

Slide 1



The slide features the Australian Government logo at the top center, with the text "Australian Government" and "Department of Education, Employment and Workplace Relations" below it. The main title is "Survey of Employers' Recruitment Experiences" in blue, followed by the date "22 April 2013" and the location "Sydney West and Blue Mountains Priority Employment Area" in blue. The presenter's name, "Presenter: Ivan Neville", and his title, "Assistant Secretary, Labour Market Research and Analysis Branch", are listed in blue. At the bottom, there is a decorative graphic consisting of several vertical bars in orange, yellow, green, blue, and purple, followed by a solid tan bar.

Australian Government
Department of Education, Employment and Workplace Relations

Survey of Employers' Recruitment Experiences

22 April 2013

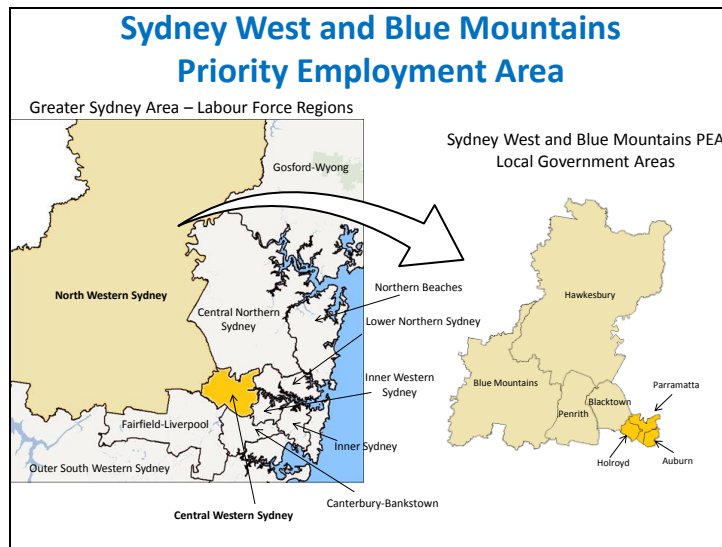
**Sydney West and Blue Mountains
Priority Employment Area**

Presenter: Ivan Neville
Assistant Secretary, Labour Market Research and Analysis Branch

Survey of Employers' Recruitment Experiences in the Sydney West and Blue Mountains Priority Employment Area (PEA). This area was surveyed in November 2012.

Presenter: Ivan Neville, Branch Manager, Labour Market Research and Analysis Branch

Australian Government
Department of Education, Employment and Workplace Relations



Map of Sydney West and Blue Mountains PEA

This map shows the Sydney West and Blue Mountains Priority Employment Area (PEA) and surrounds. The PEA comprises two Labour Force Regions: North Western Sydney (light brown) and Central Western Sydney (gold).

Local Government Areas in the Sydney West and Blue Mountains PEA

The PEA comprises seven Local Government Areas, as shown on the right hand side:

- Auburn
- Blacktown
- Blue Mountains
- Hawkesbury
- Holroyd
- Parramatta
- Penrith

Sydney West & Blue Mountains PEA Profile

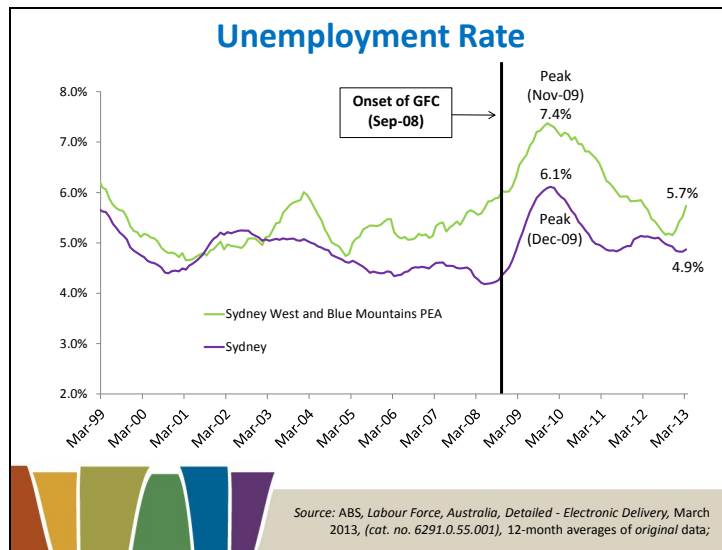
	Adult Population (15+) (2011)	Growth 2006 to 2011	Median Age (2011)	% OTMESC (WAP, 2011)
Auburn LGA	63,500	17%	31	69%
Blacktown LGA	240,100	13%	32	40%
Blue Mountains LGA	63,400	4%	42	7%
Hawkesbury LGA	50,700	6%	36	6%
Holroyd LGA	82,800	11%	34	50%
Parramatta LGA	142,600	14%	33	52%
Penrith LGA	145,400	6%	34	16%
Sydney West and Blue Mountains PEA	788,500	11%	34	36%
New South Wales	5,851,100	7%	38	23%
Australia	18,111,500	9%	37	19%

