

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

- ⚙️ After five months of consecutive growth the Labourforce Impex Transport, Logistics and Supply Chain Job Index finally contracted, falling 0.8% in December
- ⚙️ The Index now sits to 127.17 just shy of the record set in November
- ⚙️ Temporary and Contract demand rose 1.7% but is likely to contract in the New Year post the seasonal high
- ⚙️ Permanent demand is up 12.5% for the last six months despite a fall of 1.9% in December
- ⚙️ Western Australia continues its bounce back rising another 7.9% despite the difficulties in the mining and resources sector
- ⚙️ VIC/TAS nudged up a further 0.9% achieving a new record high of 156.23
- ⚙️ Demand for Store Persons and Freight Handlers has finally fallen in December, down 3.0%. Demand is up a staggering 36.8% in the last year
- ⚙️ Demand for Road Transport staff has grown 20.4% this calendar year finishing on a record high index of 134.57
- ⚙️ December saw the end of a dream run for Transport and Logistics employers. Demand fell 1.8%, the first fall since June. Demand is still up a massive 24.5% over six months.

CHINA STORY CONTINUES AUSSIE GROWTH IN FOOD & AGRICULTURAL EXPORTS

The transport and logistics industry still looks to China for opportunities in 2016. In December China's exports rose 2.3% compared to a year in Yuan terms, (even though exports have fallen).

Last year Victorian company Camperdown Dairy International completed a deal to export 10 million tins of baby formula per year to China. The market share of Australian wine remains strong (accounting for 18% of the value and 12.6% of the volume of total bottled imports, ranking second only to France). There is no doubt that the Free Trade Agreement with China and other countries will drive growth in our industry.



While there is rightful caution and corrections in the stock market, the challenge is to see where the opportunities lie. The share market is not a blunt instrument. Growth in food and agriculture exports combined with a more efficient industry allow for optimism in our sector.

Our Job Index shows that there are an increased number of jobs in the transport, logistics and supply chain sector. That is why you need experienced advisors to help guide you through the confusion towards the bright spots.

2015 saw significant change in our sector with both successful and stalled amalgamations. More businesses went under last year compared to 2014, led by a rise in company failures in NSW.

Our sector will continue to face tough competition, increasing automation and technological improvement and efficiency.

That is why you need a partner you can trust to get the basics right and assist you in the path for efficiency. We have more than 20 years experience providing Australian and New Zealand transport, logistics and supply chain businesses with recruitment solutions by consultants who are from the industry and know it as well as you do.

NATIONAL JOB INDEX

First decline in 6 months. Less than previous two years

The Labourforce/Impex Transport Logistics and Supply Chain Job Index declined for the first time in six months with the number of advertisements in December falling 0.8%.

Given the substantial increase over recent months some stabilisation was inevitable leading into the Christmas / New Year break. The Index fell from its record high in November of 128.19 to 127.17. The seasonal decline has been less than that

seen in the last two years. It has been a good year for employment in the TL&SC sector with demand up 11.5% on this time last year.

Astonishingly the Temporary and Contract continued to grow in December, up 1.7%. Demand for temporary and contract staff has been remarkably strong in 2015, rising 28.1%! The Index is at a new record high of 165.12. Surely this growth cannot be

sustained after Christmas? We expect the temporary market to contract in the first quarter of 2016 as it has in prior years.

Instead it was the Permanent market that retreated. It fell 1.9%. A strong six months totalling 12.5% means that advertising volumes are up 5.3% since this time last year. This is an encouraging performance given considerable weakness earlier in the year.

WELCOME BACK TO WORK

2015 saw a focus on efficiency and consolidation in our sector as it continues to meet customer needs. 2016 will be an exciting time.

We look forward to continuing to serve you with all of your recruitment needs.

