



# Survey of Employers' Recruitment Experiences Latrobe Valley Employment Service Area June 2012

---

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](mailto:recruitmentsurveys@deewr.gov.au)

[www.deewr.gov.au](http://www.deewr.gov.au)  
ABN: 63 578 775 294



With the exception of the Commonwealth Coat of Arms and where otherwise noted, all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia (<http://creativecommons.org/licenses/by/3.0/au/>) licence.

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided), as is the full legal code for the CC BY 3.0 AU licence (<http://creativecommons.org/licenses/by/3.0/au/legalcode>).

The document must be attributed as 'Department of Education, Employment and Workplace Relations Survey of Employers' Recruitment Experiences – Latrobe Valley Employment Service Area – June 2012'.

## Table of Contents

---

The Latrobe Valley Employment Service Area.....	1
Survey of Employers' Recruitment Experiences .....	1
Key Findings .....	1
Recruitment Experiences in the 12 Months Preceding the Survey .....	2
Most Recent Recruitment Activity.....	3
Applicants and Suitability.....	4
Apprentices and Trainees .....	4
Staff Training.....	5
Job Services Australia and Recruitment Methods .....	5
Recruitment Expectations – Next 12 Months.....	5
Opportunities.....	6
More Information .....	7

## The Latrobe Valley Employment Service Area

---

- The Latrobe Valley Employment Service Area (ESA) is located in the south-east corner of Victoria and includes the towns of Traralgon, Moe, Morwell and Warragul.
- The June 2012 unemployment rate for the ESA was 5.2 per cent, which was in line with the Australian unemployment rate at that time. Unemployment rates across the ESA ranged from a low of 2.8 per cent in the South Gippsland (S) East SLA to a high of 8.6 per cent in the Latrobe (C) Morwell SLA.<sup>1</sup>
- The main employing industries in the Latrobe Valley ESA are Health Care and Social Assistance, Retail, Construction, and Agriculture, Forestry and Fishing.<sup>2</sup>

## Survey of Employers' Recruitment Experiences

---

- The Department conducts surveys of employers' recruitment experiences in regions and industries across Australia. The surveys provide information on employers' recent and expected demand for skills and labour at a local level. The results are provided to local stakeholders to develop employment strategies to better match job seekers with job opportunities.
- The June 2012 survey collected responses from 377 employers in the Latrobe Valley ESA.
- The analysis that follows compares the Latrobe Valley ESA survey results with the combined results for all regions surveyed by RIES in the 12 months to June 2012<sup>3</sup> and with the combined results for other Victorian areas that were surveyed during June and July 2012 (East Gippsland ESA, Hampden ESA, Sunraysia ESA, Western District ESA and Mid Murray ESA).

## Key Findings

---

- Compared with the results for all regions surveyed in the 12 months to June 2012, employers in the Latrobe Valley ESA reported lower than average levels of recruitment activity, and low levels of recruitment difficulty. Employers in the ESA were also more pessimistic about local economic conditions in the next 12 months.
- Measures of recruitment activity were slightly below the all surveys average.
  - The proportion of employers who recruited in the 12 months prior to the survey (63 per cent) was in line with all regions surveyed in the 12 months to June 2012 (65 per cent).
  - The annual rate of recruitment (16 vacancies per 100 staff) was lower than for all regions surveyed (19 vacancies per 100 staff).
- Employers in the ESA reported high job applicant numbers and low levels of recruitment difficulty.
  - The average number of applicants per vacancy in the Latrobe Valley ESA (9.8) was higher than across all regions surveyed (7.9), however, the average number of suitable applicants per vacancy was the same as all regions (both 2.3).

---

<sup>1</sup> DEEWR, *Small Area Labour Markets*, June Quarter 2012.

<sup>2</sup> ABS, *Census of Population and Housing*, 2006.

<sup>3</sup> About two thirds of employer responses were sourced from the disadvantaged Priority Employment Areas.