Source: ABS, Estimated Residential Population, 2011; ABS, Census of Population and Housing, 2011.

Sydney West and Blue Mountains Priority Employment Area:

Source: ABS, Estimated Residential Population, 2011; ABS, Census of Population and Housing, 2011.

- The Sydney West and Blue Mountains PEA has experienced strong population growth between 2006 and 2011 (11 per cent)
- The median age of the PEA, at 34 years, is younger than the State (38 years) and national averages (37 years)
 - The Blue Mountains LGA stands out as a much older area, with a median age of 42 years
- More than one third (36 per cent) of the working age population is from an Other Than Main English Speaking Country (OTMESC)
 - The Auburn LGA has a large proportion of its working age population from OTMESC countries (at 69 per cent)



Unemployment Rate:

Source: ABS Labour Force, Electronic Delivery, cat. no. 6291.0.55.001, March 2012, 12-month averages of original data. The Sydney West and Blue Mountains PEA is approximated by the Central Western Sydney and North Western Sydney LFRs.

The unemployment rate in the PEA has typically remained above that in Sydney.

Regional Disparity in Unemployment Rate

	Unemployment Rate (December 2012)	Annual Change
Auburn LGA	8.2%	-0.1% pts
Blacktown LGA	6.0%	-0.8% pts
- Blacktown - South West SLA	9.9%	-1.4% pts
Hawkesbury LGA	3.6%	-0.5% pts
Parramatta LGA	4.6%	-0.3% pts
- Parramatta - South SLA	9.5%	-0.7% pts
Sydney West and Blue Mountains PEA	5.2%	-0.6% pts
Sydney	4.8%	-0.3% pts
Australia	5.2%	0.1% pts

Source: DEEWR, Small Area Labour Markets, December 2012

Unemployment Rate by Local Government Area:

Source: DEEWR Small Area Labour Markets, December 2012

- Although the PEA has an unemployment rate comparable with the State and national averages, some pockets of disadvantage exist.
 - Auburn LGA (8.2 per cent)
 - *Blacktown – South-West SLA (9.9 per cent)*
 - *Parramatta – South SLA (9.5 per cent)*

Employment Growth

	March 2013 ('000)	Annual Change ('000)	Annual Change (%)
Total Employment	481.4	8.2	1.7%
Full-Time Employment	349.6	3.6	1.0%
Part-Time Employment	131.8	4.6	3.6%
Higher Skilled Occupations	218.7	10.7	5.1%
Lower Skilled Occupations	132.8	-2.5	-1.8%

- Employment growth on a par with Sydney (1.4%)

Source: ABS, Labour Force, Electronic Delivery, cat. no. 6291.0.55.001, March 2013, 12-month averages of original data; ABS, Labour Force, Electronic Delivery, cat. no. 6291.0.55.003, February 2013, four-quarter averages of original data

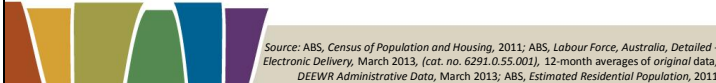
Employment Growth:

Source: ABS, Labour Force, Electronic Delivery, cat. no. 6291.0.55.001, March 2013, 12-month averages of original data; ABS, Labour Force, Electronic Delivery, cat. no. 6291.0.55.003, February 2013, four-quarter averages of original data. The Sydney West and Blue Mountains PEA is approximated by the Central Western Sydney and North Western Sydney LFRs.

