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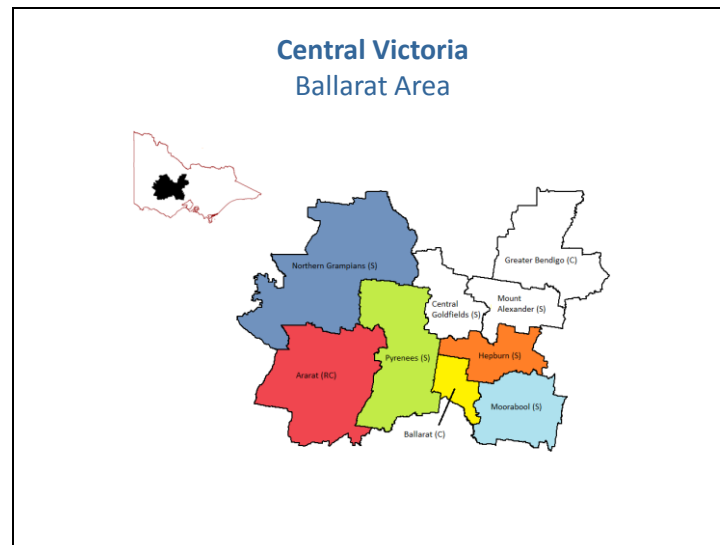


Australian Government  
Department of Employment

# **Youth in the Central Victoria Labour Market**

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Labour Market Research and Analysis Branch

## Slide 2



Source: ABS (ASGC), 2006 LGA boundaries

### **The Central Victoria PEA region includes the Local Government Areas (LGAs) of:**

- Ararat (RC)
- Ballarat (C)
- Central Goldfields (S)
- Greater Bendigo (C)
- Hepburn (S)
- Moorabool (S)
- Mount Alexander (S)
- Northern Grampians (S)
- Pyrenees (S)

### **The Ballarat area includes the Local Government Areas (LGAs) of:**

- Ararat (RC)
- Ballarat (C)
- Northern Grampians (S)
- Hepburn (S)
- Moorabool (S)
- Pyrenees (S)

*The Ballarat area covers 83% of the Central Highlands-Wimmera Labour Force Region (LFR) based on 2011 Working Age Population Estimated Resident Population.*

### **Easing labour market conditions**

#### Central Victoria

- Employment increased by 7.3% in Central Victoria between 2006 and 2011 compared with 10.4% for the State.
- The unemployment rate stood at 6.4% in June 2013, higher when compared with Victoria and Australia (5.9% and 5.7% respectively).
- At the time of the 2011 Census, the participation rate was 73.5%.

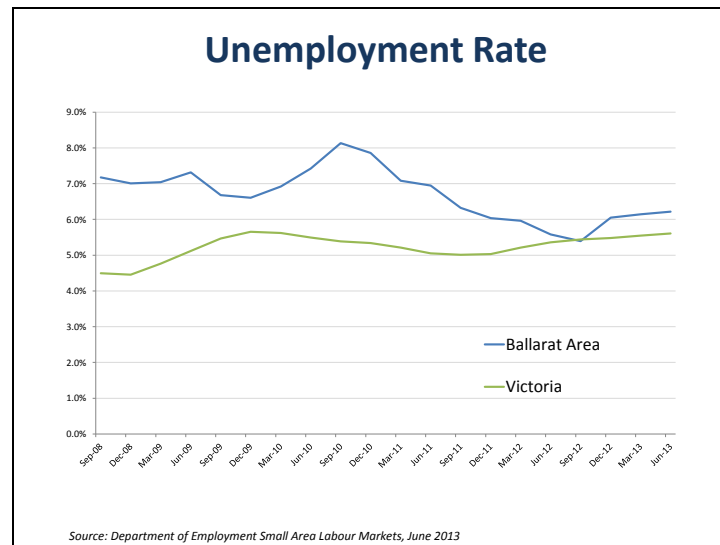
Source: ABS Census of Population and Housing, 2006 and 2011; Department of Employment, Small Area Labour Markets, June 2013, smoothed series; ABS Labour Force Survey, October 2013 (seasonally adjusted)

### **Easing labour market conditions:**

*Source: ABS Census of Population and Housing, 2006 and 2011; Department of Employment, Small Area Labour Markets, June 2013, smoothed series; ABS Labour Force Survey, September 2013 (seasonally adjusted)*

- Employment growth (WAP) has increased by 7.3% between 2006 and 2011 (currently 127,230), lower compared with the State (10.4%).
- The unemployment rate stood at 6.4% in June 2013, higher when compared to Victoria and Australia (5.9% and 5.7% respectively).
- At the time of the 2011 Census, the participation rate was 73.5%.

