



### Are you looking for a job in Australia?

The Australian Labour Market Update provides information on the Australian labour market on a quarterly basis. It is intended to help people who may be looking at working in Australia on a temporary or permanent basis.

Further information on job prospects, earnings and related information is available online at **Australian Jobs 2005**, available through <http://www.workplace.gov.au>.

*Unless otherwise stated, data are from the Australian Bureau of Statistics (ABS) May 2005 Labour Force Survey.*

## OVERVIEW

In the 12 months to May 2005, the Australian labour market experienced solid growth. In trend terms, total employment increased by an estimated 335 200 persons (3.5%). Advertised vacancies increased for professional occupations but decreased for associate professional and trades occupations. Migrants with the best prospects for finding employment in the Australian labour market include those with strong proficiency in the English language, tertiary level education and high skill levels.

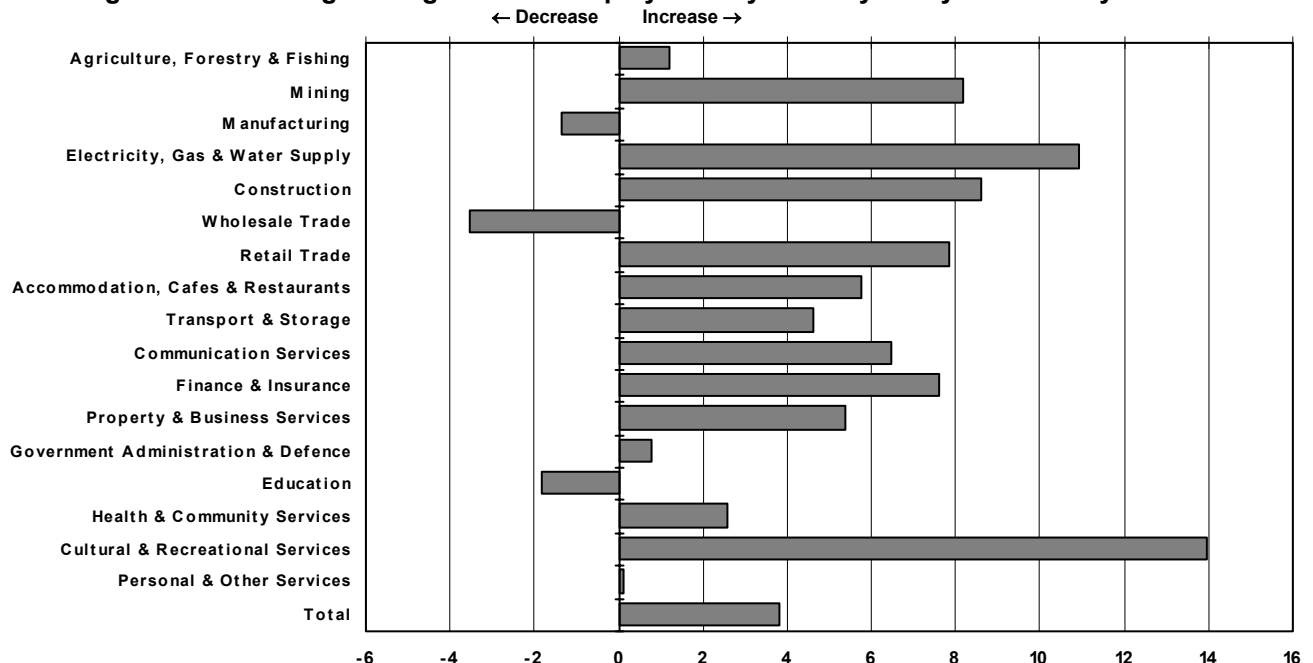
## EMPLOYMENT

Over the 12 months to May 2005, trend employment in Australia grew by 3.5% after growth of 2.1% in the previous year.

Employment (in trend terms) increased in all States and in the Australian Capital Territory (ACT) but decreased in the Northern Territory (NT). In percentage terms, employment growth was strongest in Queensland (6.0%) and Western Australia (6.0%).

Employment opportunities and growth varied across industries. Over the 12 months to May 2005, the largest increases in employment occurred in Retail Trade (up by 112 100), Construction (up by 67 900) and Property and Business Services (up by 59 300) while the strongest rates of growth were in Cultural and Recreational Services, Electricity, Gas and Water Supply and Construction. Employment growth rates by industry are shown below.

