

Slide 1



The slide features a dark blue background with a white diagonal stripe running from the top-left to the bottom-right. In the top-left corner, there is an orange triangle containing the Australian Government coat of arms and the text "Australian Government" and "Department of Employment". The main title "Port Augusta-Whyalla-Port Pirie Priority Employment Area" is centered in white. Below the title, the date "25 March 2014" and the presenter's name "Chris Sainsbury" are listed, followed by his title "Director" and the branch "Labour Market Research and Analysis Branch". The website "www.employment.gov.au" is at the bottom left. A small green triangle is in the bottom-right corner.

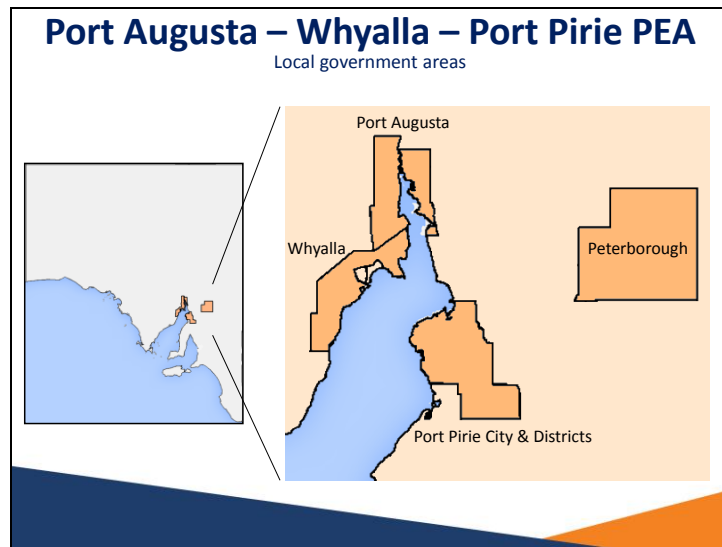
Australian Government
Department of Employment

**Port Augusta-Whyalla-Port Pirie
Priority Employment Area**

25 March 2014

Presented by Chris Sainsbury
Director
Labour Market Research and Analysis Branch

www.employment.gov.au



Map of the Port Augusta-Whyalla-Port Pirie PEA

The Port Augusta-Whyalla-Port Pirie PEA is comprised of the following Local Government Areas (LGAs):

- Peterborough
- Port Augusta
- Port Pirie City and Districts
- Whyalla

Population profile

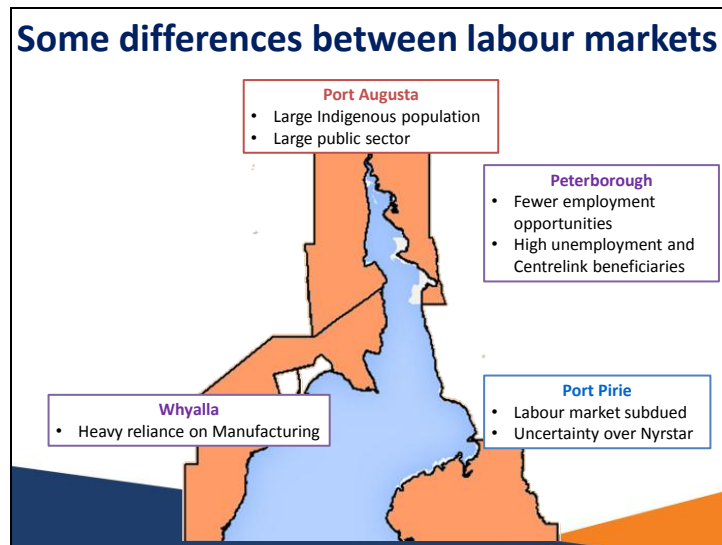
	Adult Population (15+)	Growth 2007 to 2012 (15+)	Median Age 2011 (Census)
Port Augusta	11,530	2%	38
Whyalla	18,250	4%	38
Port Pirie City and Districts	14,210	2%	41
Peterborough	1450	-8%	50
Port Augusta-Whyalla-Port Pirie PEA	45,440	3%	39
South Australia	1,362,860	6%	39
Australia	18,419,630	10%	37

