



Australian Government

Department of Education, Employment and Workplace Relations

Southern Wide Bay-Burnett Priority Employment Area

Survey of Employers' Recruitment Experiences

November 2012





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The document must be attributed as the 'Department of Education, Employment and Workplace Relations Survey of Employers' Recruitment Experiences – Southern Wide Bay-Burnett Priority Employment Area – November 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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Key Findings

Labour market conditions in the Southern Wide Bay-Burnett Priority Employment Area (PEA) remain subdued. Analysis of the PEA shows that the region has:

- One of the highest unemployment rates of any PEA.
- A very low rate of labour market participation and a high proportion of the working age population on income support.
- High applicant numbers for vacancies, although few were considered suitable by employers.
- Subdued levels of recruitment, with few vacancies left unfilled.
- Low future recruitment expectations, but with some opportunities for job seekers in most industries, particularly the Health Care and Social Assistance, Manufacturing and Accommodation and Food Services industries.

The Southern Wide Bay-Burnett Priority Employment Area

The department conducted a Survey of Employers' Recruitment Experiences in the Southern Wide Bay-Burnett PEA in November 2012 and collected responses from 340 employers in the region of whom almost one half were small businesses.¹ The region was last surveyed in September 2011.

The Southern Wide Bay-Burnett PEA comprises the Statistical Local Areas (SLA) of Cherbourg, Cooloola (Gympie only), Cooloola (excluding Gympie), Kilkivan, Murgon, Nanango and Tiaro.² The largest population centre in the PEA is Gympie.

At the time of the 2011 Census, the three main industries providing employment to people living in the PEA were Retail Trade, Health Care and Social Assistance and Manufacturing. Agriculture was also an important industry in the region.

The region has an older, and ageing, population with a median age of 43 years and almost 1 in 5 residents are aged 65 and over. Between 2006 and 2011 the population aged 50 years and over grew by 19 per cent, compared with growth of only 2 per cent for those aged 15 to 49 years.³

Labour Market Challenges

The unemployment rate for the Southern Wide Bay-Burnett PEA in December 2012 (7.7 per cent)⁴ was well above that of both Queensland and Australia (5.6 per cent and 5.5 per cent respectively).⁵ This has been a consistent trend in recent years (Figure 1). The unemployment rates in Murgon and Cherbourg SLAs (12.5 per cent and 12.4 per cent respectively) were more than double the state and national rates.⁶

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

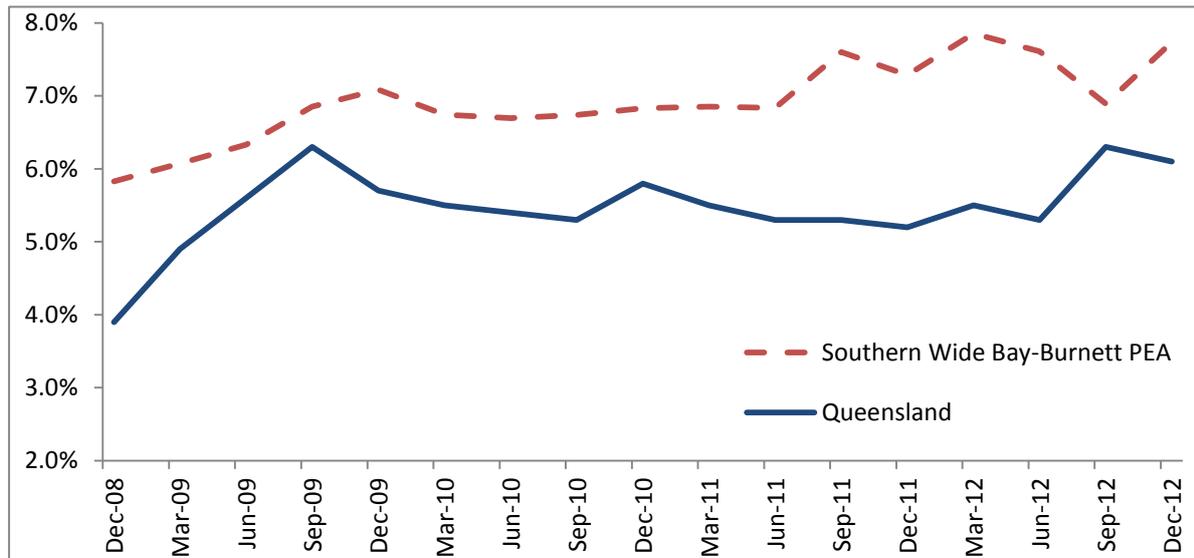
² The Southern Wide Bay-Burnett PEA was created prior to 2010 SLA/Local Government Area (LGA) boundary changes and amalgamations, which has reduced comparability. For accuracy, SLA/LGAs will be referred to as they existed prior to the recent changes.

³ ABS, *Census of Population and Housing*, 2011.

⁴ DEEWR, *Small Area Labour Markets*, December quarter 2012.

⁵ ABS, *Labour Force Survey*, Seasonally adjusted data, April 2013.

⁶ DEEWR, *Small Area Labour Markets*, December quarter 2012.

Figure 1: Unemployment rate time series

The Southern Wide Bay-Burnett PEA also experiences very low rates of labour market participation. At the time of the 2011 Census, the participation rate for the adult population in the PEA was 53.0 per cent, significantly below the rate for Queensland (66.9 per cent).