**Figure 1: Percentage change in trend employment by Industry – May 2004 to May 2005**



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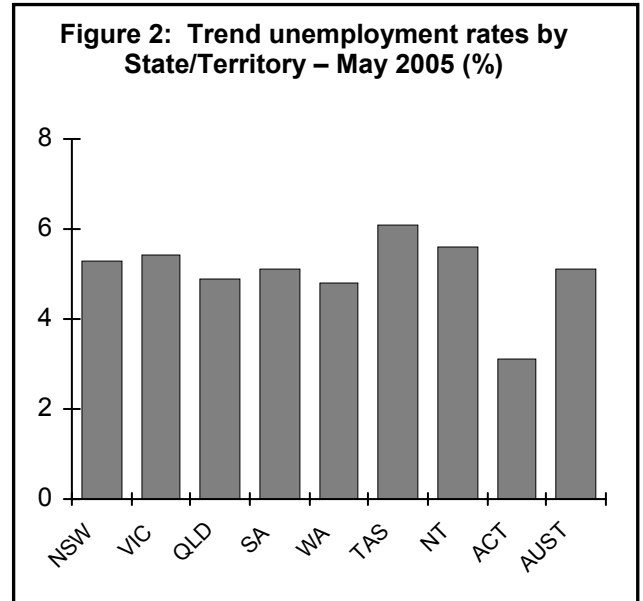
## UNEMPLOYMENT

The trend rate of unemployment was 5.1% in May 2005, lower than in May 2004 (5.6%). It is now at its lowest level in more than two decades.

In the past year, unemployment rates have decreased in all States and Territories.

In May 2005 the unemployment rate was highest in Tasmania at 6.1% and lowest in the ACT, where it was 3.1% (see Figure 2).

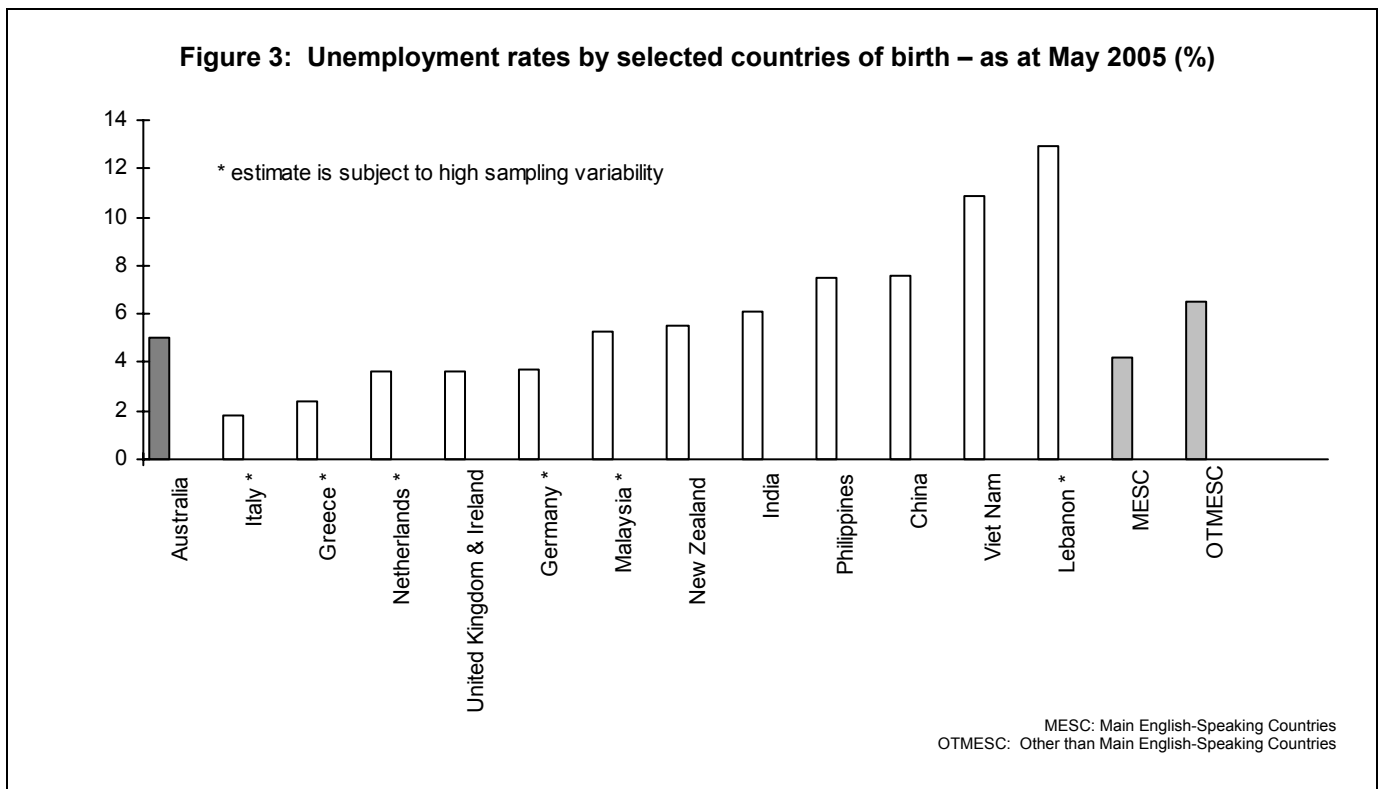
**Generally, people in the more highly skilled occupational groups are less likely to experience unemployment.** For example, in May 2005 the unemployment rate for those who were formerly employed as Labourers and Related Workers was more than eleven times that for former Managers and Administrators.