## Slide 4



### **Unemployment Rate**

*Source: Department of Employment Small Area Labour Markets, June 2013*

In June 2013, the unemployment rate in the Ballarat Area was 6.2 per cent, comparable to Victoria (5.6 per cent).

While the unemployment rate in the Ballarat Area has decreased over the last few years, the region has consistently had an unemployment rate higher than both Victoria and Australia.

### Unemployment rate higher across Central Victoria

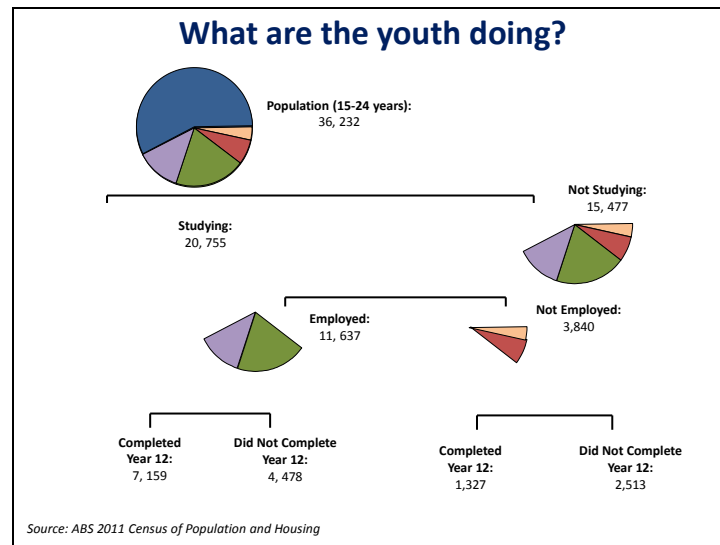
Region	Jun-12	Jun-13	Annual Change
Ballarat LGA	6.2%	6.9%	0.7% pts
Ararat LGA	4.7%	5.9%	1.2% pts
Hepburn LGA	5.9%	6.1%	0.2% pts
Moorabool LGA	4.1%	4.6%	0.5% pts
Northern Grampians LGA	4.9%	5.4%	0.5% pts
Pyrenees LGA	5.4%	5.8%	0.4% pts
Central Goldfields LGA	8.3%	10.7%	2.4% pts
Greater Bendigo LGA	4.9%	6.3%	1.4% pts
Mount Alexander LGA	4.8%	6.1%	1.3% pts
Ballarat Area	5.6%	6.2%	0.6% pts
Central Victoria	5.4%	6.4%	1.0% pts
Victoria (Seasonally adj.)	5.3% (Oct 12)	5.9% (Oct 13)	0.6% pts

Source: Department of Employment, Small Area Labour Markets, June 2013, smoothed series; ABS Labour Force Survey, October 2013 (seasonally adjusted)

### Unemployment Rate

*Source: Department of Employment, Small Area Labour Markets, June 2013, smoothed series; ABS Labour Force Survey, October 2013 (seasonally adjusted)*

In June 2013, the unemployment rate in Central Victoria was 6.4 per cent, slightly higher compared with the State (5.9 per cent).



### What are the youth doing?

*Source: ABS 2011 Census of Population and Housing*

At the time of the 2011 Census, there were 36,232 15-24 year olds in the Central Victoria PEA, of which 15,477 were not studying.

- Of the 15,477 who were not studying, those who did not complete year 12, whether they're employed or not employed, are vulnerable and may have difficulty entering the labour market

**Note:** Not stated records for FT/PT Student Status, Labour Force Status and Higher Year of School Completed have not been included.