Source: ABS, Population Estimates by Age and Sex, Regions of Australia, 2007 and 2012; ABS, Census of Population and Housing, 2006 and 2011

Population Profile

Source: ABS, Population Estimates by Age and Sex, Regions of Australia, 2007 and 2012; ABS, Census of Population and Housing, 2006 and 2011

The Port Augusta-Whyalla-Port Pirie PEA has experienced below average population growth over the five years to 2012.



Some differences between labour markets

Above average unemployment rate across the region

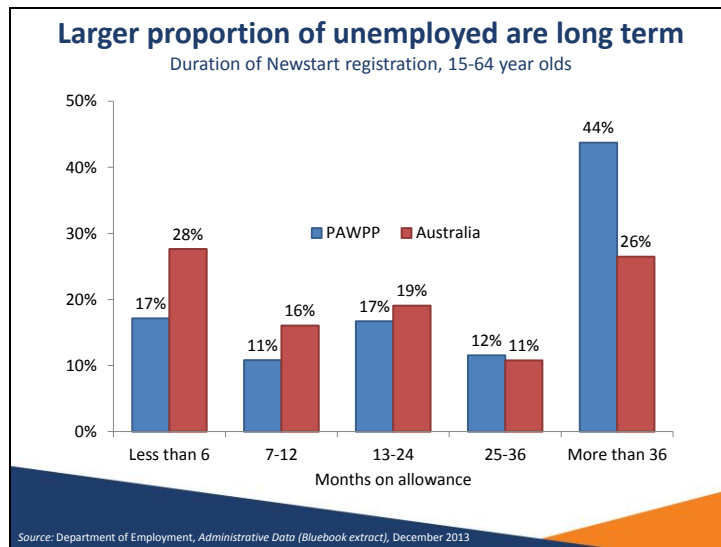
	December 2013	Annual Change
Port Augusta	8.0%	1.1% pts
Whyalla	7.5%	0.6% pts
Port Pirie City and Districts	8.0%	1.2% pts
Peterborough	10.2%	1.6% pts
Port Augusta-Whyalla-Port Pirie PEA	7.8%	0.9% pts
<i>Far North RDA remainder</i>	7.7%	1.2% pts
South Australia*	6.7%	0.8% pts
Australia*	6.0%	0.6% pts

* ABS, *Labour Force, Australia*, February 2014 (cat. no. 6202.0), seasonally adjusted data
Source: Department of Employment, *Small Area Labour Markets*, December 2013

Above average unemployment rate across the region

Source: Department of Employment, *Small Area Labour Markets*, December 2013; ABS, *Labour Force, Australia*, February 2014 (seasonally adjusted)

Across the region the unemployment rate has risen over the last year, and remains well above the State and national averages.



Larger proportion of unemployed are long term

Source: Department of Employment, Administrative Data (Bluebook extract), December 2013

Compared with the national average, a larger proportion of the PEA's Newstart Allowance recipients have been registered for more than 36 months.

High rates of income support

15-64 year olds

	Proportion of WAP		
	Centrelink benefits	Parenting Payments	Disability Support Pension
Port Augusta	28%	5%	9%
Port Pirie City and Districts	33%	4%	13%
Whyalla	27%	4%	9%
Port Augusta-Whyalla-Port Pirie PEA	30%	4%	11%
South Australia	19%	2%	7%
Australia	16%	2%	5%

