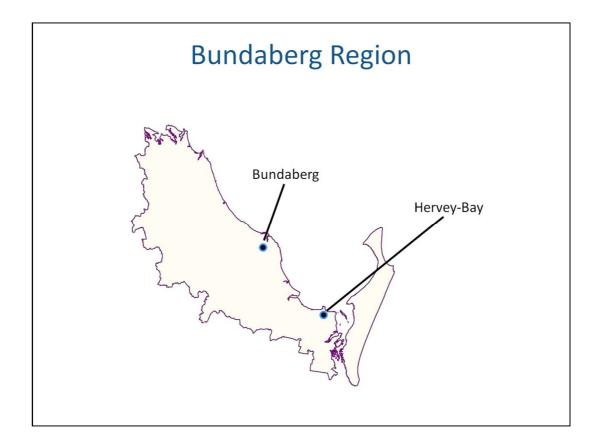


Survey of Employers' Recruitment Experiences

Bundaberg-Hervey Bay Priority Employment Area (surveyed in December 2013).



Bundaberg Region

The Bundaberg-Hervey Bay Priority Employment Area (PEA) is comprised of 2 Local Government Areas (LGAs): Bundaberg LGA and Fraser Coast LGA (excluding the Woocoo-Tiaro Statistical Local Area (SLA)) and includes the Gladstone – Miriam Vale SLA.

Bundaberg-Hervey Bay PEA - SLAs

Bundaberg (R) - Bundaberg Bundaberg (R) - Burnett Pt A Bundaberg (R) - Burnett Pt B Bundaberg (R) - Isis Bundaberg (R) – Kolan

Fraser Coast (R) - Hervey Bay Pt A

Fraser Coast (R) - Hervey Bay Pt B

Fraser Coast (R) – Maryborough

Gladstone (R) - Miriam Vale

Please Note: The Fraser Coast LGA referred to in this presentation does not include the Woocoo-Tiaro SLA

The Bundaberg-Hervey Bay PEA comprises 65 per cent of the Wide Bay-Burnett Labour Force Region (LFR).

The Bundaberg-Hervey Bay PEA comprises 65 per cent of the Wide Bay Statistical Area Level 4 (SA4)

Region	Adult Population (15+)	Working Age Population (15-64)	Median Age
Bundaberg LGA	72,400	54,800	43
Fraser Coast LGA	70,800	51,800	44
Gladstone (R) – Miriam Vale SLA	4,500	3,600	45
Bundaberg-Hervey Bay PEA	147,700	110,200	44
Queensland	3,456,900	2,887,900	36
Australia	17,363,700	14,351,400	37

Population profile

Sources: ABS, Census of Population and Housing, 2011

The adult population in the Bundaberg-Hervey Bay PEA grew by 11 per cent in the five years to August 2011 to stand at 147,700. This growth was similar to Queensland (12 per cent) but larger than Australia (9 per cent). The working age population in the PEA grew by 8 per cent which was similar to Queensland (10 per cent) and Australia (8 per cent).

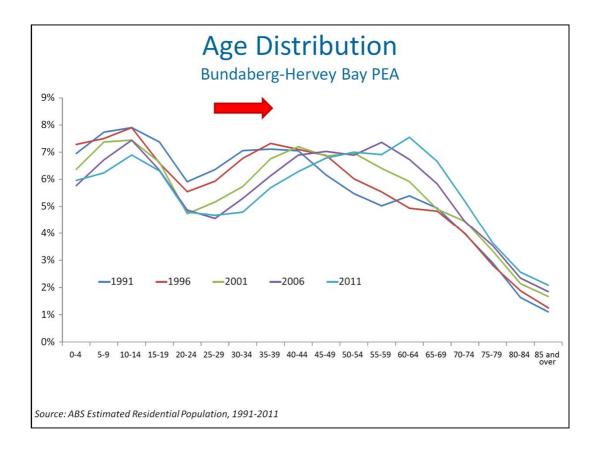
The median age is higher than the state average (44 years compared with 36 years respectively).

Ageing population Bundaberg LGA					
2006	2011	Change			
45,600	47,000	3%			
37,400	42,900	15%			
83,000	89,900	8%			
	45,600 37,400	45,600 47,000 37,400 42,900			

Ageing population – Bundaberg LGA

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

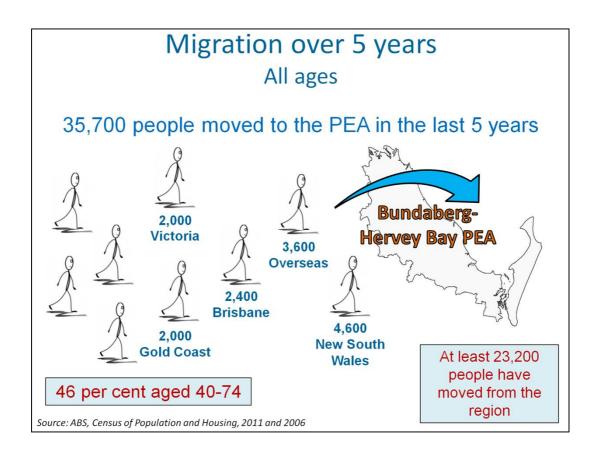
The total number of people in the Bundaberg LGA has increased by 8 per cent since the 2006 Census. The number of people aged 45 years and over has increased by 15 per cent which was higher than Australia (11 per cent).



