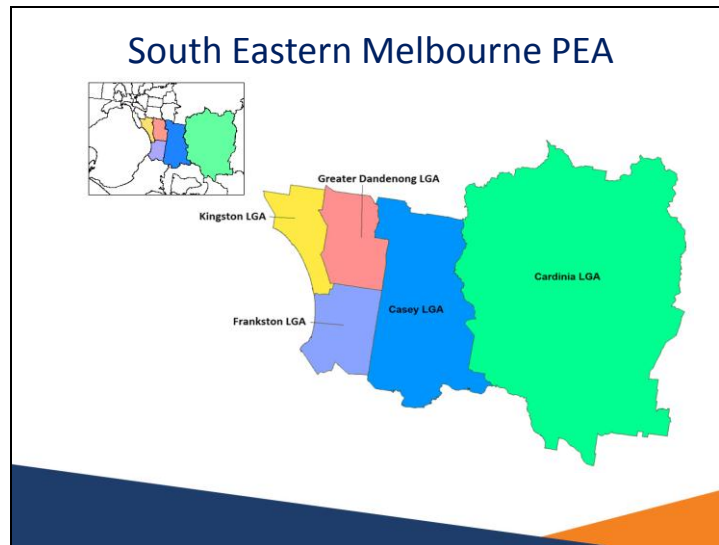


Slide 1



Overview of the South Eastern Melbourne Priority Employment Area

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



Map of South Eastern Melbourne Priority Employment Area

A survey of Employers' Recruitment Experiences in the South Eastern Melbourne Priority Employment Area (PEA) was conducted in August 2013.

Local Government Areas (LGAs)

The South Eastern Melbourne PEA comprises the five LGAs of Cardinia, Casey, Greater Dandenong, Frankston and Kingston.

Labour Force Regions (LFRs)

The PEA comprises:

- 100 per cent of the South Eastern Melbourne LFR
- 48 per cent of the Mornington Peninsula
- 35 per cent of the Southern Melbourne LFR

Snapshot of the South Eastern Melbourne PEA

Indicator	SE Melbourne PEA	VIC
Unemployment rate	7.0%	6.4%
Participation rate*	75.2%	75.6%
Residents from Other than Main English Speaking Countries*	31%	23%
Did not speak English well or at all*	5%	3%
Employed in Manufacturing	17%	11%
25-34 year olds who completed Year 12	74%	79%
Income support recipients*	17%	16%

* Proportions are for the Working Age Population (15 - 64 years old)

Source: ABS, Census of Population and Housing, 2011; ABS Labour Force, February 2014; Department of Employment, Small Area Labour Markets, December Quarter 2013; Department of Human Services administrative data (Department of Social Services Extract), December 2013; ABS, Estimated Resident Population, 2012

Snapshot of the South Eastern Melbourne PEA

Source: ABS, Census of Population and Housing, 2011; ABS Labour Force, February 2014; Department of Employment, Small Area Labour Markets, December Quarter 2013; Department of Human Services administrative data (Department of Social Services Extract), December 2013; ABS, Estimated Resident Population, 2012

Labour market conditions in the South Eastern Melbourne PEA are subdued, as indicated by a high unemployment rate (7.0 per cent) compared with Victoria (6.4 per cent). A number of characteristics of the PEA’s Working Age Population suggest its population is more disadvantaged in the labour market compared with Victoria overall.

Region	Adult Population (2011)	Adult Population Growth (2006 – 2011)	OTMESC proportion of working age population (2011)	Median Age (2011)
Cardinia LGA	56,800	32%	9%	34
Casey LGA	193,800	19%	33%	33
Frankston LGA	102,100	9%	12%	37
Greater Dandenong LGA	111,000	9%	64%	35
Kingston LGA	117,300	6%	25%	39
South Eastern Melbourne PEA	581,100	14%	31%	36
Victoria	4,355,200	9%	23%	37
Australia	17,363,700	9%	19%	37

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

Profile of the South Eastern Melbourne PEA

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

The adult population (15+ years) in the South Eastern Melbourne PEA has grown by a greater proportion from 2006 to 2011 compared with Victoria and Australia. The Cardinia LGA grew the most (32 per cent), followed by the Casey LGA (19 per cent).

Within the PEA, the Greater Dandenong LGA had the largest proportion of its Working Age Population born in an Other Than Main English Speaking Country (OTMESC) (64 per cent), followed by the Casey LGA (33 per cent). Both these proportions were well above the state and national proportions (23 per cent and 19 per cent respectively).