- Employment growth for people who live in the Sydney West and Blue Mountains PEA was 1.7 per cent, slightly above Sydney (1.4 per cent)
- Higher rate of employment growth in part-time employment (3.6 per cent) compared with full-time employment (1.0 per cent)
- Employment in higher skilled occupations (Managers, Professionals, Technicians and Trades Workers) rose by 10,700 (or 5 per cent) over the year to the February quarter 2013. By contrast, employment in lower skilled occupations (Sales Workers, Machinery Operators and Drivers, Labourers) fell by 2500 (or 2 per cent) over the same period

Vulnerable People

- Long-term unemployed
 - 26% of unemployed people in the PEA have been so for at least a year
 - Average duration of unemployment is 43 weeks
- Jobless families
 - One in six families with children under 15 years in the PEA jobless
 - 25% in Auburn LGA
- Youth disengagement
 - 15% of 20-24 year olds are not studying or working
- Indigenous
 - Unemployment rate of 15.2%
- Centrelink beneficiaries
 - 18% in receipt of Centrelink benefit
 - More than 25% in some areas of Blacktown and Parramatta



Source: ABS, Census of Population and Housing, 2011; ABS, Labour Force, Australia, Detailed - Electronic Delivery, March 2013, (cat. no. 6291.0.55.001), 12-month averages of original data; DEEWR Administrative Data, March 2013; ABS, Estimated Residential Population, 2011

Vulnerable people

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Long-term unemployed

26 per cent of unemployed have been so for at least a year
Average duration of unemployment is 43 weeks

Jobless families

One in six families with children under 15 years jobless
25 per cent in Auburn LGA

Youth disengagement

15 per cent of 20-24 year olds are not studying or working

Indigenous

Unemployment rate of 15.2 per cent

Centrelink beneficiaries

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More than 25 per cent in some areas of Blacktown and Parramatta

Levels of Educational Attainment
Persons aged 25-34 years

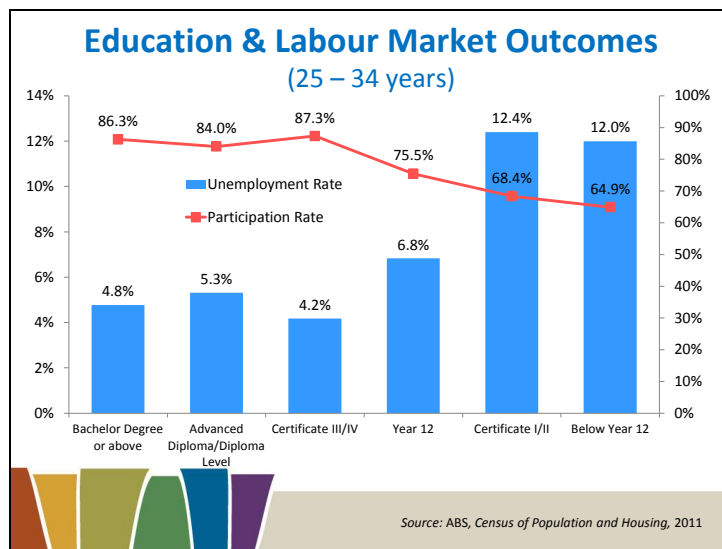
	Year 12	Advanced Diploma, Diploma or Certificate III/IV	Bachelor Degree
Auburn LGA	83%	21%	44%
Hawkesbury LGA	58%	43%	17%
Penrith LGA	62%	37%	19%
Sydney West and Blue Mountains PEA	75%	29%	34%
Sydney	81%	27%	43%
Australia	75%	30%	35%

Source: ABS, Census of Population and Housing, 2011

Levels of Educational Attainment, persons aged 25-34 years:

Source: ABS, Census of Population and Housing, 2011

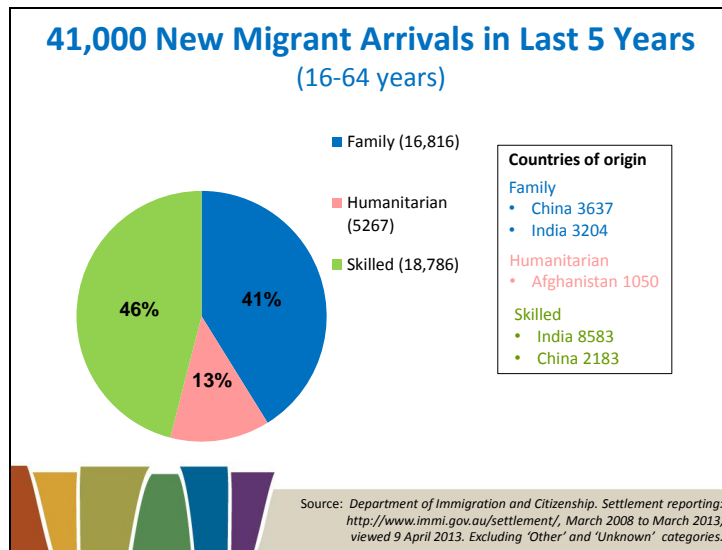
- Year 12 attainment was much lower in the Hawkesbury (58 per cent) and Penrith (62 per cent) LGAs
- 34 per cent of 25-34 year olds in the PEA had attained a Bachelor Degree or higher qualification
 - Again, Hawkesbury LGA (17 per cent) and Penrith (19 per cent) had very low levels of Bachelor Degree or higher attainment



