



Australian Government

Department of Education, Employment and Workplace Relations

Survey of Employers' Recruitment Experiences

Chifley Employment Service Area –

July 2011

This report was prepared by the Labour Market Research and Analysis Branch and is based on research conducted by the branch.

For further information:

Ph: 1800 059 439 | recruitmentsurveys@deewr.gov.au

www.deewr.gov.au

ABN: 63 578 775 294



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Australian Labour Market

- Prior to the onset of the Global Financial Crisis in September 2008, economic and labour market conditions in Australia had been reasonably strong, although the unemployment rate had already troughed at 4.1 per cent in March 2008 and the pace of employment growth had begun to ease. However, in September 2008 world growth weakened dramatically and economic and labour market conditions in Australia deteriorated sharply.
- Since July 2009, the Australian labour market has shown significant signs of recovery, with a fall in the unemployment rate of 0.9 percentage points to 4.9 per cent and a rise in employment of 496 700 people to 11,433,600 between July 2009 and March 2011. However, between March and August 2011 employment growth has slowed considerably (rising by only 6 300) and the unemployment rate has increased to 5.1 per cent¹.

The Chifley Employment Service Area

- The Chifley Employment Service Area (ESA) is West of Sydney and covers the area around Bathurst. It consists of the Statistical Local Areas of Bathurst Regional Part A, Bathurst Regional Part B and Oberon. The unemployment rate for the Chifley ESA in June 2011 was 4.7 per cent, unchanged from June 2010. This was lower than the Australian unemployment rate at that time (5.1 per cent)².

Survey of Employers' Recruitment Experiences

- In order to gain a better understanding of labour market conditions in the Chifley ESA, the Department of Education, Employment and Workplace Relations (DEEWR) conducted a Survey of Employers' Recruitment Experiences in July 2011. The survey was conducted by telephone interview with 278 businesses.
- The survey collected information on:
 - the recruitment of employees in the 12 months preceding the survey;
 - the experience employers had recruiting for their most recent vacancy; and
 - recruitment expectations for the 12 months following the survey.

Key Findings

- The survey results suggest that employers in the Chifley ESA experienced slightly weaker recruitment activity in the 12 months preceding the survey, but had higher recruitment difficulty and lower levels of competition for vacancies than all regions surveyed in the 12 months to June 2011.
- Recruitment difficulty was experienced across a range of occupation groups including Managers and Professionals, Technicians and Trades Workers, Labourers and Machinery Operators and Drivers. Overall, employers had less success filling positions than was the case for all regions surveyed.
- Future recruitment expectations were in line with the results for all regions surveyed in the 12 months to June 2011.

¹ ABS, *Labour Force, Australia*, August 2011, cat. no. 6202.0 (trend).

² DEEWR, *Small Area Labour Markets*, June 2011.

Recruitment Experiences in the 12 Months Preceding the Survey

- A smaller proportion (66 per cent) of employers surveyed in the Chifley ESA had recruited in the 12 months preceding the survey compared with all regions surveyed (74 per cent).
 - Of those employers who had recruited in the Chifley ESA, a larger proportion (58 per cent) recruited to increase staff numbers compared with all regions surveyed (53 per cent). Meanwhile, 80 per cent of employers who had recruited did so to replace staff, below the proportion for all regions surveyed (85 per cent).
- The overall recruitment rate (23 vacancies per 100 staff) was similar to all regions surveyed (24 vacancies per 100 staff). However, recruitment rates varied greatly across industries.
 - Construction recorded a lower recruitment rate (24 vacancies per 100 staff) for Chifley ESA than in the results for all regions surveyed (31 vacancies per 100 staff respectively).
 - Accommodation and Food Services (50 vacancies per 100 staff) and Retail Trade (27 vacancies per 100 staff) had higher recruitment rates for the Chifley ESA than reported for all regions surveyed (46 and 19 vacancies per 100 staff respectively).
- A slightly larger proportion of employers in the Chifley ESA reported difficulty recruiting staff.
 - Of employers who recruited in the preceding 12 months, 63 per cent had difficulty doing so, compared with 60 per cent for all regions surveyed.
 - In accord with this larger proportion of employers who had experienced difficulty, a larger proportion of vacancies over the preceding 12 months remained unfilled (9.3 per cent) compared with all regions surveyed (8.3 per cent).
 - In particular, Manufacturing employers in the Chifley ESA had a lower rate of success filling vacancies (24.2 per cent remained unfilled) and many reported recruitment difficulty over the preceding 12 months (77 per cent of recruiting employers).