Variable labour market conditions across the PEA

Region	December 2013	Annual Change	Participation Rate 2011
Cardinia LGA	5.8%	0.3% pts	78.5%
Casey LGA	5.8%	0.0% pts	75.7%
Frankston LGA	7.3%	0.7% pts	77.2%
Greater Dandenong LGA	9.1%	0.0% pts	66.8%
Kingston LGA	7.4%	0.5% pts	78.9%
South Eastern Melbourne PEA	7.0%	0.3% pts	75.2%
Victoria	6.4%*	0.9% pts	75.6%

*February 2014 unemployment rate (seasonally adjusted)

Source: Department of Employment, Small Area Labour Markets, December 2013 (smoothed); ABS Labour Force, February 2014 (seasonally adjusted); ABS, Census of Population and Housing, 2011

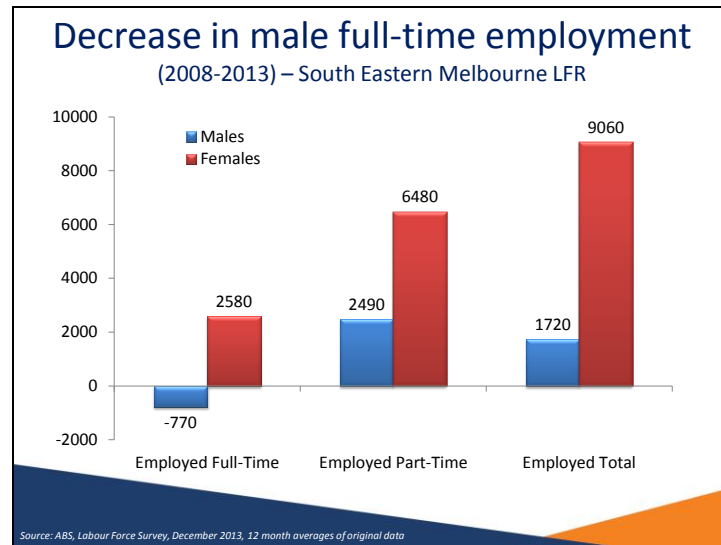
Variable labour market conditions across the PEA

Source: Department of Employment Small Area Labour Markets, December 2013 (smoothed); ABS Labour Force, February 2014 (seasonally adjusted); ABS, Census of Population and Housing, 2011

The South Eastern Melbourne PEA unemployment rate has increased by 0.3 percentage points, lower compared with Victoria (0.9 percentage points).

Within the PEA, high unemployment rates were experienced by the Greater Dandenong (9.1 per cent), Kingston (7.4 per cent) and Frankston (7.3 per cent) LGAs. From December 2012 to December 2013, the Frankston LGA experienced the largest percentage point increase in unemployment rate (0.7 per cent).

Slide 6

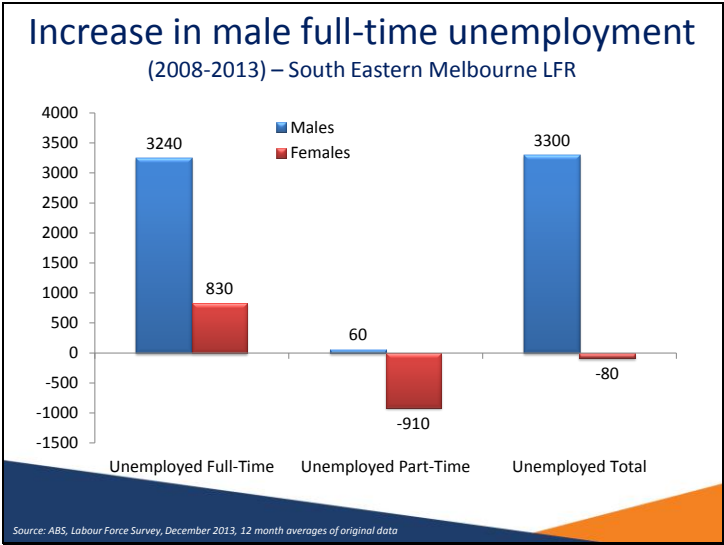


Decrease in male full-time employment (2008-2013) – South Eastern Melbourne LFR

Source: ABS, Labour Force Survey, December 2013, 12 month averages of original data

In the South Eastern Melbourne LFR, the number of males employed full-time decreased by 770 from 2008 to 2013. However, the number employed part-time increased by 2490.

The change in the total number of females employed increased by 9060, much higher compared with the increase in the number of employed males (1720).



Increase in male full-time unemployment (2008-2013) – South Eastern Melbourne LFR

Source: ABS, Labour Force Survey, December 2013, 12 month averages of original data

The number of males unemployed increased by 3,300 from 2008 to 2013 in the South Eastern Melbourne LFR. The number of women unemployed decreased by 80 from 2008 to 2013.

**Mature age unemployment rate lower but
average duration of unemployment longer
Victoria**

Age group	Unemployment rate	Average duration of unemployment (weeks)
15-44 years	7.2%	27
45 years +	4.0%	54

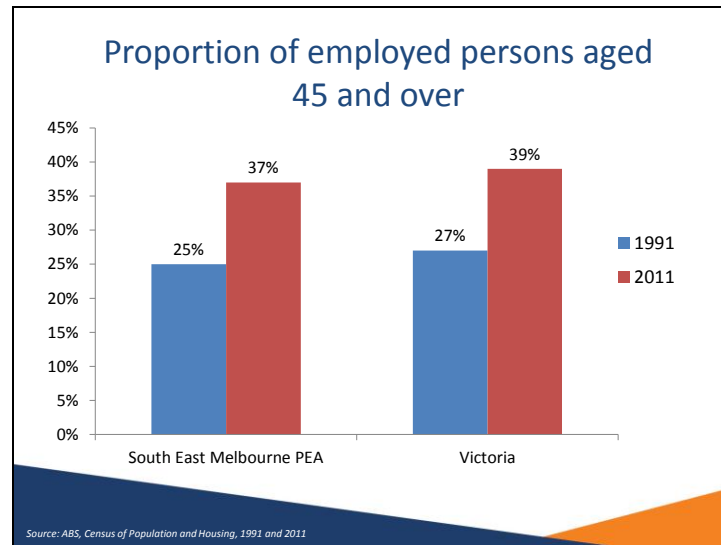
Source: ABS, Labour Force Survey, February 2014, 12 month averages of original data

