Australian Government
Department of Education, Employment and Workplace Relations

Survey of Employers' Recruitment Experiences

Logan Local Government Area

February 2013

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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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The Logan Local Government Area

The Logan Local Government Area (LGA) forms part of the Ipswich-Logan Priority Employment Area (PEA). It is one of 10 LGAs identified in the 2011-2012 Budget to receive funding for measures to address disadvantage through the *Better Futures Local Solutions initiative*. [1]

- In 2011, the adult population of the LGA was 149,147.[2]
- The unemployment rate in the LGA has been consistently high. Despite decreasing from 8.1 per cent in the December quarter 2011 to 7.6 per cent in the December quarter 2012, unemployment is still high compared with both Queensland and Australia (5.6 per cent and 5.5 per cent respectively). [3]
- There is a large disparity in labour market conditions in the LGA, with persistently high rates of unemployment in Woodridge (18.1 per cent), Kingston (18.0 per cent), Marsden (11.7 per cent) and Loganlea (10.9 per cent).[4]
- Indicators of disadvantage are particularly evident in the Kingston, Marsden and Woodridge SLAs:

	Kingston	Marsden	Woodridge	Logan LGA	Queensland
% completed Year 12 (25-34 yrs)	58%	60%	60%	69%	74%
% families who are jobless (with children under 15)	38%	24%	40%	20%	14%
% receiving an income support payment (15-64 yrs)	36%	27%	35%	21%	17%

Source: ABS Census of Population and Housing 2011 (2006 LGA boundaries), ABS Estimated Resident Population 2011, DEEWR Administrative Data March 2013

- The main employing industries in the Logan LGA at the time of the 2011 Census were Retail Trade, Health Care and Social Assistance, Manufacturing and Education and Training.[5]
- The department conducted a survey of employers' recruitment experiences in the Ipswich-Logan PEA in February 2013, collecting responses from 379 employers, including 230 from the Logan LGA. The region was previously surveyed in January 2012.

[1] The Ipswich-Logan PEA was created prior to recent boundary changes to LGAs. Most notably, the survey excluded the Beaudesert LGA and the area around Beenleigh, which recently merged with the Logan LGA. The data in this report refers to the current Logan LGA boundaries in some instances.

[2] ABS Estimated Resident Population 2011

[3] DEEWR Small Area Labour Markets, December 2012 (Ipswich-Logan PEA); ABS Labour Force, April 2013 (Queensland and Australia) (seasonally adjusted data)

[4] DEEWR Small Area Labour Markets, December 2012

[5] ABS Census of Population and Housing, 2011 (place of work, 2011 LGA boundaries)

Key Findings

Overall, labour market conditions in the Logan LGA remain subdued. The survey results show that recruitment activity remains soft, and has weakened since the previous survey. There were fewer recruiting employers, unfilled vacancies, lower recruitment difficulty, and strong competition for limited vacancies.

Key Indicators (previous 12 months)	Recruiting employers	Unfilled vacancies	Recruitment difficulty
February 2013	**51%**	**3.2%**	**43%**
January 2012	60%	5.0%	51%
All PEAs surveyed (12 months to March 2013)	60%	4.5%	48%

- Competition for vacancies has increased significantly to an average of 19.1 applicants per vacancy, compared with 14.4 in the previous survey. While employers found more applicants suitable (3.9) compared with January 2012 (3.1), the average number was low as a proportion of total applicants.
- These findings are consistent with a softer labour market, suggesting employers who recruited have a large pool of applicants from which to choose, and may not need to employ applicants without relevant skills or experience.

Recruitment activity subdued in key industries

- Employment in the Retail Trade and Manufacturing industries, two of the largest employing industries in the LGA, decreased by 4 per cent and 11 per cent respectively between 2006 and 2011.[6]

Key Indicators	Recruited (previous 12 months)	Unfilled vacancies (previous 12 months)	Recruitment difficulty (previous 12 months)	Expect to recruit (next 12 months)
Retail Trade (February 2013)	**47%**	**1.6%**	**27%**	**45%**
Change since previous survey (2012)	**-20% pts.**	**1.1% pts.**	**4% pts.**	**-17% pts.**
Manufacturing (February 2013)	**51%**	**3.2%**	**29%**	**34%**
Change since previous survey (2012)	**-1% pts.**	**-2.0% pts.**	**-39% pts.**	**-11% pts.**

- Recruitment activity in the Retail Trade industry has become more subdued since the region was previously surveyed, with a substantial decrease in the proportion of recruiting employers, and only small increases in the proportion of unfilled vacancies and employers reporting recruitment difficulty.

