

Production Manager (Manufacturing)		Queensland
ASCO Code: 1222-11		May 2008
Labour market rating	Shortage	
Comment:		

Occupational demand

Manufacturing production managers plan, administer and review manufacturing activities to optimise resource use, minimise costs and maintain quality standards. Employment can be found in private engineering firms, and in the building, minerals, construction, manufacturing and processing industries. The Australian Industry Group-PriceWaterhouseCoopers Quarterly Manufacturing Survey shows that Queensland's manufacturing activity strengthened moderately in the 2007 June quarter, making the sixth consecutive quarter of expansion. Largely reflecting a broadening in demand coming from the State's mineral resources sector, demand for experienced and suitably qualified manufacturing production managers has grown in line with this increased activity.

Occupational supply

Formal entry to the profession in Queensland is usually gained by completing a bachelor degree in manufacturing engineering or mechanical engineering management. Information obtained from the Department of Education, Employment and Workplace Relations shows that the annual number of students commencing these programs has not reached more than 40 and completions have averaged only 12 per year since 2001. The supply of suitably qualified persons to this profession may have been supported by overseas migration with Department of Immigration and Citizenship data showing a net gain to the State of 140 self-identified manufacturing, production and plant engineers migrating to Queensland in 2006-07. Census figures indicate that the production manager workforce increased on average by four per cent each year between 2001 and 2006.

Employer and industry comments/current labour market

Although 70 per cent of employers were willing to accept applicants with trade qualifications and experience in place of degree qualifications, the vacancy filled rate for manufacturing production managers this year was only 40 per cent. Overall, the contacts considered 60 per cent of applicants as unsuitable because they did not have product specific or sufficient experience. Of the 30 per cent of employers seeking degree qualified professionals, applicants were considered unsuitable because they had inadequate qualifications or they were not immediately available. In the metropolitan area, 60 per cent of vacancies were filled by the time of contact, but outside of Brisbane, the filling rate was 20 per cent. Regional employers reported their location as the greatest impediment to successful recruitment with most of these employers relaxing the degree qualified requirement. Some respondents reported an inability to compete with wages in the mineral resources sector and the subsequent high number of workers leaving the industry to take up positions as mining production managers. Small to medium businesses reported they cannot afford to match the market rate offered by large companies. Most contacts this year viewed the recruitment of overseas professionals as a positive step towards addressing skill shortages. However, they consider that the duration of the immigration process often extends beyond the immediate and critical needs of the industry.

Labour market outlook

The current labour market of manufacturing production managers is in State-wide shortage and according to the Australian Industry Group-PriceWaterhouseCoopers Australian Performance of Manufacturing Index, manufacturers are forecasting that exports will rise by a further 7.5 per cent over 2008. Demand for manufacturing production managers is therefore likely to rise. Employers are willing to accept workers with trade level qualifications and experience but the labour markets of suitable trades have also been found to be in shortage. Overseas immigration may be providing some assistance but increasing demand continues to outstrip supply. Without significant increases to education and, or immigration numbers, the Queensland labour market for manufacturing production managers will remain in shortage for the foreseeable future.