Duration of unemployment by age group - Victoria

Source: ABS, Labour Force Survey, February 2014, 12 month averages of original data

While the unemployment rate for persons aged 45 years and over is lower compared with 15 to 44 year olds, the average duration of unemployment is far greater. This highlights the difficulty that mature age job seekers have re-entering the workforce.

Slide 9

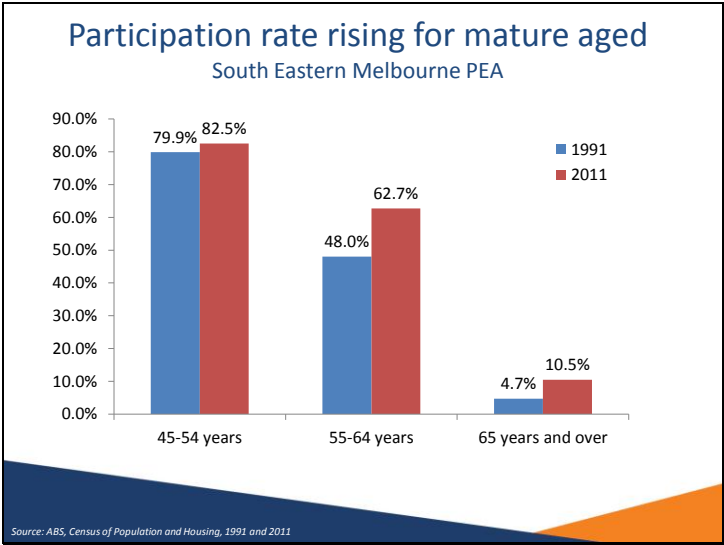


Proportion of employed persons aged 45 and over, 1991 and 2011

Source: ABS, Census of Population and Housing, 1991 and 2011

From 1991 to 2011, the proportion of workers aged 45 years and over increased dramatically.

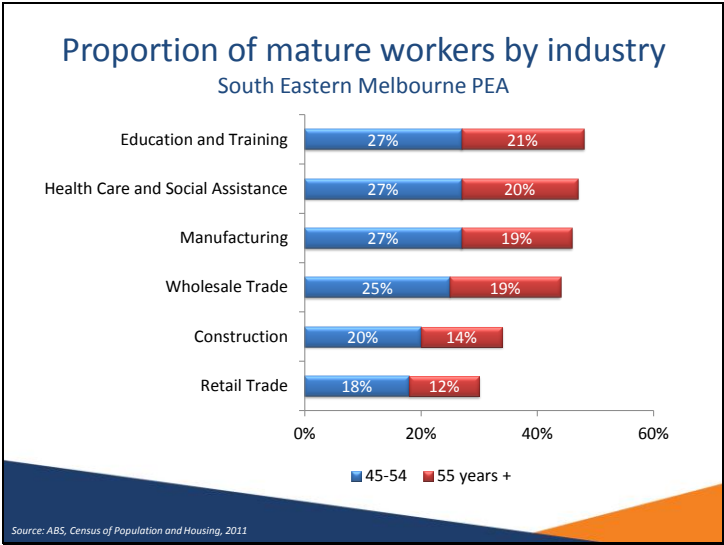
In 1991, 25 per cent of workers were aged 45 years and over in the South Eastern Melbourne PEA. Twenty years later in 2011, 37 per cent of workers in the region were mature age.



Participation rate rising for mature aged - South Eastern Melbourne PEA, 1991 and 2011

Source: ABS, Census of Population and Housing, 1991 and 2011

From 1991 to 2011, labour market participation increased the most for workers aged 55 years and over.



Proportion of mature workers by industry - South Eastern Melbourne PEA

Source: ABS, Census of Population and Housing, 2011

Of the largest employing industries in the South Eastern Melbourne PEA, those with the largest proportions of mature aged workers included the Education and Training, Health Care and Social Assistance and Manufacturing industries.

Higher rates of income support in the Greater Dandenong and Frankston LGAs

Region	Proportion of Working Age Population		
	Income Support Allowance	Unemployment Allowance	Disability Support Allowance
Cardinia LGA	15%	5%	4%
Casey LGA	16%	5%	5%
Frankston LGA	20%	7%	7%
Greater Dandenong LGA	25%	9%	7%
Kingston LGA	12%	4%	4%
South Eastern Melbourne PEA	17%	6%	5%
Victoria	16%	5%	5%

Source: Department of Human Services administrative data (Department of Social Services Extract), December 2013; ABS, Estimated Residential Population, 2012

Higher rates of income support in the Greater Dandenong and Frankston LGAs

Source: Department of Human Services administrative data (Department of Social Services Extract), December 2013; ABS, Estimated Residential Population, 2012

While the proportion of people on income support in the South Eastern Melbourne PEA was similar to the proportion in Victoria, the Frankston and Greater Dandenong LGAs had particularly large proportions of people on income support (20 per cent and 25 per cent respectively).