Age Distribution – Bundaberg-Hervey Bay PEA

Source: Estimated Residential Population, 1991-2011

This graph shows the age distributions of the Bundaberg-Hervey Bay PEA from 1991 – 2011. The age distribution of the PEA shows a movement towards the older age brackets, suggesting an ageing population.



Migration over 5 years – All ages

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

In the five years to the 2011 Census, 35,700 people (25 per cent of the population) of all ages have moved to the Bundaberg-Hervey Bay PEA.

The majority of people came from the following localities:

Region	People	% of people who moved to the PEA
New South Wales	- 4,623	(13%)
Overseas	- 3,552	(10%)
Brisbane	- 2,438	(7%)
Victoria	- 1,984	(6%)
Gold Coast	- 1,973	(6%)

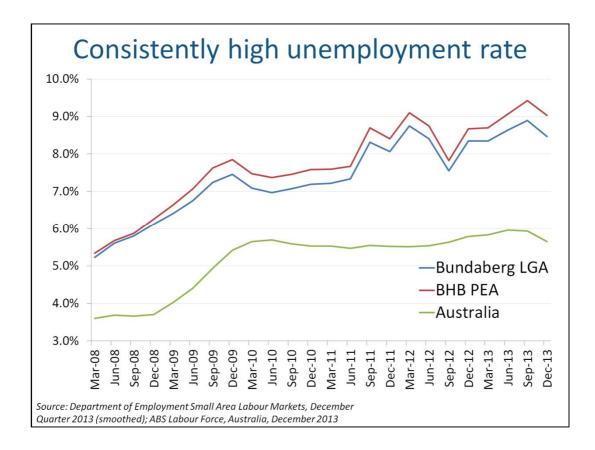
VV	Orking age	e population	1	
Region	Employment Numbers	Employment Growth 2006 to 2011	Participation rate 2011	% Part time
Bundaberg LGA	32,800	7%	69.3%	32%
Fraser Coast LGA	28,400	7%	64.5%	35%
Gladstone (R) – Miriam Vale SLA	2,000	8%	65.1%	33%
Bundaberg-Hervey Bay PEA	63,200	7%	66.9%	34%
Queensland	1,976,500	11%	77.2%	29%
Australia	9,731,800	10%	75.8%	30%

Employment profile – Working age population

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

At the time of the 2011 Census the working age population participation rate for the Bundaberg-Hervey Bay PEA was 66.9 per cent, lower than Queensland (77.2 per cent) and Australia (75.8 per cent).

The Bundaberg-Hervey Bay PEA has had lower employment growth (7 per cent) in the five years to 2011 compared with Queensland (11 per cent) and Australia (10 per cent).



Consistently high unemployment rate

Source: Department of Employment Small Area Labour Markets, December Quarter 2013 (smoothed); ABS Labour Force, Australia, December 2013

The unemployment rate for both the Bundaberg-Hervey Bay PEA (9.0 per cent) and the Bundaberg LGA (8.5 per cent) is higher than the national unemployment rate (6.0 per cent).

The unemployment rate has remained consistently above the national unemployment rate in both the PEA and the LGA since March 2008.

Region	December 2012	December 2013	Annual Change
Bundaberg (R) - Bundaberg	8.1%	8.2%	0.1%
Bundaberg (R) - Burnett Pt A	8.1%	8.2%	0.1%
Bundaberg (R) - Burnett Pt B	8.1%	8.2%	0.1%
Bundaberg LGA	8.3%	8.5%	0.2%
Fraser Coast (R) – Hervey Bay Pt A	9.9%	10.5%	0.6%
Fraser Coast (R) – Hervey Bay Pt B	9.5%	10.8%	1.3%
Fraser Coast LGA	9.2%	9.8%	0.6%
Gladstone (R) - Miriam Vale	7.1%	7.7%	0.6%
Bundaberg-Hervey Bay PEA	8.7%	9.0%	0.3%
Australia	5.4%	6.0%*	0.6%
ource: Department of Employment Small Are December Quarter 2013 (smoothed); 6202.0 L	· · · · · · · · · · · · · · · · · · ·	ally Adjusted	

Higher unemployment rates throughout the region

Higher unemployment rates throughout the region

Source: Department of Employment Small Area Labour Markets, December Quarter 2013 (smoothed); 6202.0 Labour Force, Australia, January 2013 (Seasonally Adjusted), ABS

In December 2013, the unemployment rate in the Bundaberg-Hervey Bay PEA was 9.0 per cent, well above the national unemployment rate (6.0 per cent)

From December 2012 to December 2013 the Bundaberg-Hervey Bay PEA unemployment rate increased by 0.3 percentage points to 9.0 per cent. The Bundaberg LGA increased by 0.2 percentage points to 8.5 per cent.

