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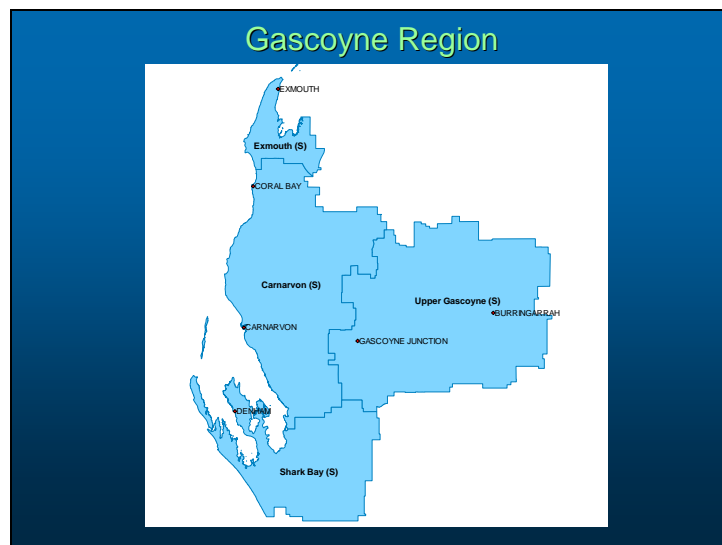
GASCOYNE SURVEY OF EMPLOYERS' RECRUITMENT EXPERIENCES

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This is a map of the Gascoyne region, which is comprised of the Carnarvon Shire, the Upper Gascoyne Shire, the Shark Bay Shire, and the Exmouth Shire.

Today we will provide you with labour market information relating to the Gascoyne region as a whole as well a more focused analysis of labour demand and labour supply in the Carnarvon Shire.

Gascoyne – Demographic Profile

- Working Age Population (15-64): 5900
 - Higher proportion of persons of prime working age (25–44)
 - Lower proportion of the population had completed Year 12 or equivalent
 - Lower proportion of population born overseas
 - Higher proportion of population identified as Indigenous
- Unemployment rate: 3.9%
 - Higher proportion receiving Centrelink allowance compared with the State

Source: 2006 Census; DEWR Small Area Labour Markets, June 2007; Centrelink Admin data, June 2007

This is a broad profile of the Gascoyne region.

Working Age Population (15-64) ((Source: 2006 Census of Population and Housing First Release)

In the Gascoyne region there is a total adult population (15+) of around 6900 and a working age population (those aged between 15 and 64 years) of around 5900.

There are number of characteristics of this working age population that are important to keep in mind:

- Persons considered to be of 'prime working age' (that is, between the ages of 25 and 44) accounted for a higher proportion of the working age population in Gascoyne than in Western Australia and Australia overall (45.0 per cent compared with 42.1 and 42.3 per cent respectively).
- From a regional perspective, almost two thirds of the working age population reside in the Carnarvon area (62.1 per cent).
- The age distribution of Carnarvon residents is also broadly in line with the Gascoyne region. For instance, persons of 'prime working age'

accounted for 45.5 per cent of the working age population in Carnarvon.

Other demographic information (*Source (unless stated): 2006 Census of Population and Housing First Release*)

Aside from the age profile of the area, there are a number of other characteristics of the population in the Gascoyne area that will have an impact on labour market participation and outcomes.

- The proportion of persons aged 15 and over who have completed Year 12 is significantly lower in the Gascoyne region (31.0 per cent) than for the State and Australia (42.4 per cent and 42.2 per cent, respectively).
- Within the Carnarvon area the proportion of persons aged 15 and over who have completed Year 12 is 29.5 per cent, slightly lower than the proportion for Gascoyne overall.

The proportion of persons of all ages who were born overseas is significantly lower in the Gascoyne region (15.4 per cent) compared with the State and Australia (27.1 per cent and 22.2 per cent, respectively). However, of the persons in the Gascoyne region who were born overseas, a higher proportion were born in non Main English Speaking Countries compared with the State (47.7 per cent compared with 44.0 per cent for Western Australia).

- Within the Carnarvon area the proportion of persons who were born overseas is 15.6 per cent, which is more or less on par with the proportion for Gascoyne overall. However, the proportion of this group who were born in non-MESC was significantly higher than Gascoyne overall (57.5 per cent).