Employment growth in the PEA between 2006 and 2011 was much slower than that for Queensland (6 per cent compared with 12 per cent). However, there was stronger growth in female employment (10 per cent) and in the Health Care and Social Assistance industry (34 per cent).⁷

The region also faces other challenges that are likely to have an impact on future labour supply. Educational attainment is well below average, 30 per cent of young adults are neither working nor studying, one in three working age people are in receipt of income support, and some 27 per cent of families with children aged under 15 are jobless.⁸

Recruitment Activity Low and Slowing

A smaller proportion of employers (50 per cent) surveyed in the Southern Wide Bay-Burnett PEA had recruited in the year preceding the survey compared with 63 per cent of employers in all the regions surveyed in the year to September 2012.

- Recruitment activity was strongest in the Health Care and Social Assistance (77 per cent recruiting) and Accommodation and Food Services industries (54 per cent recruiting).

⁷ ABS, *Census of Population and Housing*, 2011.

⁸ DEEWR, *administrative data*, March 2013; ABS, *Census of Population and Housing, Usual Residence*, 2011.

Table 1. Comparison of recruitment experiences in the 12 months preceding the survey

	Southern Wide Bay-Burnett PEA			All regions surveyed to September 2012
	November 2012	September 2011	June 2010	
Proportion of employers who recruited	50%	55%	57%	63%
- to increase staff	43%	51%	51%	46%
- to replace staff	79%	83%	81%	85%

The proportion of vacancies from employers' most recent recruitment round that remained unfilled across the PEA (6.2 per cent) was lower compared with the September 2011 survey (10.6 per cent).

- Employers recruiting for Managers and Professionals reported the largest proportion of vacancies remaining unfilled (19.2 per cent), followed by vacancies for Community and Personal Service Workers (7.1 per cent). On the other hand, all vacancies for Clerical and Administrative Workers, Machinery Operators and Drivers, and Labourers were filled.

While most vacancies were filled, employers commonly mentioned difficulty filling vacancies for a range of occupations, including Registered Nurses, Receptionists, Chefs, Motor Mechanics and Generalist Medical Practitioners.

Almost half of employers (49 per cent) in the Southern Wide Bay-Burnett PEA used informal methods *only* in their most recent recruitment round.

- The most commonly used recruitment method was word of mouth or approaching the job seeker (34 per cent). This was followed by formal recruitment methods including the internet (24 per cent) and advertising in newspapers or magazines (23 per cent).

Most job applicants unsuitable

Some 78 per cent of all applicants were considered to be unsuitable for the vacancy for which they had applied. This was higher than for all regions surveyed (72 per cent).

- The most common reasons were a lack of experience to perform the duties of the job (65 per cent of employers who reported unsuitable applicants), lack of employability skills and personal characteristics (47 per cent) and insufficient qualifications or training (27 per cent).

In line with subdued recruitment activity, the average number of applicants per vacancy was high in the most recent recruitment round (8.5 applicants per vacancy) and had increased since 2011 (6.4 applicants per vacancy). However, the average number of suitable applicants per vacancy remained low (1.9).

- Employers recruiting for Technicians and Trade Workers had little choice of applicants with an average of 2.1 applicants of who only 1.2 were considered suitable.

Future Recruitment Expectations Subdued

Expectations for the year following the survey remain subdued, suggesting a continuing decline in recruitment activity. Less than one third of employers (32 per cent) expected to recruit staff in the next year, compared with 37 per cent in the 2011 survey. The proportion of employers expecting to recruit to increase staff (15 per cent) had also declined considerably since the previous survey (25 per cent).

- Future recruitment expectations were highest in the Health Care and Social Assistance industry, with 49 per cent of surveyed employers expecting to recruit staff. Some 43 per cent of surveyed employers in the Accommodation and Food Services industry also anticipated recruiting.
- Plans to recruit to increase staff numbers were highest in the Manufacturing and Accommodation and Food Services industries.

Fewer employers in the region (13 per cent) intended to recruit an apprentice or trainee in the year following the survey, compared with 21 per cent for all regions surveyed.

Employers, however, still expected to recruit for a range of occupations in the year following the survey, including Sales Assistants (General), General Clerks, Child Carers, Motor Mechanics, Accountants and Kitchenhands.

Opportunities

Surveyed employers reported that more than three quarters of all applicants were unsuitable for the job. A lack of experience and skills for the job were the most common reasons for applicant unsuitability. Increasing opportunities for apprenticeships, traineeships and work experience in the region may help to address this concern and assist with future skilled labour supply.

Most employers recruiting for Managers and Professionals reported recruitment difficulty and that a high proportion of vacancies remained unfilled. This indicates that higher skilled opportunities exist for job seekers with the right qualifications and experience. To increase their chances of finding suitable applicants employers may need to consider wider reaching methods of recruitment.

Despite the subdued outlook, the survey results also highlight that a wide range of employment opportunities still exists in the region. Employers in all industries reported that they intended to recruit in the next year, with recruitment expectations particularly strong in the Health Care and Social Assistance, and the Accommodation and Food Services industries.

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.gov.au

SkillsInfo: www.skillsinfo.gov.au

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