## Teenage full-time unemployment an issue

Region	Teenage full-time unemployment rate (15 - 19 years)	Full-time Unemployment to Population Ratio
Central Victoria	31.5%	7%
Victoria	27.0%	3%
Australia	26.1%	4%

Source: ABS Labour Force, October 2013 (12 month averages)  
Central Victoria covers the area of the Central Highlands-Wimmera LFR

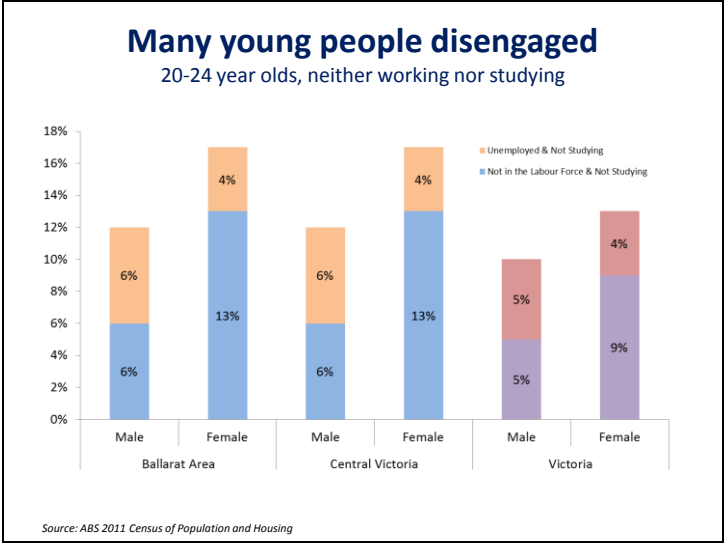
### **Teenage Full-time Unemployment**

*Source: ABS Labour Force, October 2013 (12 month averages)*

Due to their lack of skills and experience, teenagers participating in the full-time labour market can be particularly vulnerable during a labour market downturn.

In October 2013, the full-time unemployment rate for the Central Highlands-Wimmera was 31.5 per cent. The full-time unemployment rate was significantly higher than both Victoria (27.0 per cent) and Australia (26.1 per cent).

Similarly, the teenage full-time unemployment to population ratio in the Central Highlands-Wimmera (7 per cent) was higher than Victoria and Australia (3 per cent and 4 per cent respectively).



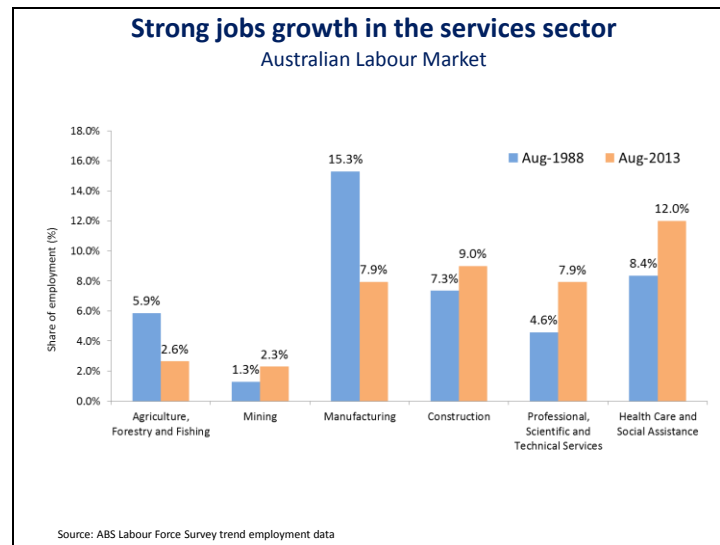
**Many young people disengaged**

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

This chart shows persons aged 20-24 years who are neither working nor studying.



## Slide 9



### **Strong jobs growth in the services sector**

*Source: ABS Labour Force Survey trend employment data*

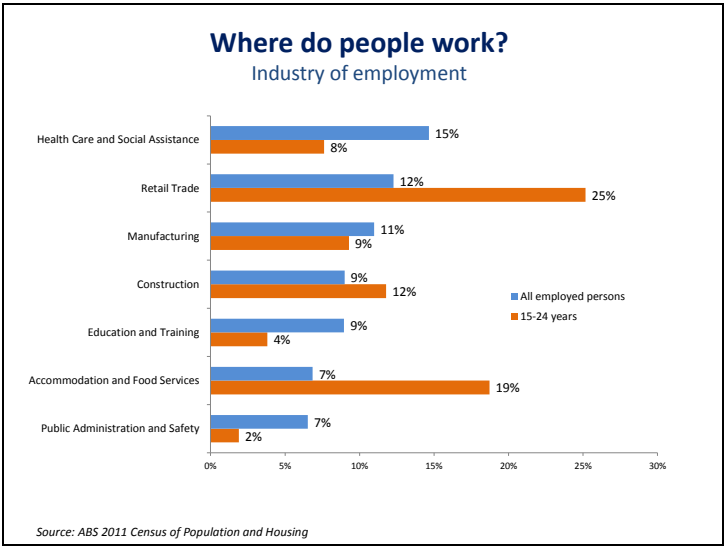
This chart illustrates how Australia's industry employment composition has changed over the past 25 years.

