

Survey of Employers' Recruitment Experiences Bankstown Local Government Area March 2012

In March 2012, the department conducted a *Survey of Employers' Recruitment Experiences* in the Bankstown LGA, as part of a survey of the Canterbury-Bankstown and South Western Sydney Priority Employment Area (PEA). These surveys are part of an ongoing research program. More detailed findings are at Attachment A.

Key Findings

Overall, labour market conditions in the Bankstown LGA were subdued.

- The Bankstown LGA unemployment rate (8.2 per cent) was considerably higher than the national and state averages (both 5.2 per cent).¹
- Demand for labour in the Bankstown LGA was lower than when the region was last surveyed in March 2010 and the results for all regions surveyed in the 12 months to March 2012, as employers reported lower recruitment activity and a smaller proportion of unfilled vacancies.
- Competition for vacancies was strong with a larger supply of applicants for job vacancies compared with neighbouring LGAs, the PEA and all regions surveyed.
- Employers in the LGA were cautious about their future recruitment expectations compared with the 2010 survey and all regions. A smaller proportion of employers expected to recruit staff, however, a larger proportion anticipated recruitment difficulty.

A range of opportunities exist for job seekers in the Bankstown LGA, including:

- In the Health Care and Social Assistance industry, due to the relatively large proportion of employers who had recruited and who intended to recruit following the survey.
- Occupations with high unfill rates, high recruitment difficulty or low numbers of suitable applicants, such as:
 - Technicians and Trades Workers, in particular Metal Fitters and Machinists.
 - Community and Personal Service Workers, in particular Child Carers.

Opportunities exist in the broader PEA, including:

- In the Accommodation and Food Services and Health Care and Social Assistance industries which had a relatively large proportion of employers who recruited in the past 12 months and who intended to recruit in the 12 months following the survey.
- As a result of the shortfall of Technical and Trades workers across the PEA as evidenced through the large proportion of unfilled vacancies, higher recruitment difficulty and relatively few suitable applicants (particularly Sheet Metal Trades Workers, Electronics Trades Workers and Plumbers).
- In the Camden LGA, which is part of the broader PEA, the proportion of vacancies that went unfilled in the most recent recruitment round was more than seven times that of the Bankstown LGA. The supply of applicants in the Camden LGA was one of the lowest in the PEA, unlike Bankstown which had one of the largest supplies.

¹ DEEWR, *Small Area Labour Markets, June quarter 2012*

- There may be opportunities for local job seekers with the required skills and experience in the broader PEA if employers employ locally. Nearly one third (30 per cent) of the working age population who work in the PEA live outside of the PEA, primarily in the greater Sydney area.²

Given the high level of competition for jobs in the Bankstown LGA, there may also be opportunities across the broader Sydney labour market for job seekers with the required skills.

- In a recent employer survey of capital cities, employers frequently reported difficulty filling many higher skilled vacancies across Sydney.³

² ABS, *Census of Population and Housing, 2006*

³ *Survey of Employers Recruitment Experiences in Capital Cities, March 2012*

Survey Results

Recruitment Experiences in the 12 Months Preceding the Survey

- The proportion of employers (52 per cent) who recruited in the Bankstown LGA in the 12 months preceding the survey was considerably smaller when compared with the previous survey in March 2010 (65 per cent) and all regions surveyed in the 12 months to March 2012 (68 per cent).
- By contrast, the Bankstown LGA had a larger proportion of employers who recruited to increase staff (58 per cent) compared with the overall result for Canterbury-Bankstown and South Western Sydney PEA (46 per cent).
- There were 9 vacancies for every 100 staff employed in the 12 months preceding the survey, substantially lower than all regions surveyed in the 12 months to March 2012 (20 vacancies per 100 staff).
- The proportion of vacancies remaining unfilled (4.7 per cent) was smaller than when the Bankstown LGA was last surveyed (6.0 per cent) and all regions surveyed (7.4 per cent).
- Unfilled vacancies were most common in the Accommodation and Food Services (11.1 per cent), Wholesale Trade (7.5 per cent) and Health Care and Social Assistance (5.9 per cent) industries.
- The proportion of vacancies that went unfilled in the Camden LGA (9.1 per cent) was nearly twice that of Bankstown.
- The proportion of employers who experienced recruitment difficulty (50 per cent) was smaller compared with all regions surveyed to March 2012 (59 per cent).