Educational Attainment and Labour Market Outcomes:

Source: ABS, Census of Population and Housing, 2011

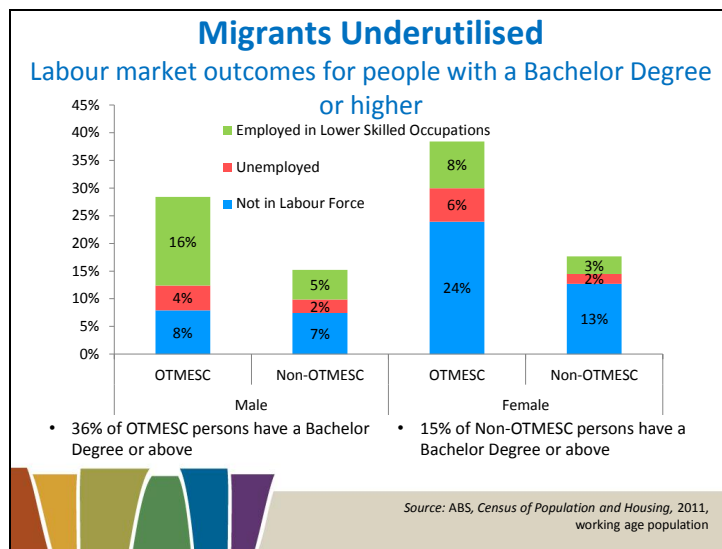
- There is a strong relationship between educational attainment and employment outcomes
- People with higher levels of education have higher rates of labour force participation and lower unemployment rates
- This emphasises the importance of continuing education to help job seekers obtain employment and participate in the labour market



41,000 New Migrant Arrivals in Last 5 Years:

Source: Department of Immigration and Citizenship. Settlement reporting: <http://www.immi.gov.au/settlement/>, March 2008 to March 2013, viewed 9 April 2013. Proportions exclude 'Other' and 'Unknown' categories.

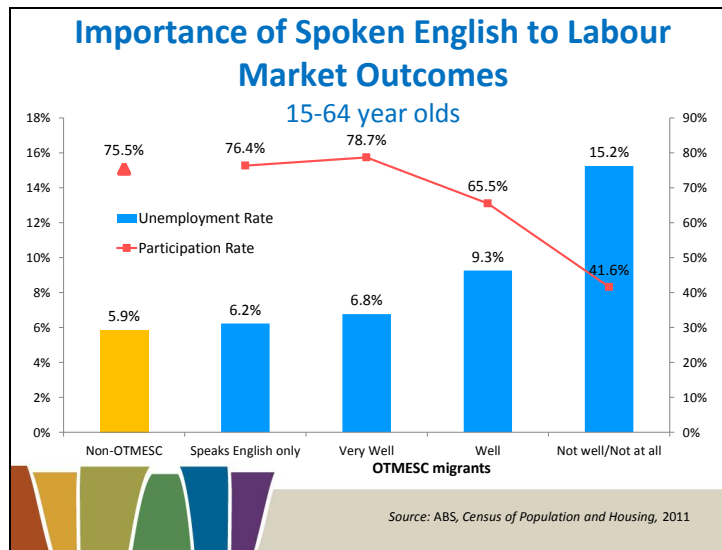
Over the 5 years to March 2013, a total of 41,000 migrants settled in the Sydney West and Blue Mountains PEA. The proportion of Humanitarian migrants (13 per cent) was much higher than for the Sydney SD (7 per cent).