In August 1988, Manufacturing made up 15.3 per cent of employment. By August 2013, that proportion had declined significantly to 7.9 per cent. There has also been a significant reduction in the share of total employment accounted for by Agriculture, Forestry and Fishing (from 5.9 per cent to 2.6 per cent).

By contrast, the remaining industries in this chart have all claimed an increasing share of national employment over this period. The largest gain in employment share was in Health Care and Social Assistance, which grew from 8.4 per cent of national employment in August 1988 to 12.0 per cent in August 2013.

The Professional, Scientific and Technical Services industry (which includes engineering, architectural, legal and accounting services) also recorded a large increase in employment share from 4.6 per cent to 7.9 per cent. Employment growth in Mining has been particularly strong in proportional terms, especially over recent years, but the industry still only directly accounts for 2.3 per cent of national employment.

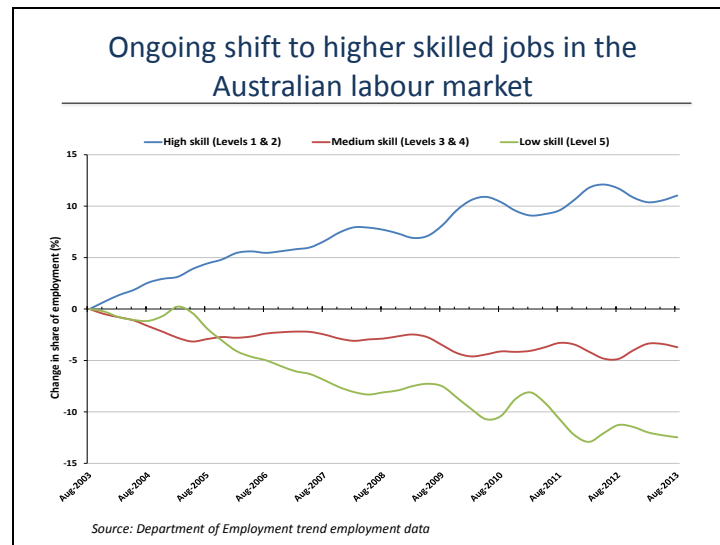
(Source: National trend ABS employment data to August 2013)



**Employment by Industry:**

Source: ABS 2011 Census of Population and Housing

Employment for young people in Central Victoria was highest in the Retail Trade (25%), Accommodation and Food Services (19%) and Construction (12%) industries..



### **Ongoing shift to higher skilled jobs in the Australian labour market**

*Source: Department of Employment trend employment data*

The attainment of educational qualifications remains important given the strong past and projected growth of higher skilled occupations, as well as the lower unemployment rates recorded for people with higher qualifications.

Looking over the 10 year period from August 2003 to August 2013, it is clear that jobs at the higher skill levels (Skill Level 1, commensurate with a Bachelor degree or higher qualification and Skill Level 2, commensurate with an Associate Degree, Advanced Diploma or Diploma) are increasing as a proportion of overall employment – up from 37.0 per cent to 41.1 per cent. At the same time, jobs at the lowest skill level (Skill Level 5, commensurate with compulsory secondary education or a Certificate I) are diminishing as a proportion of total employment from 19.9 per cent to 17.5 per cent.

**What this means for school leavers** is that yes, you may get a job when you leave school, **BUT** you may not experience the same employment stability or earn as much as those students whose education choices set them up for a career, rather than a series of low skilled jobs.

The key technical and trade group at skill level 3, corresponding to a Certificate IV or a formal apprenticeship, is declining as a share of employment, but growth rates vary considerably within this category.

Note: This chart plots the percentage change in the percentage shares of employment from August 2003 onward. Source: ABS Labour Force Survey data to August 2013, seasonally adjusted and trended by the Department of Employment.