The proportion of persons aged 15 and over who identified as Indigenous is significantly higher in the Gascoyne region (15.3 per cent) compared with the State and Australia (3.0 per cent and 2.3 per cent, respectively).

Within the Carnarvon area the proportion of persons who identified as Indigenous is 19.1 per cent, which is higher than the proportion for Gascoyne overall.

- Importantly, the patterns of labour force engagement of this group are significantly different to those of the non-Indigenous population. For instance at the time of the 2001 Census, the Indigenous unemployment rate in the Gascoyne region was 15.2 per cent compared with 5.6 per cent for the non-Indigenous population. Moreover, the Indigenous participation rate in the Gascoyne region was 51.8 per cent compared with 71.2 per cent for the non-Indigenous population (*Source: 2001 Census of Population and Housing*).

Unemployment (*Source: DEWR estimate based on Small Area Labour Markets Publication, June 2007*)

In the 12 months to June 2007, the unemployment rate for the Gascoyne region was 3.9 per cent, which has fallen from 4.6 per cent for the 12 months to June 2005. Despite this fall, this rate is higher than the comparable unemployment rate for the State (3.2 per cent) but lower than the rate for Australia overall (4.2 per cent).

- Despite the fall in unemployment in the Gascoyne region generally, the unemployment rate in the Carnarvon area has remained relatively stable (5.1 per cent for the 12 months to June 2005 compared with 5.0 per cent for the 12 months to June 2007).

Centrelink population (*Source: Centrelink administrative data, June 2007*)

At the same time (June 2007), there were 1300 people of working age in receipt of a Centrelink payment in the Gascoyne region (postal areas covered by the survey). This equates to around 21.9 per cent of the total working age population in the region and is considerably higher than the proportion for the State (14.6 per cent) and Australia overall (18.3 per cent).

- These recipients were concentrated in three payment types: Disability Support Pension (28.2 per cent of recipients), Newstart Allowance (24.2 per cent of recipients), and Parenting Payment Single (21.4 per cent of recipients).
- Persons who identified as Indigenous accounted for around two fifths of all working age Centrelink recipients in the Gascoyne region (all allowance types).

 Labour Force information by SLA (*DEWR Small Area Labour Markets, June 2007*)

SLA	Unemployed	Labour Force	UE rate
Carnarvon (S)	192	3852	5.0%
Exmouth (S)	33	1504	2.2%
Shark Bay (S)	10	578	1.7%
Upper Gascoyne (S)	7	214	3.3%
Gascoyne SSD	242	6148	3.9%

Gascoyne – Industry Profile

- **Major employing industries:** Agriculture, Forestry and Fishing, Retail Trade, and Accommodation, Cafés and Restaurants.

Proportion of total employment			
	Carnarvon	Gascoyne	WA
Agriculture, Forestry and Fishing	18.8%	17.1%	4.4%
Retail Trade	13.3%	12.7%	14.9%
Accommodation, Cafés and Restaurants	6.1%	9.5%	4.6%
Health and Community Services	7.4%	5.8%	9.6%

Source: 2001 Census

Another important part of the profile of the Gascoyne area is the distribution of employment across industries.

Unfortunately, the most recent employment information we have for the Gascoyne area is based on the 2001 Census, however employment information for the 2006 Census is expected to be released in November.

At the time of 2001 Census, the Agriculture, Forestry and Fishing industry was the largest employing industry in the Gascoyne area and accounted for around 17.1 per cent of employment. Other major employing industries were Retail Trade (12.7 per cent of total employment) and Accommodation, Cafés and Restaurants (9.5 per cent of total employment).

- The Agriculture, Forestry and Fishing and Accommodation, Cafés and Restaurants industries account for a much greater proportion of employment in the Gascoyne region than in Western Australia overall (4.4 per cent and 4.6 per cent of total employment in WA, respectively).

In the Carnarvon region, the pattern of major industries is broadly similar with Agriculture, Forestry and Fishing (18.8 per cent) and Retail Trade (13.3 per

cent) accounting for the largest proportion of total employment in the region. However, the Accommodation, Cafés and Restaurants industry accounts for a significantly smaller proportion of employment than in Gascoyne generally (6.1 per cent compared with 9.5 per cent), while the Health and Community Services industry accounts for a higher proportion of employment in Carnarvon than in Gascoyne overall (7.4 per cent compared with 5.8 per cent).

