

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

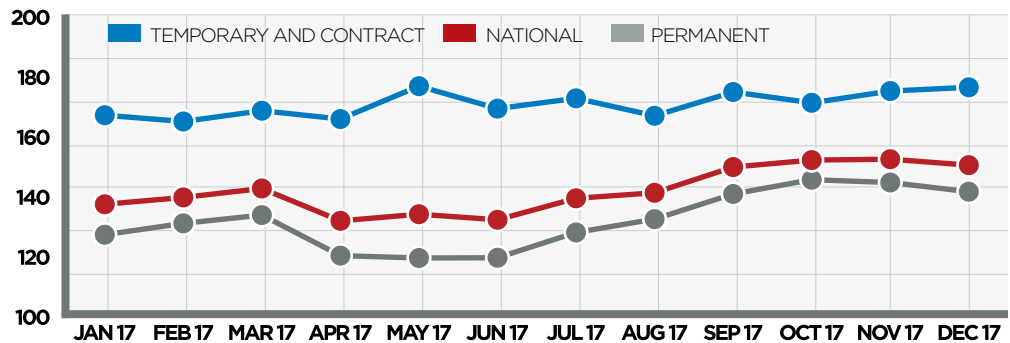
- ⚙️ The Labourforce / Impex TL&SC Job Index slipped by 1.3% in December
- ⚙️ The National Index fell from 151.69 to 149.71 remaining close to record levels
- ⚙️ The Permanent job market fell 2.1% in December but enjoyed 11% growth in 2017
- ⚙️ The proportion of Contingent (eg Temporary and Contract) vacancies fell 2.1% over 12 months
- ⚙️ In NSW/ACT demand fell 5.5% over 12 months, while VIC/TAS grew by 17.1% over the same period
- ⚙️ Both Road Transport and Air, Sea and Rail Transport enjoyed strong growth in 2017 but both dipped in December
- ⚙️ TL&SL Management roles grew a very healthy 11.4% in the second half of the year
- ⚙️ It has been a remarkable year for job opportunities in the Manufacturing sector. Demand has increased by a staggering 58.2%
- ⚙️ Disruption in Retail and Wholesale led to a 9.5% decline on job opportunities while the national market grew by 6.7%

Permanent jobs boost as employers lock in talent

The TL&SC employment market saw demand soften in December. The Impex/Labourforce Job Index fell by 1.3%. Some element of seasonal decline is inevitable. This year's fall is larger than prior years, however record highs had been seen for three consecutive months and this was unlikely to be sustained when the market retreats for the Christmas and New Year period. December's Index of 149.71 was 6.7% higher than this time last year. In a surprising twist the Temporary and Contract market, which has been weaker than the Permanent market actually picked up by 0.7% in December. Over 12 months this market has actually contracted by 2.3% which is a disappointing result

for job seekers. Job Seekers will be cheered by the 11% rise in permanent job opportunities over the corresponding period. While much has been made of the transition of employers to Contingent or Flexible Workforce solutions the numbers for our sector do not bear this out. The proportion of Flexible Job Opportunities has actually fallen 2.1% over the last 12 months (with a corresponding increase of 2.1% in Permanent vacancies). In the sector where talent can be hard to find it may be that employers are favouring locking in the best talent in permanent employment rather than opting for more flexible contracts.

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS



NSW/ACT stalls as VIC/TAS hits record highs

Western Australia's good run of growth could not be sustained. Three successive months of growth have been offset by a 2.2% fall in job opportunities in December. Growth over the year of just 6.1% was disappointing considering that it started the year well behind all other states. But the really disastrous performance this year was NSW/ACT where demand fell 5.5% over 12 months. The market had started to stall in 2016 but there is no

obvious reason why the market in NSW should not have grown as it has nationally. Victoria (plus Tasmania) started the year at a higher level and managed to expand by 17.1% over the same period. The 1.1% expansion in December saw the VIC/TAS Job Index rise to a new record high of 198.78. When it exceeds 200 this infers that the number of job advertisements in the region have doubled since November 2013.

CHART 2 COMPARISON OF STATE JOB INDICES

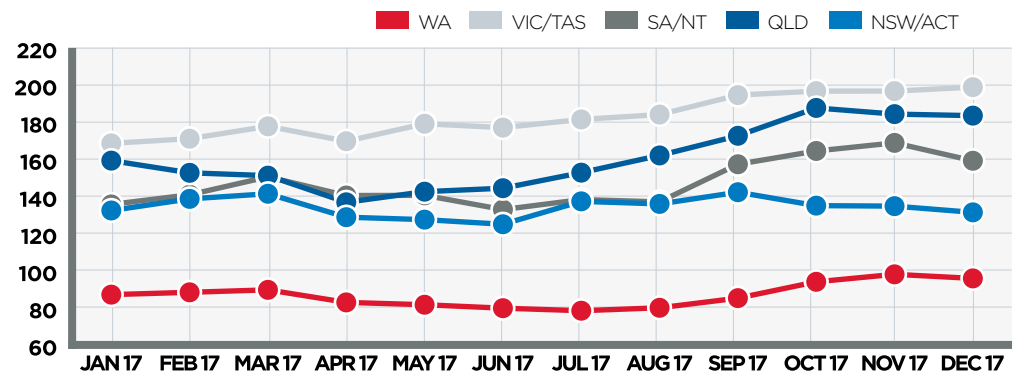
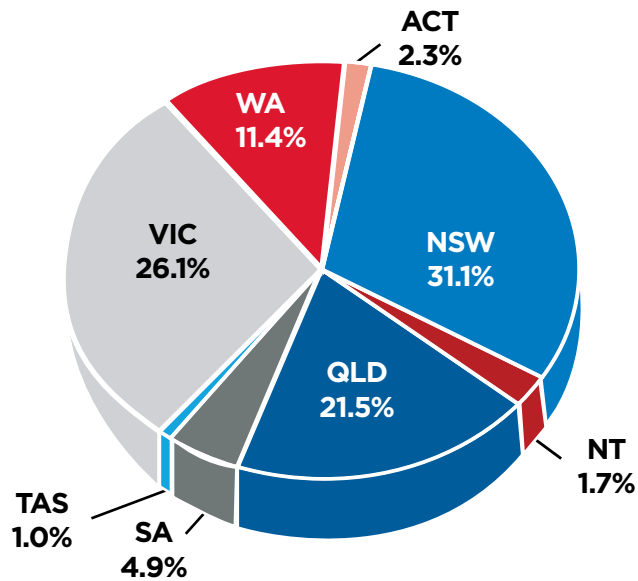