Many children are in jobless families
children aged less than 15 years in households where neither parent is working

Region	Number of children in jobless families	% of children in jobless families
Cardinia LGA	2,000	11%
Casey LGA	9,200	14%
Frankston LGA	4,100	15%
Greater Dandenong LGA	7,100	26%
Kingston LGA	2,100	8%
South Eastern Melbourne PEA	24,500	15%
Victoria	145,000	13%

Source: ABS Census of Population and Housing, 2011

Many children are in families where neither parent is employed – children aged less than 15 years

Source: ABS Census of Population and Housing, 2011

Jobless families are families where parents are not employed or in the labour force with children under 15 years of age (*ABS 2006 Census of Population and Housing*).

Some 15 per cent of children under the age of 15 in the South Eastern Melbourne PEA did not have an employed parent, similar to the figure for Victoria (13 per cent).

Increase in Year 12 completion
persons aged 25-34 years

Region	% completed Year 12		% Attained Advanced Diploma, Diploma or Certificate III & IV	% attained Bachelor Degree or higher
	2006	2011		
Cardinia LGA	55%	64%	40%	19%
Casey LGA	63%	72%	35%	25%
Frankston LGA	59%	67%	38%	22%
Greater Dandenong LGA	67%	78%	28%	30%
Kingston LGA	78%	84%	30%	41%
South Eastern Melbourne PEA	65%	74%	34%	28%
Victoria	73%	79%	29%	40%
Australia	69%	75%	30%	35%

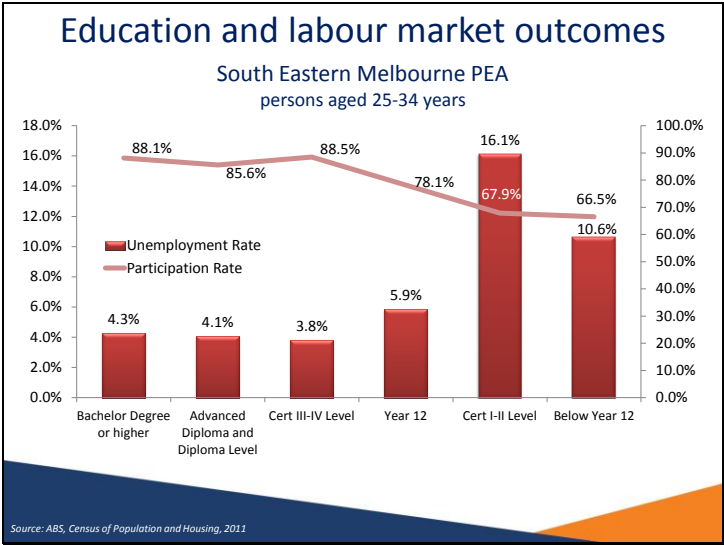
Source: ABS, Census of Population and Housing, 2011 and 2006

Increase in Year 12 completion - persons aged 25-34 years

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

The proportion of Year 12 completion for the South Eastern Melbourne PEA (74 per cent) was lower than the state proportion (79 per cent), but about the same as the national rate (75 per cent). However, there was an increase since the 2006 census (65 per cent).

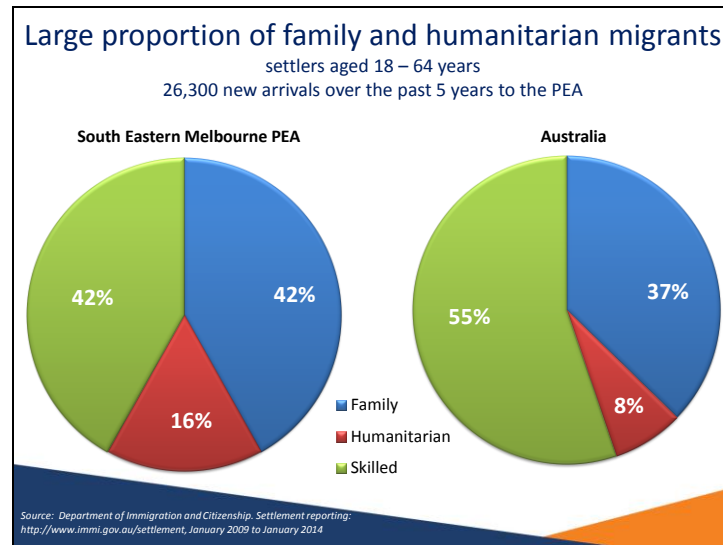
The Cardinia LGA had a particularly low proportion of Year 12 completion (64 per cent), whereas the Kingston LGA had the highest rate in the PEA (84 per cent).



Education and labour market outcomes – South Eastern Melbourne PEA - persons aged 25-34 years

Source: ABS, Census of Population and Housing, 2011

There is a strong relationship between educational attainment and employment outcomes. For those aged 25 to 34 years in the South Eastern Melbourne PEA, there were high unemployment rates for those who had completed Certificate I and II but not Year 12 (16.1 per cent) and those who had not completed Year 12 and had no further post school qualification (10.6 per cent).