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Proportion of total employment			
	Carnarvon	Gascoyne	WA
Labourers and Related Workers	12.9%	14.4%	8.8%
Managers and Administrators	16.3%	13.3%	8.7%
Tradespersons and Related Workers	11.0%	12.7%	12.3%
Professionals	13.1%	11.1%	17.1%

Source: 2001 Census

In line with the high employment levels in the Agriculture, Forestry and Fishing industry, a large proportion of workers in the Gascoyne region are employed as Managers and Administrators (which includes Farm Managers) and Labourers and Related Workers (which includes Farm Hands). Both of these occupation groups account for a significantly greater proportion of employment in Gascoyne than in Western Australia more generally.

- In the Carnarvon region, Managers and Administrators (16.3 per cent) accounted for the largest proportion of total employment in the region and Professionals accounted for a higher proportion of employment in Carnarvon than in Gascoyne overall (13.1 per cent compared with 11.1 per cent).

Previous research conducted in the Gascoyne region

- 254 employers surveyed in the Mid-West and Gascoyne area in July 2006.
 - Around 16 per cent of surveyed businesses were based in the Gascoyne area.
 - 62 per cent of employers surveyed had recruited or attempted to recruit in the past 12 months.
 - 3 per cent of vacancies were not filled.
 - 50 per cent of employers reported difficulty filling vacancies
 - 56 per cent of businesses surveyed expected to recruit in the next 12 months.

Source: DEWR, Mid West and Gascoyne Skills in Demand Survey, July 2006

To gain a greater understanding of the Skills in Demand in the Mid West and Gascoyne region in preparation for a Better Connections Workshop which was held in Geraldton on the 15th of September 2006, DEWR conducted a telephone survey of 254 local businesses from 7 key industries in July 2006. 41 of these responses were received from businesses based in the Gascoyne area (16 per cent).

Overall the survey found that:

- 62 per cent of employers surveyed had recruited or attempted to recruit in the past 12 months, which is a high level of recruitment activity when compared with other regions surveyed. The level of recruitment activity among employers in the Gascoyne region was on par with the average for the Mid West and Gascoyne region (61 per cent).
- In all, these employers reported that they had attempted to fill 917 vacancies and, of these, 3 per cent (28) were not filled. Around 14 per cent of these vacancies (125) were reported by employers in the Gascoyne area and just 2 per cent of these vacancies were not filled.
- Of the employers who had attempted to recruit, half (50 per cent) reported difficulty filling vacancies. The proportion of employers who

reported difficulty in the Gascoyne region was slightly higher (52 per cent).

The results of the Mid-West Gascoyne survey suggested that recruitment would remain strong in the 12 months following the survey period with 56 per cent of the employers surveyed expecting to recruit over the next 12 months. These expectations were lower among employers in the Gascoyne region (51 per cent).

Employers surveyed in the Mid-West Gascoyne survey

Agriculture, Forestry and Fishing (n=28)

Mining (n=5)

Manufacturing (n=2)

Construction (n=32)

Retail Trade (n=51)

Accommodation, Cafes and Restaurants (n=40)

Transport and Storage (n=2)

Finance and Insurance (n=3)

Property and Business Services (n=24)

Education (n=26)

Health and Community Services (n=36)

Personal and Other Services (n=5)

Total (n=254)

Gascoyne Survey of Employers' Recruitment Experiences

- 171 employers surveyed across the region.
 - Around one half of surveyed businesses were based in the Carnarvon area.
 - Responses were concentrated in the region's largest employing industries.
 - 51 per cent of employers surveyed had recruited or attempted to recruit in the past 12 months.
 - Recruitment activity was particularly common in the Health and Community Services industry.
 - In the Carnarvon area, 64 per cent of surveyed businesses had recruited.

Source: DEWR, Gascoyne Survey of Employers' Recruitment Experiences, May 2007

To gain a greater understanding of the skills in demand specific to the Gascoyne region and as a result of a request from the Gascoyne Development Commission, DEWR conducted a telephone survey of local employers in April and May 2007. Findings from the survey provide a good indication of the nature of recruitment activity and the extent to which local employers face recruitment difficulties, as well as identifying labour market opportunities in the region.