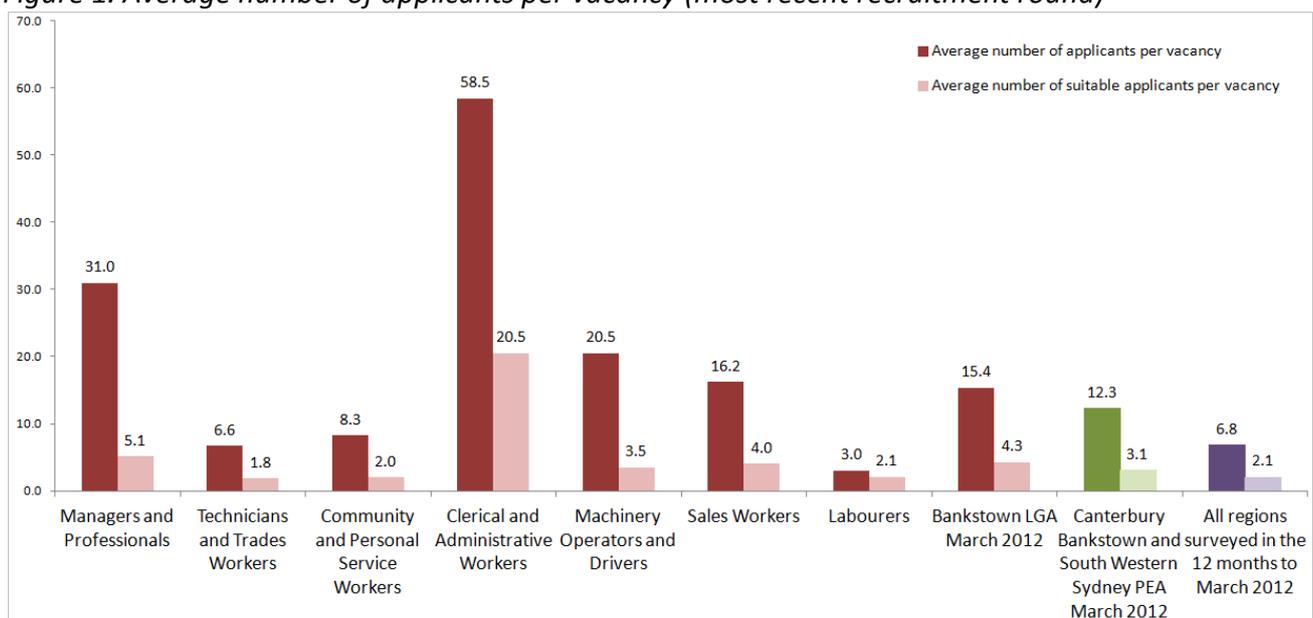
Table 1. Recruitment experiences in the 12 months preceding the survey

	Bankstown LGA		CBSWS PEA (March 2012)	All Regions (12 months to March 2012)
	(March 2012)	(March 2010)		
Proportion of employers who recruited	52%	65%	56%	68%
- to increase staff	58%	58%	46%	50%
- to replace staff	77%	81%	83%	86%
Vacancies per 100 staff	9	11	10	20
Proportion of vacancies unfilled	4.7%	6.0%	3.8%	7.4%
Proportion of recruiting employers who experienced difficulty	50%	47%	48%	59%

Most Recent Recruitment Activity

- The proportion of job vacancies left unfilled in employers' most recent recruitment round (2.6 per cent) was considerably smaller compared with Canterbury-Bankstown and South Western Sydney PEA overall (5.6 per cent) and all regions surveyed in the 12 months to March 2012 (10.1 per cent).
- By comparison, the proportion of recent vacancies that remained unfilled in the Fairfield and Camden LGAs were substantially larger (9.2 per cent and 19.4 per cent respectively).
- Employers recruiting for Community and Personal Service Workers and Technicians and Trades Workers reported unfilled vacancies (6.3 per cent and 5.9 per cent respectively) however vacancies for all other occupations were filled.
- There was an average of 15.4 applicants per vacancy, of whom 4.3 were considered suitable. These figures were higher than for the Canterbury-Bankstown and South Western Sydney PEA overall (12.3 applicants and 3.1 suitable applicants) and all regions surveyed (6.8 applicants and 2.1 suitable applicants).
- The average number of applicants was considerably lower in the neighbouring LGAs of Fairfield (10.8 applicants, 2.1 suitable) and Canterbury (7.2 applicants, 1.6 suitable).

Figure 1. Average number of applicants per vacancy (most recent recruitment round)



- Employers frequently considered applicants unsuitable due to a lack of experience (71 per cent) or a lack of qualifications (50 per cent).
- Some 29 per cent of recruiting employers experienced difficulty in their most recent recruitment round, substantially smaller compared with all regions surveyed (47 per cent).
- Around 60 per cent who reported recruitment difficulty cited technical skill requirements for the job as a reason for difficulty.
- One in five employers (20 per cent) cited soft skill requirements as a reason for difficulty.
- Table 2 shows the occupations for which employers most commonly reported recruitment difficulty.

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

Bachelor Degree or Higher VET Qualifications	
Metal Fitters and Machinists	Software and Applications Programmers
Child Carers	
Other Occupations	
Sales Representatives	Sales Assistants (General)

Apprentices and Trainees

- Nearly one third of employers (32 per cent) in the Bankstown LGA currently employ an apprentice or trainee, compared with 29 per cent for the Canterbury-Bankstown and South Western Sydney PEA (29 per cent) and 23 per cent for the Fairfield LGA.
- The proportion of employers who expected to recruit an apprentice or trainee in the 12 months following the survey (21 per cent) was larger than for the Canterbury-Bankstown and South Western Sydney PEA (14 per cent).

