AUSTRALIAN LABOUR MARKET UPDATE

January 2006

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 interested in 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), November 2005, Labour Force Survey.

OVERVIEW

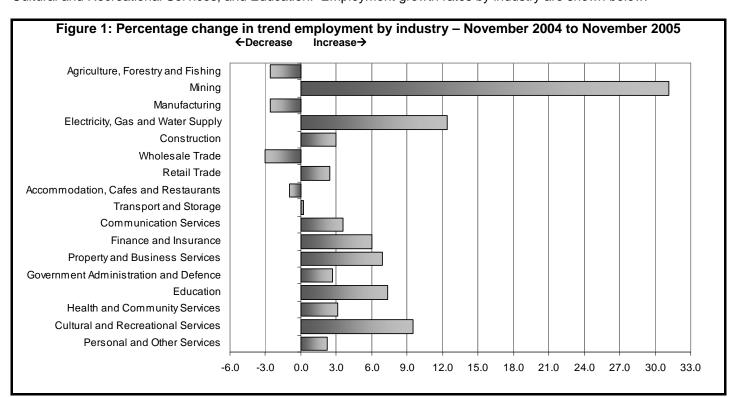
In the 12 months to November 2005, the Australian labour market experienced solid growth. In trend terms, total employment increased by an estimated 229 600 persons (2.3%). Advertised vacancies increased for Professionals and Associate Professionals and decreased for Trade Occupations. Migrants with 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 November 2005, trend employment in Australia grew by 2.3% after growth of 2.7% in the previous year.

Employment (in trend terms) increased in all States and Territories. In percentage terms, employment growth was strongest in Western Australia (5.0%) and Tasmania (3.7%).

Employment opportunities and growth varied across industries. Over the 12 months to November 2005, the largest increases in employment occurred in Property and Business Services (up by 77 200), Education (up by 49 200) and Retail Trade (up by 36 485), while the strongest rates of growth were in Mining, Electricity, Gas and Water Supply, Cultural and Recreational Services, and Education. Employment growth rates by industry are shown below.



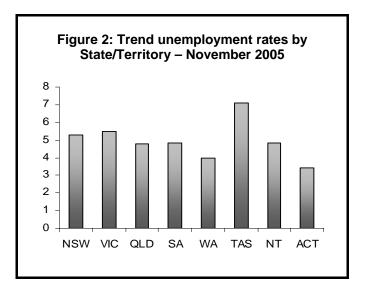
UNEMPLOYMENT

The trend rate of unemployment was 5.1% in November 2005, lower than in November 2004 (5.2%).

Unemployment rates have remained fairly stable or decreased in the past year in all States and Territories.

In November 2005 the unemployment rate was highest in Tasmania at 7.1% and lowest in the Australian Capital Territory (ACT), where it was 3.4%. See Figure 2.

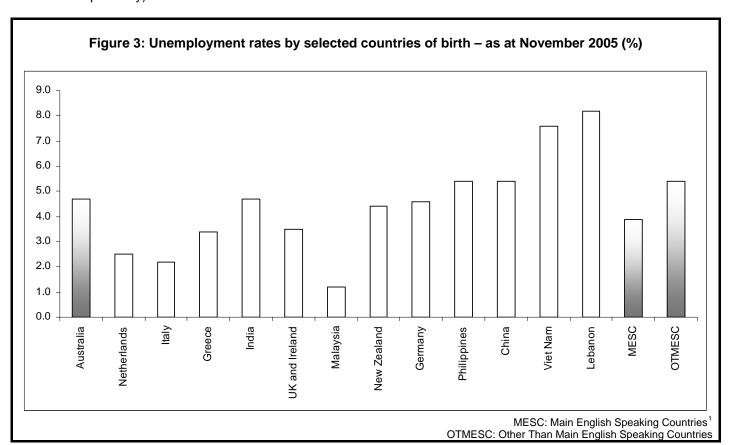
Generally, people in the more highly-skilled occupational groups are less likely to experience unemployment. For example, in November 2005 the unemployment rate for those who were formerly employed as Labourers and Related Workers was more than six times that of former Professionals.



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 level, age and English proficiency.

Figure 3 below shows unemployment rates (original data) for people now resident in Australia who were born in selected overseas countries. For example, people born in Malaysia and Italy have low unemployment rates (1.2% and 2.2% respectively), whereas unemployment rates for people born in Lebanon and Viet Nam are relatively high (8.2% and 7.6% respectively).