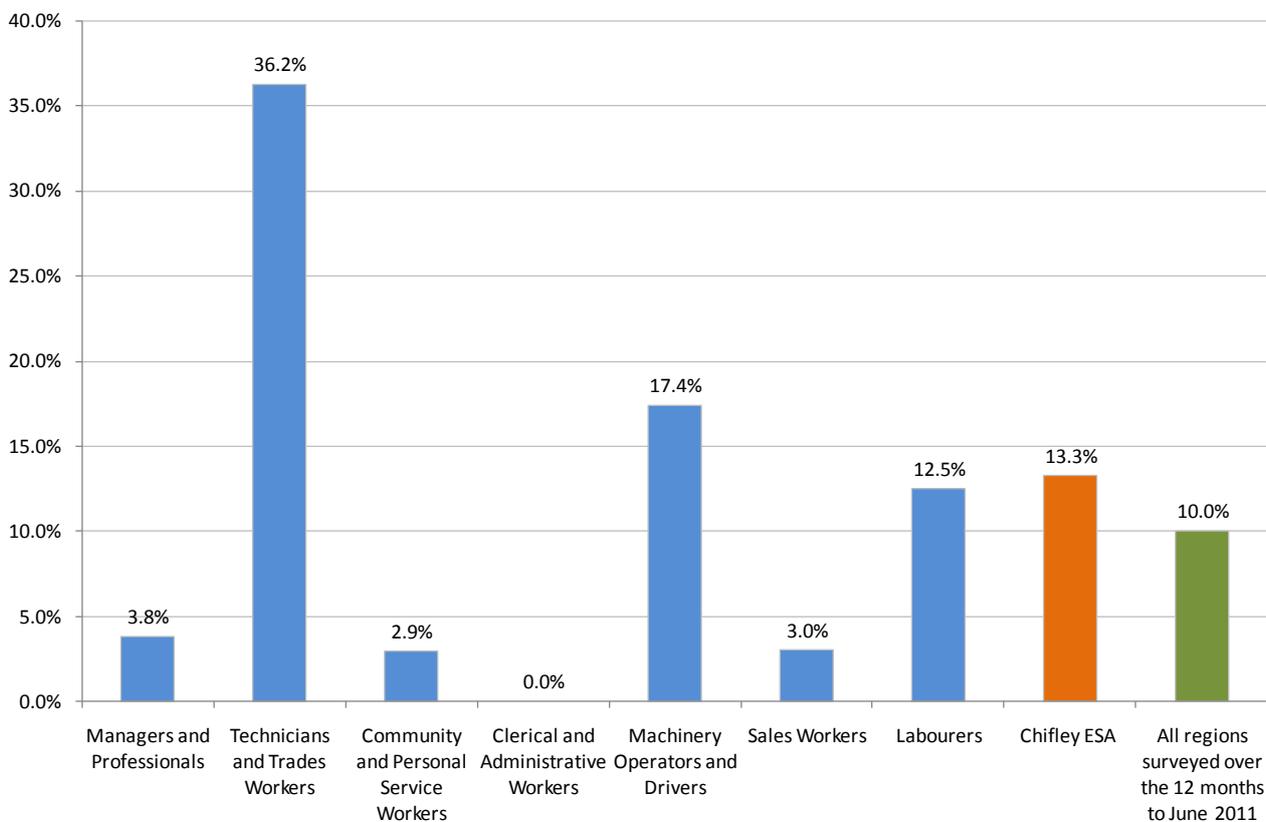
Table 1. Recruitment experiences in the 12 months preceding the survey

	Chifley Employment Service Area (July 2011)	All Regions (12 months to June 2011)
Proportion of employers who recruited	66%	74%
- to increase staff	58%	53%
- to replace staff	80%	85%
Vacancies per 100 staff	23	24
Proportion of recruiting employers who experienced difficulty	63%	60%
Proportion of unfilled vacancies	9.3%	8.3%

Most Recent Recruitment Activity

- Overall, employers in the Chifley ESA were less successful filling vacancies for their most recent recruitment round compared with all regions surveyed in the 12 months to June 2011.
 - Employers in the Chifley ESA had a larger proportion of recent vacancies that remained unfilled (13.3 per cent, compared with 10.0 per cent for all regions).
 - The success of filling vacancies varied greatly across occupation groups (see Figure 1). In particular, a large proportion of vacancies remained unfilled for Technicians and Trades Workers (36.2 per cent, primarily Plumbers and Structural Steel and Welding Trades Workers) and Machinery Operators and Drivers (17.4 per cent, consisting primarily of 10 unfilled vacancies reported by an employer recruiting Delivery Drivers).