Migrants Underutilised: Labour market outcomes for people with a Bachelor Degree or higher

Source: ABS, Census of Population and Housing, 2011

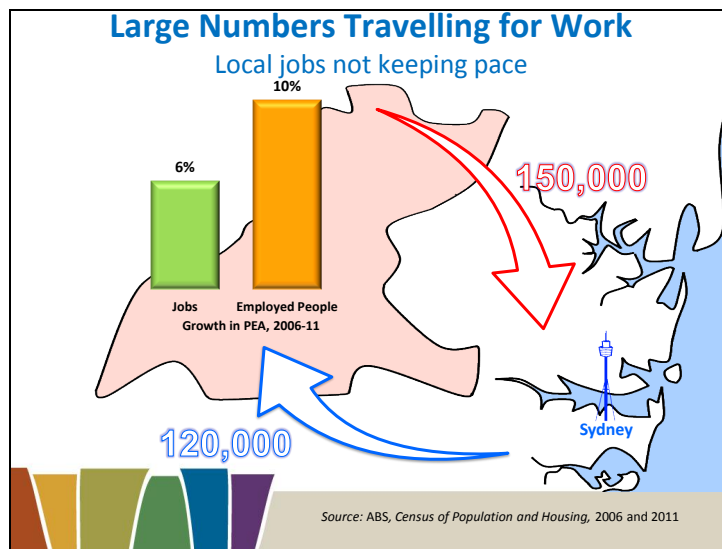
- This chart illustrates migrant underutilisation by comparing labour market participation of those with a Bachelor Degree by whether they were a migrant from an Other Than Main English Speaking Country or not
- *Lower Skilled Occupations* refers to Sales Workers, Machinery Operators and Drivers and Labourers
- Overall, 36 per cent of working age (15-64) OTMESC migrants had obtained a Bachelor Degree or higher
 - There was a lower level of labour market participation for highly qualified OTMESC persons compared with the Non-OTMESC population. For both males and females, a larger proportion of the OTMESC population with a Bachelor Degree or higher were either not in the labour force, unemployed or employed in a lower-skilled occupation.



Labour Market Outcomes and English Proficiency:

Source: ABS, Census of Population and Housing, 2011, working age population (15-64)

People who speak English very well tend to have better labour market outcomes than those who do not speak English well or at all.



Travelling for Work:

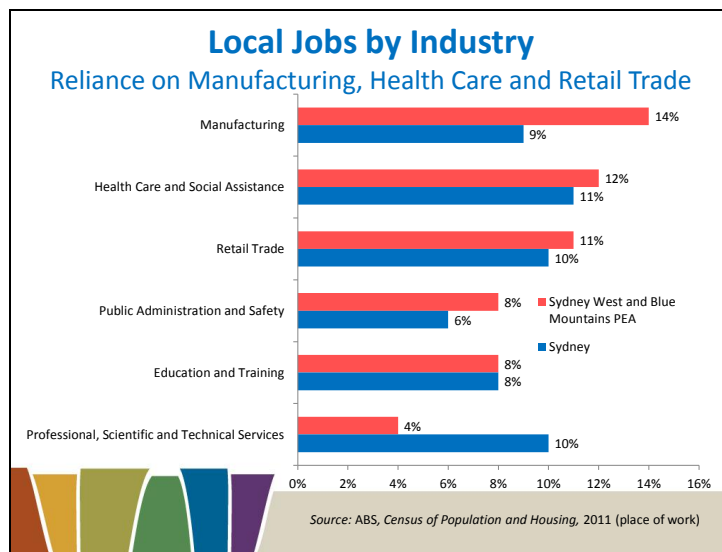
Source: ABS, Census of Population and Housing, 2006 and 2011

The PEA is part of Sydney, the largest and most diverse labour market in Australia. Large numbers of people leave or enter the PEA for work. In 2011, the PEA was a net exporter of labour:

- 150,000 people who live in the PEA work outside the PEA
- 120,000 people who live outside the PEA work in the PEA

The number of people leaving the PEA for work is likely to continue unless current trends change. Between 2006 and 2011, the number of employed people who live in the PEA increased by 10%, but the number of people whose job was in the PEA increased by 6%.