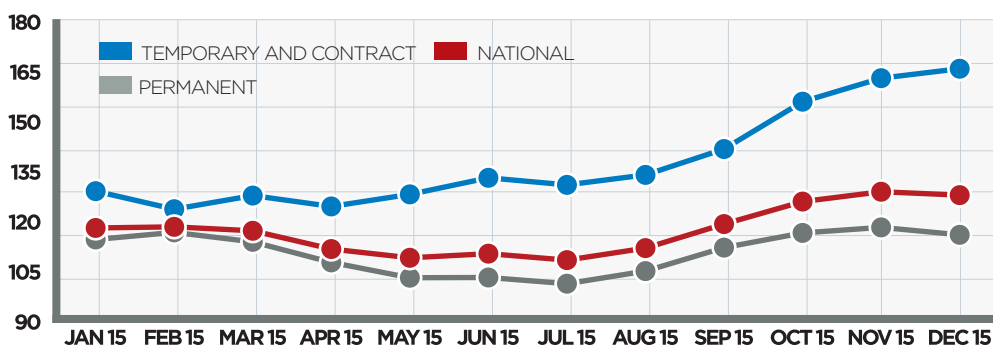
Impex are pleased to offer you an even higher level of service through our partnership with ADI Consult, an International consortium specialising in international freight and transport executive recruitment and consulting.

Impex New Zealand has celebrated 12 months of success as part of the Labourforce group. We have tripled revenue and continue to provide the personal service, which we are famous for. We are proud of our long term partnerships and are committed to supporting new customers within the transport, supply chain and logistics industries across Australia, New Zealand and beyond.



Regan Brown
CEO
LABOURFORCE

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS



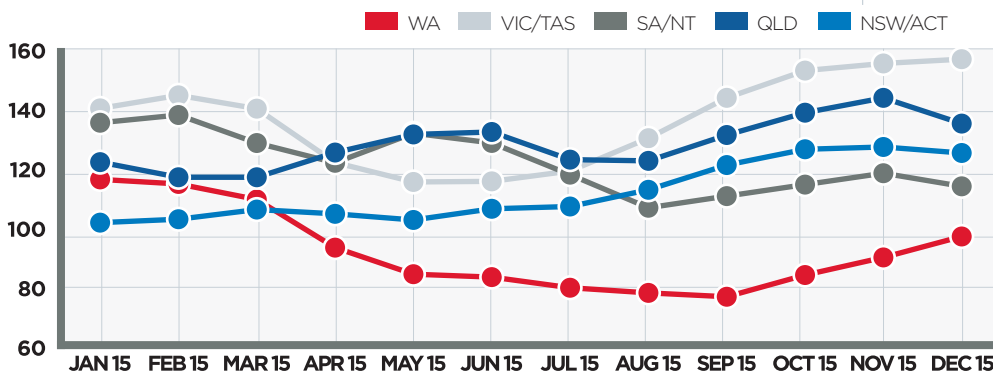
STATE ANALYSIS

WA goes for three in a row. Qld falters.

Western Australia continues to show encouraging signs of growth after a prolonged period of weakness caused by the collapse in demand across the mining and resources sector. Demand rose another 7.9%. This is the third month of growth for WA. Vacancies in WA are just 12.8% below the level seen a year ago, a remarkable improvement since September. Queensland's equally strong rebound, however, has not been sustained. Demand fell by 6.0% largely wiping out the previous three months of growth. Demand for

TSC&L staff is actually up 12.1% over 12 months in Queensland, an extremely good result given the slowdown in the mining and resources sector which has hurt the state. VIC/TAS nudged up a further 0.9% achieving a new record high of 156.23. Demand is 19.0% higher than a year ago. Demand in NSW/ACT actually fell by 1.6% in December but it is still 23.3% stronger than this time last year. The Eastern seaboard has been very buoyant for TL&SC professionals in 2015.

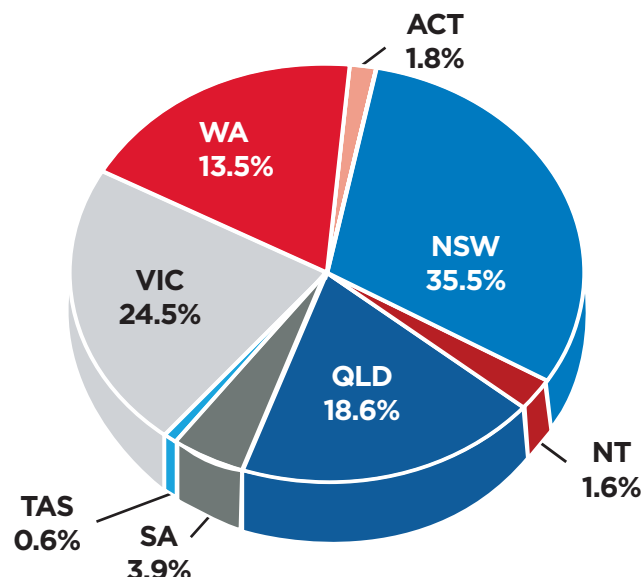
CHART 2 COMPARISON OF STATE JOB INDICES



JANUARY 2016

CHART 3 ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY DECEMBER 2015

As the overall market has grown substantially over the last year the State-by-State share has not changed as much as one might have anticipated given respective performances. NSW has grown from 32.1% to 35.5%, Victoria from 22.7% to 24.5% and Queensland is unchanged at 18.6%.