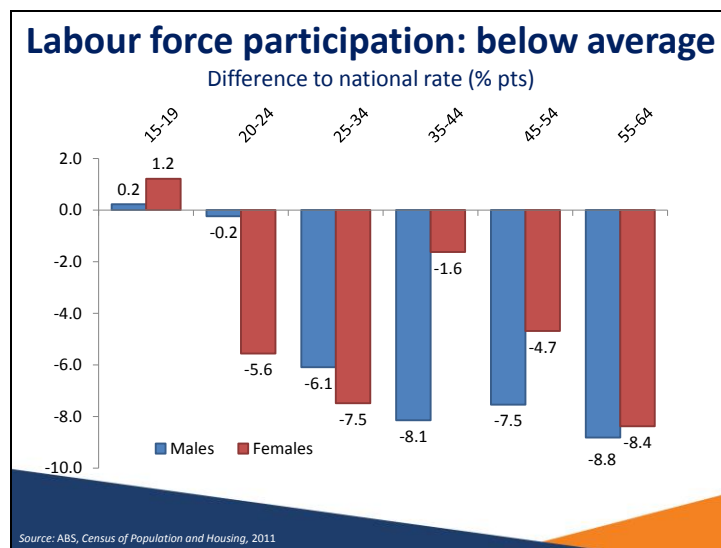
Source: Department of Employment, Administrative data, December 2013; ABS, Population Estimates by Age and Sex, Regions of Australia, 2012

High rates of income support

Source: Department of Employment, Administrative data, December 2013; ABS, Population Estimates by Age and Sex, Regions of Australia, 2012

A larger proportion of the PEA's 15-64 year old population were receiving a Centrelink payment in the December quarter 2013 compared with the national average.

Slide 8



Labour force participation: below average

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, the labour force participation rate was below average for most age groups.

Many children are in jobless families
Children under 15 living in households where neither parent is working

	Children in jobless families	% of children in jobless families
Port Augusta	680	27%
Whyalla	1150	25%
Port Pirie City and Districts	1000	27%
Port Augusta-Whyalla-Port Pirie PEA	2980	26%

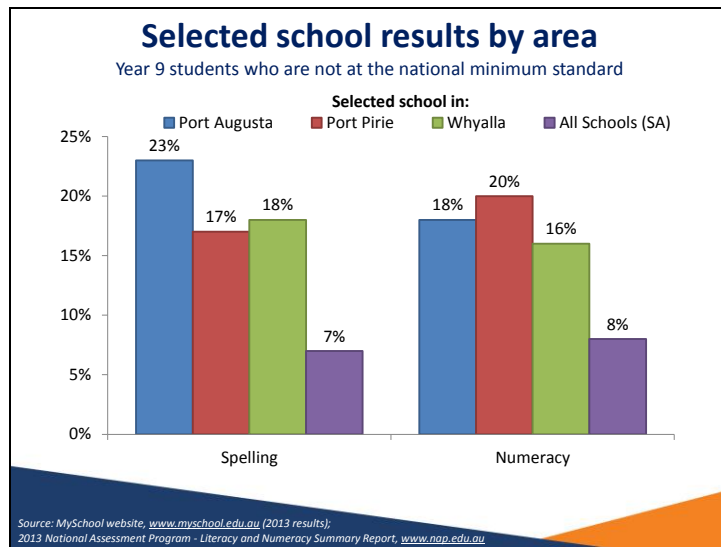
Source: ABS, Census of Population and Housing, 2011

Many children are in jobless families

Source: ABS, *Census of Population and Housing, 2011*

*Please note: this number is a *minimum* as the Census does not list the exact number of children for families with six or more children.