¹ MESC are the United Kingdom, Ireland, South Africa, Canada, the United States of America and New Zealand

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 growing only slowly or declining. Over the 12 months to November 2005, the largest increases in employment (original data) occurred in Professionals (up by 92 000), Elementary Clerical, Sales and Service Workers (up by 52 700) and Advanced Clerical and Service Workers (up by 51 300). 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 November 2005			
Managers and Administrators	0.4%		
Professionals	5.0%		
Associate Professionals	0.7%		
Tradespersons	2.0%		
Advanced Clerical and Service Workers	14.3%		
Intermediate Clerical, Sales and Service	1.4%		
Intermediate Production and Transport	-2.4%		
Elementary Clerical, Sales and Service	5.5%		
Labourers and Related Workers	-0.5%		

Unemployment Rate at November 2005			
Managers and Administrators	1.5%		
Professionals	1.2%		
Associate Professionals	1.5%		
Tradespersons	2.7%		
Advanced Clerical and Service Workers	1.3%		
Intermediate Clerical, Sales and Service	2.4%		
Intermediate Production and Transport	3.6%		
Elementary Clerical, Sales and Service	4.0%		
Labourers and Related Workers	7.8%		

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 Northern Territory (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 November 2005, skilled vacancies were 5% lower than in November 2004. Over the 12 months, SVI decreases were recorded in most States and Territories with the largest decrease in New South Wales (down by 13.9%), followed by Victoria (down by 10.2%). The Northern Territory and Queensland recorded the smallest decreases (down by 5.3% and 0.3% respectively). Only Tasmania and Western Australia recorded increases, up by 20.3% and 1.7% respectively.

In the 12 months to November 2005, advertised vacancies increased for Professional occupations (up by 6.6%) and Associate Professionals (up by 1.1%) and decreased significantly for Trades Occupations (down by 11.4%) (see Figure 4 overleaf). Within these broad groups four occupations, Medical/Science Technical Officers, Health Professionals, Social Professionals and Food Trades recorded increases (up by 31.8%, 23.4%, 15.5% and 2.8% respectively), while the remaining 14 occupations recorded decreases. Of these, the most significant falls were in the Printing and Metal Trades (down by 29.4% and 20.6% respectively) and the Organisation and Information Profession (down by 19%).

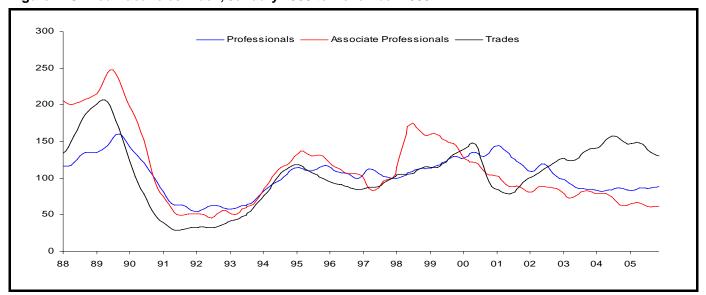


Figure 4: Skilled Vacancies Index, January 1988 to November 2005

FUTURE JOB PROSPECTS

Future job prospects depend on many factors, some of which are difficult to predict. Prospects differ between and within States and Territories and can change rapidly and, even in occupations 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
Managers and Administrators		Associate Professionals	
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
Professionals		Shop Managers	Α
Mining and Materials Engineers* (part)	G	Trade Qualified Chefs*	VG
Accountants*	VG	Hotel and Motel Managers	Α
Marketing and Advertising Professionals	VG	Enrolled Nurses	G
Computing Professionals* (part)	G	Tradespersons	
General Medical Practitioners*	VG	General Mechanical Engineering Tradespersons	Α
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) at December 2005.

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. Queries relating to this publication should be emailed to migration@dewr.gov.au.





THE ICT LABOUR MARKET

This Hot Topic provides an overview of the labour market for Information and Communications Technology (ICT) occupations in Australia. The information in this Hot Topic specifically relates to professional ICT occupations. In Australia, these ICT professional occupations include Information Technology (IT) Managers and Computing Professionals who are responsible for the development, operation and maintenance of ICT systems and applications.

LABOUR MARKET PROFILE OF THE ICT INDUSTRY

Labour market trends for Australian ICT occupations remain mixed. After almost a decade of very strong employment growth for ICT professionals, employment levels have fallen in recent years. ICT vacancies rose strongly in 2004 and early 2005, but plateaued in the second half of 2005. Meanwhile unemployment has declined, particularly for IT Managers and Computing Professionals.

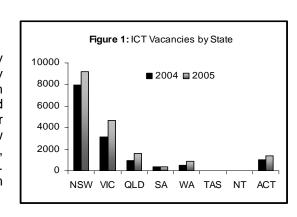
Table A (below) presents a labour market profile for ICT occupations listing key indicators based on information from <u>Job Outlook</u> online and the Australian Bureau of Statistics' <u>Labour Force Survey</u>, <u>November 2005</u>.

