

# Survey of Employers’ Recruitment Experiences

# Sturt Employment Service Area

## August 2012

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This report was prepared by the Labour Market Research and Analysis Branch and is based on research conducted by the Branch.

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# Report Summary

Recruitment activity in the Sturt Employment Service Area (ESA) was subdued, with a lower proportion of employers recruiting in the year before the survey compared with all regions surveyed in the 12 months to September 2012.

Demand for labour had weakened since the region was last surveyed in April 2011, with a lower proportion of vacancies remaining unfilled. The supply of labour had also decreased, with fewer applicants per vacancy compared with the previous survey. Employers’ outlook was cautious with a low proportion expecting to recruit and a high proportion expecting challenges following the survey.

# The Sturt Employment Service Area

* The Sturt Employment Service Area (ESA) is located in Southern New South Wales and forms part of the Riverina agricultural region. It includes the Local Government Areas (LGAs) of Berrigan, Carrathool, Conargo, Deniliquin, Griffith, Hay, Jerilderie, Leeton, Murrumbidgee, and Wakool.
* There are 53,436 people aged 15 or over in the region the majority of whom reside in the Griffith LGA.[[1]](#footnote-1)
* The unemployment rate in the Sturt ESA was 5.8 per cent in June 2012, higher compared with 5.2 per cent for both NSW and Australia. The Leeton and Berrigan LGAs had the highest unemployment rates (7.0 per cent and 6.8 per cent respectively). [[2]](#footnote-2)
* The major employing industries in the Sturt ESA are Agriculture, Forestry and Fishing
(19 per cent of workers) and Manufacturing (13 per cent of workers).[[3]](#footnote-3)
* The proportion of 25 to 34 year olds who had completed Year 12 in the Sturt ESA (56 per cent) is substantially lower compared with New South Wales and Australia (both 75 per cent).[[4]](#footnote-4)
* The average number of employees in businesses in the ESA (12) was low compared with all regions surveyed to September 2012 (24).

# Survey of Employers’ Recruitment Experiences

The department conducted a *Survey of Employers’ Recruitment Experiences* in the Sturt Employment Service Area (ESA), New South Wales, in August 2012. In total, 326 employers were surveyed, of whom 170 had recruited in the previous 12 months. The Sturt ESA was previously surveyed in April 2011.

# Recruitment Experiences

* Around half of the employers surveyed had recruited in the year before the survey, substantially lower compared with all regions surveyed in the 12 months to September 2012 (63 per cent).
* The proportion of vacancies remaining unfilled (5.3 per cent) was lower compared with 7.1 per cent in the previous survey.

## Table 1: Recruitment experiences in the 12 months preceding the survey

| Key Indicators | Sturt ESA August 2012 | Sturt ESA April 2011 | All Regions Surveyed12 Months to September 2012 |
| --- | --- | --- | --- |
| **Employers who recruited** | 52% | 61% | 63% |
| * **to increase staff**
 | 48% | 47% | 46% |
| * **to replace staff**
 | 81% | 83% | 85% |
| **Vacancies per 100 staff**  | 16 | 17 | 18 |
| **Proportion of vacancies unfilled** | 5.3% | 7.1% | 5.5% |
| **Employers who experienced difficulty** | 55% | 58% | 53% |

* The proportion of unfilled vacancies in employers most recent recruitment rounds was largest for Machinery Operators and Drivers (21.4 per cent) and Technicians and Trades Workers (20.0 per cent)(see Figure 1).
* While the proportion of employers who experienced difficulty recruiting for their most recent vacancy was only slightly higher than all regions surveyed (46 per cent compared with 41 per cent), a high proportion had difficulty recruiting for Machinery Operators and Drivers (82 per cent) and Technicians and Trades Workers (63 per cent).
	+ The most common reasons for recruitment difficulty were location (29 per cent), the tight labour market (29 per cent) and finding staff who met the technical skill requirements of the job (27 per cent).

## Figure 1: Unfilled vacancies by occupation – most recent recruitment

* Employers reported recruitment difficulty for a range of occupations (Table 2).