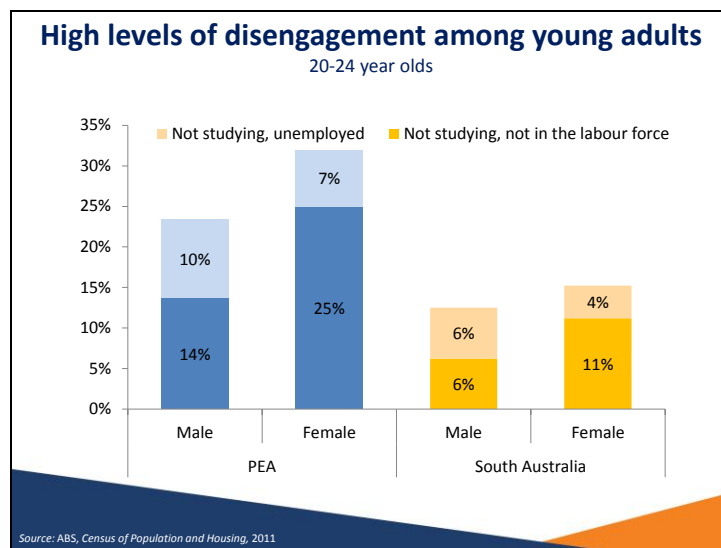
Jobless families are those families with children under 15 where parents are not employed. Approximately 26 per cent of children in the Port Augusta-Whyalla-Port Pirie PEA did not have an employed parent.



Selected school results by area

Source: MySchool website, www.myschool.edu.au (2013 results); 2013 National Assessment Program - Literacy and Numeracy Summary Report, www.nap.edu.au

This slide shows that some students in the area have struggled to meet the minimum standards of spelling and numeracy.



High Levels of disengagement among young adults

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, 28 per cent of young adults (persons aged 20 to 24 years) in the Port Augusta-Whyalla-Port Pirie PEA were neither working nor studying. This figure is notably higher when compared with South Australia (14 per cent).

Educational attainment				
Persons aged 25-34 years				
	Completed Year 12		Attained Advanced Diploma, Diploma or Certificate III/IV	Attained Bachelor Degree or Higher
	2011	Change since 2006 (% pts)		
Port Augusta	49%	3%	30%	15%
Whyalla	57%	2%	29%	19%
Port Pirie City and Districts	47%	-1%	30%	15%
Port Augusta-Whyalla-Port Pirie PEA	52%	1%	30%	17%
<i>Far North RDA remainder</i>	51%	3%	33%	18%
South Australia	68%	4%	30%	30%
Australia	75%	6%	30%	35%

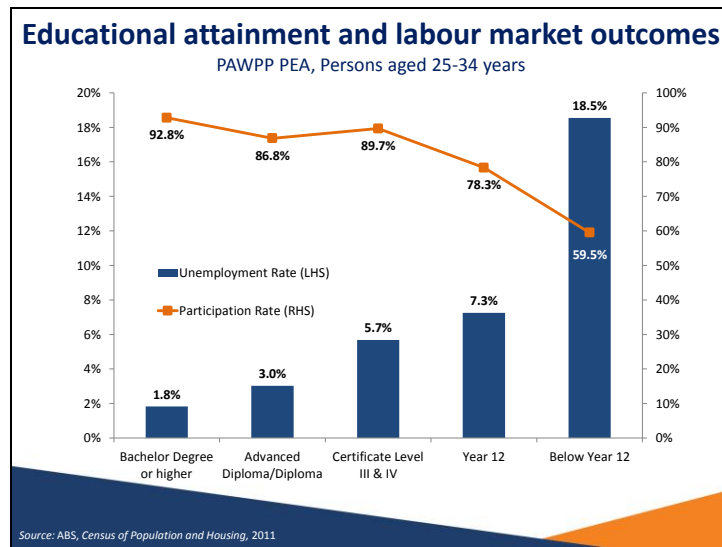
Source: ABS, Census of Population and Housing, 2011

Educational attainment

Source: ABS, Census of Population and Housing, 2011

Job seekers who have not completed Year 12 and have limited experience in the workforce are likely to lack many basic employability skills that employers value in applicants, particularly for lower skilled vacancies and entry level positions such as apprenticeships and traineeships.

At the time of the 2011 Census, the proportion of 25 to 34 year olds in the Port Augusta-Whyalla-Port Pirie PEA who had completed Year 12 or equivalent was 52 per cent, well below the average for South Australia and Australia (68 per cent and 75 per cent respectively).