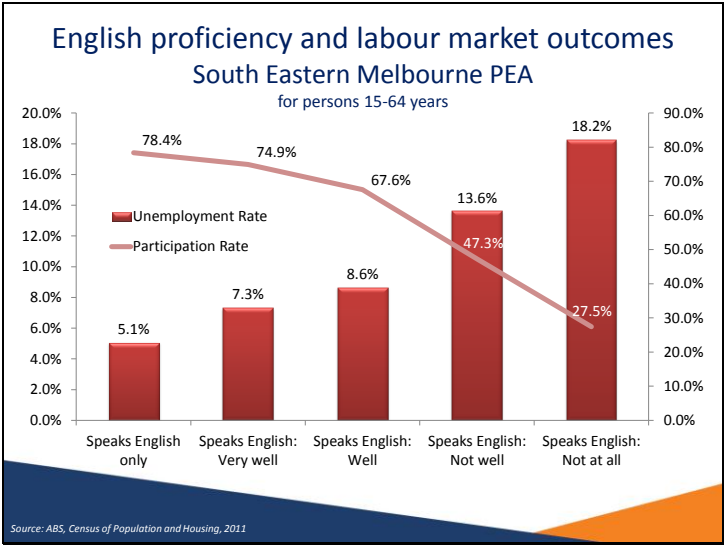


Large proportion of family and humanitarian migrants (settlers aged 18 – 64 years)

Source: Department of Immigration and Citizenship. Settlement reporting:
<http://www.immi.gov.au/settlement>, January 2009 to January 2014

The proportion of skilled migrants aged 18 to 64 who have migrated to the PEA over the past five years is much lower compared with the proportion of skilled migrants who migrated to Australia.

The South Eastern Melbourne PEA has a greater proportion of migrants arriving for family and humanitarian reasons compared with Australia.

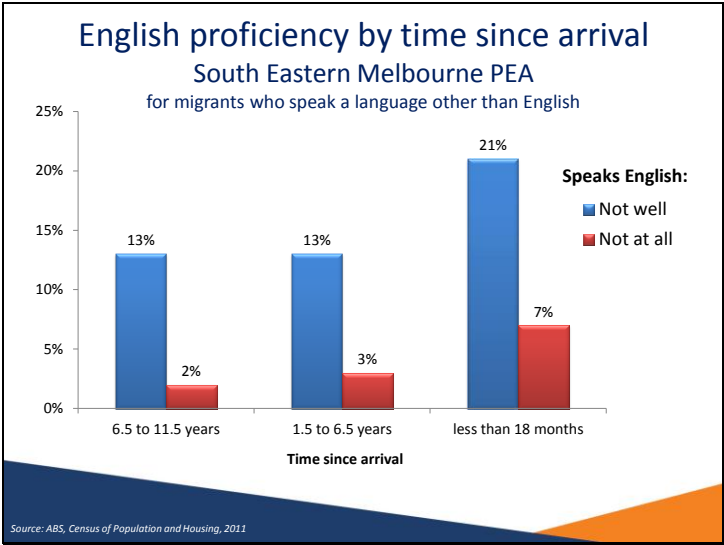


English proficiency and labour market outcomes – South Eastern Melbourne PEA - for persons 15-64 years

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, people in the South Eastern Melbourne PEA with lower levels of English proficiency were less likely to be successful in the labour market.

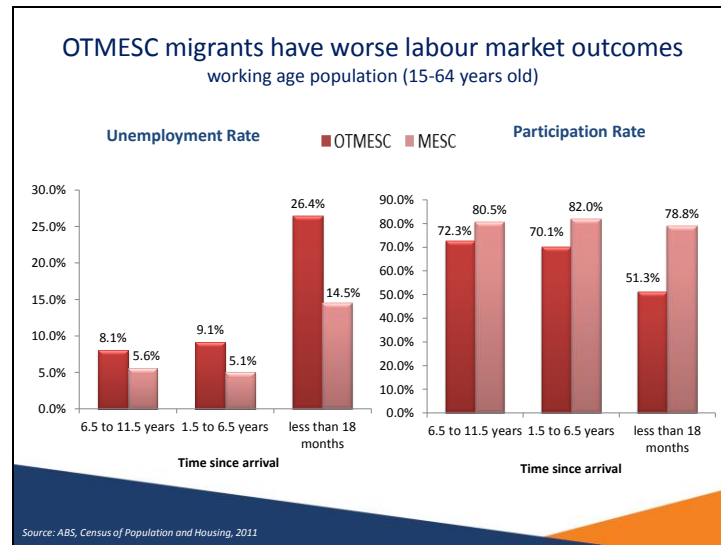
The unemployment rate for people who did not speak English well was 13.6 per cent, while those who did not speak English at all had an unemployment rate of 18.2 per cent.



