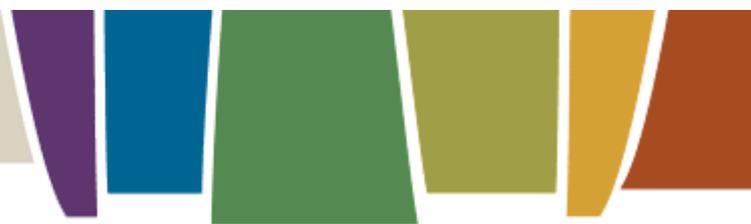




Australian Government

Department of Education, Employment and Workplace Relations



**Survey of Employers' Recruitment Experiences
Northern and Western Adelaide
Priority Employment Area
August 2012**



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The document must be attributed as the 'DEEWR - Survey of Employers' Recruitment Experiences – Northern and Western Adelaide Priority Employment Area – August 2012'.



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The Northern and Western Adelaide Priority Employment Area

- The Northern and Western Adelaide Priority Employment Area (PEA) had an adult population (15 and over) of 524,100 as of 2011.¹
- The adult population increased by 7 per cent between 2006 and 2011, compared with 5 per cent for South Australia.²
- The major employing industries at the time of the 2006 Census were Manufacturing, Retail Trade, Health Care and Social Assistance and Public Administration and Safety.³
- The Playford Local Government Area (LGA), located within the PEA, is one of ten LGAs identified in the 2012-2013 Budget under the *Better Future Local Solutions* initiative to receive funding for measures to address disadvantage.

Survey of Employers' Recruitment Experiences

- The Department conducted a *Survey of Employers' Recruitment Experiences* in the Northern and Western Adelaide PEA in August 2012. In total, 415 employers were surveyed, of whom 300 had recruited in the 12 months preceding the survey. This includes 128 employers from the Playford LGA, of whom 81 had recruited. The survey results for the Playford LGA are compared with those in the PEA overall.
- Employers in the Northern and Western Adelaide PEA were also surveyed as part of the *Survey of Employers' Recruitment Experiences in the Capital Cities* in March 2010, 2011 and 2012. The results of the August 2012 survey are compared with those surveys and all regions surveyed to June 2012 where applicable.

Key Findings

- The unemployment rate in the Northern and Western Adelaide PEA, while decreasing from 7.0 per cent to 6.2 per cent over the 12 months to June 2012, has consistently been higher than the state (5.4 per cent) and national rate (5.2 per cent), suggesting softness in the labour market.⁴
- Unemployment in the Playford LGA has historically been very high. Despite decreasing from 14.2 per cent to 13.3 per cent over the 12 months to June 2012, the unemployment rate in the Playford LGA is the highest of any LGA in the PEA.⁵
- By contrast, unemployment in the Tea Tree Gully LGA (3.2 per cent) and West Torrens LGA (3.2 per cent) was very low.
- The survey results suggest that recruitment activity in the region is slightly below average when compared with all regions surveyed. Despite a high proportion of employers recruiting over the 12 months preceding the survey, relatively few did so to increase staff numbers. There was a lower proportion of vacancies remaining unfilled, and a lower proportion of employers who experienced recruitment difficulty.

¹ ABS Estimated Resident Population, 2011.

² Ibid.

³ ABS Census of Population and Housing 2006.

⁴ DEEWR, Small Area Labour Markets June 2012

⁵ Ibid.

- The supply of labour was high, with a high average number of applicants and suitable applicants for a limited number of vacancies.
- This is in line with the results of the department's survey of employers in Adelaide as part of the *Survey of Employers' Recruitment Experiences in Capital Cities* in March 2012, which showed some softness in the labour market, with further easing since 2011.
 - Among employers in the PEA (who were surveyed as part of the broader Adelaide survey), there was a decrease in the recruitment rate, proportion of vacancies remaining unfilled and employers recruiting to increase staff numbers from 2011 to 2012.
- Employers' recruitment expectations for the 12 months following the survey were moderate, and in line with all other regions surveyed. While a high proportion expected future business challenges, relatively few employers expected recruitment difficulty.
- Among those employers in the PEA who were surveyed as part of the Capital Cities survey (March 2012), the results suggest a weakening in recruitment expectations in the six months following the survey compared with the 2010 and 2011 surveys.
- The survey results suggest that the demand for labour was lower among employers in the Playford LGA compared with the PEA as a whole, as indicated by the low proportion of unfilled vacancies and employers reporting recruitment difficulty.