Figure 1. Proportion of unfilled vacancies in the most recent recruitment round



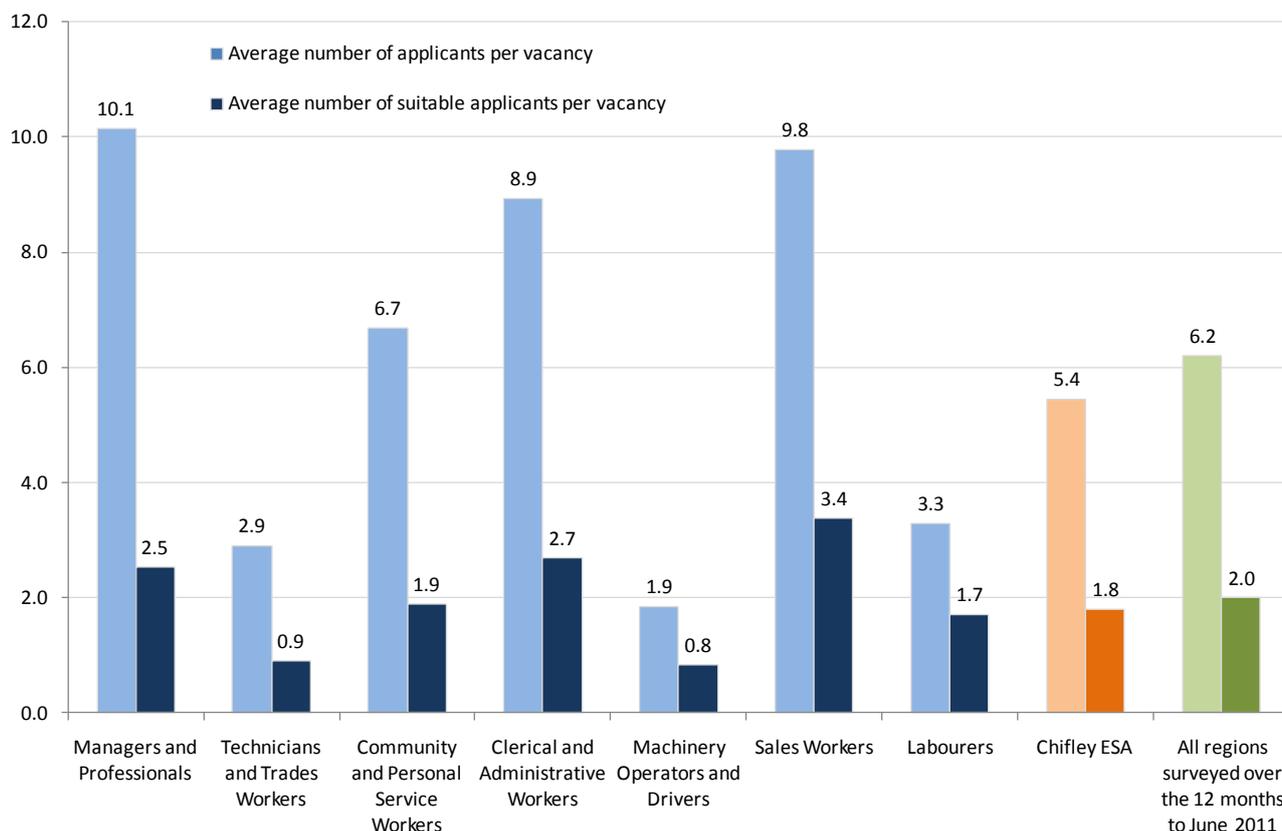
Applicants and Suitability

- Consistent with the larger proportion of vacancies that remained unfilled, employers in the Chifley ESA experienced a lower level of competition for vacancies.
 - There was an average of 5.4 applicants per vacancy (compared with 6.2 for all regions), of whom an average of 1.8 applicants were considered suitable (2.0 for all regions) (see Figure 2).
 - In line with the higher unfill rates for Technicians and Trades Workers and Machinery Operators and Drivers, employers recruiting for these occupation groups also received the lowest average number of suitable applicants (0.9 and 0.8 suitable applicants per vacancy respectively).
 - The most common reasons for applicants being considered unsuitable were a lack of

experience (56 per cent of employers who had unsuitable applicants), insufficient qualifications or training (31 per cent) and a poor attitude or lack of basic work-readiness skills (11 per cent).

- Just over one fifth of vacancies in the Chifley ESA (21 per cent) were filled with job seekers who required development. This was larger than for all regions surveyed (16 per cent).

Figure 2. Average number of applicants and suitable applicants per vacancy



- A larger proportion of employers reported difficulty recruiting for their most recent vacancy (52 per cent) compared with all regions surveyed (45 per cent).
 - A tight labour market (39 per cent) was the most common reason given for difficulty, followed by technical skill requirements of the job (28 per cent) and wages not being competitive (16 per cent).
 - Sales Assistants (General), Motor Mechanics, Receptionists and Retail Managers were the occupations most commonly mentioned as being difficult to fill (see Table 2).