English Proficiency by Time since Arrival – South Eastern Melbourne PEA

Source: ABS, Census of Population and Housing, 2011

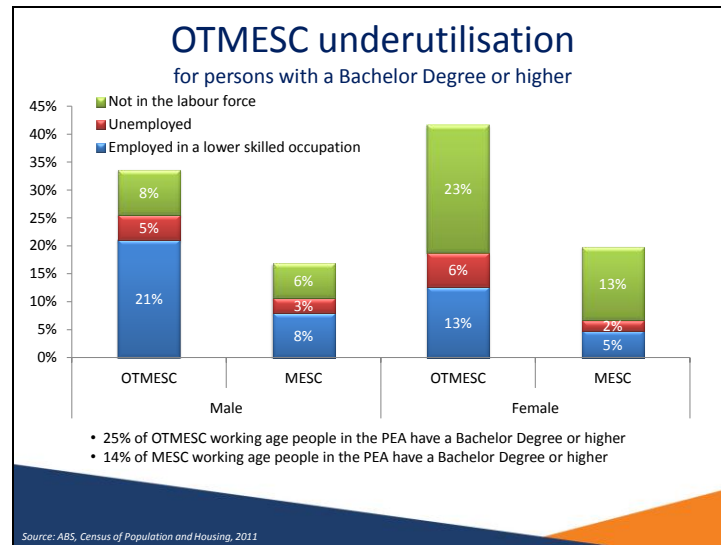
At the time of the 2011 Census, migrants who had been in Australia less than 18 months were more likely to not speak English well or at all, compared with migrants who had been in Australia more than 18 months.



OTMESC migrants have worse labour market outcomes – working age population (15 – 64 years old)

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 census, the participation rate for recently arrived OTMESC migrants was low (51.3 per cent), but much higher for OTMESC migrants who had been in Australia for a few years (70.1 per cent). Comparatively, the participation rate for MESC migrants was high for both recent arrivals and those who had been in Australia for a few years, suggesting that MESC migrants enter the workforce sooner than OTMESC migrants.

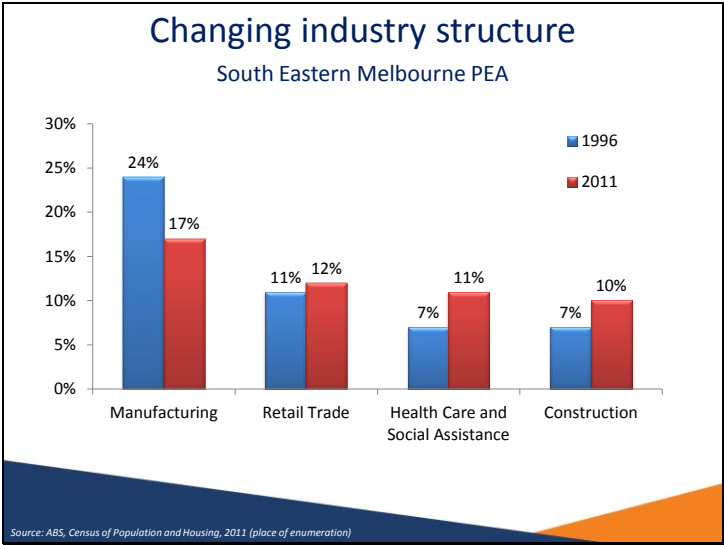


OTMESC underutilisation- for persons with a Bachelor Degree or higher

Source: ABS, Census of Population and Housing, 2011

Overall, a quarter of the working age population in the South Eastern Melbourne PEA born in an OTMESC had obtained a Bachelor Degree or higher qualification according to the 2011 Census. This compared with 14 per cent for the MESC population.

Of the people with a Bachelor Degree or higher, those born in an OTMESC were more likely to be unemployed, not in the labour force (NILF) or employed in a lower skilled occupation than those born in a MESC. This was true of both males and females.



Industry structure – South Eastern Melbourne PEA

Source: ABS, Census of Population and Housing, 2011 (place of enumeration)

Between the 1996 Census and the 2011 Census, the manufacturing industry, as a proportion of all industries, decreased from 24 per cent in 1996 to 17 per cent in 2011.

The Health Care and Social Assistance industry increased from 7 per cent to 11 per cent and Construction increased from 7 per cent to 10 per cent.

What are employers telling us?

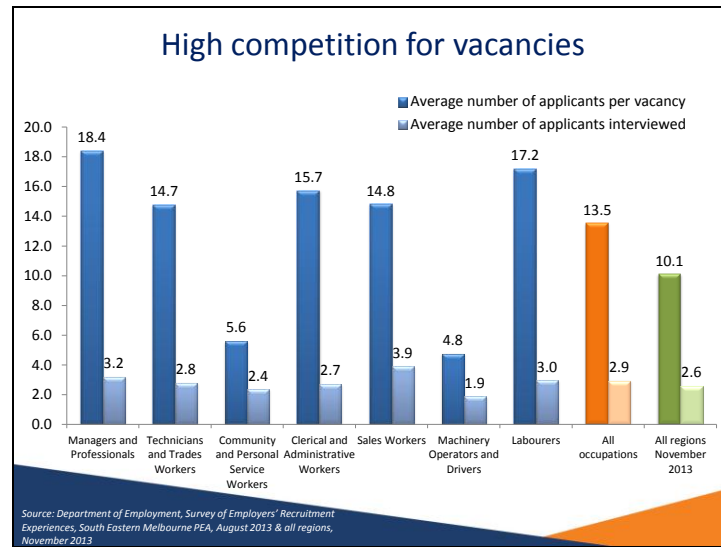
- Many applicants for vacancies
- Most applicants don't get an interview
- Experience is important
- Employability skills also vital

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

What are employers telling us?