## MIGRANT UNEMPLOYMENT

The unemployment rates for people who migrate to Australia vary appreciably. Several factors influence migrant unemployment rates including the period since arrival in Australia (in general, recently-arrived migrants have a higher unemployment rate than those who have lived in Australia for some years), skill levels and English language proficiency.

Figure 3 below shows unemployment rates (original data) for people now in Australia who were born in selected countries. For example, people born in Italy and Greece have low unemployment rates (1.8% and 2.4% respectively), whereas unemployment rates for people born in Lebanon and Viet Nam are relatively high (12.9% and 10.9% respectively).



## EMPLOYMENT AND UNEMPLOYMENT BY OCCUPATION

While employment growth is not the only factor influencing job prospects, it is often easier to obtain a job in an occupation which is experiencing strong employment growth than one only growing slowly or declining. Over the 12 months to May 2005, the largest increases in employment (original data) occurred in Managers and Administrators (up by 95 100), Associate Professionals (up by 83 100) and Elementary Clerical, Sales and Services Workers (up by 47 300). Employment growth rates, in declining skill order, are shown below.

The unemployment rate for occupational groups generally reflects skill levels. Highly skilled occupational groups experience lower rates of unemployment, while higher unemployment rates are generally associated with less skilled occupations. The rates of unemployment (for those who had worked for two weeks or more in the past two years) for occupational groups are presented in descending skill order below.

Percentage Growth Rates in Employment in the 12 months to May 2005		Unemployment Rate at May 2005	
Managers and Administrators	13.2%	Managers and Administrators	0.8%
Professionals	1.9%	Professionals	1.5%
Associate Professionals	7.0%	Associate Professionals	1.4%
Tradespersons	2.5%	Tradespersons	2.8%
Advanced Clerical and Service Workers	1.6%	Advanced Clerical and Service Workers	1.5%
Intermediate Clerical, Sales and Service	0.6%	Intermediate Clerical, Sales and Service	3.4%
Intermediate Production and Transport	2.9%	Intermediate Production and Transport	4.1%
Elementary Clerical, Sales and Service	5.0%	Elementary Clerical, Sales and Service	4.6%
Labourers and Related Workers	-0.3%	Labourers and Related Workers	8.8%

Additional information on Professional, Associate Professional and Trades occupations is provided in the following section on skilled vacancies. Time series of vacancy data are not readily available for less skilled occupations.

## SKILLED VACANCY TRENDS

The Department of Employment and Workplace Relations produces the Skilled Vacancies Index (SVI) for 18 skilled occupational groups for each State and the NT. These are aggregated into the Professionals, Associate Professionals and Trades groups. The SVI indicates where the best employment opportunities may be in the Australian labour market.

