

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

The Department conducted a *Survey of Employers' Recruitment Experiences* in the Kwinana Local Government Area (LGA) in March 2012, as part of a survey of the South West Perth Priority Employment Area (PEA).

Key Findings

- Despite being part of the strong Perth labour market, the Kwinana LGA has a number of notable and persistent disadvantages:
 - The unemployment rate in the area has remained consistently above average (Figure 1). In June 2012 the unemployment rate (9.7 per cent) was more than double the unemployment rate for Western Australia (4.0 per cent) and higher than the rate for the South West Perth PEA (6.0 per cent).¹
 - A significantly smaller proportion of people aged 25-34 in the Kwinana LGA had completed year 12 (45 per cent) compared with Australia (69 per cent).²
 - Some 33 per cent of people aged 15-64 employed in the Kwinana LGA lived outside of the PEA, suggesting that many local jobs are not being filled by local job seekers.³

- However, there are some positive signs:
 - Despite the high unemployment rate for people living in the Kwinana LGA, businesses in the area reported strong levels of recruitment activity and, indeed were recruiting at a greater rate when compared with all regions surveyed in the 12 months to March 2012 and also the wider PEA.
 - A significantly smaller proportion of employers experienced recruitment difficulty in the past 12 months than for the PEA and all regions surveyed.
 - Despite the very low unfill rate reported by employers across the South West Perth PEA, opportunities still exist for job seekers with the necessary skills and experience in higher skilled occupations, such as Structural Steel and Welding Trades Workers, Electricians, Metal Fitters and Machinists, Chefs, and Hairdressers.
 - Employment opportunities also exist in the South West Perth PEA in lower and medium skilled occupations such as Child Carers, Pharmacy Sales Assistants, Sales Representatives, Truck Drivers and Sales Assistants (General).

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

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

³ ABS, *Census of Population and Housing*, 2006

Recruitment Experiences in the 12 Months Preceding the Survey

- The proportion of employers in the Kwinana LGA who recruited in the 12 months preceding the survey (72 per cent) was slightly larger than across all regions surveyed in the 12 months to March 2012 (68 per cent), but was on a par with the wider PEA (73 per cent).
- Surveyed employers in the Kwinana LGA had a very high recruitment rate (34 vacancies per 100 staff). This was substantially higher than the recruitment rate across all regions (20 vacancies per 100 staff) and the PEA (25 vacancies per 100 staff).
- Employers were very successful in filling vacancies, with just 2.0 per cent of vacancies in the past 12 months remaining unfilled, compared with 7.4 per cent across all regions.
- A significantly smaller proportion of employers in the Kwinana LGA experienced recruitment difficulty (38 per cent) compared with the PEA (52 per cent) and all regions surveyed (59 per cent).

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

	Kwinana LGA (March 2012)	South West Perth PEA (March 2012)	All Regions Combined (12 months to March 2012)
Proportion of employers who recruited	72%	73%	68%
- to increase staff	54%	46%	50%
- to replace staff	87%	86%	86%
Vacancies per 100 staff	34	25	20
Proportion of vacancies unfilled	2.0%	3.1%	7.4%
Proportion of recruiting employers who experienced difficulty	38%	52%	59%

Most Recent Recruitment Activity

- The survey results indicate that employers in the Kwinana LGA were very successful in filling their most recent vacancies.
 - Only 2.2 per cent of employers' most recent vacancies remained unfilled, which was substantially smaller than the result for all regions surveyed (10.1 per cent), but consistent with the PEA overall (3.3 per cent).
- On average, employers in the Kwinana LGA received far fewer applicants per vacancy (3.8) compared with the wider PEA (9.6) and all regions surveyed in the 12 months to March 2012 (6.8).
- One in three employers surveyed in the Kwinana LGA experienced difficulty recruiting for their most recent vacancy, compared with 38 per cent across the PEA and 47 per cent across all regions surveyed.
 - The occupations employers most commonly reported as difficult to fill were Structural Steel and Welding Trades Workers, Child Carers, and Metal Fitters and Machinists.

