



Australian Government

Department of Education, Employment and Workplace Relations

Survey of Employers' Recruitment Experiences

Pilbara ESA – August 2010

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



Table of Contents

Australian Labour Market	3
The Pilbara Employment Service Area.....	3
Survey of Employers' Recruitment Experiences	3
Key Findings	3
Changes in Staffing Levels.....	4
Recruitment Experiences in the 12 Months Preceding the Survey	4
Most Recent Recruitment Activity.....	5
Apprentices and Trainees	6
Apprentices and Trainees	7
Job Services Australia.....	7
Indigenous Employment	7
Future Recruitment Expectations	7
Opportunities for Job Seekers	8



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 4.0 per cent in February 2008, and the pace of employment growth had begun to ease. In September 2008, however, world growth weakened dramatically and economic and labour market conditions in Australia deteriorated sharply.¹
- Since August 2009, the economic downturn has eased. The Australian labour market has shown significant signs of recovery, with a fall in the unemployment rate of 0.4 percentage points to 5.4 per cent and a rise in employment of 430 200 people to 11 355 900 between August 2009 and October 2010.

The Pilbara Employment Service Area

- The unemployment rate for the Pilbara Employment Service Area increased by 1.2 percentage points to 4.6 per cent over the year to June 2010², although this was lower than the Australian unemployment rate at that time (5.1 per cent)³.

Survey of Employers' Recruitment Experiences

- In order to gain a better understanding of labour market conditions in the Pilbara Employment Service Area the Department of Education, Employment and Workplace Relations (DEEWR) conducted a Survey of Employers' Recruitment Experiences in August 2010. The survey was conducted by telephone interview with 200 businesses in the Employment Service Area.
- Findings from the survey highlight the extent and nature of recruitment difficulties facing local employers and provide insight into the challenges facing businesses in the current economic climate.
- The survey collected information on:
 - the recruitment of employees in the 12 months preceding the survey;
 - changes in staffing levels in the three months preceding the survey;
 - the experience employers had recruiting for their most recent vacancy; and
 - recruitment expectations in the 12 months following the survey.

Key Findings

- The results of the survey show that labour market conditions in the region were strong, with high recruitment difficulty, a high proportion of vacancies remaining unfilled and a low average number of suitable applicants per vacancy. In particular, opportunities exist in the Machinery Operators and Drivers and Technicians and Trades Workers occupation groups.

¹ Australian Bureau of Statistics, *Labour Force, Australia*, October 2010, cat. no. 6202.0 (seasonally adjusted series).

² DEEWR, *Small Area Labour Markets*, June 2010.

³ ABS, *Labour Force, Australia*, June 2010, cat. no. 6202.0 (seasonally adjusted series).

Changes in Staffing Levels

- The survey results show that a higher proportion of employers increased staff numbers in the three months prior to the survey compared with all regions surveyed in the 12 months to June 2010⁴ (22 per cent compared with 15 per cent), however, staff numbers remained relatively stable, with most employers keeping staff numbers the same (68 per cent).

Recruitment Experiences in the 12 Months Preceding the Survey

Employers' recruitment experiences in the 12 months preceding the survey reflect the lower unemployment rate in the Employment Service Area, with high reported recruitment difficulty and a higher proportion of vacancies remaining unfilled compared with all regions.

- A significantly larger proportion of employers recruited in the Pilbara Employment Service Area in the last 12 months (81 per cent) compared with all regions surveyed in the 12 months to June 2010 (65 per cent).
- A significantly larger proportion of vacancies over the preceding 12 months remained unfilled (21.2 per cent) compared with all regions surveyed in the 12 months to June 2010 (4.8 per cent).
 - The highest unfill rates were in the Health Care and Social Assistance and Construction industries (32.9 per cent and 32.4 per cent respectively).
- A higher proportion of employers reported difficulty recruiting in the preceding 12 months (71 per cent) compared with all regions (51 per cent).
 - Recruitment difficulty was most commonly reported by employers in the Health Care and Social Assistance and Transport, Postal and Warehousing industries (88 per cent and 75 per cent of recruiting employers respectively).