Future Recruitment Expectations

- Recruitment expectations in the Bankstown LGA for the 12 months following the survey (42 per cent of employers expecting to recruit) were slightly higher than for the Canterbury-Bankstown and South Western Sydney PEA overall (40 per cent), however, this was less than all regions (52 per cent).
- The proportion of Bankstown LGA employers who were uncertain about future recruitment activity (18 per cent) was much larger compared with all regions (10 per cent).
- More than one in four employers (28 per cent) expecting to recruit intended to increase staff numbers. While this was higher than across the PEA overall (22 per cent), it was on par with all regions (29 per cent).
- Some 6 per cent of employers expected to reduce staff numbers, compared with 2 per cent when the area was last surveyed.
- Of the LGAs in the Canterbury-Bankstown and South Western Sydney PEA, Bankstown had the largest proportion of employers who expected recruitment difficulty (50 per cent). By comparison, 39 per cent of employers in the PEA and 46 per cent in all regions expected future recruitment difficulty.

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

	Bankstown LGA		CBSWS PEA (March 2012)	All Regions (12 months to March 2012)
	(March 2012)	(March 2010)		
Expects to recruit	42%	49%	40%	52%
Expects to increase staff numbers	28%	31%	22%	29%
Expects to reduce staff numbers	6%	2%	5%	4%
Uncertain about future recruitment	18%	15%	14%	10%
Expects future recruitment difficulty	50%	30%	39%	46%

- Employers expected to recruit for a range of occupations in the 12 months following the survey, including several entry-level occupations suggesting that there may be opportunities for job seekers to enter the labour market (Table 4).

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

Bachelor Degree or Higher VET Qualifications	
Metal Fitters and Machinists	Motor Mechanics
Printers	
Other Occupations	
Child Carers	General Clerks
Sales Representatives	Storepersons

Opportunities for Job Seekers

- Opportunities for job seekers exist in occupations with high unfill rates, high recruitment difficulty or low numbers of suitable applicants, such as:
 - Technicians and Trades Workers, in particular Metal Fitters and Machinists
 - Community and Personal Service Workers, in particular Child Carers
 - Half of the Canterbury-Bankstown and South Western Sydney PEA population live and work outside the PEA. Given the high levels of competition for jobs in the Bankstown LGA, there may be opportunities for job seekers to obtain employment in other parts of the PEA where there is less competition and the broader Sydney labour market.

Background

- Bankstown LGA is situated within the Canterbury-Bankstown and South Western Sydney PEA. It is one of the 10 LGAs identified in the 2011-2012 Budget to receive funding for measures to address disadvantage through the Better Futures Local Solutions initiative.
- Along with Bankstown LGA, the Canterbury-Bankstown and South Western Sydney PEA comprises the LGAs of Camden, Campbelltown, Canterbury, Fairfield, Liverpool and Wollondilly.
- The Canterbury Bankstown and South West Sydney PEA covers three Labour Force Regions: Canterbury-Bankstown, Fairfield-Liverpool and Outer South-Western Sydney.
- In 2011 there were 117,800 people of working age (15-64 years) in the Bankstown LGA.⁴
- Growth in the adult population was 7.3 per cent over the 5 years to 2011, above that for New South Wales (6.4 per cent) yet lower than Australia (9.1 per cent)
- The unemployment rate in the Bankstown LGA was 8.2 per cent (June quarter 2012), having increased slightly from 8.1 per cent in June 2011. The unemployment rate was considerably higher than for the PEA overall (7.1 per cent), New South Wales (5.2 per cent) and Australia (5.2 per cent).⁵

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

⁵ DEEWR, *Small Area Labour Markets, June quarter 2012*

- The working age participation rate for the Bankstown LGA was 68 per cent in 2006; while on par with the Canterbury-Bankstown and South Western Sydney PEA (69 per cent), it was lower than that for New South Wales (74 per cent) and Australia (75 per cent).⁶
- The working age participation rate for the PEA was 59 per cent as at July 2012; lower compared with New South Wales (63 per cent) and Australia (65 per cent).⁷
- The main employing industries in the LGA were Manufacturing, Retail Trade, Health and Social Assistance, Construction and Transport, Postal and Warehousing.⁸
- A larger proportion of the working age population in the Bankstown LGA were from a non-English speaking background (43 per cent) compared with New South Wales (22 per cent) and Australia (17 per cent).⁹
- Half of all working age people who live in the Canterbury-Bankstown and South Western Sydney PEA work outside of the PEA, taking advantage of the employment opportunities that exist in the broader Sydney labour market.
- In March 2011, 441 employers were surveyed, of whom 101 were in the Bankstown Local Government Area (LGA).
- The 2012 survey results are compared with the March 2010 survey results of whom 55 employers were from the Bankstown LGA.

⁶ ABS, *Census of Population and Housing, 2006*

⁷ ABS, *Labour Force Data, July 2012 (3 month averages)*

⁸ ABS, *Labour Force Data, May Quarter 2012 (four quarter averages)*

⁹ ABS, *Census of Population and Housing, 2006*