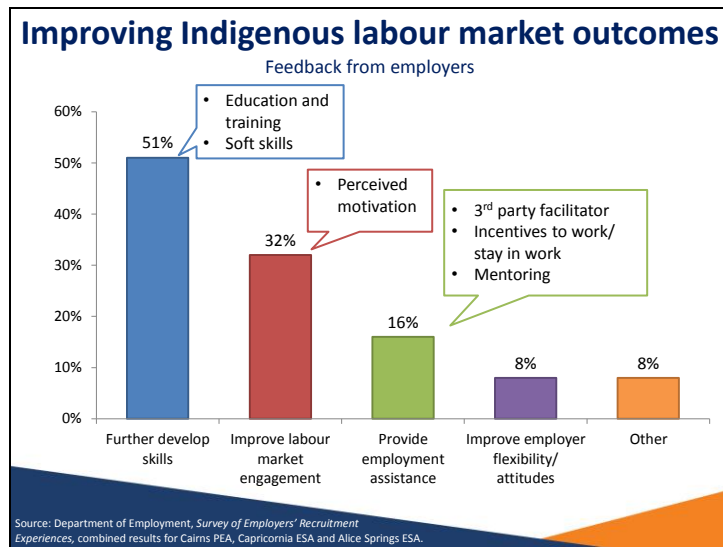
Educational attainment and labour market outcomes

Source: ABS, Census of Population and Housing, 2011

*Please note that Below Year 12 also includes Certificate level I and II where the person has not completed Year 12.

There is a strong relationship between educational attainment and employment outcomes.

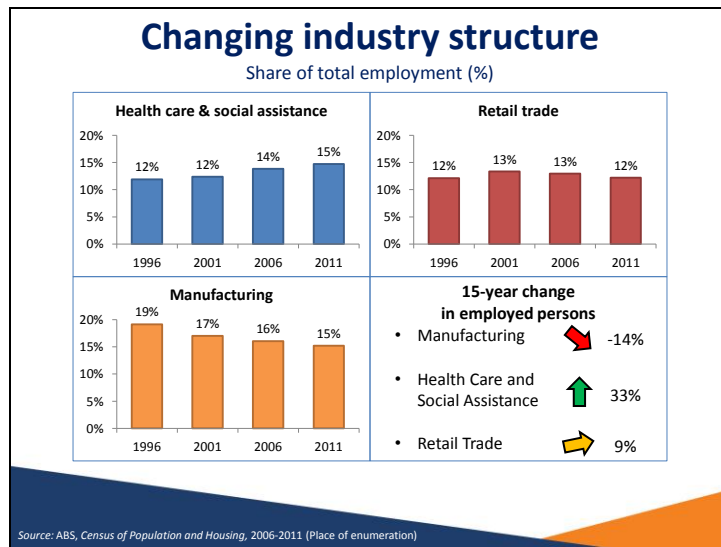
At the time of the 2011 Census, 25-34 year olds in the PEA who had not completed Year 12 or equivalent faced a very high unemployment rate and low participation rate relative to those with Year 12 and higher qualifications.



Improving Indigenous labour market outcomes

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, combined results for Cairns PEA, Capricornia ESA and Alice Springs ESA.

We asked employers in selected areas across Australia what, in their opinion, could be done to improve Indigenous labour market outcomes. The most common responses went to improving job seekers' levels of education and training, as well as soft skills.



Changing industry structure

Source: ABS, Census of Population and Housing, 1996-2011 (Place of enumeration)

While Manufacturing's share of employment in the region has declined since 1996, Health Care and Social Assistance's share has increased.

Recruitment conditions easing...			
Summary survey results			
	November 2011	December 2012	December 2013
<i>Past 12 months</i>			
Annual vacancies per 100 staff	22	18	17
<i>Most recent recruitment round</i>			
Unfilled vacancies	10.5%	7.5%	1.1%
Experienced difficulty recruiting	45%	48%	38%
<i>Recruitment expectations</i>			
Expect to increase staff	21%	16%	12%

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013

Recruitment conditions easing...