The Gascoyne Survey of Employers' Recruitment Experiences collected information from 171 businesses. Just over half of these businesses were based in the Carnarvon area (51 per cent).

These responses were also concentrated in the region's largest employing industries, including the:

- Agriculture, Forestry and Fishing (17 responses);
- Retail Trade (49 responses); and
- Accommodation, Cafés and Restaurants industries (23 responses);
- as well as the Construction industry (26 responses).

Overall the survey found that 51 per cent of employers surveyed had recruited or attempted to recruit in the past 12 months, which is on par with the level of recruitment activity in other regions surveyed.

- The level of recruitment activity was particularly high in the Health and Community Services industry (80 per cent of employers had recruited) and the Agriculture, Forestry and Fishing industry (59 per cent). Recruitment activity was significantly lower in the Construction (31 per cent) and Transport and Storage industries (33 per cent).
- The recruitment activity among businesses in the Carnarvon area was significantly higher than the regional average (64 per cent).

Most commonly reported occupations recruited for in the last 12 months
(Gascoyne region)

Higher skilled occupations

- Motor Mechanics
- University Lecturers and Tutors
- Science Technical Officers
- Education Managers
- Dieticians
- Refrigeration and Airconditioning Mechanics

Medium skilled occupations

- Receptionists
- Waiters
- Truck Drivers
- General Clerks
- Bar Attendants
- Other Intermediate Machine Operators

Lower skilled occupations

- Sales Assistants
- Domestic Housekeepers

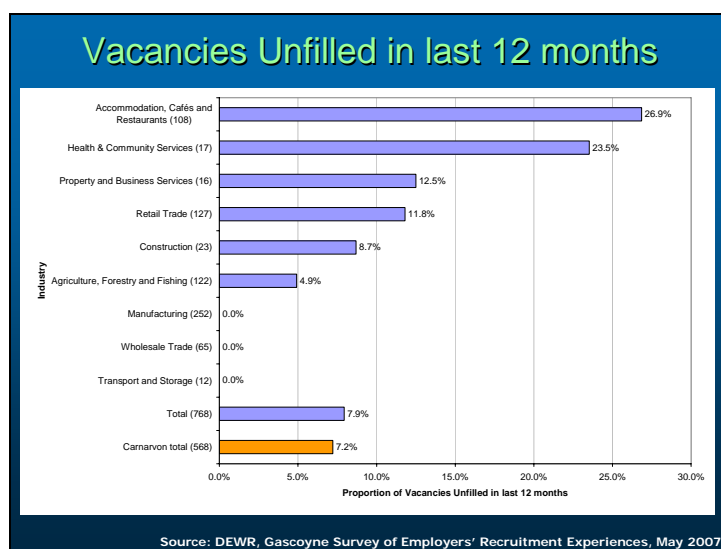
Cleaners

Kitchenhands

Farm Hands

Other Food Factory Hands

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In all, the employers surveyed reported that they had attempted to fill 768 vacancies, of which 8 per cent (61) were not filled, which is high in comparison with previous surveys in the area and indicates that there are a number of vacancies that are remaining unfilled in the region. The number in brackets indicates the number of vacancies reported).

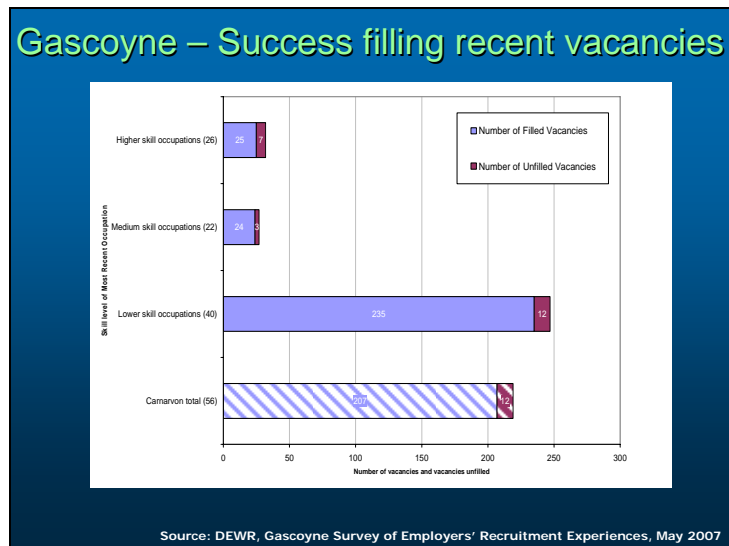
As can be seen on the chart, the proportion of vacancies unfilled varied significantly across industries.