[6] ABS Census of Population and Housing, 2011 (place of work, 2011 LGA boundaries)

- While the proportion of employers in the Manufacturing industry who expected to recruit was similar to the previous survey, the decrease in both the proportion of unfilled vacancies and employers reporting recruitment difficulty suggests that demand for labour has softened further in the industry.
- Recruitment expectations for the year following the survey were subdued in both these industries.

Migrants face labour market disadvantage

Migrants make up a large proportion (17 per cent) of the working age population in the Logan LGA, and form a very large proportion of the working age population in the SLAs of Woodridge (32 per cent) and Kingston (22 per cent).[7]

- A large proportion of the 6055 migrant entrants to the LGA in the previous five years (36 per cent) have entered under the humanitarian stream (compared with 8 per cent for Australia). By contrast, a much smaller proportion has entered under the skilled migration stream (32 per cent compared with 60 per cent for Australia).[8]
- Unemployment for people from an Other Than Main English-Speaking Country (OTMESC) is higher (9.7 per cent compared with 7.2 per cent for non-OTMESC) and participation lower (66.7 per cent compared with 77.0 per cent for non-OTMESC).[9]
- A significant proportion of educated migrants with a bachelor degree or higher are underemployed, with 6 per cent unemployed, 19 per cent not in the labour force and 11 per cent working in a lower-skilled occupation.[10]

Travel outside the region for work

More than half (57 per cent) of employed people of working age who live in the Logan LGA work outside the LGA, with the Brisbane (44 per cent) and Gold Coast (6 per cent) LGAs being the most common destinations. By contrast, 38 per cent of the employed working age population who work in the Logan LGA travel from outside the LGA to work, mostly from the Brisbane (19 per cent) and Gold Coast (9 per cent) LGAs.[11]

- Managers and Professionals make up 25 per cent of those who live inside the LGA but work elsewhere.[12]
- By contrast, Managers and Professionals make up 40 per cent of those who work in the LGA but live elsewhere.[13]

[7] ABS Census of Population and Housing, 2011

[8] DIAC Settlement Reporting, 4 May 2008 to 4 May 2013

[9] ABS Census of Population and Housing, 2011

[10] Ibid. Some 21 per cent of the working age OTMESC population have a bachelor degree or higher qualification.

[11] ABS Census of Population and Housing, 2011 (place of work, 2011 LGA boundaries)

[12] Ibid.

[13] Ibid.

- The remaining 60 per cent of those who work in the LGA but live elsewhere are spread across a variety of occupations and skill levels.[14]

This suggests that there may be a mismatch between the skills of those who reside in the Logan LGA and employment opportunities in the area, especially for higher-skilled occupations.

The Future

Employers' recruitment expectations in the Logan LGA for the year following the survey were subdued compared with January 2012.

- A substantially lower proportion of employers (39 per cent) expected to recruit in the year following the survey compared with the previous survey (52 per cent). In addition, the proportion of employers who expected to increase staff numbers had also decreased from 27 per cent to 17 per cent.

Where are the jobs?

Despite the softer labour market conditions in the Logan LGA, opportunities for job seekers exist in those industries which have experienced employment growth and where employers' recruitment outlook was more positive.

- Employment in the Health Care and Social Assistance industry grew by 31 per cent between 2006 and 2011. Recruitment activity in this industry in the previous year was strong (82 per cent of employers recruited), and recruitment expectations for the following year were also relatively buoyant, with 50 per cent of employers expecting to recruit.
- The recruitment outlook in the Accommodation and Food Services industry was also strong, with 57 per cent of employers expecting to recruit in the year following the survey.

Additionally, despite the high competition for vacancies in the LGA, the low number of suitable applicants for Technicians and Trades Worker (1.9) and Community and Personal Service Worker (2.3) vacancies indicate that there are still opportunities for applicants with the relevant training and experience.

More Information

Survey of Employers' Recruitment Experiences: **www.deewr.gov.au/regionalreports**

Labour Market Information Portal: **www.deewr.gov.au/lmip**

Skill Shortages**: www.deewr.gov.au/skillshortages**

Job Outlook: **www.joboutlook.deewr.gov.au**

SkillsInfo: **www.skillsinfo.gov.au**

Australian Jobs: **www.deewr.gov.au/australianjobs**

[14] ABS Census of Population and Housing, 2011 (place of work, 2011 LGA boundaries)