

Overview of demand for managers, professionals and technicians: Western Australia – June 2009

Economic Background

The Western Australian (WA) economy is expected to contract by 1.25 per cent (Real Gross State Product Growth) in 2009-10 as the global recession intensifies and business investment boom unwinds. This compares to an estimated actual growth of eight per cent for 2008-09 financial year and actual growth of 5.2 per cent for the 2007-08 financial year. A second year of economic contraction is expected in 2010-11, due mainly to a further fall in business investment. As the global recovery builds gradually through 2010 and beyond, the state's economy is forecast to recover, growing by 3.75 per cent in both 2011-12 and 2012-13.

Labour Market

The Australian Bureau of Statistics (ABS) indicates that WA's unemployment rate (trend) grew from 3.1 per cent in June 2008 to 5.0 per cent in May 2009. It is the first time the state's unemployment rate has reached 5.0 per cent since July 2004. The number of unemployed persons (trend) in May 2009 grew for the eighth successive month to 61 200 persons. The number of employed persons in WA was estimated at 1 167 500 in May 2009, after peaking at 1 176 200 in October 2008. In the six months to April 2009, the number employed fell by 0.8 per cent to 1 166 900 persons. The ABS has indicated that the largest number of job losses occurred in the Mining industry. In contrast, employment growth occurred in Health care and social assistance and Education and training. Despite recent falls in the monthly employment figure, the number of people employed in WA in May 2009 was 1.9 per cent higher than in May 2008.

The ABS has also reported that as of May 2009 the main employers by industry in WA were Retail Trade (142 300), Construction (122 100), Health Care and Social Assistance (129 600), Manufacturing (95 300) and Education and Training (85 000).

The DEEWR Skilled Vacancy Index (SVI) count for WA decreased by approximately 68 per cent in the year to July 2009. Vacancies for the mining industry, health and education have experienced a continual downward trend with nominal vacancies recorded since March 2009.

Population

Figures released by the ABS show WA recorded Australia's largest population growth in the past 12 months to June 2009. The state's population increased by three per cent or 66,000 people, or more than 1250 people a week. WA has 2.2 million people, and this is expected to continue. The increase in population and the aging of the population is expected to increase demand in employment in the areas of Health, Education and Construction.

24 Education professionals

There were no shortages reported for School Teachers of Early Childhood (Pre-primary school), Primary, Secondary or Special Needs in WA as at 31 March 2009. The WA Department of Education and Training (WADET) reported that resignations and retirements had dropped in 2009 which effectively lessened the number of teaching positions available. Although applications for teaching positions were greater than positions available WADET also pointed out that a percentage

of applicants nominated limited locations for placement which effectively reduced availability. The private education sector also reported no difficulties with recruitment with the exception of special needs teachers.

Demand for School Teachers in WA is expected to increase in the long term with WADET figures indicating that total school enrolments across the public and private sector has increased steadily since 2006 and this trend is expected to continue. The return of full student enrolments as the half cohort transitions from the primary sector (in 2010) and then from the secondary sector (in 2015); an increase in the participation rate for those children aged four due to proposed legislative requirements concerning early childhood education taking effect in 2013; and increased retention of students within Year 11 and 12 are all factors that will increase demand for the education professions from 2010 onwards. The aging of the teaching workforce within WA is also expected to affect the supply of teachers with WADET anticipating a large number of retirements in the long term. WADET advises that of those teachers who are registered with WA College of Teaching as working in Government, Independent or Catholic schools 6588 are aged over 55, representing approximately 22 per cent of the total teachers registered.

25 Health professionals

There were two nursing occupations examined in this group in June 2009, which included ten specifications of registered nurses and midwives. Demand for nursing is driven by factors such as the level of funding allocated to the health sector by the State Government, increasing population and the ageing of the population. The WA State health system reports that 116 532 people were admitted to State run hospitals in the December quarter 2008. This is a 2.6 per cent increase from the same quarter of 2007 and this trend is expected to continue in the longer term. There was also an increase of nearly two per cent in attendees at emergency departments, to 203 150 in the year 2007-08.

The ABS Labour Force Survey data shows a significant fall in registered nurses numbers between February 2008 and February 2009, where as employment for enrolled nurses and midwives remained steady. The SVI count for nursing professions indicates a decline in vacancies since March 2009. Employers surveyed by DEEWR generally have reported no shortages for the nursing professions with midwives being the exception. Employers have advised recruitment difficulties in the areas of Critical, Emergency and Aged Care and in Mental Health.

Occupational Therapists, Physiotherapists, Dentists and Retail Pharmacists were also examined in June 2009. Demand for all these professions is driven by population growth. The ABS Labour Force Survey data shows that employment in all the above mentioned health professions remained steady. The SVI count for Health Professionals has indicated a decline in advertised vacancies since February 2009.