Large proporti	on of income su	pport recipients
Region	Proportion of the WAP on a benefit (Dec 2013)	Proportion of the WAP on an unemployment benefit (Dec 2013)
Bundaberg SLA	8,300 (28%)	3,000 (10%)
Bundaberg LGA	15,800 (28%)	5,700 (10%)
Fraser Coast LGA	17,700 (33%)	5,700 (11%)
Bundaberg-Hervey Bay PEA	34,500 (30%)	11,700 (10%)
Queensland	514, 100 (17%)	179,900 (6%)
Australia	2,481,400 (17%)	832,400 (6%)

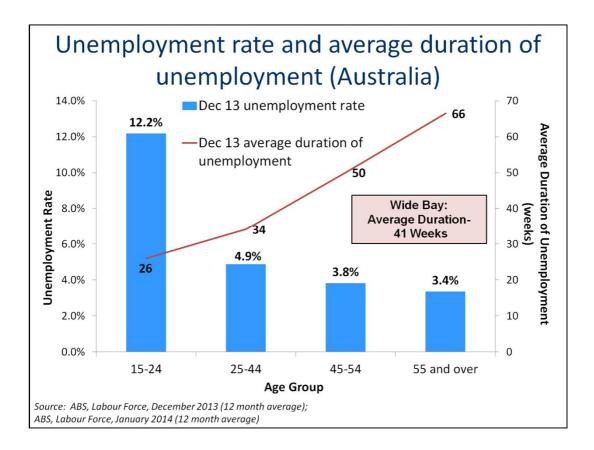
Large proportion of income support recipients

Source: Department of Employment administrative data, December 2013; Estimated Resident Population, 2011

In December 2013, 34,500 people (30 per cent of working age population) were in receipt of an income support benefit in the Bundaberg-Hervey Bay PEA.

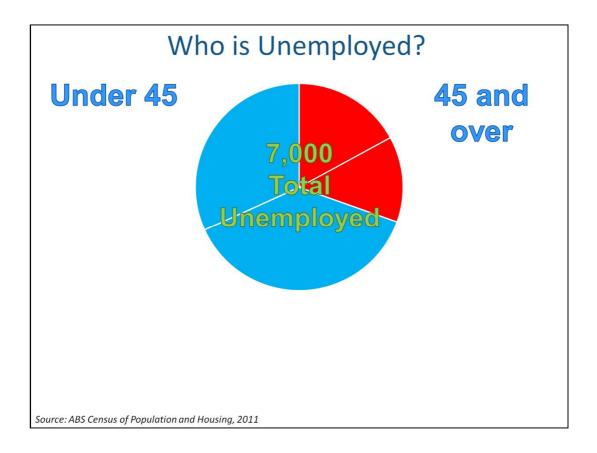
Some 11,700 people (10 per cent of the working age population) in the Bundaberg-Hervey Bay PEA were in receipt of an unemployment benefit.

Some 11 per cent of the working age population (12,200) in the Bundaberg-Hervey Bay PEA are on Disability Support Pension (DSP). This is more than double when compared with Queensland and Australia (both 5 per cent).



Unemployment rate and average duration of unemployment (Australia)

Source: ABS, Labour Force, December 2013 (12 month average); ABS, Labour Force, January 2014 (12 month average)



Who is Unemployed?

Source: ABS Census of Population and Housing, 2011

70 per cent of unemployed people in the Bundaberg-Hervey Bay PEA were aged 45 years and under.

2,700 (38 per cent) were male and 2,200 (32 per cent) were female.

30 per cent of unemployed people in the PEA were aged 45 years and over.

1,200 (17 per cent) were male and 900 (13 per cent) were female.

More tee	ns looking Persons aged	and the second se	-time work
Region	Teenage full-time unemployment rate		Full-time Unemployment to Population Ratio
Kegion	December 2013	Annual Change	(December 2013)
Wide Bay-Burnett LFR	38.4%	9.1% pts	8.5%
Queensland	28.3%	3.0% pts	5.5%
Australia	25.8%	1.9% pts	4.1%
Source: ABS Labour Force Data, Dece (12 month averages of original data,			

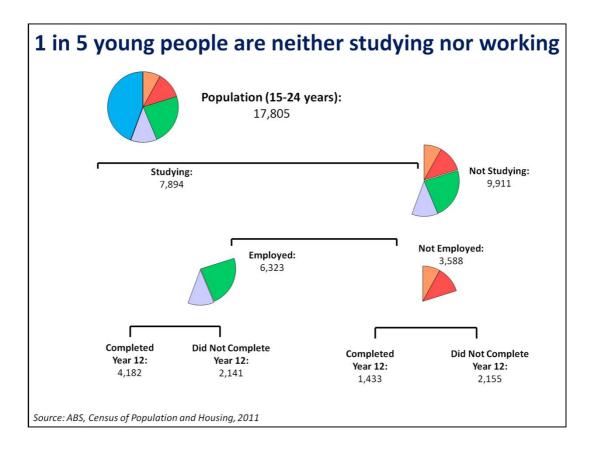
More teens looking for full-time work- Persons aged 15 – 19 years

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

Due to their lack of skills and experience, teenagers in the full-time labour market can be particularly vulnerable during a labour market downturn. The teenage full-time unemployment rate is based on people aged 15 – 19 years old who are searching for full-time employment.