Recruitment Experiences in the 12 Months Preceding the Survey

- A high proportion of employers in the Northern and Western Adelaide PEA recruited in the 12 months preceding the survey (72 per cent) compared with all regions surveyed (65 per cent).
 - The proportion of recruiting employers was high in the Accommodation and Food Services (84 per cent), Retail Trade and Health Care and Social Assistance industries (both 77 per cent).
 - The proportion of recruiting employers varied by LGA from a low of 63 per cent in the Playford LGA to a high of 78 per cent in the Adelaide LGA.
- Some 39 per cent of employers recruited to increase staff in the PEA compared with 48 per cent for all regions surveyed.
- The number of vacancies was lower in the PEA (16 vacancies per 100 staff) compared with all regions surveyed (19 vacancies).
- The proportion of unfilled vacancies was lower in the PEA (5.2 per cent) compared with 6.3 per cent for all regions surveyed.
- A lower proportion of employers in the PEA (47 per cent) experienced recruitment difficulty compared with all regions surveyed (56 per cent).
 - A high proportion of employers experienced recruitment difficulty in the Other Services⁶ (71 per cent), Accommodation and Food Services (58 per cent) and Manufacturing (56 per cent) industries.
 - A low proportion of employers in the Playford LGA (42 per cent) experienced recruitment difficulty, compared to 49 per cent in the Adelaide LGA.

⁶ The Other Services industry includes a broad range of personal services, such as hairdressing; religious, civil, professional and other interest groups; and selected repair and maintenance activities, including automotive repair.

- The PEA results from the Capital Cities survey showed a decrease in the recruitment rate (from 11 vacancies per 100 staff to 9 vacancies) and the proportion of employers recruiting to increase staff numbers (28 per cent to 22 per cent) from 2011 to 2012.⁷

Table 1. Recruitment experiences in the 12 months preceding the survey

	Playford LGA	NAWA PEA (August 2012)	All regions surveyed (12 months to June 2012)
Proportion of employers who recruited	63%	72%	65%
- to increase staff	40%	39%	48%
- to replace staff	84%	88%	85%
Vacancies per 100 staff	14	16	19
Proportion of vacancies unfilled	3.4%	5.2%	6.3%
Proportion of recruiting employers who experienced difficulty	42%	47%	56%