- The proportion of employers who experienced recruitment difficulty in their most recent recruitment round (39 per cent) was smaller than across all regions (44 per cent) and the proportion of employers' most recent vacancies remaining unfilled (1.6 per cent) was substantially smaller than was the case for all regions (8.3 per cent).
- Many employers were concerned about the future, which resulted in lower than average employment growth expectations for the next 12 months.
  - A significantly larger proportion of employers expected their business to face challenges in the 12 months following the survey (70 per cent) compared with 58 per cent for all regions surveyed. Of these employers, 52 per cent reported that they were concerned about reduced levels of business activity. A further 15 per cent of employers were concerned about increased competition and changes to the structure of the market.
  - Only 43 per cent of employers stated that they intended to recruit staff in the 12 months following the survey, which was smaller than the figure for all regions (50 per cent).
  - Some 23 per cent of employers expected to increase staff numbers in the next 12 months compared with 27 per cent for all regions surveyed. A larger proportion of employers also expected to decrease staff numbers (8 per cent) when compared with all regions (5 per cent).

### Recruitment Experiences in the 12 Months Preceding the Survey

---

- Of the 377 employers surveyed in Latrobe Valley, 63 per cent had recruited during the 12 months prior to the survey, which was in line with all regions surveyed in the 12 months to June 2012 (65 per cent), but substantially larger than the combined result for other recently surveyed Victorian areas (49 per cent).
- The recruitment rate of surveyed employers in the Latrobe Valley ESA (16 vacancies per 100 staff) was the same as for other surveyed Victorian areas, but slightly lower than the figure for all regions surveyed (19 vacancies per 100 staff).
- Some 44 per cent of recruiting employers had done so in order to increase staff numbers.
- The unfilled vacancy rate for the past 12 months in the Latrobe Valley ESA was 6.4 per cent, which was double the figure for other surveyed Victorian areas (3.2 per cent).
- In the Latrobe Valley ESA, 53 per cent of employers who attempted to recruit staff registered difficulty in doing so. This was slightly smaller when compared with all regions surveyed (56 per cent).

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

	Latrobe Valley ESA June 2012	Other surveyed Victorian areas (June-July 2012)	All Regions Combined (12 months to June 2012)
Proportion of employers who recruited...	63%	49%	65%
...to increase staff	44%	44%	48%
...to replace staff	83%	80%	85%
Vacancies per 100 staff	16	16	19
Proportion of unfilled vacancies	6.4%	3.2%	6.3%
Proportion of recruiting employers who experienced difficulty	53%	49%	56%

### Most Recent Recruitment Activity

- The unfill rate for employers' most recent recruitment round in the Latrobe Valley ESA was very low (1.6 per cent) when compared with the unfill rate across all regions surveyed in the 12 months to June 2012 (8.3 per cent).
  - All vacancies were filled for Managers and Professionals, Technicians and Trades Workers, Clerical and Administrative Workers, Machinery Operators and Drivers and Labourers.
  - The only occupation groups with unfilled vacancies were Community and Personal Service Workers (9.8 per cent unfilled) and Sales Workers (1.9 per cent unfilled).
- Despite the very low unfilled vacancy rate, some 39 per cent of surveyed employers still reported recruitment difficulty in their most recent recruitment round. More than half (53 per cent) of employers recruiting for Machinery Operators and Drivers also reported recruitment difficulty.
- The reasons provided by employers for recruitment difficulty were that applicants did not want the job on offer (49 per cent) and that it was hard to find people with the necessary skills (48 per cent). This was in line with the result for all regions surveyed (50 per cent and 46 per cent respectively).