The teenage full-time unemployment rate for the Wide Bay-Burnett LFR was 38.4 per cent in December 2013, an increase of 9.1 percentage points since December 2011. This was higher than the rate for Queensland (28.3 per cent) and Australia (25.8 per cent).

The teenage full-time unemployment to population ratio was also higher in the Wide Bay-Burnett LFR (8.5 per cent) when compared with Queensland (5.5 per cent) and Australia (4.1 per cent).



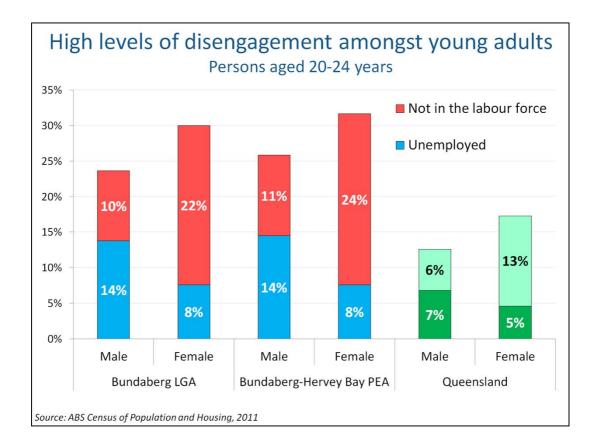
1 in 5 people are neither studying nor working

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, there were 17,805 15-24 year olds in the Bundaberg-Hervey Bay PEA, of whom 9,911 were not studying.

• Of the 9,911 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 Highest Year of School Completed have not been included.



High levels of disengagement amongst young adults - Persons aged 20-24 years

Source: ABS Census of Population and Housing, 2011

At the time of the 2011 Census, 29 per cent of young adults (persons aged 20 to 24 years) in the Bundaberg-Hervey Bay PEA were neither working or studying. This figure is notably higher when compared with Queensland (15 per cent).

For young adult males in the PEA, 11 per cent were not in the labour force and not studying and a further 14 per cent were unemployed and not studying. For young adult females in the PEA, 24 per cent were not in the labour force and not studying and a further 8 per cent were unemployed and not studying.

The Bundaberg LGA had a large proportion of young adult females not in the labour force or unemployed (22 per cent and 8 per cent respectively).

	is employe	d	
Region	Number of children in jobless families*	Number of jobless families	Proportion of all families that are jobless
Bundaberg LGA	4,500	2,000	24%
Fraser Coast LGA	5,100	2,300	28%
Gladstone (R) - Miriam Vale SLA	300	100	24%
Bundaberg-Hervey Bay PEA	9,800	4,400	26%
Queensland	136,900	62,200	14%
Australia	646,500	294,900	14%

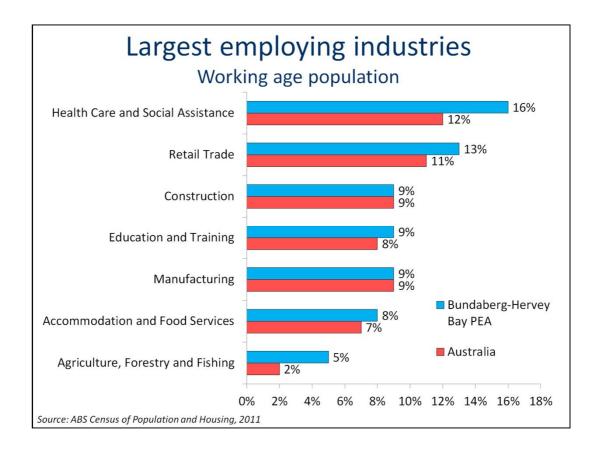
Source: ABS Census of Population and Housing, 2011

Many children are in families where no parent is employed

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*)

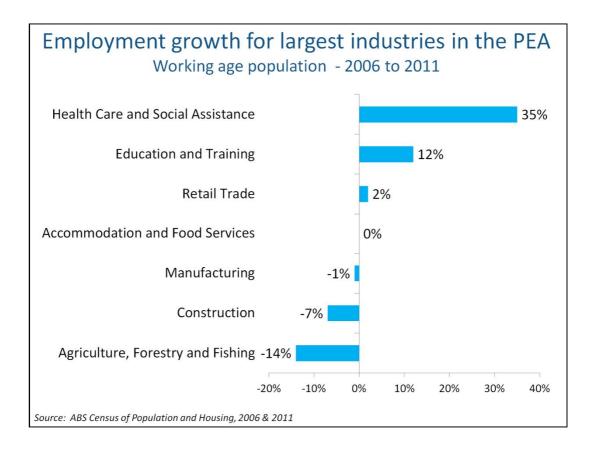
Some 26 per cent of families with children in the Bundaberg-Hervey Bay PEA did not have an employed parent, larger than the figures for Queensland and Australia (both 14 per cent).



