

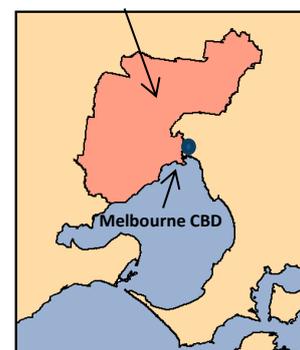


Labour Market Conditions in North Western Melbourne

Overall, labour market conditions in the North Western Melbourne region are mixed.

- The population in the region increased by 22 per cent from 2007 to 2012¹.
- While employment growth is strong (9.7 per cent over the last 2 years) compared with the national rate (2.1 per cent), 45 per cent of employed people travel outside the region for work.²
- Over the 12 months to July 2014, the participation rate rose by 2 percentage points to 66.4 per cent, higher than the national rate (64.8 per cent).³
 - Despite this increase, the participation rate in Melbourne – North West remained quite low (62.8 per cent).
- Health Care and Social Assistance, Manufacturing and Retail Trade are the three largest employing industries in the region.⁴
 - Employment has shifted towards the services sector with the Health Care and Social Assistance industry in particular having increased by 73 per cent between 2009 and 2014, while Manufacturing employment decreased by 12 per cent in the same period.
- The decline in employment in Motor Vehicle and Motor Vehicle Part Manufacturing has been a large contributor to the decline in employment in Manufacturing.⁵
- In line with the contraction in employment in Manufacturing, the unemployment rate in the North Western Melbourne region stands at 7.4 per cent, 0.4 percentage points higher than the rate for Victoria.³
 - Additionally, youth unemployment, in the Melbourne -North West region stands at 17.3 per cent, higher compared with the national rate (14.1 per cent).⁶

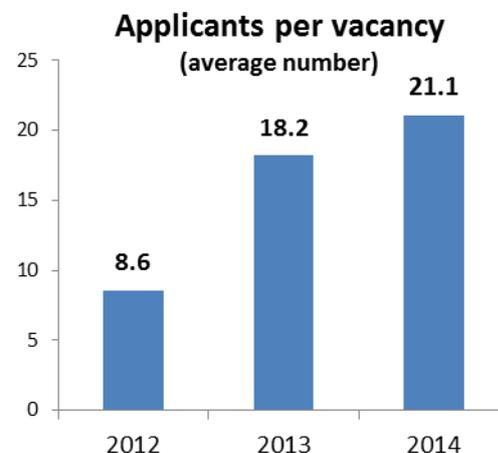
North Western Melbourne Region



What employers are telling us⁷

Recruitment activity in the North Western Melbourne region has continued to soften, with the overall demand for labour falling since the last survey in 2013.

- The low unfilled vacancies rate (1.7 per cent) and very high number of applicants per vacancy (21.1) suggests job seekers are facing strong competition for local jobs.
 - That said, many vacancies, particularly lower skilled vacancies, are not advertised and are filled informally through methods such as, word of mouth or by being approached directly by a job seeker.
- The majority (84 per cent) of applicants did not receive an interview, with employers citing a lack of relevant experience and insufficient qualifications or training as the most common reasons.
- Some 33 per cent of employers expected to recruit in the 12 months following the survey, a decrease from 46 per cent since 2013.



Where are the opportunities?

- Despite the softness in the labour market, employers reported difficulty filling higher skilled vacancies for occupations such as Motor Mechanics, Structural Steel and Welding Trades Workers, Early Childhood (Pre-primary School) Teachers and Advertising and Sales Managers.
- Opportunities are also likely to exist in occupations such as Child Carers, Sales Assistants, Checkout Operators and General Clerks in the next 12 months.
- The broader Melbourne labour market is the second largest in the country and presents opportunities across all skill levels.

¹ ABS, *Estimated Resident Population*, 2012.

² ABS, *Labour Force*, July 2014, 12 month average, Melbourne West and the Melbourne – North West Level 4 Statistical Areas (SA4); ABS, *Census of Population and Housing*, 2011.

³ ABS, *Labour Force*, July 2014, 12 month average, Melbourne West SA4 and Melbourne – North West SA4; ABS, *Labour Force*, Australia, July 2014, seasonally adjusted data.

⁴ ABS, *Labour Force*, May quarter 2014, four quarter average, Melbourne West SA4 and Melbourne – North West SA4.

⁵ ABS, *Census of Population and Housing*, 2006 and 2011 (1760 jobs between 2006 and 2011).

⁶ ABS, *Labour Force*, July 2014, 12 month average, Melbourne – North West SA4; ABS, *Labour Force*, Australia, July 2014, seasonally adjusted data.

⁷ Based on a *Survey of Employers' Recruitment Experiences* undertaken by the Labour Market Research and Analysis Branch in May 2014 and July 2013 and 2012.