



Survey of Employers' Recruitment Experiences in West and North West Tasmania – November 2008

To gain a greater understanding of the recruitment experiences in the West and North West Tasmania Employment Service Area (ESA), the Department of Education, Employment and Workplace Relations (DEEWR) undertook a telephone survey of local employers in November 2008. 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 for employers and job seekers.

Until September 2008, Australia had experienced robust labour market conditions for well over a decade, with strong and sustained economic and employment growth, which saw the unemployment rate fall to a low of 3.9 per cent on February 2008.¹ However, the period following September 2008 has seen Australia's economy affected by the Global Financial Crisis (GFC) which has seen a sharp deterioration in economic conditions around the globe.

Labour Market Information

- The estimated adult population (15+) of the West and North West Tasmania ESA was 87 700 as at June 2007 and the estimated working age population (those aged 15 to 64) was 70 500.²
- A larger proportion of West and North West Tasmania's population is aged 55 years of age and over compared with both Tasmania and Australia overall (36 per cent, compared with 34 per cent and 30 per cent respectively).
- In the five years to September 2008 the unemployment rate in the West and North West Tasmania ESA decreased from a high of 9.9 per cent in September 2003 to a low of 6.1 per cent in September 2008.³ This unemployment rate is above the level for Tasmania (4.1 per cent) and Australia overall (4.2 per cent).⁴
- At the time of the 2006 Census, West and North West Tasmania ESA had a participation rate of 59.0 per cent which was slightly lower than the State average of 60.5 per cent.
- The largest employing industries in the West and North West Tasmania ESA at the time of the 2006 Census were:
 - Manufacturing (15 per cent of employment);
 - Retail Trade (15 per cent); and
 - Health and Community Services (10 per cent).

¹ Australian Bureau of Statistics, Labour Force, Australia, Spreadsheets, Dec 2008, cat. No. 6202.0.55.001 (seasonally adjusted data).

² ABS Estimated Residential Population Data Cat. No. 3235.0.55.001, June 2007, concorded by DEEWR.

³ DEEWR Small Area Labour Market data, September 2008.

⁴ DEEWR Small Area Labour Market data, September 2008

- In the five years between the 2001 and 2006 Censuses there was solid employment growth in West and North West Tasmania with a total increase of 13 per cent in the number of people employed. For the State, the number of people employed grew by 12 per cent and for Australia the number of people employed grew by 10 per cent.
- Employment growth occurred in the majority of industries across West and North West Tasmania over this period, with some of the large increases occurring in the following industries:
 - Construction (28 per cent); and
 - Transport and Storage (25 per cent).
- Between the 2001 and 2006 Censuses, employment growth varied across the different occupation groups. Intermediate and Elementary Clerical, Sales and Service Workers both recorded a 19 per cent increase in employment, however, employment in the Advanced Clerical and Service Workers occupation group declined by 10 per cent.

Key Survey Results

The West and North West Tasmania Survey of Employers' Recruitment Experiences collected information from 218 businesses in the local area. The main survey results are as follows:

- Over the 12 months prior to the survey, 77 per cent of employers surveyed had attempted to recruit. This was a higher level of recruitment activity compared with both Tasmania as a whole (72 per cent) and all regions surveyed across Australia in the 12 months to October 2008 (62 per cent).⁵
- In the 12 months prior to the survey, 12 per cent of vacancies were not filled in West and North West Tasmania which is higher than the level recorded for all regions surveyed in the 12 months to October 2008 (11 per cent).
- Of the employers who recruited in the 12 months prior to the survey, 64 per cent reported difficulty filling vacancies. The Construction, Manufacturing and Health and Community Services industries had the largest proportion of employers who had experienced difficulty in the last 12 months (77 per cent, 76 per cent and 75 per cent respectively).⁶