OCCUPATIONAL ANALYSIS

Finally demand falls. Season decline expected in first quarter

As anticipated, demand for Store Persons and Freight Handlers has finally fallen in December, down 3.0%. Demand is up a staggering 36.8% in a year, but, as seen in early 2014 and 2015, expect the normal seasonal decline in the first quarter of 2016.

Road Transport specialists have also had a remarkably strong 2015 with a

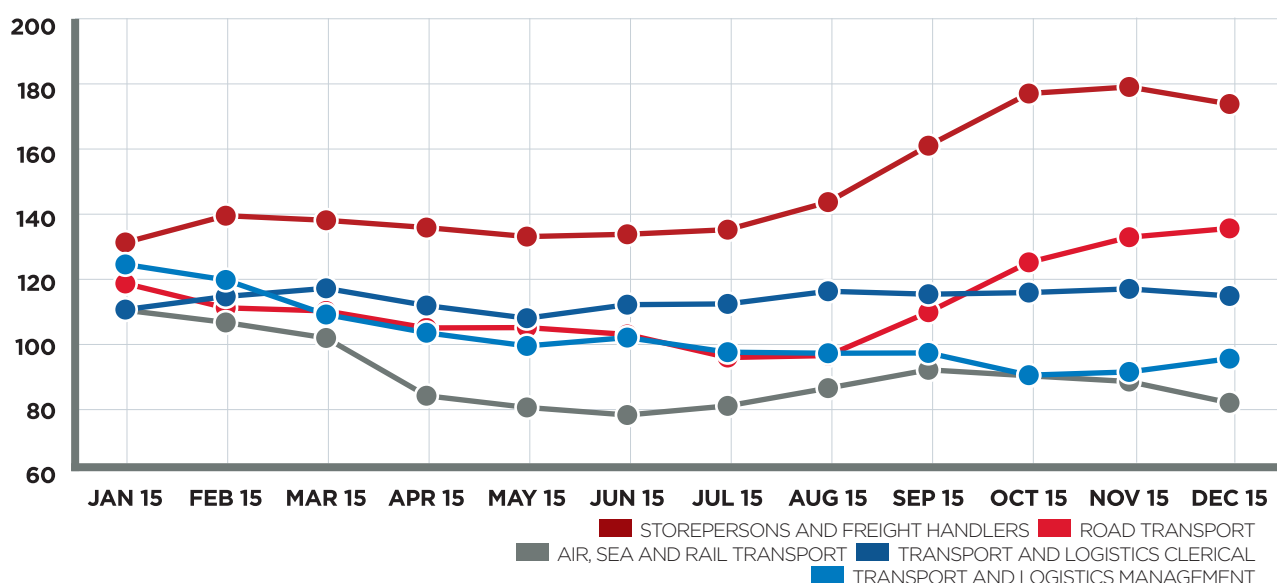
further boost of 2.1% in December. Demand has grown 20.4% this calendar year finishing on a record high index of 134.57.

The same cannot be said for white collar TL&SC staff. Demand for Clerical staff fell 1.9% in December. The market has been very quiet for much of the year although strength in the

first quarter has contributed to a 7.1% increase over the last 12 months.

Management opportunities have been even harder to come by. While demand was up 4.6% in December this does little to disguise a very disappointing year that has seen monthly vacancies fall by nearly a quarter.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

T & L dream run ends. Manufacturing surprises

As anticipated last month demand amongst retail and wholesale employers finally started to ebb, dropping 3.1% in December. Demand may well fall further in the first part of 2016. December also saw the end of a dream run for Transport and Logistics employers.

Demand fell 1.8%, the first fall since June. Demand is still up a massive 24.5% over six months.