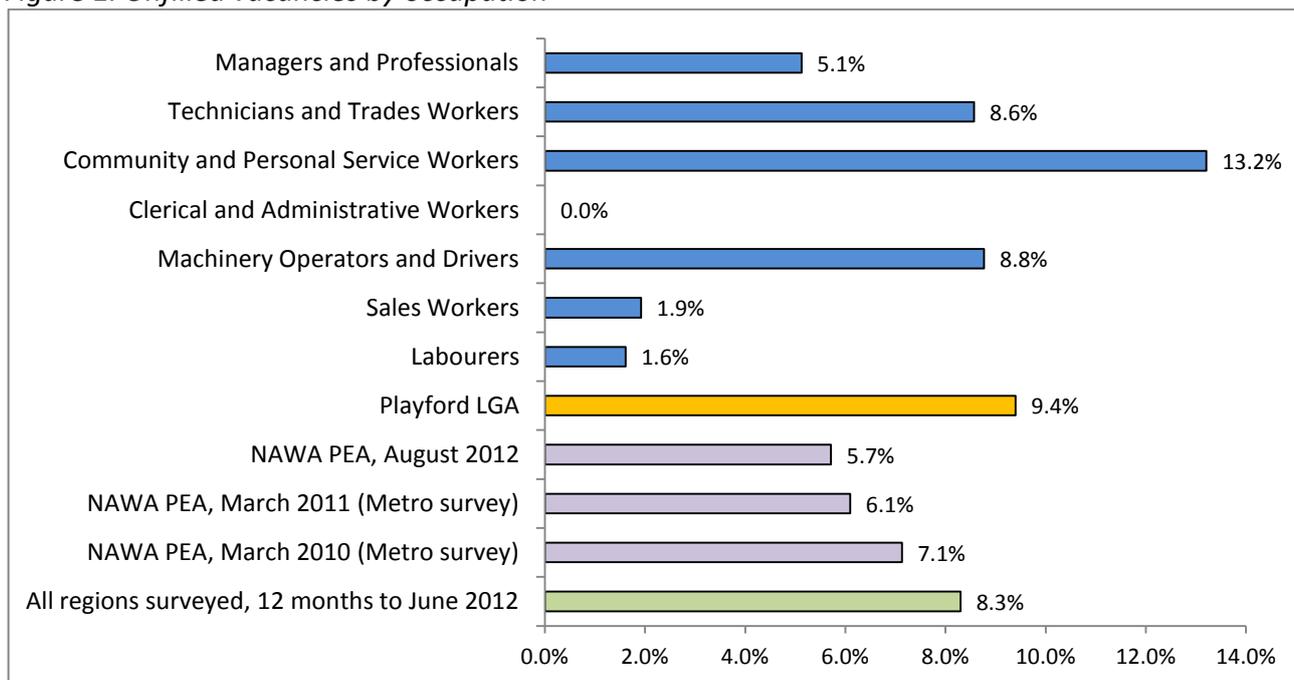
Most Recent Recruitment Activity

Employers were asked about their most recent recruitment experience.

- The proportion of vacancies that remained unfilled was 5.7 per cent, slightly lower compared with the 2011 survey (6.1 per cent) and all regions surveyed (8.3 per cent). However, the proportion of unfilled vacancies in the Playford LGA was higher (9.4 per cent).
 - There was a particularly high proportion of Community and Personal Service Worker (13.2 per cent), Machinery Operator and Driver (8.8 per cent) and Technician and Trades Worker (8.6 per cent) vacancies remaining unfilled in the Northern and Western Adelaide PEA.

⁷ Based on employers recruitment experiences in the six months preceding the survey in March 2012.

Figure 1. Unfilled vacancies by occupation



- The proportion of employers who had difficulty recruiting for their most recent vacancy (33 per cent) was lower compared with all regions surveyed (44 per cent). In the Playford LGA, this (33 per cent) was on a par with the PEA.
 - Recruitment difficulty was most commonly reported by employers who recruited for Community and Personal Service Workers (49 per cent), Technicians and Trades Workers (42 per cent) and Machinery Operators and Drivers (37 per cent).
 - The most common reasons for recruitment difficulty were finding people with the technical skill requirements for the job (40 per cent), the nature of the work required (23 per cent), the tight labour market (21 per cent) and finding people with the necessary soft skills (20 per cent).
- Table 2 shows the occupations for which employers had difficulty recruiting.