Success Filling Recent Vacancies

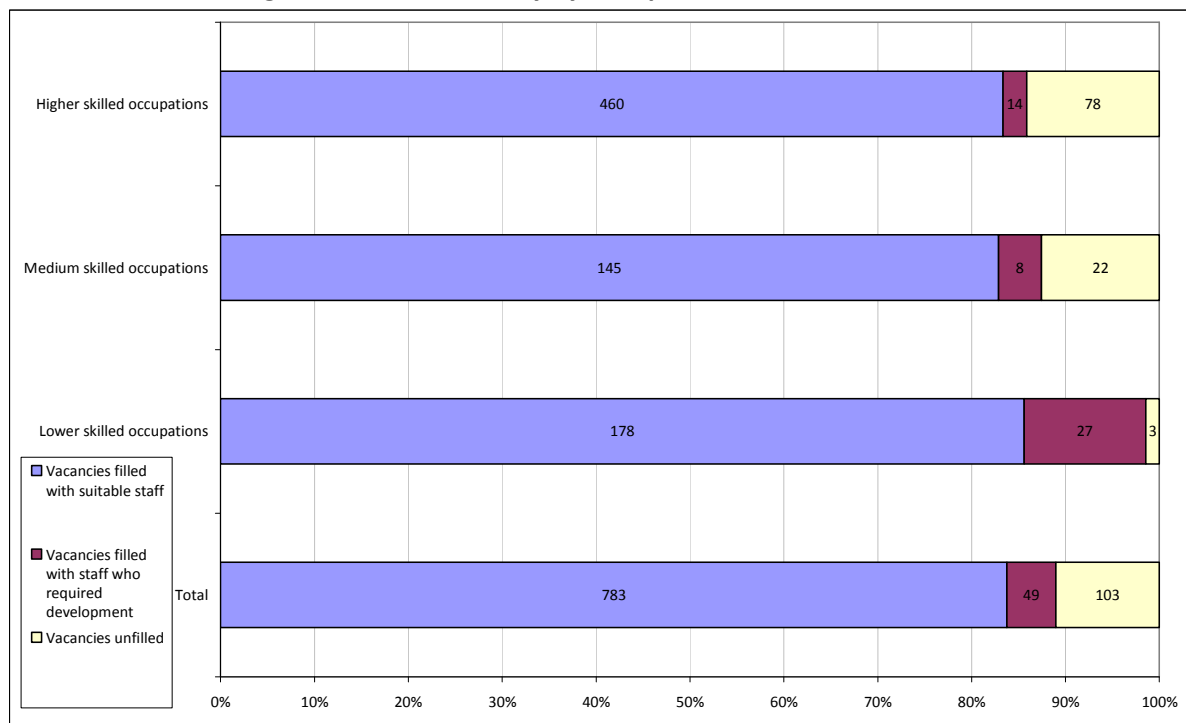
- When recruiting for their most recent vacancy, formal recruitment methods were used by 70 per cent of employers in the ESA, while less than half used informal recruitment methods (45 per cent). The most common recruitment methods were:
 - newspaper/s (57 per cent);
 - word of mouth (38 per cent); and
 - the internet (18 per cent).

⁵ Combined results of all regions surveyed across Australia in the 12 months to October 2008.

⁶ In total, 13 industries were surveyed, although due to limited numbers reliable results were produced for only seven of these industries. Results for all industries are included in totals.

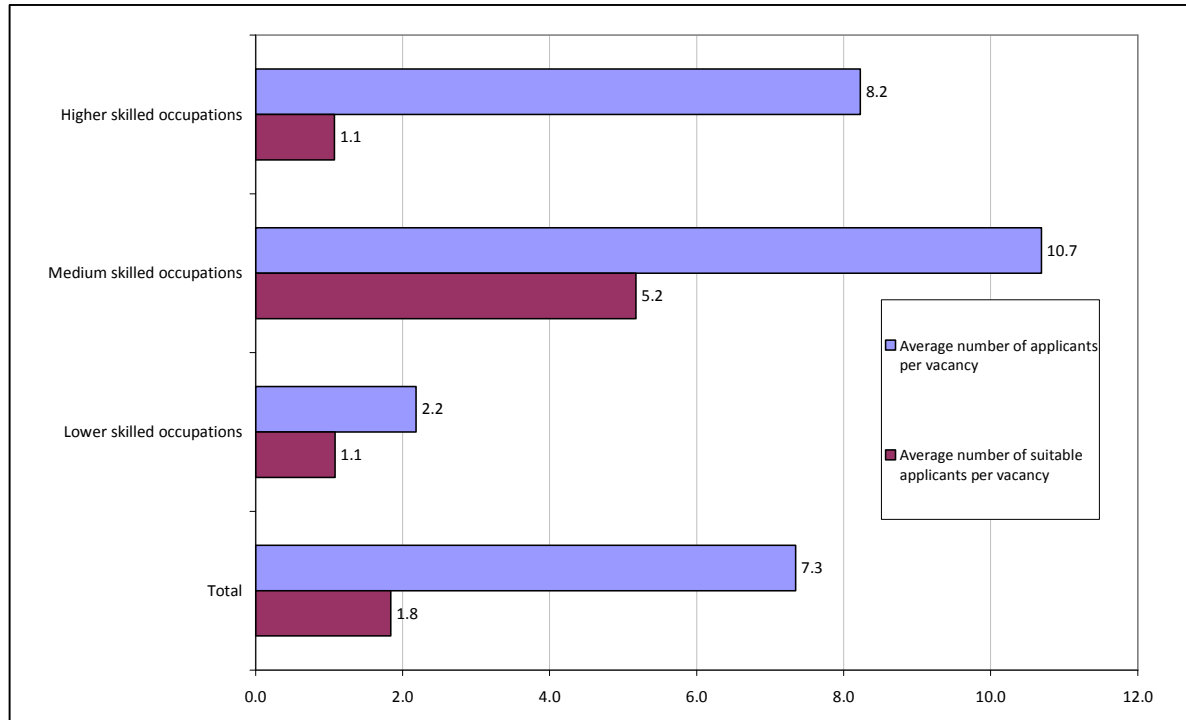
- Compared with all regions surveyed, employers in West and North West Tasmania reported a lower rate of vacancies remaining unfilled for the position for which they most recently recruited (14 per cent across all regions compared with 11 per cent of vacancies in West and North West Tasmania). However, the unfill rate in West and North West Tasmania varied by the skill level of the vacancy:
 - higher skilled vacancies – 14 per cent unfilled;
 - medium skilled vacancies – 13 per cent unfilled; and
 - lower skilled vacancies – 1 per cent unfilled.
- As can be seen in Chart 1, the proportion of recent vacancies filled with staff who required development also varied by occupation skill level: only 3 per cent of higher skilled vacancies were filled with staff requiring development compared with 13 per cent of lower skilled vacancies.