The proportion of vacancies unfilled was particularly high in the Accommodation, Cafés and Restaurants (27 per cent of 108 vacancies remaining unfilled) and Health and Community Services industries (24 per cent of 17 vacancies remaining unfilled), which may be evidence of recruitment difficulties in these industries.

- On the other hand, all of the vacancies reported in the Manufacturing (252 vacancies), Wholesale Trade (65 vacancies) and Transport and Storage (12 vacancies) industries were filled.
- In comparison to the overall proportion of vacancies unfilled in the region, 7 per cent of vacancies reported by employers in the Carnarvon area remained unfilled.

- While the proportion of unfilled vacancies is indicative of the depth of recruitment difficulties in a region or industry, the proportion of employers who experienced unfilled vacancies is indicative of the breadth of these difficulties. Across the Gascoyne region, 26 per cent of employers who had attempted to recruit reported one or more unfilled vacancies over the last 12 months. Across the region as a whole, this proportion was highest in the Health and Community Services industry (50 per cent), however, 40 per cent of employers in the Agriculture, Forestry and Fishing industry also had one or more unfilled vacancies in the past 12 months.
- As with the proportion of vacancies unfilled, the proportion of employers with unfilled vacancies was slightly lower in the Carnarvon area (23 per cent).

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To provide insight into current labour market conditions in the Gascoyne region, employers were asked to provide information on their most recent vacancy. Overall, employers in the Gascoyne region reported a total of 306 recent vacancies of which 7 per cent remained unfilled.

This chart shows the number of vacancies that were reported by employers in the Gascoyne area by skill level, broken down by whether the employer filled the vacancy (blue section) or whether the vacancy was not filled (red section). The numbers in brackets indicate the number of employers who mentioned this type of occupation as their most recent vacancy.

We can see from the chart that recent recruitment activity across the Gascoyne region was concentrated in lower skilled occupations with 40 employers reporting a total of 247 recent vacancies in this skill level. Despite the high number of vacancies in this skill level, all but 5 per cent of these vacancies were filled.

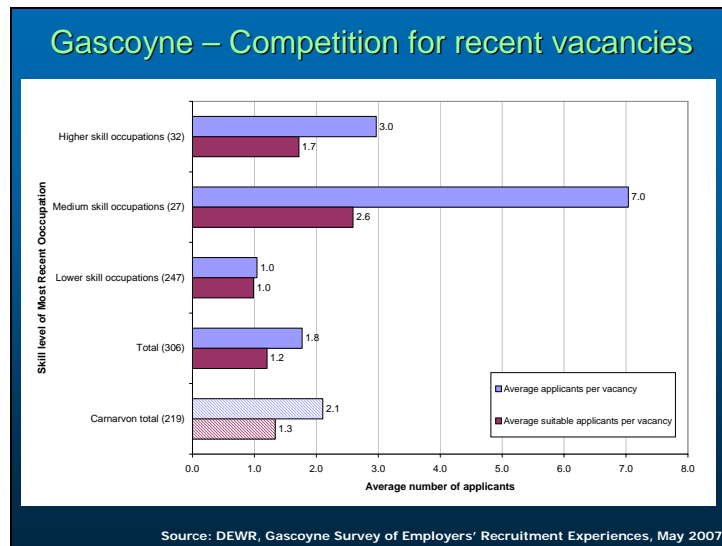
On the other hand, 26 employers reported higher skilled vacancies as their most recent. These employers reported a total of 32 vacancies, 22 per cent of which remained unfilled (7 vacancies).

In the Carnarvon region specifically, employers reported a total of 219 recent vacancies (also predominantly lower skilled) and filled all but 5 per cent.

Skill levels

- Highly skilled includes: Managers and Administrators; Professionals; Associate Professionals; and Tradespersons and Related Workers.
- Medium skilled includes: Advanced Clerical and Service Workers; Intermediate Clerical, Sales and Service Workers; and Intermediate Production and Transport Workers.
- Lower skilled includes: Elementary Clerical, Sales and Service Workers; and Labourers and Related Workers.