Largest employing industries (Working age population)

Source: ABS Census of Population and Housing, 2011

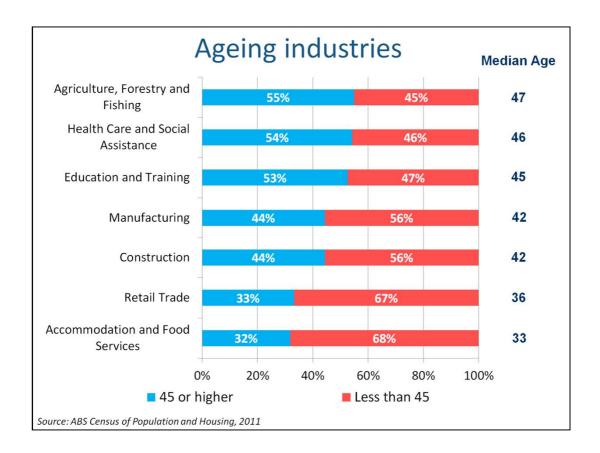
In the Bundaberg-Hervey Bay PEA the Health Care and Social Assistance (16 per cent) and Retail Trade industries (13 per cent) were the top employing industries.



Employment growth by industry (Working age population)

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

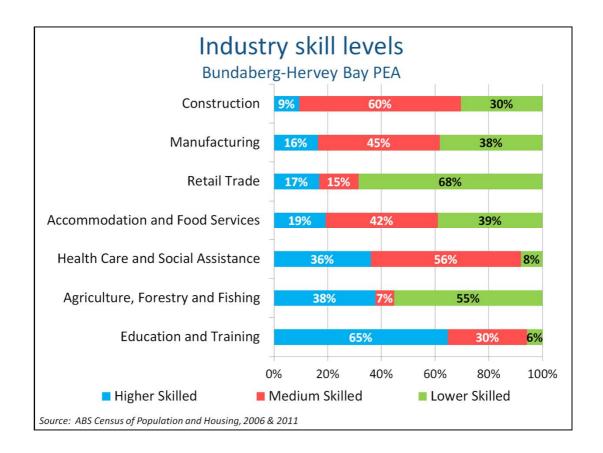
This graph shows the change in the number of people employed in each sector in the Bundaberg-Hervey Bay PEA, from 2006 to 2011. Much of the growth in employment in the PEA was concentrated in the Health Care and Social Assistance industry. By contrast, employment in the Agriculture, Forestry and Fishing and Construction industries reduced in size.



Ageing industries

Source: ABS Census of Population and Housing, 2011

The Agriculture, Forestry and Fishing industry was the industry with the largest proportion of its labour force aged older than 45 years of age (55 per cent). This was followed by the Health Care and Social Assistance (54 per cent) and Education and Training industry (53 per cent).



Industry skill levels

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

The Construction (90 per cent) and Manufacturing (84 per cent) industries employ the largest proportion of employers in the Low to Medium skill level in the Bundaberg-Hervey Bay PEA.

Very low educat	who s	tay in	ment among yc the region ²⁵⁻³⁴ years	oung people	
Region	Completed Yr 12		Attained Advanced Diploma, Diploma or	Attained Bachelor	
	2011	2006	Certificate III & IV	Degree or Higher	
Bundaberg (C) SLA	62%	52%	31%	16%	
Burnett (S) - Pt A SLA	63%	60%	34%	22%	
Burnett (S) - Pt B SLA	53%	46%	35%	13%	
Isis (S) SLA	60%	50%	29%	12%	
Kolan (S) SLA	58%	42%	27%	9%	
Bundaberg LGA	61%	52%	31%	16%	
Fraser Coast LGA	58%	52%	35%	15%	
Bundaberg-Hervey Bay PEA	59%	52%	33%	15%	
Queensland	74%	68%	32%	29%	
Australia	75%	69%	30%	35%	

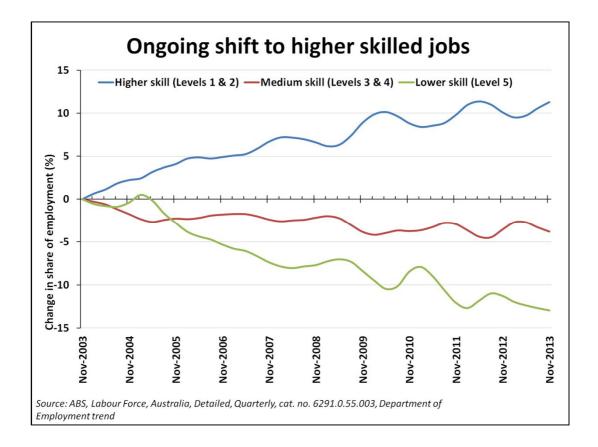
Source: ABS Census of Population and Housing, 2011

Very low educational attainment among young people who stay in the region -Persons aged 25-34 years

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

At the time of the 2011 Census, the proportion of 25 to 34 year olds in the Bundaberg-Hervey Bay PEA who had completed Year 12 or equivalent was 59 per cent, smaller than Queensland and Australia (74 per cent and 75 per cent respectively). 61 per cent of 25 to 34 year olds in the Bundaberg LGA completed Year 12.

