficult to attract skilled workers to the Midlands/Wheatbelt region than is the case in higher profile, more mining-oriented areas of WA where higher wages are on offer.

	Higher skilled vacancies	Lower skilled vacancies	All vacancies
Employers had difficulty recruiting	60%	28%	39%
Unfilled vacancies	16%	3%	7%
Hired applicant from outside local area	45%	28%	33%
Recruited using informal methods only	50%	59%	56%

- Recruitment activity is expected to soften over the period ahead, with just 11 per cent of surveyed businesses anticipating increasing staff numbers in the 12 months following the survey.
 - Just over one third of employers reported that their greatest concern for the coming year was the demand for their products or services, while 17 per cent reported recruitment or retention difficulty as their greatest concern.

Where are the opportunities?

- Opportunities for job seekers exist in those occupations for which employers experienced difficulty filling vacancies, including Motor Mechanics, Registered Nurses, Cooks and Bar Attendants and Baristas.
- Job seekers should also use a wide range of job search methods, including approaching employers directly, given the frequent use by local businesses of informal methods and relatively low competition for vacancies.