Table A: Key Labour Market Indicators for ICT Occupations

Key Indicator	IT Managers	Computing	All
		Professionals	Occupations
Occupation size ¹	43 300	161 300	10 017 000
Males (Females) 1	83.4% (16.6%)	82.5% (17.5%)	54.9% (45.1 %)
Median age ²	39 years	35 years	38 years
Full-time share of employment ¹	95.5%	92.0%	71.3%
Employment growth trend 5 years to Nov 05 ²	83.1 %	-2.8%	10.9%
Unemployed persons ¹	350	4 300	495 500
Weekly earnings (full time before tax) ²	\$1 454	\$1 153	\$1 045
Job Prospects ²	Good	Good	na

ICT VACANCIES

Figure 1 (right) presents ICT vacancies by State and Territory based on DEWR's ICT Vacancy Index. Research carried out by DEWR indicates that ICT skills are in demand Australia-wide, with around 18 100 vacancies advertised in the four weeks to mid November 2005. The ICT Vacancy Index rose by 25% in the year to November 2005. Demand for ICT skills is strongest in New South Wales which accounts for over half of all ICT vacancies, followed by Victoria with around a quarter of all ICT vacancies. Notably, ICT skills vacancies rose on a year-to-year basis from 2004 to 2005 in all States, except South Australia.



UNEMPLOYMENT

Consistent with a world-wide downturn in demand for ICT skills in recent years, employment in Australian ICT occupations has fallen in recent years and this resulted in higher unemployment rates, particularly in 2003. However, in 2004 and 2005 there was a marked improvement in the ICT labour market with unemployment rates for IT Managers and Computing Professionals down considerably compared with 2003.

¹ ABS Labour Force Survey, November 2005 (Cat No. 6291.0.55.001) (accessed 3/01/2006)

² Job Outlook Online – February 2005 data (accessed 23/11/2005) - <u>Occupational Category</u>, <u>IT Managers</u> and <u>Occupational Category</u>, <u>Computing Professionals</u>



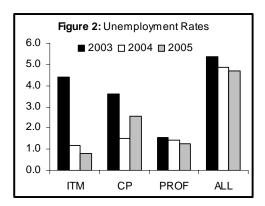


Figure 2 (left) presents unemployment rates (original data) for IT Managers (ITM) and Computing Professionals (CP) compared with professional occupations (PROF) and all occupations (ALL) in Australia.

Unemployment rates for IT Managers and Computing Professionals in 2005 were well below their corresponding levels in 2003. Unemployment rates for ICT Professionals are now more in line with other professional occupations and still remain significantly lower than the November 2005 unemployment rate for all occupations.

SKILLS ASSESSMENT OF OVERSEAS-TRAINED ICT WORKERS

One of the core criteria for permanent entry to Australia under the General Skilled Migration categories, is the assessment of an applicant's skills (qualifications and work experience) by an Australian assessing authority appointed for that occupation. Assessing authorities have been appointed by the Department of Immigration and Multicultural Affairs (DIMA) to assess whether an applicant has qualifications and work experience that is appropriate to employment in the profession or trade occupation in Australia. These assessing authorities are responsible for undertaking skills assessment for migration purposes only and are not employment agencies. The assessing authorities are not in a position to assist migrants or applicants to find jobs in Australia.

The Australian Computer Society (ACS) is the authorised professional organisation providing advice on the recognition of computing skills for prospective migrants to Australia. Individuals seeking to migrate to Australia as an ICT Professional must complete an assessment through the ACS prior to lodging a migration application. There are two assessments available, Skills Assessment or Recognition of Prior Learning. Once the assessment is complete the ACS will provide a written statement to the applicant indicating the suitability of their skills as an ICT Professional. This assessment does not guarantee residency status or employment.

More information on the skill assessment process and contact details can be obtained from the ACS website at www.acs.org.au.

EMPLOYER-SPONSORED MIGRATION

An alternative to working in Australia under the General Skilled Migration categories, is to enter through employer-sponsorship. The Australian Government has in place several employer-sponsored migration arrangements, including Labour Agreements. Labour Agreements are designed to enable employers to recruit highly-skilled workers either from overseas or from people temporarily in Australia, where an employer has been unable to fill vacancies from the Australian labour market through domestic recruitment and through their own training efforts. Detailed information on these programs is contained in DIMA Migration Booklet 5 *Employer Sponsored Migration* available on the DIMA website www.immi.gov.au.

SEEKING EMPLOYMENT IN AUSTRALIA

If you wish to work in Australia, and are not an Australian citizen or permanent resident you will need to contact your nearest Australian Embassy, Consulate or High Commission to apply for a visa that allows you to travel and work in Australia. Addresses of all Australian Embassies, High Commissions and Consulates are available from the DIMA website at www.immi.gov.au/contacts/index.htm.

If your qualifications are acceptable for migration purposes this does not guarantee you employment in your profession or trade in Australia. Gaining employment will depend on other factors, such as the number of vacancies available, skill shortages in the Australian labour market and your suitability for employment in a particular job in Australia.