Job seekers who have not completed Year 12 and have limited experience in the workforce are likely to lack many basic employability skills that employers value and look for in applicants, particularly for lower skilled vacancies and entry level positions such as apprenticeships and traineeships.



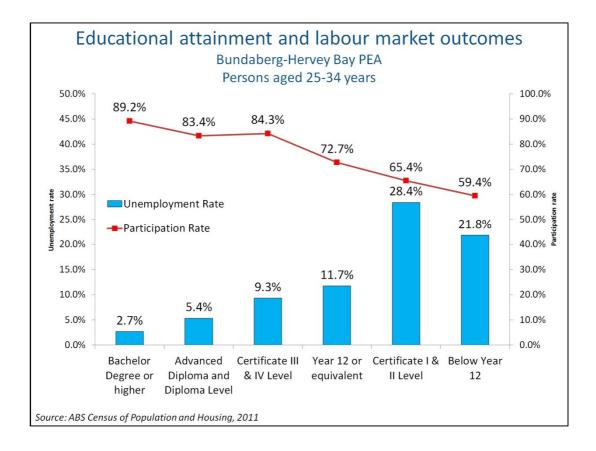
Ongoing shift to higher skilled jobs

Source: ABS, Labour Force, Australia, Detailed, Quarterly, cat. no. 6291.0.55.003, Department of Employment trend

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 November 2003 to November 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 37.3 per cent to 41.5 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 17.3 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.



Educational attainment and labour market outcomes – Bundaberg-Hervey Bay PEA – Persons aged 35-34 years

Source: ABS Census of Population and Housing, 2011

There is a strong relationship between educational attainment and employment outcomes. There were high unemployment rates for those who had completed Certificate I & II but had not completed Year 12 (28.4 per cent) and those who did not complete Year 12 without any further post school qualification (21.8 per cent).

Unemployment rates are considerably lower for those who have completed a tertiary education at the Bachelor degree, Advanced Diploma and Diploma Level. It should also be noted that employment outcomes are better for those who have attained Certificate Levels III or IV. This emphasises the importance of post school education in ensuring success in gaining employment.

Li	teracy a	nd Num	ieracy		
Region	Year 9 govt school students who did not meet minimum standard for <u>reading</u> in 2012		who did not meet minimum did not meet minimum		et minimum
	2008	2012	2008	2012	
Bundaberg LGA	10%	11%	7%	6%	
Fraser Coast LGA	12%	17%	9%	8%	
Gladstone – Miriam Vale SLA	13%	13%	3%	13%	
Queensland	8%	8%	6%	5%	
Australia	6%	7%	5%	5%	
*The tabl	e refers to a s	selected scho	ol in each re	gion	

Source: MySchool website, 2012

Literacy and Numeracy

Source: MySchool website, 2012

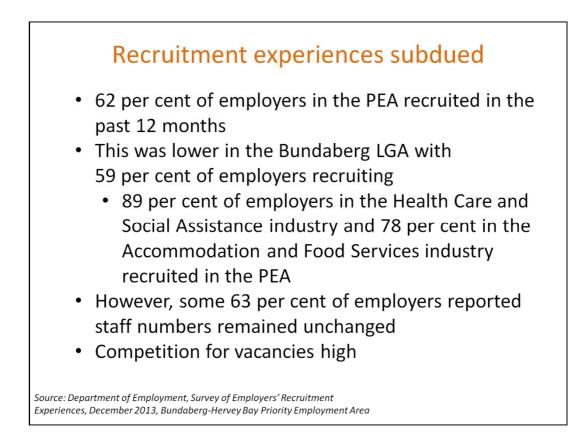
This slide shows the proportion of Year 9 students at a selected government high school in the Bundaberg and Fraser Coast LGAs and in the Gladstone-Miriam Vale SLA who did not meet minimum standards for literacy and numeracy in 2012, compared with the proportions of Year 9 students who did not meet minimum standards for literacy and numeracy in Queensland and nationally.

While the selected government school's data are not necessarily representative of all Year 9 students in the region, it demonstrates that there are at least pockets of disadvantage within the region.