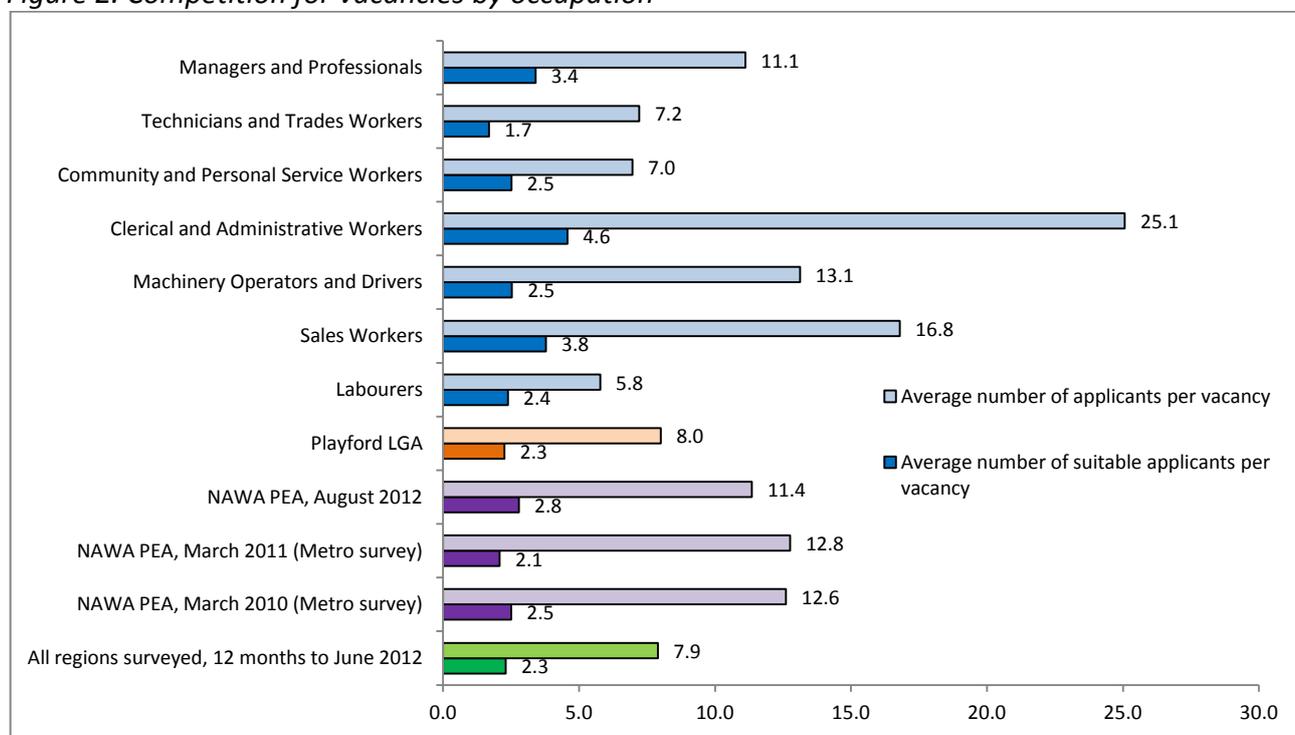
Table 2. Occupations difficult to fill by skill level

Bachelor Degree or Higher VET Qualifications	
Chefs	Structural Steel and Welding Trades Workers
Child Carers	Metal Fitters and Machinists
Architectural, Building and Surveying Technicians	Cooks
Hairdressers	Human Resource Professionals
Motor Mechanics	
Other Occupations	
Sales Assistants (General)	Waiters
General Clerks	Receptionists
Bar Attendants and Baristas	Truck Drivers

Applicants and Suitability

- There was an average of 11.4 applicants per vacancy, lower compared with the March 2011 survey of the region (12.8 applicants), however, higher compared with all regions surveyed (7.9 applicants per vacancy). The average number of suitable applicants per vacancy (2.8) was higher compared with the 2011 survey (2.1 suitable applicants) and all regions surveyed (2.3 suitable applicants).
 - Competition for Clerical and Administrative Worker vacancies was high, with an average of 25.1 applicants per vacancy, of whom only 4.6 applicants were considered suitable.
 - Competition for Labourer vacancies was low, with an average of 5.8 applicants per vacancy, of whom 2.4 were considered suitable.
 - There was a low average number of suitable applicants (1.7) for Technician and Trades Worker vacancies.
 - The most common reasons that applicants were considered unsuitable were insufficient experience (59 per cent), insufficient qualifications (35 per cent) and a lack of interest in the job (19 per cent).

Figure 2. Competition for vacancies by occupation



Apprentices and Trainees

- The proportion of employers who currently employ an apprentice (32 per cent) was similar to all regions surveyed in the 12 months preceding the survey (34 per cent).
 - Employers in the Other Services (52 per cent) and Construction (48 per cent) industries were most likely to employ an apprentice or trainee.
- Some 20 per cent of employers expected to recruit an apprentice or trainee in the 12 months following the survey, similar to all regions surveyed (22 per cent). The proportion of employers in the Playford LGA who expected to recruit an apprentice (20 per cent) was the same as the PEA.