Surprisingly demand by manufacturing employers continues to grow, up a further 2.8%. That's also a rise of 11.5% over six

months, a big turnaround after a very weak start to the year. Mining, utilities and construction also managed a 2.3% rise against the odds, an encouraging sign for 2016.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

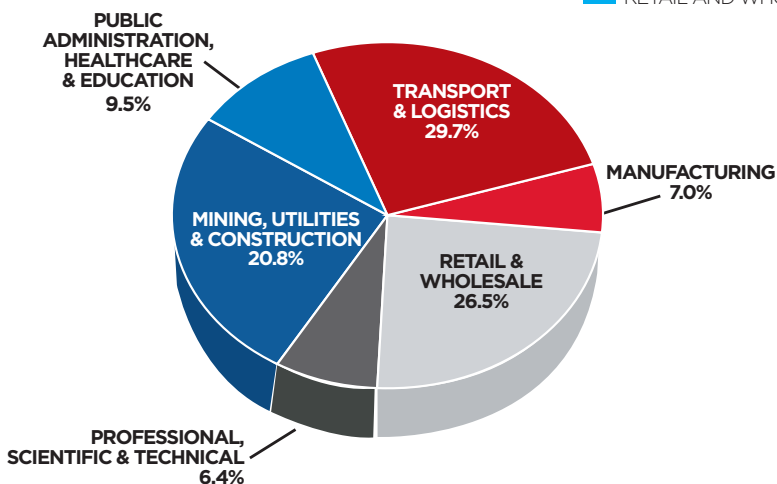
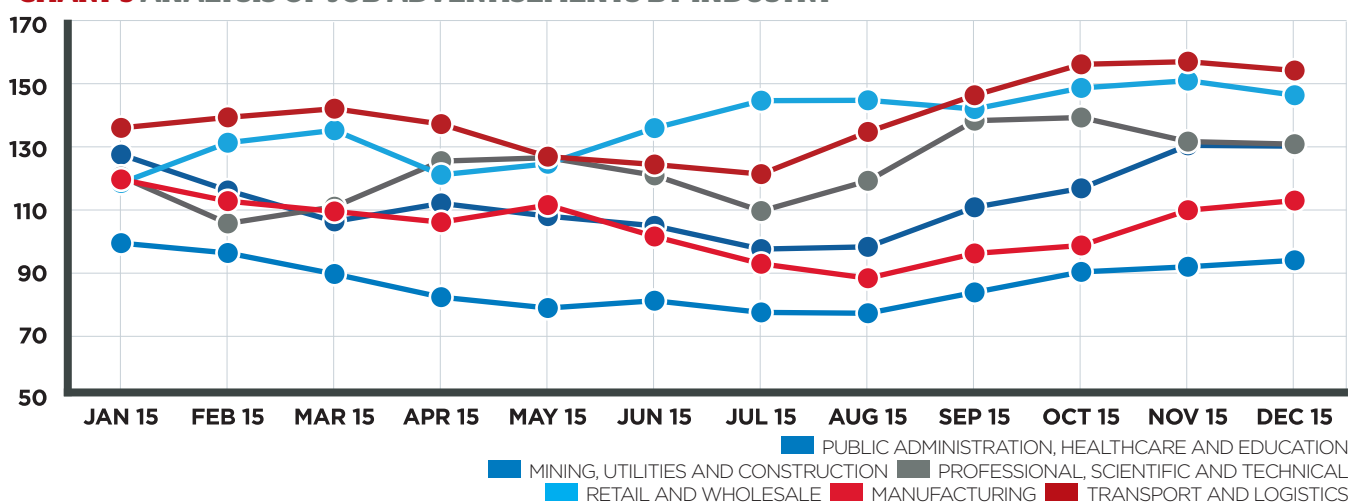


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY DECEMBER 2015

The dominance of retail and wholesale continues to decline with its share of total demand falling again. It now stands at 26.5% compared to 30.9% as recently as July 2015. Mining, utilities and construction continue to grow in importance with its share rising again to 20.8%.

In October 2014 the Labourforce / Impex Transport, Logistics and Supply Chain Job Index was recalibrated to take account of the demise of Mycareer.com.au, a single but significant source of job advertisement data. This has involved a complete rerun of all historical data. This will produce more accurate and less volatile data. However as all indices have been restated comparison to prior reports is not possible.

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For more information about Labourforce Impex Transport, Logistics & Supply Chain Job Index

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