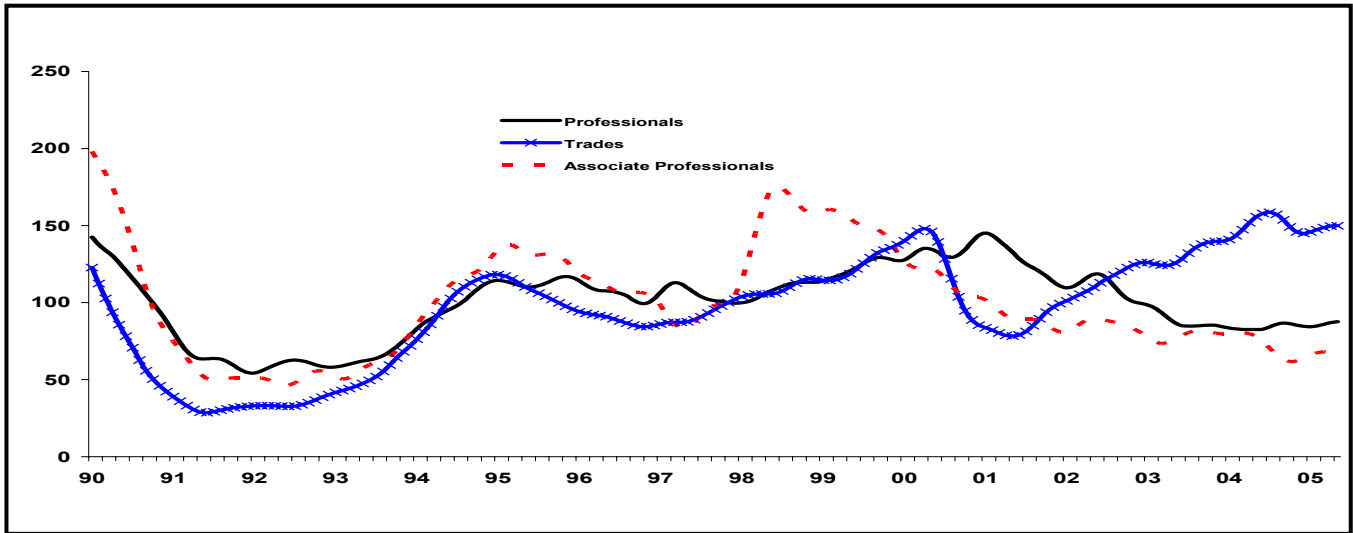
In May 2005, skilled vacancies were 0.6% lower than in May 2004. Over the 12 months, SVI increases were recorded in all States other than New South Wales (down by 16.7%) and Queensland (down by 13.4%).

In the year to May 2005, advertised vacancies increased by 6.3% for Professional occupations (excluding Information and Communications Technology (computing) occupations), while for Trades occupations and Associate Professional occupations advertised vacancies decreased by 3.8% and 14.4% respectively (see Figure 4 overleaf). Within these broad groups:

- the strongest annual increases were for Medical/Science Technical Officers (up by 36.7%), Accountants and Auditors (up by 16.2%) and Health Professionals (up by 15.1%); and
- the largest annual declines were recorded for Marketing and Advertising Professionals (down by 36.7%), Building and Engineering Associates (down by 19.1%) and Construction Tradespersons (down by 16.9%).

In the 12 months to May 2005, 8 groups recorded increases and 10 groups recorded decreases.

Figure 4: Skilled Vacancies Index, January 1990 to May 2005



### FUTURE JOB PROSPECTS

Future job prospects depend on many factors, some of which are difficult to predict. Prospects can change rapidly and even in an occupation with below average prospects, significant employment opportunities may arise. This information should therefore be used with caution.

The following future job prospect ratings are for the period to 2009-10. The ratings are based on employment trends and projected growth, unemployment rates, SVI trends (where available), and other data.

In the following table **VG** stands for very good prospects, **G** for good prospects, **A** for average prospects, **BA** for below average prospects and **L** for limited prospects. These are examples from the skilled classifications categories; refer to the Australian Standard Classification of Occupations (ASCO), Second Edition (ABS 1220.0).

Occupational Group	Prospects to 2009-10	Occupational Group	Prospects to 2009-10
<b>Managers and Administrators</b>		<b>Associate Professionals</b>	
Finance Managers	VG	Medical Technical Officers	VG
Information Technology Managers	G	Building/Architectural Associate Professionals	G
Sales and Marketing Managers	VG	Financial Dealers and Brokers	VG
<b>Professionals</b>		Shop Managers	A
Mining and Materials Engineers	G	Trade Qualified Chefs*	VG
Accountants*	VG	Hotel and Motel Managers	G
Marketing and Advertising Professionals	VG	Enrolled Nurses	G
Computing Professionals	G	<b>Tradespersons</b>	
General Medical Practitioners*	VG	General Mechanical Engineering Tradespersons	A
Specialist Medical Practitioners*	VG	Motor Mechanics*	G
Registered Nurses*	VG	Electricians*	G
Registered Midwives*	VG	Refrigeration and Airconditioning Mechanics*	G
Registered Mental Health Nurses*	G	Bricklayers*	G
Pharmacists*	VG	Plumbers*	G
Occupational Therapists*	VG	Bakers and Pastrycooks*	G
Physiotherapists*	VG	General and Landscape Gardeners	G
Medical Imaging Professionals*	VG	Printing Machinists	BA
Primary School Teachers	G	Cabinetmakers*	G
Secondary School Teachers	VG	Hairdressers*	VG
Social Workers	G	Clothing Tradespersons	BA

\* denotes occupations that are listed in part or in full on the Migration Occupations in Demand List (MODL).