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In spite of employers' success filling recent vacancies, survey results suggest that competition for vacancies is quite low in the region.

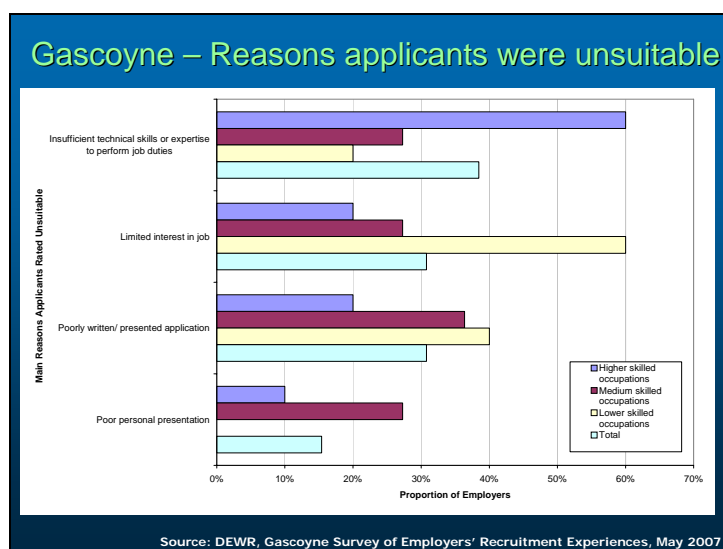
This chart shows the average number of people who applied for vacancies (most recent only) and the average number of applicants who were considered suitable for the job for which they had applied.

Overall, the results of the survey indicate that there is a very low level of competition for vacancies in the Gascoyne area with an average of 1.8 applicants per vacancy. This level of competition is closely related to the labour market conditions in an area, typically areas of lower unemployment, such as Gascoyne, have a lower level of competition for vacancies.

However, this level of competition for vacancies is also closely related to the type and skill level of an occupation. Higher skilled vacancies attracted an average of 3.0 applicants per vacancy and lower skilled vacancies attracted 1.0 applicant per vacancy. Conversely, medium skilled vacancies attracted an average of 7.0 applicants per vacancy.

Competition for vacancies alone does not explain how labour supply contributes to recruitment difficulties. The quality of applicants can affect not only whether an employer fills a vacancy but also whether they are satisfied with the result of recruitment. As shown in the chart, in the Gascoyne area, an average of 1.2 applicants were considered suitable for the job for which they had applied. As with competition generally, this average was highest for medium skilled vacancies (2.6) and lower among higher skilled and lower skilled vacancies (1.7 and 1.0, respectively).

Employers in the Carnarvon area reported slightly stronger competition for vacancies than the region generally. Recent vacancies in the Carnarvon area attracted an average of 2.1 applicants with an average of 1.3 regarded by employers as suitable for the job for which they had applied.



Given the low number of suitable applicants across the region, understanding the issues that prevent applicants from being regarded as suitable is necessary to improve employment outcomes in the region.

This chart shows why surveyed employers found one or more applicants to be unsuitable for the occupation for which they had applied, by the skill level of the occupation.

Across all most recently advertised vacancies, employers most commonly found one or more applicants to be unsuitable because they did not have the technical skills or expertise to perform job duties (38 per cent of employers).

Other reasons that were commonly reported by employers included:

- Limited interest in the job (31 per cent of employers);
- Poorly written or presented application (31 per cent of employers); and
- Poor personal presentation (15 per cent of employers).

However, as can be seen from the chart, these results were markedly different depending on the skill level of the vacancy. For instance, employers with lower skilled vacancies were much more likely to consider applicants

unsuitable due to limited interest in the job, whereas employers with higher skilled vacancies were more likely to consider applicants unsuitable due to insufficient technical skills or expertise.

Gascoyne – Difficult to fill occupations

Higher skilled occupations:

- Motor Mechanics
- Structural Steel and Welding Tradespersons

Medium skilled occupations:

- Receptionists
- Truck Drivers

Lower skilled occupations:

- Sales Assistants
- Domestic Housekeepers
- Cleaners
- Kitchenhands
- Meat and Fish Process Workers
- Other Food Factory Hands
- Farm Hands

Source: DEWR, Gascoyne Survey of Employers' Recruitment Experiences, May 2007

50 per cent of employers reported that it was difficult to fill their most recent vacancy.