**Fastest growing occupations in the fastest growing industries – Five Years to 2011:**

*Source: ABS 2011 Census of Population and Housing*

This chart shows fast growing occupations in the fastest growing industries in Central Victoria. It also shows that opportunities exist for applicants across all skill levels.

### Educational Attainment

20-24 years of age

Region	Completed Yr 12		Attained:	
	2006	2011	Adv Dip, Dip or Cert III/IV	Bachelor Degree or higher
Ballarat LGA	74%	74%	27%	11%
Northern Grampians LGA	53%	56%	30%	7%
Central Victoria	68%	70%	28%	10%
Victoria	78%	80%	25%	17%
Australia	73%	75%	25%	15%

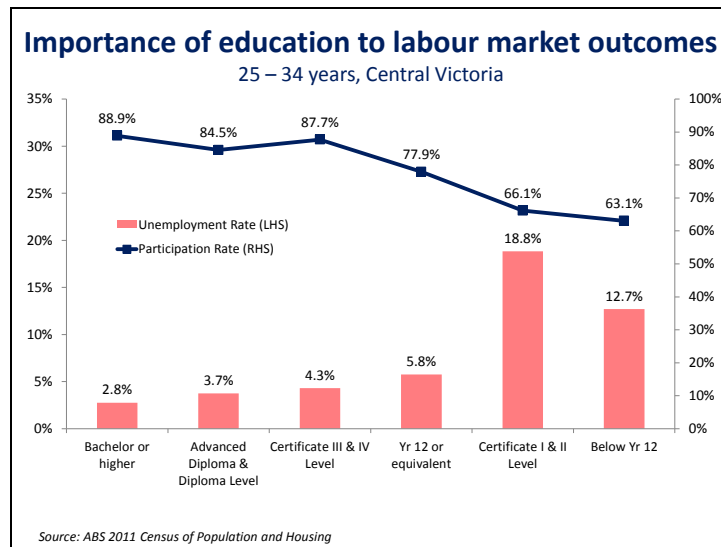
Source: ABS 2011 and 2006 Census of Population and Housing

**Educational Attainment:**

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

Year 12 completion rates for people aged 20-24 years old are considerably lower in Central Victoria (70 per cent) compared with both Victoria (80 per cent) and Australia (75 per cent). However, results vary across the PEA, with 74 per cent of 20-24 year olds in the Ballarat LGA having a Year 12 Certificate compared with 57 per cent for those in the Northern Grampians LGA.

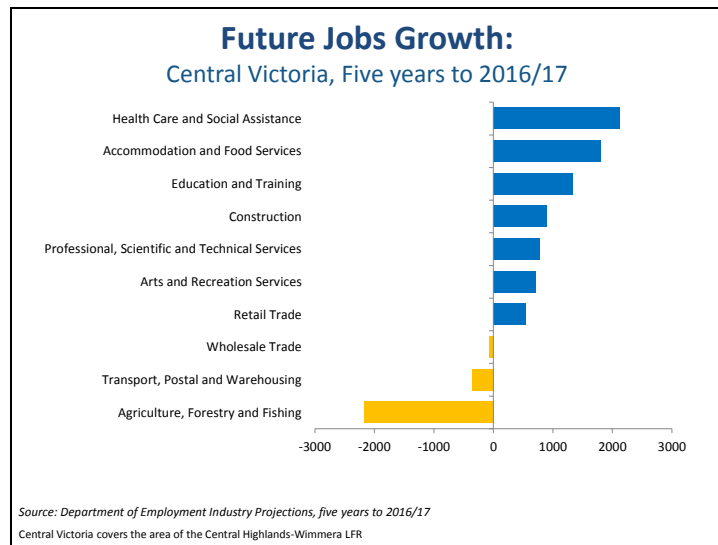
While a relatively high proportion of people aged 25-34 have obtained an Adv. Dip/Cert III/IV, a low proportion have obtained a bachelor degree or higher.



**Importance of education to labour market outcomes:**

*Source: ABS 2011 Census of Population and Housing*

This slide illustrates the correlation between education and labour market outcomes in Central Victoria, with higher labour force participation rates and lower unemployment rates for those with higher levels of educational attainment. This reflects the pattern seen across Australia and demonstrates the importance of continuing education to help job seekers obtain employment and participate in the labour market.