Bundaberg LGA: Bundaberg North State High School

Fraser Coast LGA: Hervey Bay State High School

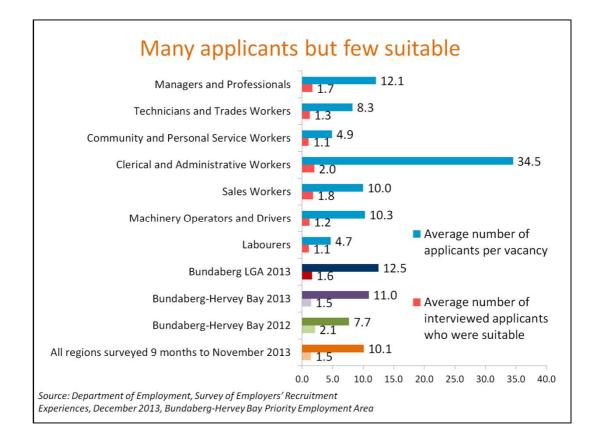
Gladstone – Miriam Vale SLA: Rosedale State School



Recruitment experiences subdued

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area

383 employers were surveyed in the Bundaberg-Hervey Bay PEA in December 2013

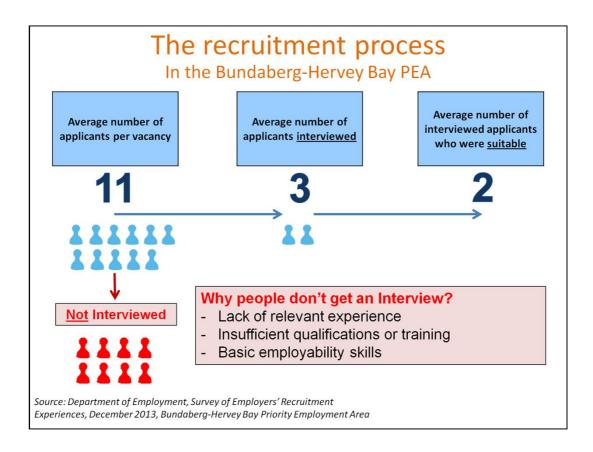


Many applicants but few suitable

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area

Competition for vacancies was high in the Bundaberg-Hervey Bay PEA, with an average of 11.0 applicants per vacancy.

Clerical and Administrative Workers had the strongest competition for vacancies (34.5 applicants per vacancy), followed by Managers and Professionals workers (12.1 applicants per vacancy).



The recruitment process – Bundaberg-Hervey Bay PEA

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area

This slide shows the recruitment process employers go through in the Bundaberg-Hervey Bay PEA.

On average employers in Bundaberg-Hervey Bay receive 11 (11.0) applicants per vacancy.

Of these applicants on average only 3 (2.9) are interviewed.

Of these interviewed applicants only 2 (1.5) are suitable for the vacancy.

The reason applicants do not get an interview were: Lack of relevant experience Insufficient qualifications or training Basic employability skills

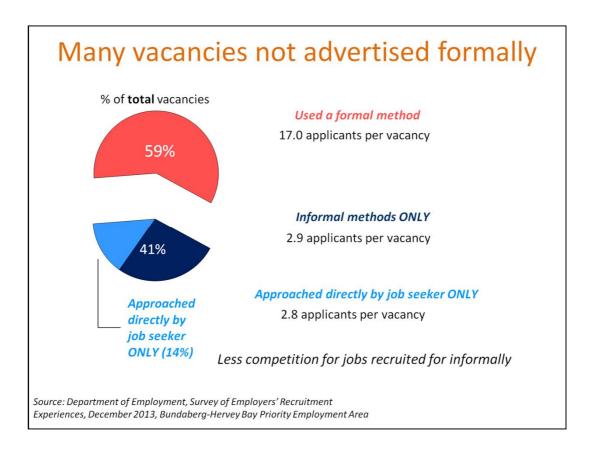


Basic employability skills

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

Employers frequently identified the following employability skills:

- Self-motivation
- Good presentation
- Friendliness
- Communication skills
- Confidence
- Teamwork



Many vacancies not advertised formally

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area

59 per cent of vacancies in the Bundaberg-Hervey Bay PEA were recruited for through formal methods of recruitment (such as the Internet or Newspapers), receiving an average of 17.0 applicants per vacancy.

By contrast, 41 per cent of vacancies were recruited for through informal methods <u>only</u> (such as word of mouth or approached by job seeker), receiving an average of just 2.9 applicants per vacancy.

Employers for some 14 per cent of vacancies relied solely on being approached directly by job seekers. For these vacancies there was an average of 2.8 applicants of whom 35 per cent were successful.

Occupations difficult to fill			
Higher Skill Level – Bachelor Degree or higher Medium Skill Level - Certificate IV to Associate Degree			
Registered Nurses*	Chefs*		
Child Carers*	Early Childhood (Pre-primary School) Teachers		
Lower Skill Level – Compulsory Secondary Education to Certificate III			
Pharmacy Sales Assistants	Truck Drivers*		
Building and Plumbing Labourers	Earthmoving Plant Operators		
*Occupations also difficult to fill in 2012	2		
e: Department of Employment, Survey of Employers' Rec iences, December 2013, Bundaberg-Hervey Bay Priority			

Occupations difficult to fill

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area

This slide shows the vacancies that employers considered difficult to fill in the Bundaberg-Hervey Bay PEA.