Chart 1: Success Filling Most Recent Vacancy by Occupation Skill Level



- The most common reasons employers experienced difficulty recruiting for the most recent occupation were:
 - technical skill requirements (46 per cent);
 - tight labour market (36 per cent);
 - soft skill requirements of the job (26 per cent); and
 - nature of work (26 per cent).
- As illustrated in Chart 2, there was a high level of competition for vacancies in the West and North West Tasmania ESA. For their most recent vacancies, employers reported an average of 7.3 applicants per vacancy which was higher than the average for all surveyed regions of 5.0 applicants. An average of 1.8 these applicants were considered suitable for the job in North and North West Tasmania, which was similar to the result for all surveyed regions (1.9 applicants).

Chart 2: Competition for Recent Vacancies by Occupation Skill Level



- Competition for vacancies differed depending on the occupation skill level. On average, employers of medium skilled vacancies received 10.7 applicants per vacancy compared with an average of 2.2 applicants per vacancy for lower skilled occupations.
- Overall, the main reasons employers found one or more applicants to be unsuitable were:
 - lack of experience (59 per cent);
 - insufficient qualifications or training to perform duties (44 per cent); and
 - limited interest in the job (20 per cent).
- Table 1 lists the most common reasons applicants were considered unsuitable by the skill level of the occupation.

Table 1: Main Reasons Applicants were Unsuitable by Occupation Skill Level

Skill level of most recent vacancy	Reasons applicants were unsuitable
Higher skilled occupations	Insufficient qualifications or training Lack of experience Limited interest in the job
Medium skilled occupations	Lack of experience Insufficient qualifications or training Limited interest in the job Poor job search motivation
Lower skilled occupations	Lack of experience Limited interest in the job Poor personal presentation Insufficient qualifications or training

Recruitment Expectations in the 12 Months following the survey

- A smaller proportion of West and North West Tasmania employers expect to recruit in the 12 months following the survey compared with employers in all surveyed regions (42 per cent compared with 50 per cent).
- Of employers in the West and North West Tasmania ESA who expect to recruit in the 12 months following the survey, 70 per cent reported that recruitment would be to increase the size of their business. In particular, employers anticipate high levels of recruitment activity due to business growth in the Health and Community Services (90 per cent) and Retail Trade (85 per cent) industries. In addition, just over two thirds of employers expect to recruit due to staff turnover (67 per cent).
- Of those employers who expect to recruit in the 12 months following the survey, 52 per cent expect to have difficulty doing so, which is low when compared with all surveyed regions (59 per cent).

Additional Information

The extent and nature of recruitment difficulties can vary markedly across regions. Some areas have stronger employment growth and lower levels of unemployment than others and this will have an impact on the number of employment opportunities as well as the number of local job seekers available to fill vacancies. Other factors such as international, interstate and regional migration, education and training, and the emerging demands of new technology also affect the ability of employers to attract appropriate staff to their business. Industry, occupation and employer characteristics can also exacerbate recruitment difficulties.

Additional labour market information can be found at the following websites:

- Labour Market Information Portal - www.workplace.gov.au/lmip
- Labour Market Analysis - <http://www.workplace.gov.au/workplace/Publications/LabourMarketAnalysis/>
- Better Connections Workshops - www.workplace.gov.au/bcw
- Regional Reports - www.workplace.gov.au/regionalreports
- SkillsInfo - www.skillsinfo.gov.au/

Contact Details

This report was prepared by the Labour Supply and Skills Branch, Research, Analysis and Evaluation Group.

The Labour Supply and Skills Branch would like to thank the employers who participated in the research for their contribution.

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