The Australian Labour Market Update uses the latest available detailed and consistent data at time of production. However, the labour market can change quickly and should be re-assessed prior to decision making. Australian Jobs 2005 is available in electronic form on the Australian WorkPlace Website at <http://www.workplace.gov.au>. DEWR contact officer is Jane Press: telephone (02) 6121 6703 or email [jane.press@dewr.gov.au](mailto:jane.press@dewr.gov.au).



## The Labour Market Experience of Migrants

Economic and social research shows that both the economic benefits of migration and the employment prospects of migrants are enhanced when migrants have high level skills, tertiary education and strong proficiency in the English language. Consistent with this research, the Australian Government has recently announced an increase of 20 000 places in the Skill Stream of the 2005-06 Migration Program.

The Government's focus on skilled migrants is supported by the recently released Australian Bureau of Statistics' (ABS) publication *Labour Force Status and Other Characteristics of Migrants*. For the purposes of this ABS publication and this Hot Topic<sup>1</sup>, unless otherwise stated, migrants are defined as the cohort of people who were born overseas, arrived in Australia after 1984, were 15 years and over on arrival in Australia and had permanent resident status. At November 2004, there were 1 362 600 migrants in this cohort in Australia.

### LABOUR FORCE STATUS OF MIGRANTS

In November 2004, an estimated 903 200 of this migrant cohort were employed, 53 700 were unemployed and 405 700 were not in the labour force. The labour force participation rate for this migrant cohort was 70.2 per cent compared with 58.1 per cent for all overseas-born people and 67.3 per cent for Australian-born people. The unemployment rate for this migrant cohort was 5.6 per cent compared with 4.7 per cent for all overseas-born people and 4.9 per cent for Australian-born people.

### Skills and Qualifications

The survey shows that for this migrant cohort, those who entered under the Skill Stream had lower unemployment rates and higher rates of participation in the Australian labour force than those entering under the Family and Other Streams (see Table A).

Similarly, Table B indicates that for this migrant cohort, most of those who arrived with post-secondary school qualifications had lower unemployment and higher participation rates than those without such qualifications.

**Table A Labour force status of main applicants<sup>2</sup> by visa category**

Visa Category	Unemployment rate	Participation rate
Skill Stream	4.2	85.0
Business skills	6.1 <sup>3</sup>	84.5
General skilled	3.5 <sup>3</sup>	85.2
<i>Employer sponsored</i>	4.2	85.6
Family Stream	8.6	56.8
Other	9.2	59.7

**Table B Labour force status of migrants by educational attainment before arrival**

Qualification	Unemployment rate	Participation rate
With a post-school qualification	4.8	79.7
Postgraduate degree	6.4 <sup>3</sup>	85.0
Graduate Diploma/Certificate	8.8 <sup>3</sup>	80.2
Bachelor Degree	3.7	80.8
Advanced Diploma/Diploma	5.9 <sup>3</sup>	74.1
Certificate	5.1	80.2
Without a post-school qualification	6.6	61.3