Table 2. Occupations difficult to fill by skill level

Bachelor Degree or Higher VET Qualifications	
Motor Mechanics	Retail Managers
Structural Steel and Welding Trades Workers	Accountants
Plumbers	Metal Fitters and Machinists
Other occupations	
Sales Assistants (General)	Receptionists
Housekeepers	Sales Representatives
Motor Vehicle and Vehicle Parts Salespersons	

Apprentices and Trainees

- Prospects for apprentices and trainees in the Chifley ESA were similar to all regions surveyed.
 - More than one third (35 per cent) of employers had an apprentice or trainee on staff at the time of the survey, which was the same as for all regions surveyed.
 - A similar proportion (24 per cent) of employers in the region anticipated recruiting an apprentice or trainee in the 12 months following the survey as that for all regions (23 per cent).
 - At the time of the survey, 46 per cent of employers in the Manufacturing industry employed an apprentice or trainee, on par with the figure for all regions surveyed (47 per cent). Almost one third (29 per cent) of employers in the Manufacturing industry planned to recruit an apprentice or trainee in the 12 months following the survey. This figure is slightly higher than for all regions surveyed (26 per cent).
- Almost one third (31 per cent) of employers in the Chifley ESA who had an apprentice or trainee reported they had experienced challenges in employing them.
 - The main challenges reported were a lack of general work readiness (34 per cent), a lack of soft skills (31 per cent) and that apprentices did not complete their studies or stay on after attaining their qualifications (28 per cent).

Staff Training

- A slightly smaller proportion of employers (42 per cent) had staff undertake recognised training in the 12 months prior to the survey compared with all regions surveyed (45 per cent).
- One fifth of employers reported challenges in providing the training. This was lower than for all regions surveyed (26 per cent).
 - The main challenge reported was the high cost of training (39 per cent), followed by the location of the training (36 per cent).

Job Services Australia (JSA)

- A small proportion of employers used a Job Services Australia (JSA) provider in their most recent recruitment round.
 - Only 9 per cent of employers who had recruited used a JSA provider. The most common methods of recruitment used by employers were newspaper/magazine advertisements (40 per cent) and word of mouth/approached applicant (29 per cent).
 - Of the employers who used a JSA provider, 81 per cent were satisfied with the service provided.

Future Recruitment Expectations

- Recruitment expectations in the Chifley ESA were similar to those for all regions surveyed.
 - More than half (51 per cent) of employers expected to recruit in the 12 months following the survey, in line with all regions surveyed (52 per cent).
 - Almost one third (31 per cent) of employers anticipated increasing staff numbers in the 12 months following the survey, a figure slightly larger than for all regions (29 per cent).
 - Almost half (46 per cent) of employers who expected to recruit anticipated having difficulty, comparable with the figure for all regions surveyed (47 per cent).
- A larger proportion (59 per cent) of employers expected challenges to their business in the 12 months following the survey compared with all regions surveyed (55 per cent).

- Business regulations/government policy changes, such as the Carbon Tax and poker machine regulations, were most commonly viewed by employers as a source of future challenges (29 per cent of employers who anticipated challenges).
- Reduced business activity was also commonly expected to cause challenges (20 per cent).

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

	Chifley Employment Service Area (July 2011)	All Regions (12 months to June 2011)
Expects to recruit	51%	52%
Expects to increase staff numbers	31%	29%
Expects to reduce staff numbers	4%	3%
Expects future difficulty	46%	47%
Uncertain about future recruitment	8%	13%

Opportunities for Job Seekers

- The survey results show there are opportunities for job seekers in entry-level occupations such as Sales Assistants (General) and Housekeepers, and for job seekers willing to take up apprenticeships in Technicians and Trades Workers occupations, such as Plumbers, Structural Steel and Welding Trades Workers and Motor Mechanics.
- The high proportion of employers reporting that applicants were unsuitable due to lack of experience suggests that providing additional opportunities to job seekers to gain work experience will increase their chances of finding employment.
- The survey results also highlight the need for job seekers to have a good attitude and basic work-readiness skills to take advantage of available opportunities.



For more information:

- **Labour Market Information Portal:**

www.deewr.gov.au/lmip

- **Skill Shortages**

www.deewr.gov.au/skillshortages

- **Survey of Employers' Recruitment Experiences**

www.deewr.gov.au/regionalreports

- **Job Outlook**

www.joboutlook.deewr.gov.au

- **SkillsInfo**

www.skillsinfo.gov.au

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