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013

Recruitment conditions appear to have eased over the last two years. Compared with previous surveys, employers in the region are recruiting less and experiencing less difficulty doing so.

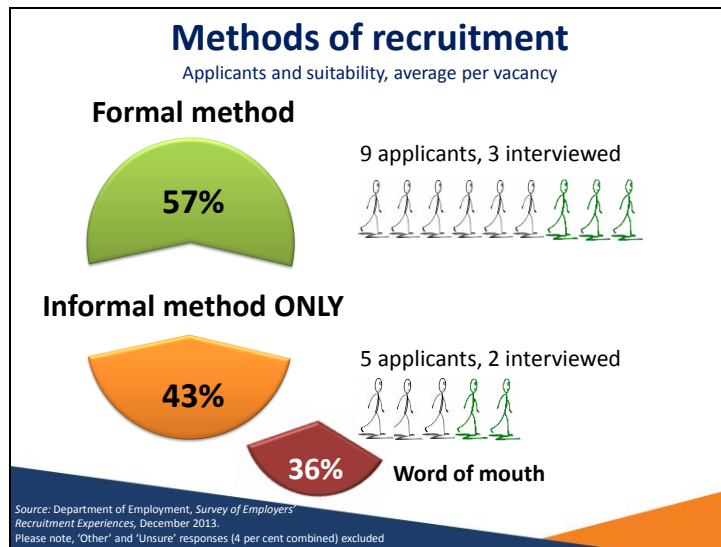
...most notably in Port Pirie			
Summary survey results			
	Port Pirie	Port Augusta	Whyalla
<i>Past 12 months</i>			
Annual vacancies per 100 staff	14	20	18
<i>Most recent recruitment round</i>			
Unfilled vacancies	0.0%	2.4%	1.2%
Experienced difficulty recruiting	31%	46%	39%
<i>Recruitment expectations</i>			
Expect to increase staff	9%	11%	16%

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013

...most notably in Port Pirie

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013

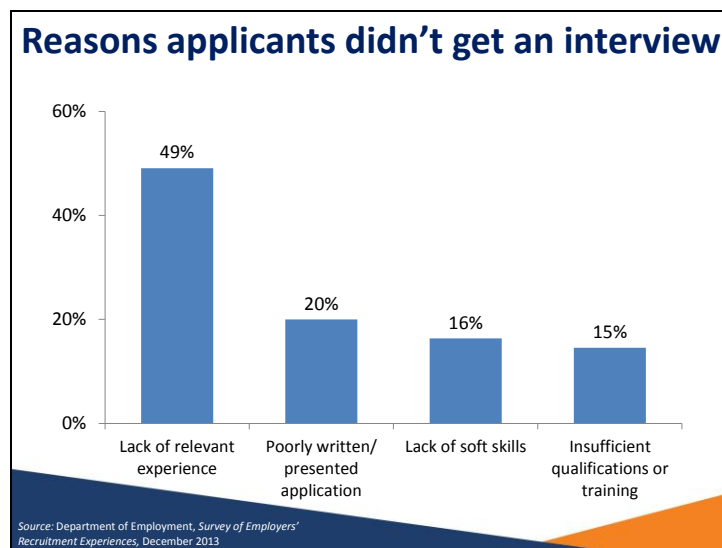
The survey results suggest that Port Pirie, in particular, has experienced soft recruitment conditions. Compared with the rest of the PEA, employers in Port Pirie were less likely to have recruited and experienced less difficulty doing so.



Methods of recruitment

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013. Please note, 'Other' and 'Unsure' responses (4% combined) excluded

While many employers surveyed recruited using formal methods (such as advertising via the internet or newspaper), some 43 per cent of employers recruited using only informal means, such as word of mouth.