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

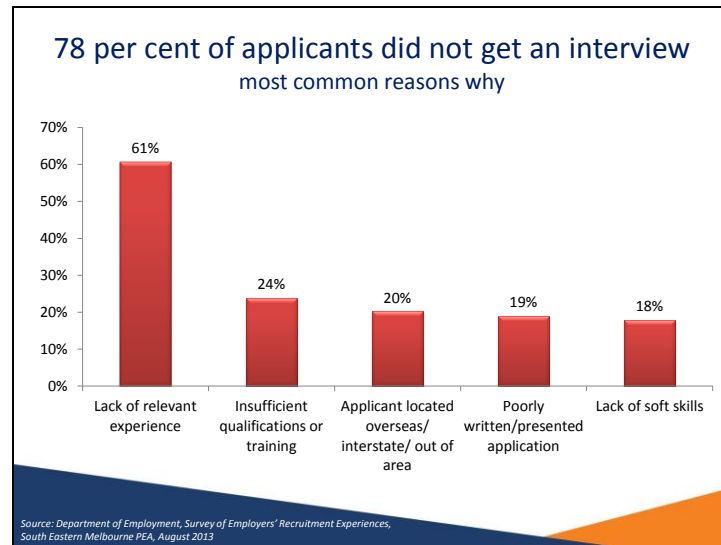
- Many applicants for vacancies
- Most applicants don't get an interview
- Experience is important
- Employability skills also vital



High competition for vacancies

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013 & all regions, November 2013

Competition for vacancies was very high across most occupations in the South Eastern Melbourne PEA. Competition was particularly high for Managers and Professionals (18.4 applicants per vacancy), Labourers (17.2), Clerical and Administrative Workers (15.7), Sales Workers (14.8) and Technicians and Trades Workers (14.7).



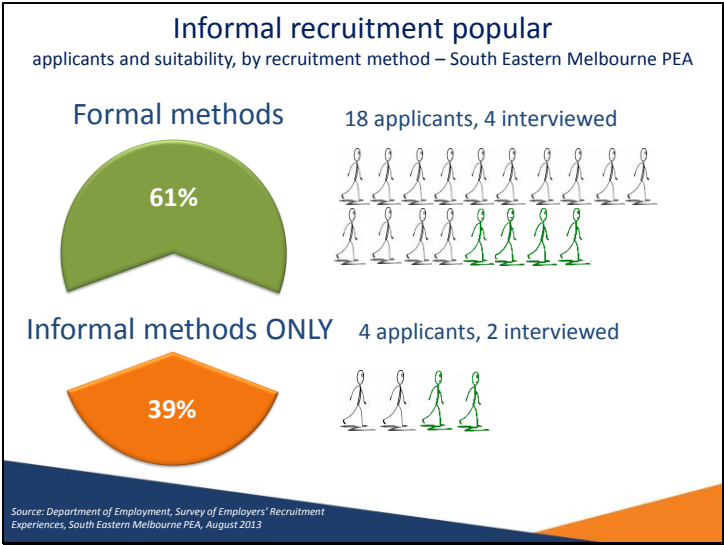
78 per cent of applicants did not get an interview - most common reasons why

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

The majority of applicants (78 per cent) were regarded by employers as unsuitable in the South Eastern Melbourne PEA.

Reasons applicants were considered unsuitable included:

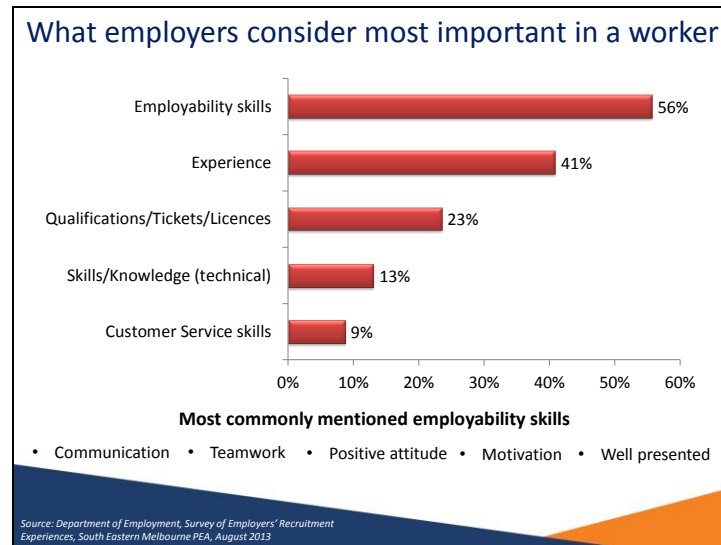
- Lack of relevant experience (61 per cent)
- Insufficient qualifications or training (24 per cent)
- Applicant located overseas/interstate/out of area (20 per cent)
- Poorly written/presented application (19 per cent)
- Lack of soft skills (18 per cent)



Informal recruitment popular

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

A large proportion of businesses in the South Eastern Melbourne PEA opted to only use informal methods of recruitment, such as word of mouth, to fill their vacancies. On average, informally advertised jobs have significantly less applicants than formally advertised jobs.



