



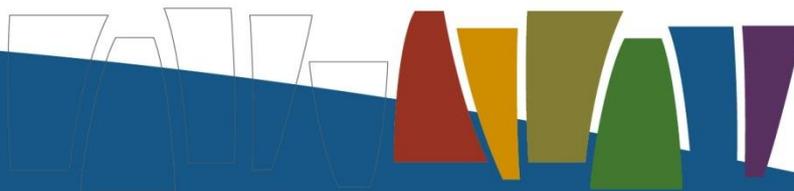
Australian Government

Department of Education, Employment and Workplace Relations

South Eastern Employment Service Area

Survey of Employers' Recruitment Experiences

August 2012





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The document must be attributed as the 'Department of Education, Employment and Workplace Relations Survey of Employers' Recruitment Experiences – South Eastern Employment Service Area – August 2012'.

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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Report Summary

In August 2012, the department ran the *Survey of Employers Recruitment Experiences* in the New South Wales South Eastern Employment Service Area (ESA). The survey collected responses from 327 employers of which over one third were small businesses¹.

The survey results suggest that labour market conditions in the South Eastern ESA have softened since the region was last surveyed in March 2011 with recruitment activity and the demand for labour declining. Overall, the labour market is subdued, with areas of high unemployment and lower recruitment activity.

A smaller proportion of employers recruited in the year before the survey compared with when the region was surveyed in March 2011 and also compared with the results from all regions surveyed in the year to June 2012. There was also a substantial decrease in the proportion of recent vacancies that remained unfilled compared with when the region was previously surveyed.

Employers were less optimistic about their future recruitment expectations compared with the survey in March 2011. A smaller proportion of employers expected to recruit staff in the year following the survey compared with the previous survey and all regions surveyed.

The South Eastern Employment Service Area

- The South Eastern Employment Service Area (ESA) comprises 13 Local Government Areas (LGAs) with the largest population centres being Wagga Wagga (Wagga Wagga LGA), Tumut (Tumut Shire LGA) and Corowa (Corowa Shire LGA).
- As at June 2012, the unemployment rate for the ESA was 5.5 per cent, slightly higher than the state and national rates of 5.2 per cent respectively.²
 - Unemployment rates varied by LGA, ranging from 7.6 per cent in Junee and 7.3 per cent in Cootamundra to 3.6 per cent in Lockhart.
- Between 2006 and 2011, there was no growth in the working age population (WAP) in the ESA.

Recruitment Experiences

- A substantially smaller proportion of employers in the South Eastern ESA had recruited in the 12 months preceding the survey than when the region was surveyed in March 2011 (52 per cent compared with 73 per cent).
 - Recruitment activity was highest in Greater Hume Shire LGA (64 per cent of employers recruiting) and Wagga Wagga LGA (60 per cent). The Tumut Shire LGA had the smallest proportion of employers recruiting (32 per cent).

¹ Small business is defined as a business employing 2 to 4 people.

² DEEWR, *Small Area Labour Markets, June quarter 2012*.

- Recruitment activity was strongest in the Health Care and Social Assistance industry with 62 per cent of employers recruiting in the year prior to the survey. Of these employers, 56 per cent had recruited to increase staff numbers.
- Employers in the Manufacturing industry had the largest proportion of employers who recruited to increase staff numbers (65 per cent).
- The recruitment rate for the ESA (16 vacancies per 100 staff) was lower than the average for all regions surveyed (19 vacancies per 100 staff).
 - The Accommodation and Food Services industry had the highest recruitment rate (26 vacancies per 100 staff).
- The proportion of vacancies that went unfilled in the year before the survey (3.0 per cent) was smaller compared with the results from 2011 (8.0 per cent).

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

	South Eastern ESA		All regions surveyed to June 2012
	August 2012	March 2011	
Proportion of employers who recruited	52%	73%	65%
- to increase staff	42%	49%	48%
- to replace staff	81%	86%	85%
Vacancies per 100 staff	16	15	19
Proportion of recruiting employers who experienced difficulty	46%	56%	56%
Proportion of unfilled vacancies	3.0%	8.0%	6.3%

- In employers' most recent recruitment round, the proportion of vacancies that remained unfilled (2.1 per cent) was substantially smaller compared with the March 2011 survey (11.7 per cent).
 - The proportion of unfilled vacancies, however, varied across the ESA ranging from 14.3 per cent in the Greater Hume Shire LGA to 1.3 per cent in the Wagga Wagga LGA.
 - Employers recruiting for Labourers were least successful in filling vacancies with 9.6 per cent remaining unfilled, particularly for Housekeepers and Laundry Workers.
- In their most recent recruitment rounds, employers recruiting for Community and Personal Service Workers and Machinery Operators and Drivers reported the highest levels of recruitment difficulty (63 per cent and 55 per cent respectively).
- Finding people with the necessary skills for the job was the most common reason given by employers for their recruitment difficulty (32 per cent), followed by a tight labour market/not enough applicants (28 per cent).