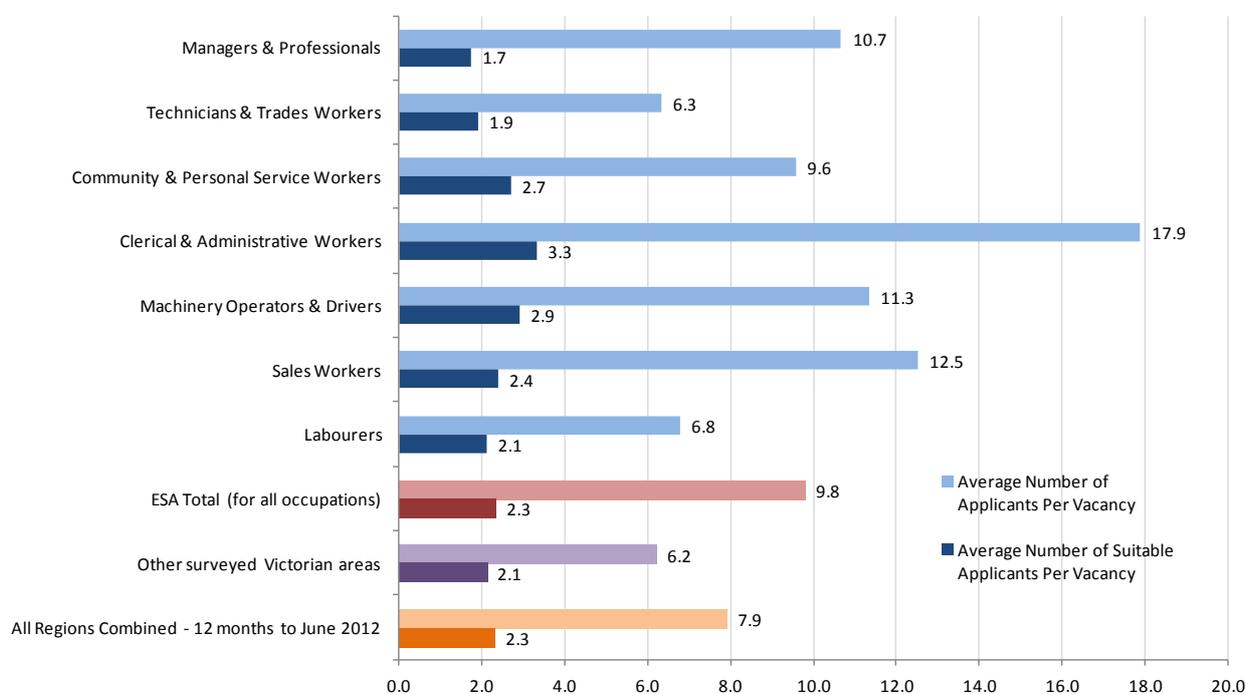
Table 2. Occupations most commonly mentioned as difficult to fill by skill level

Higher VET Qualifications	
Chefs	Real Estate Sales Agents
Structural Steel and Welding Trades Workers	
Other occupations	
Truck Drivers	Sales Assistants (General)
Kitchenhands	Waiters
General Clerks	Housekeepers

## Applicants and Suitability

- Employers reported an average of 9.8 applicants per vacancy in their most recent recruitment round. This was higher when compared with all regions surveyed (7.9 applicants per vacancy) and other surveyed Victorian areas (6.2 applicants per vacancy).
- The average number of suitable applicants per vacancy (2.3 suitable applicants) was the same as all regions surveyed and slightly higher compared with other surveyed Victorian areas (2.1 suitable applicants).
- Vacancies for Clerical and Administrative Workers had the highest average number of applicants (17.9), followed by Sales Workers (12.5). The average number of applicants for Technicians and Trades Workers (6.3) and Labourers (6.8) vacancies were relatively low.
- The main reasons provided by employers for applicants being considered unsuitable were that applicants had insufficient experience to perform the job duties (58 per cent), applicants had insufficient qualifications or training to perform the job duties (22 per cent) and that applicants' personality did not fit with the organisation (18 per cent).

Figure 1. Average number of applicants and suitable applicants per vacancy



## Apprentices and Trainees

- At the time of the survey, 40 per cent of surveyed employers in the Latrobe Valley ESA employed at least one apprentice or trainee, compared with 34 per cent across all regions surveyed.
  - Some 19 per cent of employers noted that they had experienced challenges in employing an apprentice or trainee, with 53 per cent of these citing the reason that apprentices/trainees lacked general work readiness skills.
- Nearly one quarter (24 per cent) of employers stated that they would seek to recruit an apprentice or trainee in the 12 months following the survey.

## Staff Training

---

- Some 47 per cent of employers surveyed in the Latrobe Valley ESA provided a recognised form of training for their staff during the previous 12-month period.
- Employers who faced barriers to providing their staff with training (13 per cent) cited the high cost of the training (44 per cent) and the location of the training (38 per cent) as obstacles.