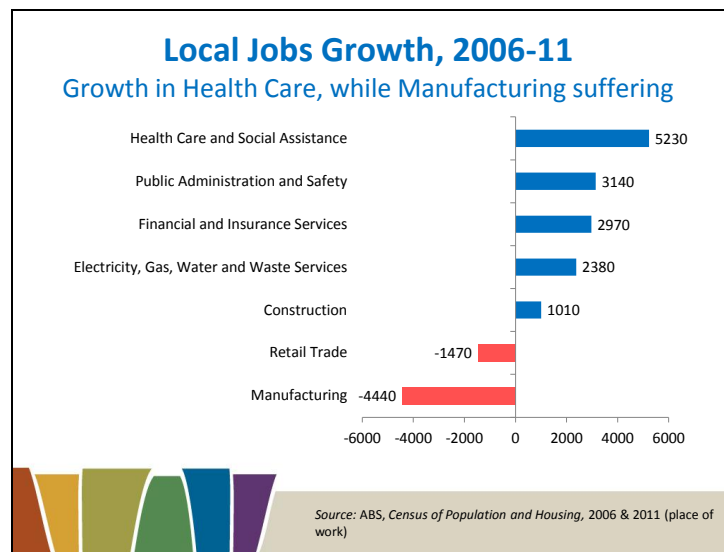
Recent initiatives towards decentralisation of jobs away from the Sydney CBD may help reduce the number of people who leave the PEA for work.



Employment by Industry:

Source: ABS, *Census of Population and Housing, 2011*

This slide shows the heavy reliance placed on manufacturing in the PEA. Some 14 per cent of jobs located in the PEA are in the manufacturing industry, an industry that has been hard-hit by the economic downturn and the strong Australian dollar.



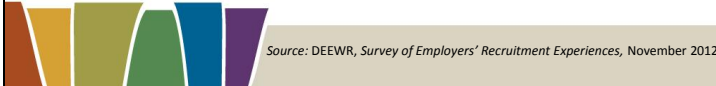
Employment Growth by Industry:

Source: ABS, *Census of Population and Housing, 2011*

The Health Care and Social Assistance industry has shown strong growth over the intercensal period (2006 to 2011). By contrast, employment in manufacturing in the PEA has fallen by 4440.

Employer Survey Key Results

- Recruitment activity in the PEA is relatively subdued
 - 15 vacancies per 100 staff
- Strong competition for vacancies
 - Average of 12.6 applicants per vacancy
- 4.9 per cent of vacancies were unfilled
- 35 per cent of employers reported difficulty filling vacancies

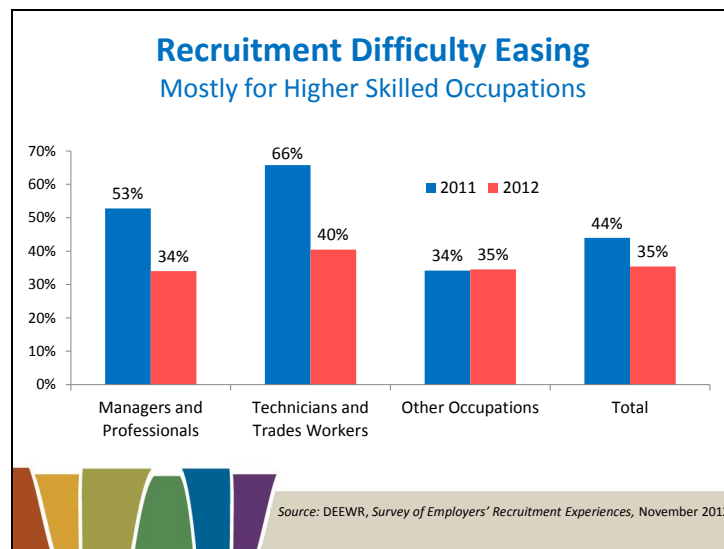


Source: DEEWR, *Survey of Employers' Recruitment Experiences*, November 2012

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Recruitment Difficulty Easing:

Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012

- Recruitment difficulty in the PEA has eased over the last year
- Much of this is due to fewer employers reporting difficulty recruiting for higher skilled occupations

Occupations Difficult to Fill	
Bachelor Degree or Higher VET Qualifications	
Chefs	Early Childhood (Pre-primary School) Teachers*
Structural Steel and Welding Trades Workers*	Registered Nurses*
Sheetmetal Trades Workers*	Carpenters and Joiners
Accountants*	Electricians*
Child Carers*	
Lower skilled occupations	
Waiters	Receptionists*
Truck Drivers*	Sales Representatives

* These occupations were also reported as difficult to fill in the October 2011 survey