- Table 2 shows the occupations for which employers most commonly reported recruitment difficulty.

Table 2. Occupations most commonly reported as being difficult to fill by skill level

Bachelor Degree or Higher VET Qualifications	
Motor Mechanics	Child Carers
Other occupations	
Truck Drivers	Storepersons
Bar Attendants and Baristas	Waiters
Housekeepers	

- Word of mouth or being approached by the job seeker and advertising in newspapers or magazines were the most popular recruitment methods, with each method used by 36 per cent of recruiting employers.
- Flooding in some parts of the ESA (March 2012) resulted in half of employers (44 per cent) reporting that the flooding had an impact on their business.
 - Changes in staffing levels (including hours worked and staff having to take leave) affected around one in four employers (22 per cent).
 - At the time of the survey, around one in six employers reported that the flooding was still affecting staffing levels or the hours they worked.
- The proportion of employers currently employing an apprentice or trainee (25 per cent) had declined from 41 per cent since the region was last surveyed. In addition, only 16 per cent anticipated employing an apprentice or trainee in the year following the survey.

Job Applicants

- Employers experienced a low level of competition for vacancies in their most recent recruitment round, with an average of 4.8 applicants per vacancy (7.9 applicants for all regions surveyed), of whom 1.8 applicants were considered suitable by employers (2.3 applicants for all regions surveyed).
- Of those considered unsuitable the most common reasons were a lack of experience (52 per cent) and insufficient qualifications or training (31 per cent).

Future Recruitment Expectations

- Future recruitment expectations in the region were soft, with a smaller proportion of employers (35 per cent) expecting to recruit following the survey compared with 45 per cent in 2011.
 - The Wagga Wagga LGA had the largest proportion of employers expecting to recruit following the survey (39 per cent), while the Tumut Shire LGA had the smallest proportion (19 per cent).

- The industries with the largest proportion of employers expecting to recruit were the Retail Trade and Accommodation and Food Services industries (42 per cent and 41 per cent respectively).
- Some 17 per cent of employers anticipated increasing staff numbers in the year following the survey, compared with 26 per cent in the 2011 survey.

Table 3. Recruitment expectations for the 12 months following the survey

	South Eastern ESA		All Regions (12 months to June 2012)
	August 2012	March 2011	
Expects to recruit	35%	45%	50%
Expects to increase staff numbers	17%	26%	27%
Expects to reduce staff numbers	2%	3%	5%
Expects future recruitment difficulty	50%	46%	44%
Expects challenges in the next 12 months	56%	50%	58%

- Employers expected to recruit for a range of occupations in the year following the survey, including several entry-level occupations (Sales Assistants, Bar Attendants, Truck Drivers and Checkout Operators and Office Cashiers) and higher skilled occupations such as Motor Mechanics, Psychologists, Retail Managers, Metal Fitters and Machinists and Carpenters and Joiners.

Opportunities

- Despite the softness in the labour market, there is a broad range of occupations for which employers are having difficulty filling, including entry level occupations such as Labourers.
- There are likely to be opportunities for job seekers in the Retail Trade and Accommodation and Food Services industries due to the relatively large proportion of employers who intended to recruit following the survey.
- Finding people with the right skills for the job was the most common reason employers had for recruitment difficulty. Key stakeholders may need to consider opportunities for job seekers to complete training and gain work experience.

More Information

Survey of Employers' Recruitment Experiences: www.deewr.gov.au/regionalreports

Labour Market Information Portal: www.deewr.gov.au/lmip

Skill Shortages: www.deewr.gov.au/skillshortages

Job Outlook: www.joboutlook.deewr.gov.au

SkillsInfo: www.skillsinfo.gov.au

Australian Jobs: www.deewr.gov.au/australianjobs