Reasons applicants didn't get an interview

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013

A lack of relevant experience and poorly written/presented applications were the most common reasons given for why applicants did not make an interview.

Employability skills essential
What employers considered essential in an applicant

71% of businesses said that personality traits/qualities are more or equally as important as technical skills

- Enthusiastic/positive attitude
- Interact/connect with others
- Hardworking/good work ethic
- Communicate
- Make good decisions
- Reliable

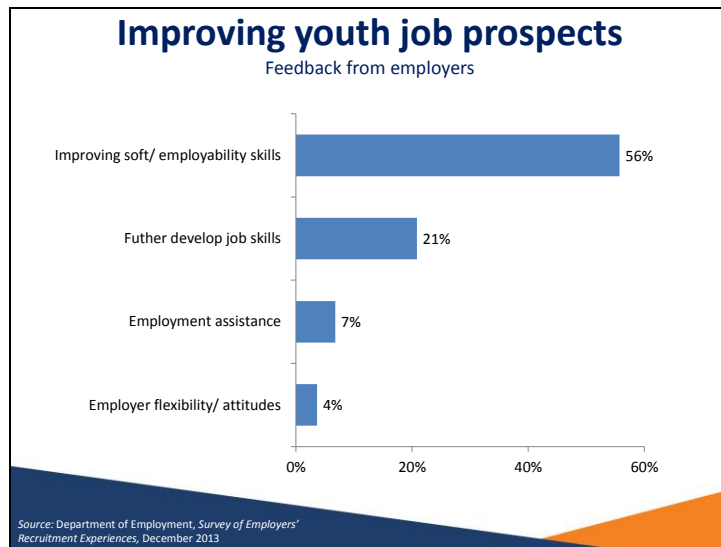
Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013; All regions surveyed in the 12 months to December 2010.

Employability skills essential

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013; Department of Employment, Survey of Employers' Recruitment Experiences, All regions surveyed in the 12 months to December 2010

As well as technical skills and experience, employers want people who:

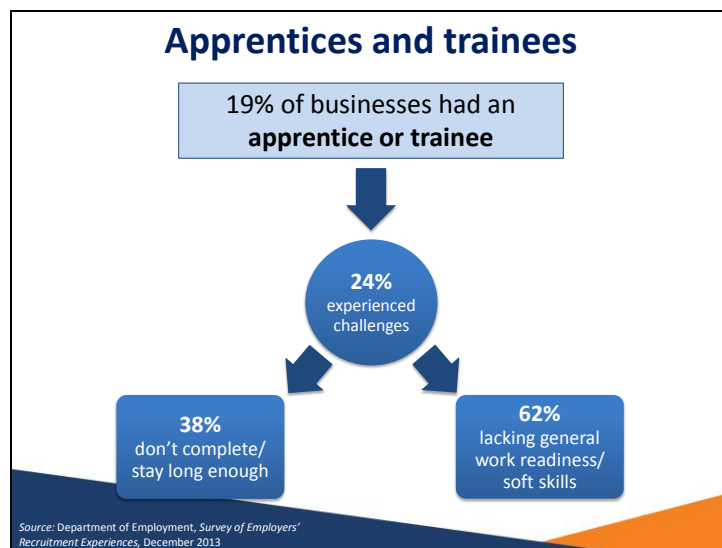
- Are enthusiastic/have a positive attitude
- Can interact/connect with others
- Are hardworking/have a good work ethic
- Can communicate effectively
- Make good decisions
- Are reliable