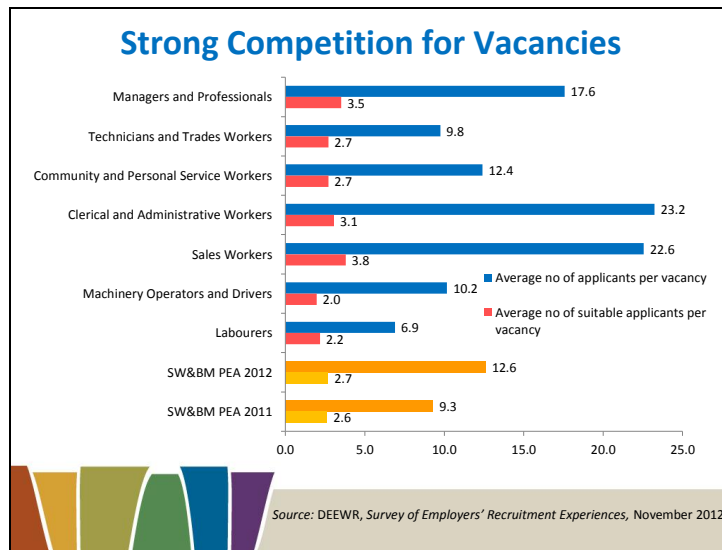


Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012

Occupations Difficult to Fill:

Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012

- The most commonly cited occupations included Chefs, Early Childhood (pre-Primary School) Teachers, Structural Steel and Welding Trades Workers, Waiters, Receptionists and Truck Drivers
- Most common reason for recruitment difficulty: hard to find people with necessary skills (60 per cent)



Strong Competition for Vacancies:

Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012

The average number of applicants per vacancy (12.6) was higher than the previous survey (9.3) and the average for all regions surveyed (8.2). Competition for vacancies was particularly high for Clerical and Administrative Workers and Machinery Operators and Drivers.

Reasons Applicants Unsuitable

- 79% of all applicants were considered unsuitable
- The most often cited reasons for applicant unsuitability were:
 - Insufficient experience
 - Insufficient qualifications or training
 - Employability skills are essential



Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012

Most Applicants Unsuitable:

Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012

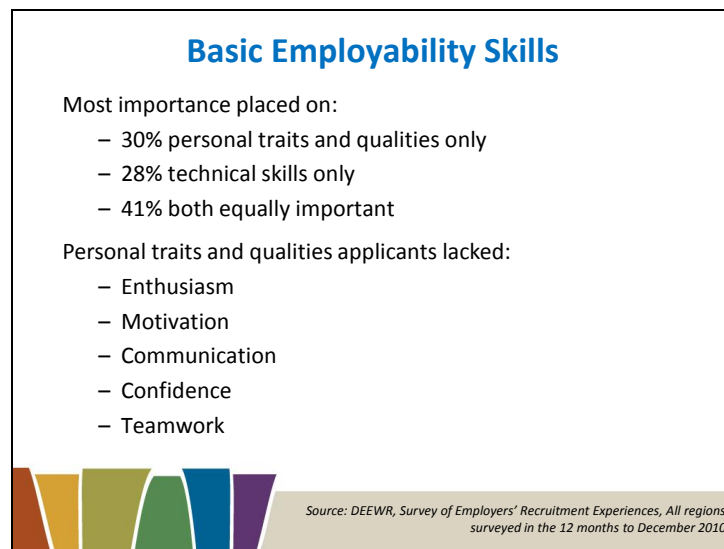
79% of all applicants were considered unsuitable

The most often cited reasons for applicant unsuitability were:

Insufficient experience (70%)

Insufficient qualifications or training (30%)

Job seekers should consider relevant work experience and training to increase chances of employment



Basic Employability Skills:

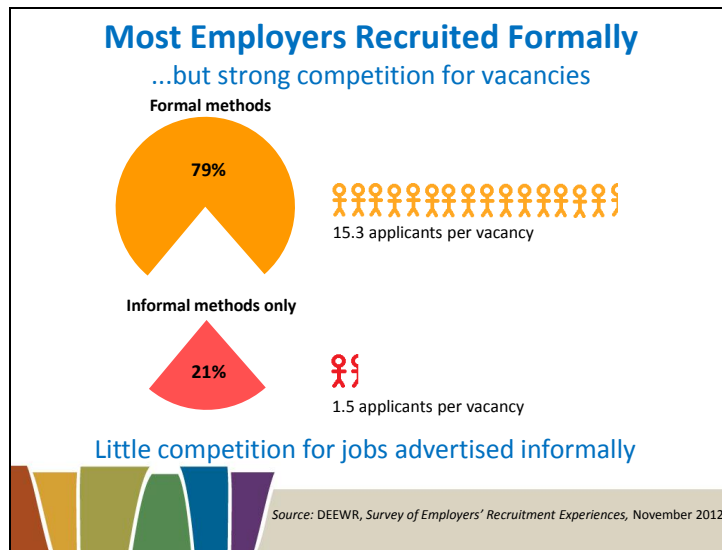
Source: DEEWR, Survey of Employers' Recruitment Experiences, All regions surveyed in the 12 months to December 2010

Most importance placed on:

- 30% personal traits and qualities only
- 28% technical skills only
- 41% both equally important

Personal traits and qualities applicants lacked:

- Enthusiasm
- Motivation
- Communication
- Confidence
- Teamwork



Most employers recruit formally:

Source: DEEWR, *Survey of Employers' Recruitment Experiences*, November 2012

Formal methods of recruitment include advertising online or in a newspaper.

- 79 per cent of employers surveyed used formal methods of recruitment, receiving an average of 15.3 applicants per vacancy
- By contrast, one in five (21 per cent) employers used informal methods only (word of mouth, approached by job seeker), receiving an average of just 1.5 applicants per vacancy
- Job seekers can increase their chances of employment by engaging these informal methods used by employers

Recruitment Expectations

- 41% expected to recruit in the 12 months following the survey, compared with 51% in October 2011
- Recruitment outlook highest in the Accommodation and Food Services and Health Care and Social Assistance industries
- Occupations employers expect to recruit for listed below:

Bachelor Degree or Higher VET Qualifications	
Carpenters and Joiners	Chefs
Early Childhood (pre-Primary School) Teachers	Sheetmetal Trades Workers
Registered Nurses	Cooks
Lower skilled occupations	
Waiters	Receptionists
Sales Assistants (General)	Storepersons
Café Workers	Nursing Support and Personal Care Workers

Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012


Recruitment Expectations Subdued:

Source: DEEWR, Survey of Employers' Recruitment Experiences, November 2012

- Survey results suggest a continuation of below-average recruitment activity
 - Just 41 per cent expect to recruit
 - Only one in five expect to increase staff numbers
- Recruitment outlook more favourable in Accommodation and Food Services and Health Care and Social Assistance industries, with around one third of businesses expecting to increase staff numbers

Conclusion

- Recruitment in the PEA subdued, although unemployment rate only slightly above Sydney's
- Considerable opportunities still exist
 - Part of the largest and most diverse labour market in Australia
 - Many occupations, mostly higher skilled, remain difficult to recruit for and in demand
 - High recruiting industries, including Health Care and Social Assistance & Accommodation and Food Services
- Challenges:
 - Lower educated, disengaged youth, long-term unemployed, jobless families, Indigenous
 - Underutilisation of skilled migrants
 - Employers not employing locally
- Job seekers need to be job ready
 - Training / apprenticeships, work experience
 - English proficiency
 - Employability skills a must!
- Stakeholders need to work together with Local Employment Coordinator: providers, educational institutions, employers, job seekers, Government at all levels



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A rectangular box containing the title 'Further Information' in blue, followed by six blue hyperlinks: www.deewr.gov.au/lmip, www.deewr.gov.au/SkillShortages, www.deewr.gov.au/regionalreports, www.deewr.gov.au/australianjobs, www.skillsinfo.gov.au, www.joboutlook.gov.au, and www.keepaustraliaworking.gov.au. At the bottom left of the box is a decorative graphic consisting of several overlapping, curved shapes in orange, yellow, green, blue, and purple, followed by a solid tan horizontal bar.

Further Information

More information on labour market conditions and other research on small areas can be found on these web sites.

A report on the survey findings for the Sydney West and Blue Mountains Priority Employment Area will be placed on the regional reports section of the DEEWR web site.

Thank you.



Australian Government
Department of Education, Employment and Workplace Relations

For any questions about this presentation please contact the

Regional and Industry Employer Surveys

Section on 1800 059 439 or email

recruitmentsurveys@deewr.gov.au