What employers consider most important in a worker

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

Combined survey results from the South Eastern Melbourne PEA in August 2013 showed that employers most commonly considered essential in a worker:

- Employability skills (56 per cent)
- Experience (41 per cent)
- Qualifications/Tickets/Licences (23 per cent)
- Skills (Technical/Job Specific) (13 per cent)
- Customer Service skills (9 per cent)

Most commonly mentioned employability skills were:

- Communication
- Teamwork
- Positive attitude
- Motivation
- Well presented



Recruitment expectations (in the 12 months following the survey) – South Eastern Melbourne PEA

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

Recruitment expectations for the 12 months following the survey have softened since the PEA was last surveyed in April 2012:

- 31 per cent of employers expected to recruit, down from 46 per cent in the previous survey.
- 18 per cent of employers expected to increase staff numbers, down from 25 per cent in the previous survey.
- 8 per cent of employers expected to reduce staff numbers, compared with 7 per cent in the previous survey.

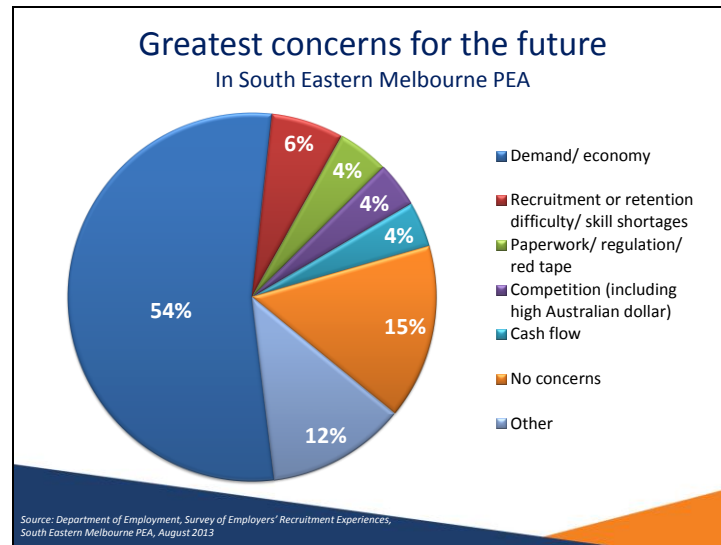


Occupations employers commonly expect to recruit (in the 12 months following the survey)

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

This slide shows the vacancies that employers most commonly expected to recruit for in the South Eastern Melbourne PEA in the 12 months following the survey.

Sales Assistants (General)
General Clerks
Waiters
Sales Representatives
Child Carers
Checkout Operators and Office Cashiers
Registered Nurses
Metal Fitters and Machinists
Cooks
Storepersons



Greatest concerns for the future (in the 12 months following the survey)

Source: Department of Employment, Survey of Employers' Recruitment Experiences, South Eastern Melbourne PEA, August 2013

Over half of responding employers (54 per cent) reported that Demand or the Economy was their greatest future concern. This was followed by Recruitment or Retention Difficulty (6 per cent). Some 15 per cent of employers reported no greatest future concern.

Conclusion

Labour market conditions in the South Eastern Melbourne PEA are subdued

- Unemployment rate above state and national rates
- Male full-time employment declining
- Job applicant numbers increasing

Challenges for the region

- Disengaged groups: jobless families, less educated, recently arrived migrants, people with low levels of English proficiency
- Underutilisation of migrants
- Transition from Manufacturing to the services sector

Opportunities

- Growth industries (Health Care and Social Assistance)
- Improved opportunities for job seekers who tap into informal labour market
- Employers expect to recruit for a range of occupations

Job seekers need to be job ready

- Work experience / training / well presented application
- English proficiency
- Employability skills

Collaborate with key stakeholders, employers and Local Employment Co-ordinator

Conclusion

Labour market conditions in the South Eastern Melbourne PEA are subdued

- Unemployment rate above state and national rates
- Male full-time employment declining
- Job applicant numbers increasing

Challenges for the region

- Disengaged groups: jobless families, less educated, recently arrived migrants, people with low levels of English proficiency
- Underutilisation of migrants
- Transition from Manufacturing to the services sector

Opportunities

- Growth industries (Health Care and Social Assistance)
- Improved opportunities for job seekers who tap into informal labour market
- Employers expect to recruit for a range of occupations

Job seekers need to be job ready

- Work experience / training / well presented application
- English proficiency
- Employability skills

Collaborate with key stakeholders, employers and Local Employment Co-ordinator

Further information

www.employment.gov.au/lmip

www.employment.gov.au/SkillShortages

www.employment.gov.au/regionalreports

www.employment.gov.au/australianjobs

www.joboutlook.gov.au

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 South Eastern Melbourne PEA is available on the regional reports section of the Department of Employment web site.

Thank you.

Slide 32



Australian Government
Department of Employment

If you have any questions about the presentation please contact the Recruitment Analysis and Employer Surveys sections on [1800 059 439](tel:1800059439) or email recruitmentsurveys@employment.gov.au



If you have any questions about the presentation please contact the Recruitment Analysis and Employer Surveys sections on [1800 059 439](tel:1800059439) or email recruitmentsurveys@employment.gov.au