## Job Services Australia and Recruitment Methods

---

- Only 10 per cent of recruiting employers surveyed in Latrobe Valley ESA identified using a Job Services Australia (JSA) provider to recruit staff.
  - Of these employers, some 21 per cent were not satisfied with their JSA experience. This was due primarily to the JSA provider not having suitable applicants to refer (80 per cent of dissatisfied employers).
- Almost half (47 per cent) of employers who recruited had used informal methods – such as word of mouth – to do so, compared with 61 per cent who used formal methods of recruitment.
  - The most commonly used recruitment methods in employers' most recent recruitment round were newspaper/magazine (36 per cent) and word of mouth/approached job seeker (31 per cent).

## Recruitment Expectations – Next 12 Months

---

- Less than half (43 per cent) of employers surveyed in Latrobe Valley stated that they intended to recruit staff in the following 12 months, which was higher compared with other surveyed Victorian areas (35 per cent).
- Some 37 per cent of employers anticipated difficulty in recruiting, compared with 44 per cent for all regions combined.
- Almost one quarter (23 per cent) of employers stated their intention to increase staff numbers over the next 12 months, with 65 per cent intending to do so as a result of higher demand for their products/services.
- The proportion of employers who expected to decrease staff numbers in the 12 months following the survey (8 per cent) was larger compared with all regions (5 per cent). Some 25 per cent of employers in the Construction industry reported that they were expecting to reduce staff numbers.
- Some 70 per cent of employers in the Latrobe Valley ESA expected to face challenges to their businesses in the following 12 months, compared with 58 per cent across all regions surveyed.
  - More than half (52 per cent) of these employers cited reduced business activity as a challenge, which was significantly higher when compared with all regions surveyed (36 per cent). Some 38 per cent of employers also cited business regulations. This was also substantially higher when compared with all regions surveyed (24 per cent).

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

	Latrobe Valley ESA June 2012	Other surveyed Victorian areas (June-July 2012)	All Regions (12 months to June 2012)
<b>Expect to recruit</b>	43%	35%	50%
<b>Expect to increase staff numbers</b>	23%	18%	27%
<b>Expect to reduce staff numbers</b>	8%	4%	5%
<b>Expect difficulty recruiting</b>	37%	45%	44%
<b>Uncertain about future recruitment</b>	18%	14%	11%

## Opportunities

- The survey results indicate that, despite the very low unfill rate, some opportunities exist for job seekers in higher-skilled occupations such as Chefs, Real Estate Sales Agents and Structural Steel and Welding Trades Workers. Employment opportunities also exist for lower skilled occupations such as Truck Drivers, Kitchenhands, General Clerks and Sales Assistants (General).
- A large proportion of employers (47 per cent) used informal methods, such as word of mouth, to recruit for their most recent vacancy. Further engagement with employers by expanding community networks may allow JSA providers to take advantage of these opportunities.
- Insufficient experience to perform job duties was the most common reason employers found applicants unsuitable. Therefore, support for job seekers to gain relevant work experience will increase their capacity to take advantage of the work opportunities as they occur.

## More Information

---

- **Labour Market Information Portal:**  
[www.deewr.gov.au/lmip](http://www.deewr.gov.au/lmip)
- **Skill Shortages**  
[www.deewr.gov.au/skillshortages](http://www.deewr.gov.au/skillshortages)
- **Survey of Employers' Recruitment Experiences**  
[www.deewr.gov.au/regionalreports](http://www.deewr.gov.au/regionalreports)
- **Job Outlook**  
[www.joboutlook.deewr.gov.au](http://www.joboutlook.deewr.gov.au)
- **SkillsInfo**  
[www.skillsinfo.gov.au](http://www.skillsinfo.gov.au)
- **Australian Jobs**  
[www.deewr.gov.au/australianjobs](http://www.deewr.gov.au/australianjobs)

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](mailto:recruitmentsurveys@deewr.gov.au)

[www.deewr.gov.au](http://www.deewr.gov.au)  
ABN: 63 578 775 294