Supply of Retail Pharmacists increased in 2008 and employers have reported no shortages. Recruitment difficulties are evident for Occupational Therapists and Physiotherapists with shortages reported in Aged Care, Mental Health, Residential and Community Care and Primary Health. Labour market research has indicated that Dentists are in shortage and there is recruitment difficulties reported for all health professions in remote areas.

An increased WA health budget and planned infrastructure development for WA hospitals combined with an increase in the WA population will provide growth in employment opportunities

for all Health Professionals. The labour market for all Health Professionals is expected to remain strong over the next few years.

312 Building and Engineering Technicians

Demand for all Building and Engineering Technicians have been affected by the slowing of activity in the construction industries in WA. The WA Department of Treasury and Finance has indicated that WA trend building approvals grew by 4.5 per cent over the three months to May 2009. While the temporary boost to the First Home Owner Grant has helped support this growth, approvals in May 2009 was 16.8 per cent (trend) lower than in May 2008. WA real engineering construction activity also fell by approximately four per cent for the year ending in March 2009. In April 2009 employers of Civil, Mechanical, Electrical and Electronic Draftspersons and Technicians: Construction Project Managers, Surveyors and Architectural Draftspersons were surveyed by DEEWR and no shortages were reported. The SVI count for these occupations has also indicated a decline in vacancies from March 2009 through to June 2009.

The effects of the economic downturn in WA are still far from clear and the labour market for Technicians linked to the construction industries will remain in flux for the short term. Commonwealth grants to the WA Government under the Nation Building and Jobs Plan coupled with the WA State budget announcement in May 2009 to give priority to capital works that includes residential, road, port and large construction projects may increase demand for building associates, draftspersons and technicians in the medium term.

233 Engineering Professionals

The demand for Engineering Professionals in WA is mainly linked to the Mining and resources and the Professional, scientific and technical services industry. The global recession has reduced overall demand for resources and commodities from WA and this has resulted in mine closures, especially nickel.

The ABS has indicated that from November 2008 to May 2009, almost 20 000 fewer people were employed in the Mining industry. Over the same period, a substantial decrease (over 6000) occurred in the number of people employed in the Professional, scientific and technical services industry. It is likely that some of these job losses resulted from the contraction in the mining industry and anecdotal evidence suggests that this has resulted in an increase in the availability of Engineering Professionals. The SVI count indicates that there has been a reduction in advertised vacancies for engineering professions since March 2009.

Employers of Engineering Professionals surveyed by DEEWR in March 2009 reported no shortages for most engineering professions with some recruitment difficulty reported in specialised areas of oil and gas and gold mining industries. Some employers did indicate that it was difficult to recruit in remote areas. All employers surveyed noted that this was a distinct difference from twelve months ago when they reported skill shortages and were seeking to employ Engineers from overseas.

The effects of the economic downturn in WA are still far from clear and the labour market for professions linked to the mining and resources industry will remain in flux for the short term. Although there is no indication of timelines, it is expected that several major resource projects in the resource and mining industry will commence in the near future. This coupled with an

expected increase in infrastructure projects may increase demand for engineering professions in the long term.

Mining Occupations

Specialist managers who are employed in the mining industry were examined in February 2009. The majority of specialist managers in the field of mining are sourced from people who have engineering degrees, unrestricted quarry manager licenses and a minimum of five years experience on mining sites. The ABS 2006 Census indicates that there are limited numbers Production Managers (Mining), Mine Deputies and Mining Engineers with approximately 3300 people recorded as working across the three occupations. The SVI count for mining managers has indicated a decline in advertised vacancies since February 2009. Employers surveyed by DEEWR in February 2009 indicated that demand for specialist mining managers was subdued as the impact of the global financial crisis reduced demand for WA commodities. Employers did report that vacancies pertaining to specialist areas in the gold mining industry and remote areas were still difficult to fill.

271311 Solicitors

In April 2009 the occupation of Solicitors was examined. ABS data indicated that the number of solicitors in WA has increased between the 2001 Census and the 2006 Census by 39 per cent to 2650. The ABS Labour Force Survey indicates a slight decline in the number of Solicitors working in WA from February 2008 to February 2009.

Employers of Solicitors surveyed by DEEWR reported recruitment difficulty in specialised areas such as property and commercial law. They also indicated that vacancies for senior solicitors with five years experience or more were in particular demand. Vacancies in regional locations were also reported to be difficult to fill. With the State's increase in population the volume of business activity is expected to continue to grow. It is anticipated that demand for Solicitors will remain steady over the next few years.