**Projected Employment Growth by Industry – Central Highlands-Wimmera LFR**

*Source: Department of Employment Industry Projections, five years to 2016/17*

In the next five years to 2016/17, the Health Care and Social Assistance industry is expected to see the largest employment growth (approx. 2120 people) in the Central Highlands-Wimmera LFR.

Employment is expected to decline in the Agriculture, Forestry and Fishing (2170 people), Transport, Postal and Warehousing (360 people) and Wholesale Trade (70 people) industries.

Despite the recent job cuts in the Manufacturing industry, the projected employment growth is expected to be positive over the five years to 2016/17 (230 people).

### **Most applicants do not get an interview**

- Commonly reported reasons include:
  - Lack of experience
  - Insufficient qualifications or training
  - Lack of soft skills
  - Poor applications
  - Literacy and Numeracy

Source: Department of Employment, Survey of Employers' Recruitment Experiences

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### **Basic employability skills**

- Employers frequently identified the following employability skills:
  - Self-motivation
  - Good presentation
  - Friendliness
  - Communication skills
  - Confidence
  - Teamwork

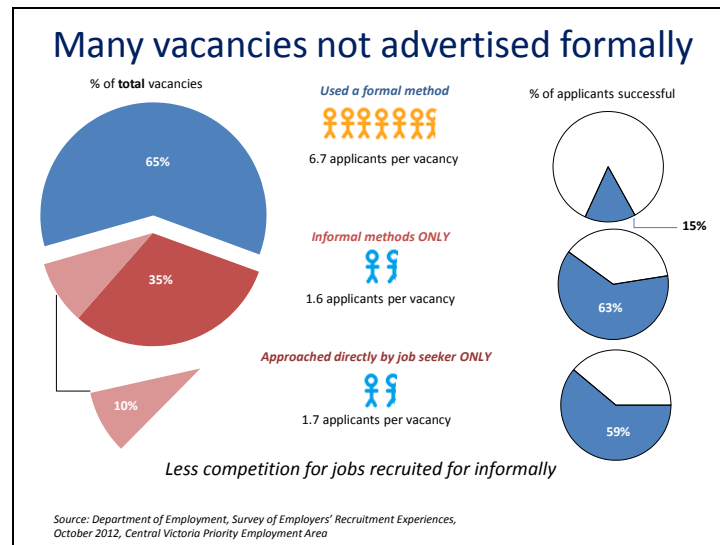
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**Many vacancies not advertised formally**

*Source: Department of Employment, Survey of Employers' Recruitment Experiences, October 2012, Central Victoria Priority Employment Area*

362 employers were surveyed in the Central Victoria PEA in October 2012.

65 per cent of vacancies in Central Victoria were recruited for through formal methods of recruitment (such as the Internet or Newspapers), receiving an average of 6.7 applicants per vacancy.

By contrast, (35 per cent) of vacancies were recruited for through informal methods only (such as word of mouth or approached by job seeker), receiving an average of just 1.6 applicants per vacancy.

Employers for some 10 per cent of vacancies relied solely on being approached directly by job seekers. For these vacancies there was an average of 1.7 applicants of whom 27 per cent were successful.

### Conclusion

- The labour market has continued to soften in the past year
  - The unemployment rate has increased and remains above Victoria
- Issues affecting young people in the region
  - Teenage unemployment, lower educational attainment levels and disengagement
- Where are the opportunities?
  - Expected growth industries: Health Care and Social Assistance, Construction, Accommodation and Food Services
  - Growth occupations: Aged and Disabled Carers, Plumbers, Kitchenhands
  - Opportunities across all skill levels
- How do you take advantage of these opportunities?
  - Important skills – technical skills, employability skills
  - Education
  - Apprenticeships

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## Further Information

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- [www.employment.gov.au/regional-reports-employers-recruitment-experiences](http://www.employment.gov.au/regional-reports-employers-recruitment-experiences)
- [lmip.gov.au/](http://lmip.gov.au/)
- [www.employment.gov.au/skill-shortages-0](http://www.employment.gov.au/skill-shortages-0)
- [www.employment.gov.au/australian-jobs-publication](http://www.employment.gov.au/australian-jobs-publication)
- [joboutlook.gov.au/](http://joboutlook.gov.au/)
- [www.employment.gov.au/australian-regional-and-industry-employment-surveys](http://www.employment.gov.au/australian-regional-and-industry-employment-surveys)



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