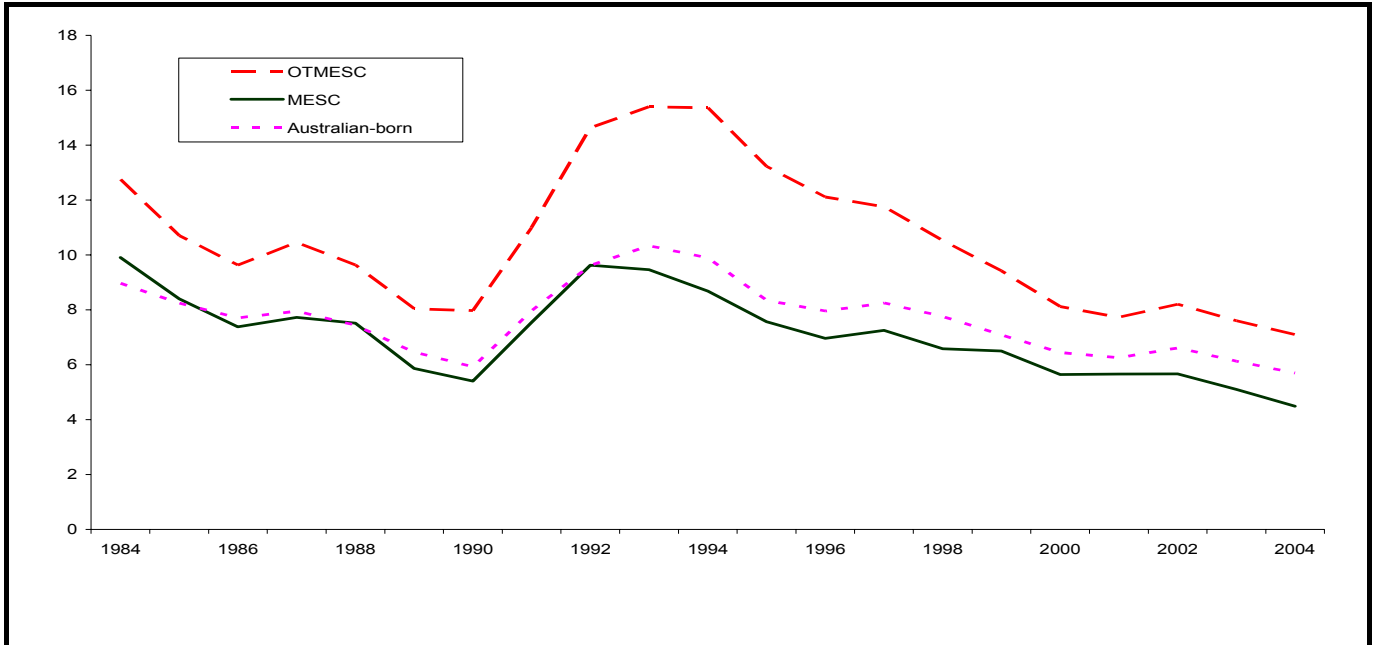
<sup>1</sup> Unless otherwise stated all data referred to in this Hot Topic are from the ABS, *Labour Force Status and Other Characteristics of Migrants – November 2004* (Cat No 6250.0).

<sup>2</sup> Migrants are classified either as a main applicant or other applicant (includes accompanying spouses and dependants aged over 15 years).

<sup>3</sup> Estimate has a relative standard error of 25% to 50% and should be used with caution.

More generally, the Australian-born and MESC migrants (where migrants are defined as all overseas-born, regardless of period of residency or visa status) have had consistently lower unemployment rates than OTMESC migrants (see Figure 1 below).

**Figure 1 Unemployment rate (%) of Australian-born and overseas-born, June 1984 to June 2004**



Source: ABS Labour Force, Australia, Monthly (Cat. No. 6291.0.) May 2005.

## OTHER LABOUR MARKET CHARACTERISTICS OF MIGRANTS

The following findings, based on analysis of the *Labour Force Status and Other Characteristics of Migrants* data, may be of interest to persons considering migrating to Australia on a temporary or permanent basis:

- in November 2004, 57 per cent of migrants were main applicants, 26 per cent were other applicants (including accompanying spouses and dependants aged over 15 years) and 17 per cent were New Zealand citizens;
- for the majority (68.4 per cent) of migrants born in OTMESC, the unemployment rate in November 2004 was 6.7 per cent compared with 3.7 per cent for migrants born in MESC countries;
- migrants who spoke a language other than English at home and those with poor English language proficiency were more likely to not be in the labour force or have a higher rate of unemployment than migrants with strong English proficiency;
- migrants who, prior to arrival in Australia, were employed in professional or trade occupations and were employed in November 2004, were least likely to have changed their occupation since arrival;
- the occupation groups with the highest proportion of migrants who have changed their major occupation group after arrival were labourers and related workers (84.1 per cent), elementary clerical, sales and service workers (80.4 per cent) and intermediate production and transport workers (71.4 per cent);
- the majority (74.0 per cent) of main applicants in the Skill Stream had wages and salary as their primary income source while 6.3 per cent were dependent on a Government pension or allowance as their main income source; and
- Australia's migrant population is concentrated in New South Wales (41.7 per cent), Victoria (24.9 per cent) and Queensland (14.9 per cent).