Improving youth job prospects

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013

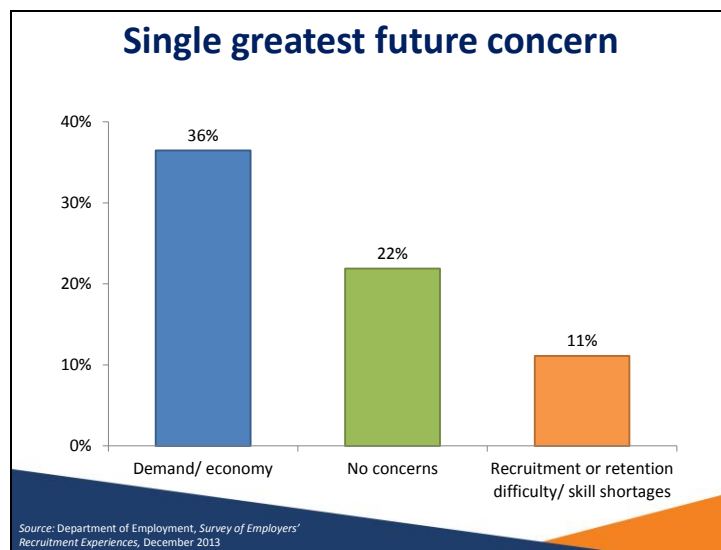
We asked employers what they thought could be done to improve the job prospects of young people. More than half of responding employers suggested a need to improve young people's employability skills.



Apprentices and trainees

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013

Just 19 per cent of businesses surveyed employed an apprentice or trainee, well below average (29 per cent for all regions surveyed in the nine months to November 2013).



Single greatest future concern

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013

The level of future demand/economic conditions was the most common future concern of businesses surveyed.



Opportunities still exist

Source: Department of Employment, *Survey of Employers' Recruitment Experiences*, December 2013

Despite overall soft recruitment conditions, opportunities still exist for job seekers in occupations that were considered by employers as difficult to fill, as well as occupations for which employers expected to recruit in the 12 months following the survey.

Conclusion

Labour market conditions have eased

- Rising unemployment
- Vacancies declining
- Recruitment is easier for employers

Challenges

- Reliance on Manufacturing in Whyalla and Port Pirie
- Low labour market participation and high rates of income support
- Disadvantaged Groups: Indigenous; jobless families; youth; long-term unemployed
- Less educated

Opportunities

- Strong employment growth in Health Care and Social Assistance
- Many employers will recruit for service industry occupations
- Many employers having difficulty finding the right worker
- Many vacancies advertised informally only, with few applicants

Responses to challenges and opportunities

- Work experience
- Education/training/apprenticeships
- Literacy and numeracy
- Employability skills (especially important for young job seekers)

Collaboration among all key stakeholders vital

Conclusion

Labour market conditions have eased

- Rising unemployment
- Vacancies declining
- Recruitment is easier for employers

Challenges

- Reliance on Manufacturing in Whyalla and Port Pirie
- Low labour market participation and high rates of income support
- Disadvantaged Groups: Indigenous; jobless families; youth; long-term unemployed
- Less educated

Opportunities

- Strong employment growth in Health Care and Social Assistance
- Many employers will recruit for service industry occupations
- Many employers having difficulty finding the right worker
- Many vacancies advertised informally only, with few applicants

Responses to challenges and opportunities

- Work experience
- Education/training/apprenticeships
- Literacy and numeracy
- Employability skills (especially important for young job seekers)

Collaboration among all key stakeholders vital

A rectangular box with a black border containing the title 'Further Information' and a list of five URLs. The bottom of the box features a decorative graphic with a dark blue triangle on the left and an orange triangle on the right.

Further Information

- www.employment.gov.au/lmip
- www.employment.gov.au/skillshortages
- www.employment.gov.au/regionalreports
- www.employment.gov.au/australianjobs
- www.joboutlook.gov.au

Further Information

More information on labour market conditions and other research on small areas can be found on these web sites

- www.employment.gov.au/LMIP
- www.employment.gov.au/SkillShortages
- www.employment.gov.au/RegionalReports
- www.employment.gov.au/australianjobs
- www.joboutlook.gov.au

A report on the survey findings for the Port Augusta-Whyalla-Port Pirie PEA will be placed on the regional reports section of the Department of Employment - Regional Reports web site.

Thank you.