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

	Pilbara Employment Service Area (August 2010)	All Regions (12 Months to June 2010)
Proportion of employers who recruited	81%	65%
- to increase staff	65%	56%
- to replace staff	86%	81%
Proportion of recruiting employers who experienced difficulty	71%	51%
Proportion of unfilled vacancies	21.2%	4.8%

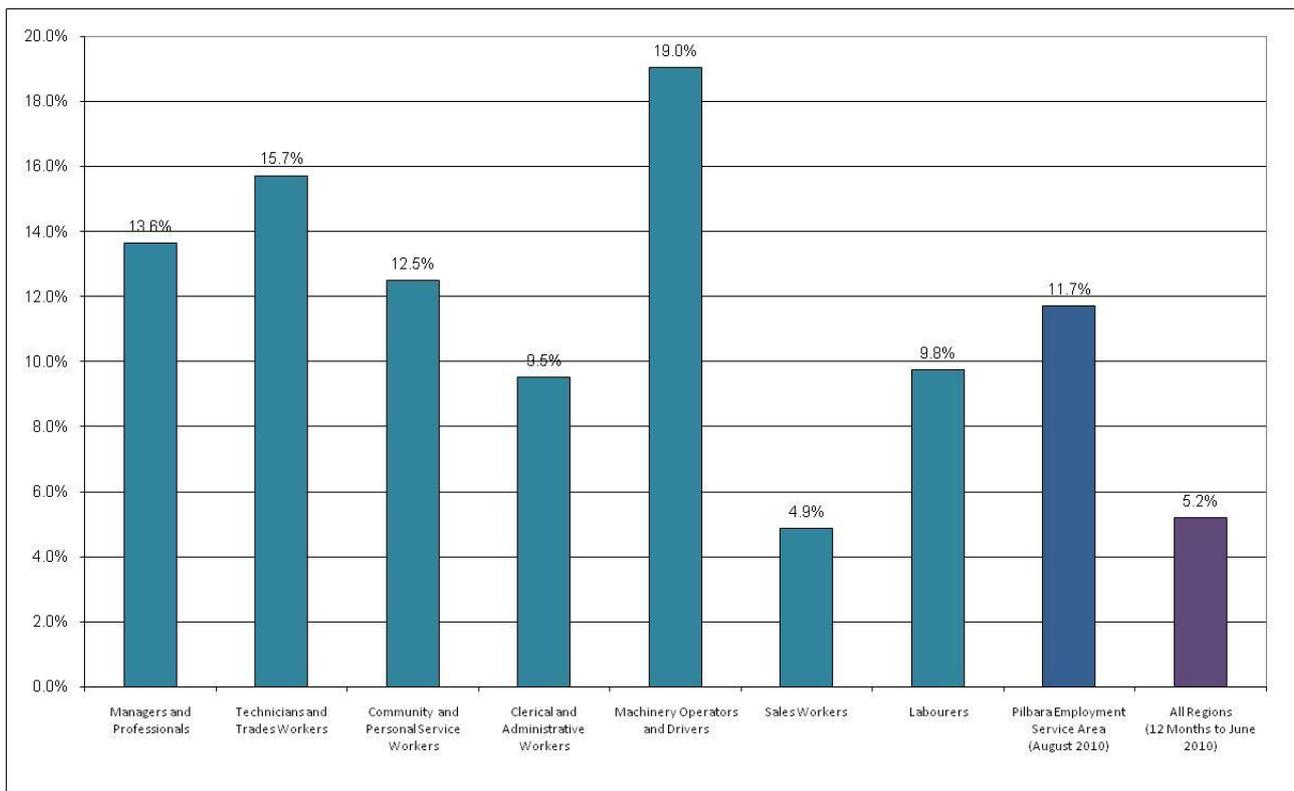
⁴ It should be noted that the majority of areas surveyed over the 12 months to June 2010 were Priority Employment Areas. Therefore, these results may be reflective of disadvantaged labour markets.

Most Recent Recruitment Activity

Employers' most recent recruitment experiences were in line with those of the preceding 12 months. The results reflect a stronger labour market with high unfill rates, higher reported difficulty recruiting and lower numbers of applicants compared with all regions.