As with other indicators, this result is also closely linked to the skill level of a vacancy with 50 per cent of employers with higher skilled vacancies reporting difficulty, compared with 41 of employers with medium skilled vacancies, however, 55 per cent of employers with lower skilled vacancies reported difficulty.

- Location was the major factor contributing to this recruitment difficulty and was reported by 59 per cent of employers who had difficulty.
- Other commonly reported reasons for recruitment difficulty were the tight labour market, that is, not enough applicants for the job (52 per cent) (which is not surprising given the level of competition for vacancies and low unemployment in the area); the nature of the work (27 per cent); and the technical skill requirements of the job (23 per cent),
- Seasonality was reported a reason for difficulty by 14 per cent of employers.

What we can see on this slide is an indicative list of the occupations that were most commonly reported as difficult to fill by employers (all vacancies over the last 12 months)¹. While this list of occupations does not directly translate to a comprehensive list of occupations in demand for the region, it does provide valuable information on jobs that are difficult to fill and identifies opportunities for job seekers with the appropriate skills and qualifications or the ability to quickly gain these skills.

As is evident from the list, recruitment difficulties exist across the range of skill levels, including occupations such as:

Higher skilled occupations

Structural Steel and Welding Tradespersons
Motor Mechanics

Medium skilled occupations

Receptionists
Truck Drivers

Lower skilled occupations

Sales Assistants
Domestic Housekeepers
Cleaners
Meat and Fish Process Workers
Other Food Factory Hands
Farm Hands
Kitchenhands

¹Greatest difficulty has been determined by multiple employers in the region reporting recruitment difficulty for that occupation and does not necessarily translate into unfilled vacancies in that occupation.

Gascoyne – Recruitment Expectations

- 48 per cent of employers expect to recruit in the next 12 months.
 - Much of this recruitment activity is expected to be in lower skilled occupations.
 - In the Carnarvon area, 44 per cent of surveyed businesses expect to recruit.
 - 67 per cent of employers who expect to recruit anticipate staff turnover in the next 12 months.
 - 67 per cent of employers who expect to recruit anticipate difficulty.

Source: DEWR, Gascoyne Survey of Employers' Recruitment Experiences, June 2007

What the preceding analysis has demonstrated is that recruitment difficulties exist across a broad range of occupations in the Gascoyne area. This section will analyse how demand for labour may develop over the next 12 months and the effect of this demand on future recruitment difficulties.

Survey results suggest that recruitment will remain strong over the next 12 months with almost half of the employers surveyed expecting to recruit over the next 12 months (48 per cent). These expectations are particularly high in the Transport and Storage industry (53 percent) and the Agriculture, Forestry and Fishing industry (53 per cent) and least prevalent in the Construction industry (31 per cent).

- As with the last 12 months, much of this recruitment activity is expected to be in lower skilled occupations, in particular, Cleaners and Farm Hands.
- The recruitment expectations of employers in the Carnarvon area are slightly lower with 44 per cent of employers expecting to recruit in the next 12 months.

A large amount of this recruitment is anticipated to stem from staff turnover, which is indicative of the highly seasonal nature of employment in the area as

well as the transitional patterns of labour supply, with backpacker recruitment fairly common.

- Overall, 67 per cent of the employers who expect to recruit anticipate needing to recruit to replace staff in their business in the next 12 months. This proportion is particularly high in the Accommodation, Cafés and Restaurants industry (83 per cent), which is a common phenomenon in the industry more generally. Within the Carnarvon area, 64 per cent of employers surveyed who expect to recruit anticipate needing to replace staff.

Many employers expect recruitment difficulties in the area to continue into the next 12 months with 67 per cent of recruiting employers anticipating difficulties in either attracting or retaining staff. This expectation of recruitment difficulties is an outlook held by 64 per cent of employers in the Carnarvon area who expect to recruit in the next 12 months.

Most commonly reported occupations to be recruited for in the next 12 months (Gascoyne region)

Higher skilled occupations

Air Transport Professionals

Motor Mechanics

Electricians

Medium skilled occupations

Education Aides

Waiters

Truck Drivers

Lower skilled occupations

Sales Assistants

Checkout Operators and Cashiers

Domestic Housekeepers

Cleaners

Farm Hands

Kitchenhands

Handypersons

Finish

Thank you

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