Staff Training

- A higher proportion of employers (49 per cent) had staff undertake nationally recognised training in the 12 months preceding the survey compared with all regions surveyed (44 per cent). A lower proportion (42 per cent) of employers in the Playford LGA had staff undertake nationally recognised training.
- Some 15 per cent of employers had challenges to providing nationally recognised training, similar to all regions surveyed (16 per cent).
 - The most common challenges reported by employers were the high cost of training (55 per cent) and the timing of training (35 per cent).

Job Services Australia and Recruitment Methods

- Some 74 per cent of employers used formal methods in their most recent recruitment round, while 35 per cent used informal methods. Some 26 per cent of employers used informal methods only.
 - The most common recruitment methods were the internet (40 per cent), word of mouth (26 per cent) and newspapers/magazines (19 per cent).
- Some 11 per cent of recruiting employers used a JSA provider in the 12 months preceding the survey.
 - Of these, 78 per cent were satisfied with the service they received.

Future Recruitment Expectations

- The proportion of employers in the Northern and Western Adelaide PEA who expected to recruit in the 12 months following the survey (52 per cent) was similar to all regions surveyed (50 per cent). The proportion of employers in the Playford LGA who expected to recruit was slightly lower (47 per cent).
 - A high proportion of employers in the Accommodation and Food Services (74 per cent) and Healthcare and Social Assistance (69 per cent) industries expected to recruit in the 12 months following the survey.
- A slightly higher proportion of employers (30 per cent) expected to increase staff numbers in the 12 months following the survey compared with all regions (27 per cent).
 - A high proportion of employers in the Health Care and Social Assistance (46 per cent) and the Other Services (43 per cent) industries expected to increase staff numbers in the next 12 months.
- A low proportion of employers (36 per cent) expected recruitment difficulty compared with all regions surveyed (44 per cent). The proportion of employers in the Playford LGA who expected difficulty (33 per cent) was lower than the PEA.
- The survey results from employers in the PEA who were surveyed as part of the Capital Cities survey (March 2012) showed a decrease in the proportion who expected to increase staff number staff numbers in the 6 months following the survey, from 41 per cent in 2010 to 31 per cent in 2012.

Table 3. Future recruitment expectations

	Playford LGA	NAWA PEA (August 2012)	All regions surveyed (12 months to June 2012)
Will recruit	47%	52%	50%
Expect to increase staff	29%	30%	27%
Expect to reduce staff	3%	5%	5%
Will recruit an apprentice or trainee	20%	20%	22%
Expect difficulty	33%	36%	44%
Expect challenges	58%	65%	58%

- Table 4 shows the occupations for which employers expected to recruit in the 12 months following the survey.

Table 4. Occupations for which employers expect to recruit in the 12 months following the survey

Bachelor Degree or Higher VET Qualifications	
Metal Fitters and Machinists	Motor Mechanics
Structural Steel and Welding Trades Workers	Butchers and Smallgoods Makers
Other Occupations	
Sales Assistant (General)	General Clerks
Storepersons	Bar Attendants and Baristas
Call or Contact Centre Workers	Truck Drivers
Waiters	

Opportunities for Job Seekers

- The survey results indicate that opportunities for job seekers exist for occupations with high unfill rates, high recruitment difficulty and low numbers of suitable applicants, particularly Community and Personal Service Workers (such as Waiters, Child Carers and Bar Attendants and Baristas) and Technicians and Trades Workers (such as Chefs and Structural Steel and Welding Workers).
- There may be opportunities for higher skilled workers, where employers expected to recruit for a range of occupations including Metal Fitters and Machinists and Motor Mechanics.
- There may also be opportunities for job seekers in the Accommodation and Food Services and Health Care and Social Assistance industries, where a high proportion of employers expected to recruit.
- One of the main reasons applicants were considered unsuitable for vacancies was a lack of experience. Support for work experience and work readiness programs could assist job seekers.



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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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