- In employers' most recent recruitment round, a significantly larger proportion of vacancies remained unfilled in the Pilbara Employment Service Area (11.7 per cent) compared with all regions surveyed in the 12 months to June 2010 (5.2 per cent) (see Figure 1).
- The highest proportion of vacancies remained unfilled for Machinery Operators and Drivers (19.0 per cent) and Technicians and Trade Workers (15.7 per cent).

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



- A higher proportion of employers reported difficulty recruiting for their most recent vacancy (61 per cent) compared with all regions surveyed (39 per cent).
- Employers in the Pilbara Employment Service Area reported difficulty filling occupations across a range of skill levels (see Table 2). Motor Mechanics and General Sales Assistants were the occupations that were most commonly mentioned as being difficult to fill.

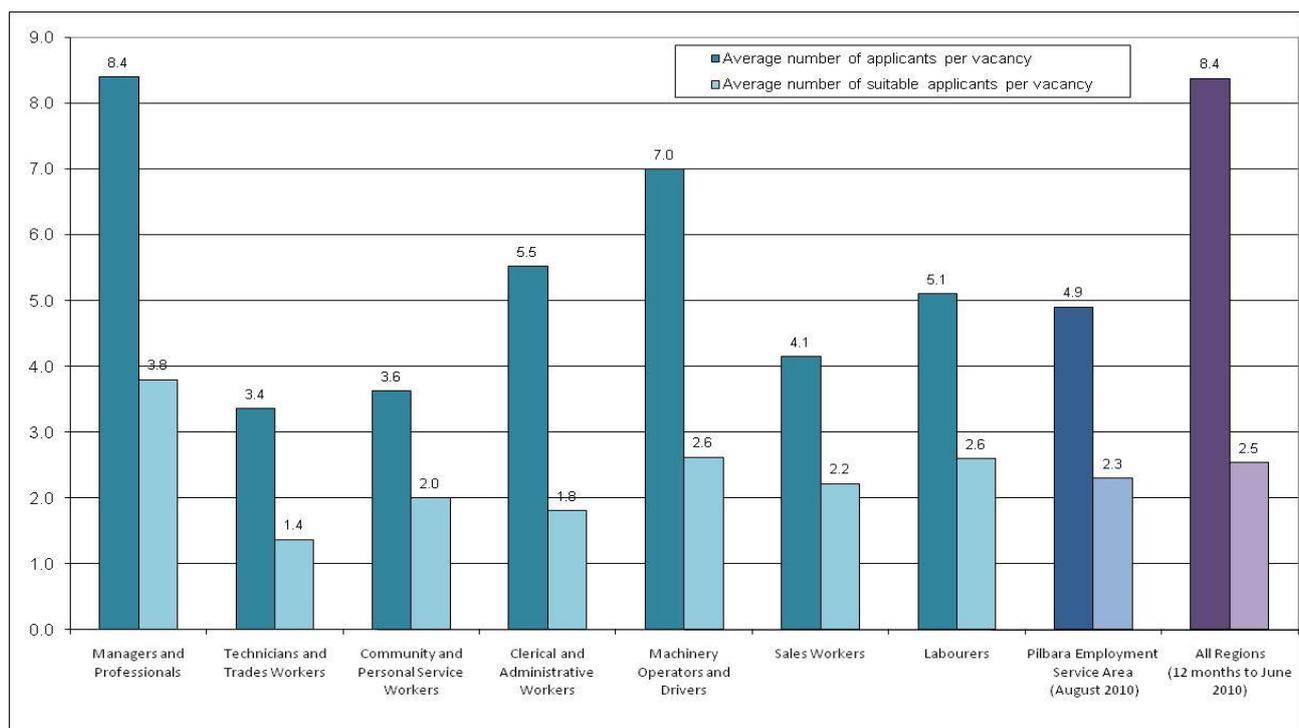
Table 2. Occupations difficult to fill by skill level

Bachelor Degree or Higher VET Qualifications	
Contract, Program and Project Administrators	
General Managers	Advertising and Sales Managers
Welfare Support Workers	Electricians
Motor Mechanics	Cooks
Other occupations	
Child Carers	Truck Drivers
Other Miscellaneous Labourers*	Building and Plumbing Labourers
Sales Assistants (General)	General Clerks
Kitchenhands	Checkout Operators and Office Cashiers
Car Detailers	Receptionists

*This unit group covers Labourers not elsewhere classified such as Electrical or Telecommunications Trades Assistants, Mechanics' Assistants and Road Traffic Controllers.