## Table 2: Difficult occupations by skill level

|  |
| --- |
| Bachelor Degree or Higher VET Qualifications |
| Motor Mechanics | Panel Beaters |
| Structural Steel and Welding | Chefs |
| Electronic Trades Workers | Early Childhood Teachers |
| Registered Nurses |
| Other Occupations |
| Sales Assistants | Housekeepers |
| Bar Attendants and Baristas | Truck Drivers |
| Automobile Drivers |

* The survey included a module to determine the impact of the floods in March 2012 on staffing levels. Some 52 per cent of employers reported being impacted by the floods.
	+ Of these employers 41 per cent had their staffing levels impacted through staff not being able to come to work (33 per cent) and staff hours having to be reduced (24 per cent).
	+ One quarter of those employers whose staffing levels were impacted by the floods reported that staffing levels were still being affected at the time of the survey.
* Employers were less likely to use formal recruitment methods in the region (49 per cent compared with 67 per cent for all regions surveyed). Word of mouth was used by almost half of all employers in their most recent recruitment rounds.
* Some 11 per cent of employers used a Job Services Australia provider in the 12 months preceding the survey and 83 per cent were satisfied with the service.

# Applicants and Suitability

* Competition for vacancies in the region was low with employers reporting an average of only 4.1 applicants per vacancy and 1.4 suitable applicants per vacancy.

## Figure 2: Competition for vacancies by occupation

* The most common reasons applicants were considered unsuitable were employability skills and personal characteristics (44 per cent)[[5]](#footnote-5), insufficient experience (43 per cent), and insufficient qualifications and training (33 per cent).

# Future Recruitment Expectations

* Future recruitment expectations had softened since the region was last surveyed. Some 36 per cent of employers expected to recruit following the survey and 19 per cent of employers expected to increase staff, lower compared with 44 per cent and 29 per cent respectively in the April 2011 survey.

## Table 3: Future recruitment expectations

|  |  |  |  |
| --- | --- | --- | --- |
| **Key Indicator** | Sturt ESAAugust 2012 | Sturt ESAApril 2011 | All Regions Surveyed12 Months to September 2012 |
| **Will recruit**  | 36% | 44% | 47% |
| **Expect to increase staff** | 19% | 29% | 25% |
| **Expect to reduce staff** | 4% | 1% | 4% |
| **Expect difficulty** | 53% | 54% | 43% |

* A higher proportion of employers, however, expected to recruit in the Health Care and Social Assistance (65 per cent) and Manufacturing (41 per cent) industries.
* The 68 per cent of employers who expected challenges in the year ahead (compared with 58 per cent across all regions) most frequently mentioned business regulations (50 per cent) and reduced business activity (31 per cent) as expected challenges.
* Employers expected to recruit for a range of higher skilled occupations in the 12 months following the survey including Electronic Trades Workers, Motor Mechanics, Structural Steel and Welding Trades Workers, Cabinetmakers and Chefs.

# Opportunities for Job Seekers

* Employers expected to recruit for a range of occupations in the year following the survey including a number of entry-level occupations such as Sales Assistants (General), Crop Farm Workers and Housekeepers.
* There may also be opportunities in occupations for which employers experienced recruitment difficulty and a high proportion of unfilled vacancies, particularly Technicians and Trades Workers (Motor Mechanics, Panel Beaters and Structural Steel and Welding Workers) and Machinery Operators and Drivers (Truck Divers).
* Opportunities may exist in the Health Care and Social Assistance and Manufacturing industries where a large proportion of employers expected to recruit.
* One of the main reasons applicants were considered unsuitable for vacancies was a lack of experience. Support for work experience and work readiness programs could provide job seekers with the experience and skills that employers are seeking.

# More Information

* **Labour Market Information Portal**

[**www.deewr.gov.au/lmip**](http://www.deewr.gov.au/lmip)

* **Skill Shortages**

**www.deewr.gov.au/skillshortages**

* **Survey of Employers’ Recruitment Experiences**

[**www.deewr.gov.au/regionalreports**](http://www.deewr.gov.au/regionalreports)

* **Australian Jobs 2012**

**www.deewr.gov.au/AustralianJobs**

* **Job Outlook**

[**www.joboutlook.gov.au**](http://www.joboutlook.gov.au)

* **SkillsInfo**

[**www.skillsinfo.gov.au**](http://www.skillsinfo.gov.au)



1. ABS Estimated Resident Population 2011. [↑](#footnote-ref-1)
2. DEEWR, Small Area Labour Markets June Quarter 2012. [↑](#footnote-ref-2)
3. ABS Census of Population and Housing 2011 [↑](#footnote-ref-3)
4. ibid [↑](#footnote-ref-4)
5. Lack of soft skills, applicant personality did not fit with the organisation or not interested in the work. [↑](#footnote-ref-5)