Higher Skill Level – Bachelor Degree or higher / Medium Skill Level - Certificate IV to Associate Degree

Registered Nurses* Chefs* Child Carers* Early Childhood (Pre-primary School) Teachers

Lower Skill Level – Compulsory Secondary Education to Certificate III

Pharmacy Sales Assistants Truck Drivers* Building and Plumbing Labourers Earthmoving Plant Operators

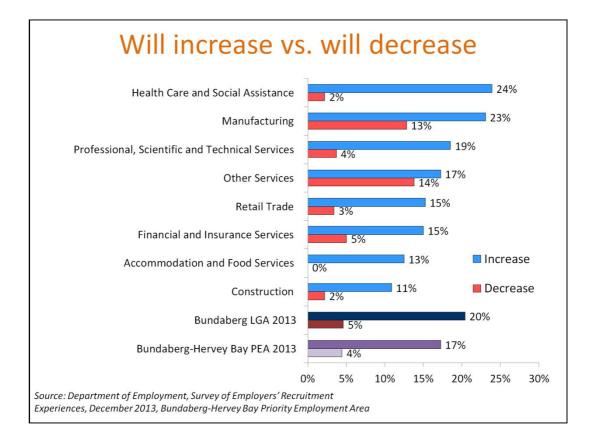


Recruitment outlook

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area

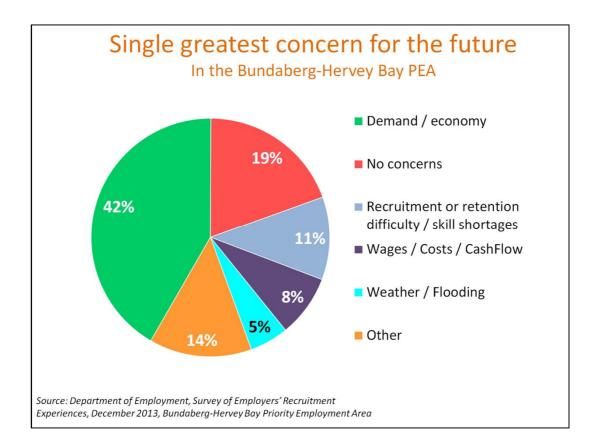
37 per cent of employers expected to recruit in the next 12 months, lower than all regions surveyed (39 per cent).

Only 17 per cent of employers expected to *increase* staff numbers in the next 12 months.



Will increase Vs. will decrease

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area



Single greatest concern for the future (in the 12 months following the survey) – Bundaberg-Hervey Bay PEA

Source: Department of Employment, Survey of Employers' Recruitment Experiences, December 2013, Bundaberg-Hervey Bay Priority Employment Area

By far the single greatest future concern for employers was a downturn in the economy and demand for their services/products (42% of employers). Recruitment or retention difficulty/skill shortages was a concern for 11% of employers.

Please note the "Other" Category contains the following:

- Interest Rates
- Competition (including high Australian dollar)
- Paperwork/ regulation/ red tape
- Miscellaneous Other

Conclusion Subdued labour market in the Bundaberg PEA and LGA • Persistently high unemployment rate and lower levels of participation Challenges • Youth unemployment/disengagement and low education levels • Mismatch between job seekers' skills and those sought by employers • Ageing population/demographic change – future labour force o Long term unemployed, jobless families and reliance on income support Lack of growth in industries outside Health Care and Social Assistance • Recovery from flooding **Opportunities** o Strong employment growth expected in Health Care and Social Assistance • Opportunities for less experienced job seekers in industries with high turnover (Retail Trade and Accommodation and Food Services) Job seekers need to have... Employability skills Education and Training Collaboration with key stakeholders

Conclusion

- Subdued labour market in the Bundaberg PEA and LGA
 - o Persistently high unemployment rate and lower levels of participation
- Challenges
 - Youth unemployment/disengagement and low education levels
 - o Mismatch between job seekers' skills and those sought by employers
 - Ageing population/demographic change future labour force
 - o Long term unemployed, jobless families and reliance on income support
 - o Lack of growth in industries outside Health Care and Social Assistance
 - o Recovery from flooding
- Opportunities
 - Strong employment growth expected in Health Care and Social Assistance
 - Opportunities for less experienced job seekers in industries with high turnover (Retail Trade and Accommodation and Food Services)
- Job seekers need to have...
 - o Employability skills
 - o Education and Training
- Collaboration with key stakeholders



Further Information

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

www.employment.gov.au/regionalreports

www.lmip.gov.au

www.emplyoment.gov.au/SkillShortages

www.employment.gov.au/australianjobs

www.joboutlook.gov.au

A report on the survey findings for the Bundaberg-Hervey Bay Priority Employment Area will be placed on the regional reports section of the Department of Employment web site.

Thank you.



If you have any questions about the presentation please contact the Regional Surveys Section or Recruitment Analysis Section on:

Tel: <u>1800 059 439</u> or Email: <u>recruitmentsurveys@deewr.gov.au</u>