- The average number of applicants per vacancy (4.9) was significantly lower compared with all regions surveyed in the 12 months to June 2010 (8.4) (see Figure 2).
- The average number of suitable applicants per vacancy (2.3) was similar to all regions surveyed in the 12 months to June 2010 (2.5).
- Employers recruiting for Technicians and Trades Workers received, on average, the lowest number of applicants and suitable applicants per vacancy compared with other occupation groups.
- The most common reason that applicants were considered unsuitable was insufficient experience to perform the duties of the position (53 per cent).

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



Apprentices and Trainees

- A lower proportion of employers in the Pilbara Employment Service Area employed an apprentice and/ or trainee (28 per cent) compared with all regions surveyed in the 12 months to June 2010 (34 per cent).
- The proportion of employers who expected to recruit an apprentice and/ or trainee in the 12 months following the survey was the same as in all regions surveyed in the 12 months to June 2010 (both 22 per cent).
- This suggests there is scope to increase participation in apprenticeship and/ or traineeship programs, particularly in the difficult to fill occupations (see Table 2).

Job Services Australia

- Employers had moderate awareness of Job Services Australia (55 per cent). Less than one fifth (19 per cent) of employers who were aware of Job Services Australia had used the service, of whom, around half (53 per cent) were satisfied with the service they received.
- The most common reason for dissatisfaction with Job Services Australia was that applicants didn't want to work (63 per cent) and applicants lacked the personal traits and qualities required for the role (25 per cent).

Indigenous Employment

- Only 27 per cent of surveyed employers had Indigenous employees in their business. Of those who did employ Indigenous people, 83 per cent reported that these employees accounted for less than or equal to 25 per cent of their workforce.
- Over two thirds (68 per cent) of employers who did employ Indigenous people had no strategies to attract Indigenous staff. Strategies that were used included providing development and training (6 per cent), bulk employment of Indigenous workers (4 per cent), and offering work experience or pre-employment programs (2 per cent) or Indigenous traineeships (2 per cent).

Future Recruitment Expectations

- Recruitment expectations in the 12 months following the survey were relatively strong in the Pilbara Employment Service Area, with a higher proportion of employers expecting to recruit and a higher proportion expecting to experience recruitment difficulty compared with all regions surveyed in the 12 months to June 2010 (see Table 3). This may indicate that, as the labour market continues to strengthen, the Employment Service Area may continue to face recruitment challenges due to skills and labour shortages.
- More than half of employers (52 per cent) anticipated that they would face either new or ongoing challenges in the 12 months following the survey. Recruitment difficulties due to skill shortages were the most commonly reported challenge (38 per cent), which was higher compared with all Priority Employment Areas surveyed in the 12 months to June 2010 (12 per cent). This was followed by location (19 per cent), where the high cost of available accommodation was affecting employers' ability to attract staff to the area.

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

<i>Proportion of employers</i>	Pilbara Employment Service Area (August 2010)	All Regions (12 Months to June 2010)
Expects to recruit	69%	43%
Expects future difficulty	66%	37%
Expects to increase staff numbers	45%	26%
Expects to reduce staff numbers	3%	3%

Opportunities for Job Seekers

- Opportunities for job seekers may exist in the Construction industry with:
 - Higher than average unfill rates in employers' most recent recruitment round;
 - Low average number of applicants per vacancy;
 - High expectations of recruitment due to staff turnover.
- Opportunities may also exist in the Machinery Operators and Drivers occupation group (particularly Truck Drivers) with 19.0 per cent of vacancies remaining unfilled and a high proportion of employers who recruited for these occupations reporting difficulty (71 per cent).
- There is also opportunity for employers to up-skill workers through apprenticeships and traineeships in the Technicians and Trades Workers occupation group, with 15.7 per cent of vacancies remaining unfilled and a low level of competition for vacancies (an average of 3.4 applicants per vacancy and an average of only 1.4 applicants considered suitable).



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

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