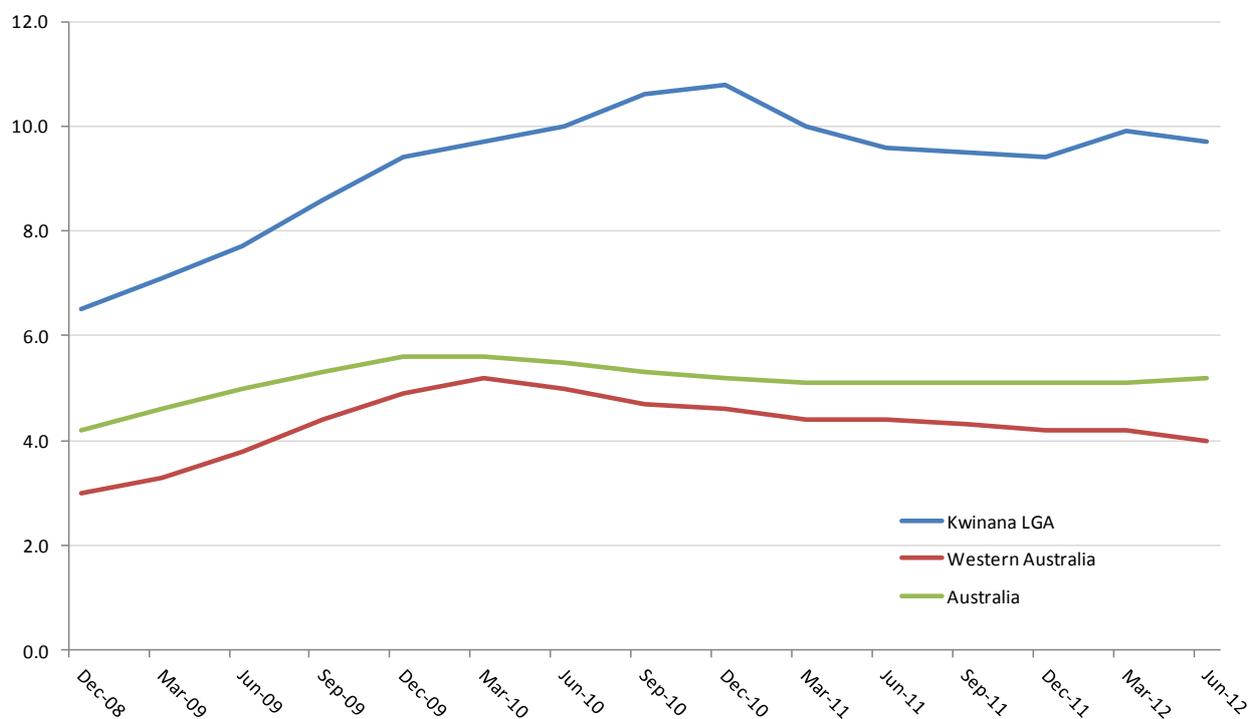
Recruitment Expectations

- Some 46 per cent of employers in the Kwinana LGA expected to recruit in the 12 months following the survey. This was lower when compared with the PEA and all regions surveyed (both 52 per cent).
- The proportion of employers who expected to increase staff numbers (31 per cent) was on a par with all regions (29 per cent) and slightly higher than the wider PEA (27 per cent).

Background

- The Kwinana LGA 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.
- The working age population (15-64 years) in the Kwinana LGA increased by 28 per cent between 2006 and 2011 to stand at 19,800. This was significantly higher than the working age population growth across Australia (8 per cent).⁴
- In March 2012, 18 per cent of the working age population in the Kwinana LGA was in receipt of an income support payment, compared with 13 per cent for Western Australia and 17 per cent nationally.
- The June 2012 unemployment rate for the Kwinana LGA was 9.7 per cent. This was significantly higher than both the West Australian (4.0 per cent) and Australian (5.2 per cent) unemployment rates at that time. Between December 2008 and June 2012, the unemployment rate in the Kwinana LGA remained consistently above the unemployment rate for Western Australia and Australia (Figure 1).⁵

Figure 1. Unemployment rate (%), December 2008 to June 2012⁶



⁴ ABS, *Census of Population and Housing*, 2006 and 2011

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

⁶ DEEWR, *Small Area Labour Markets*, June Quarter 2012

- At the time of the 2006 Census, the participation rate for the Kwinana LGA was 69.0 per cent, well below that for Western Australia (76.8 per cent).⁷
- Educational attainment for people aged 25-34 was significantly lower in the Kwinana LGA than the average for Western Australia and Australia. Only 45 per cent had completed Year 12 or equivalent, compared with 64 per cent and 69 per cent for Western Australia and Australia respectively.⁸
- Only 10 per cent of the employed working age population living in the Kwinana LGA worked outside of the South West Perth PEA. By contrast, 33 per cent of the working age population employed in the Kwinana LGA lived outside of the PEA.⁹
- The South West Perth PEA includes the LGAs of Cockburn, Kwinana, Mandurah and Rockingham.
- In March 2012, 54 employers were surveyed in the Kwinana LGA as part of a survey of 368 employers in the South West Perth PEA.

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⁷ ABS, *Census of Population and Housing, 2006*

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