CHART 3
ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY DECEMBER 2017

The weakening TL&SC job market in NSW has seen its share of the national market slip from 35.4% in December 2016 to 31.1% this December.



OCCUPATIONAL ANALYSIS

Strong finish to the year for Storepersons and Freight Handlers

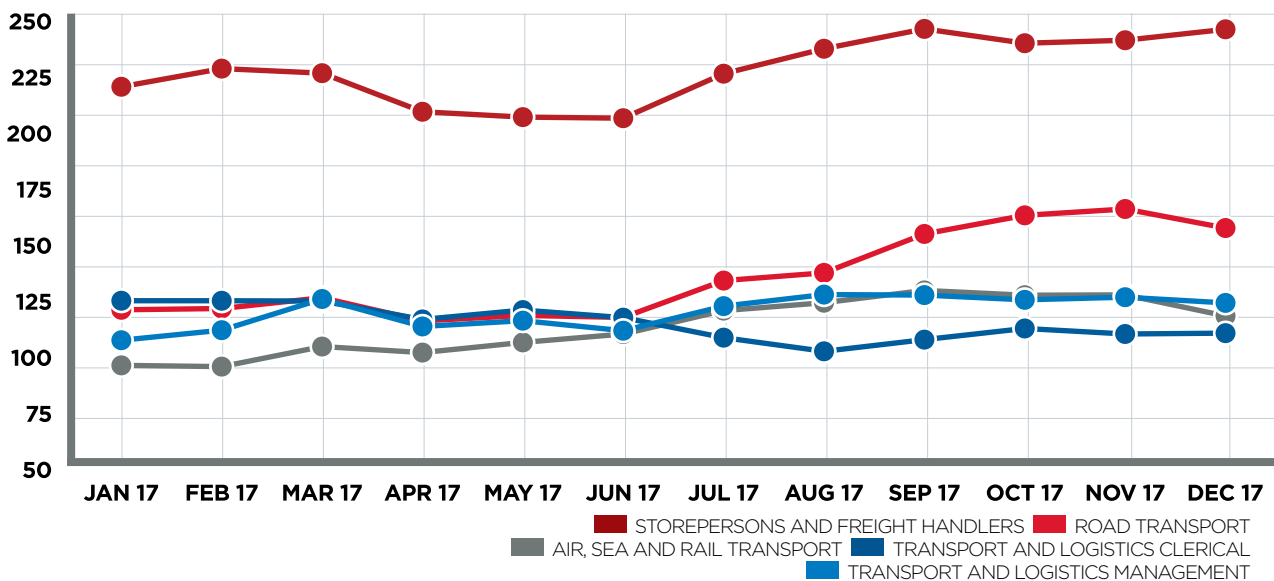
The year ending strongly for Storepersons and Freight Handlers. Demand rose in December by 2%. We had seen the market slip in October and feared an unusually early slowdown towards year end. But those fears were unfounded. Demand is up 15.1% over 12 months and the Job Index ends the year on 243.03, yet another all time record high.

Both Road Transport and Air, Sea and Rail Transport enjoyed strong growth in 2017 but both dipped in December. The former lost 7.5% and the latter 5.2%. Some seasonal softening is par for the course so this is hopefully the normal seasonal dip and 2018 will bring continued jobs growth.

In the white collar space the market has been decidedly mixed. TL&SL Management roles grew a very healthy 11.4% in the second half of the year and, now at 121.00, are only marginally short of the record Index of 124.48 set in September.

Conversely the second half of the year has been disappointingly weak for those looking for Clerical opportunities in the sector. Demand is down 6% over the last six months. Technological improvements are impacting both operations and support but the job losses seem to be in the back office.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Staggering increase for manufacturing professionals. Expected retail decline

It has been a remarkable year for job opportunities for TL&SC professionals in the Manufacturing sector. Demand has increased over 12 months by a staggering 58.2%. It even grew by 7.5% in December when one would really expect demand to be contracting before Christmas. The Index ends the year on a record high level of 227.63.

The contraction in job opportunities in Retail and Wholesale is easier to explain. While demand did decline 6.6% in the final quarter consistent with seasonal easing, on an annual basis demand has fallen by 9.5% while the national market grew by 6.7%. The disruption to retail trade by new online driven consumer sales leaves traditional players struggling to sell, profits are in decline and, naturally, employment suffers.

Transport and Logistics employers have had what would be best described as a steady if not spectacular year! Job opportunities are up 8.4% year on year, broadly in line with the national trend. This was only achieved by a strong fourth quarter. Recent strength provides a base for optimism for the sector for the year ahead. The graph provides a breakdown of the proportions of each major industrial sector.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

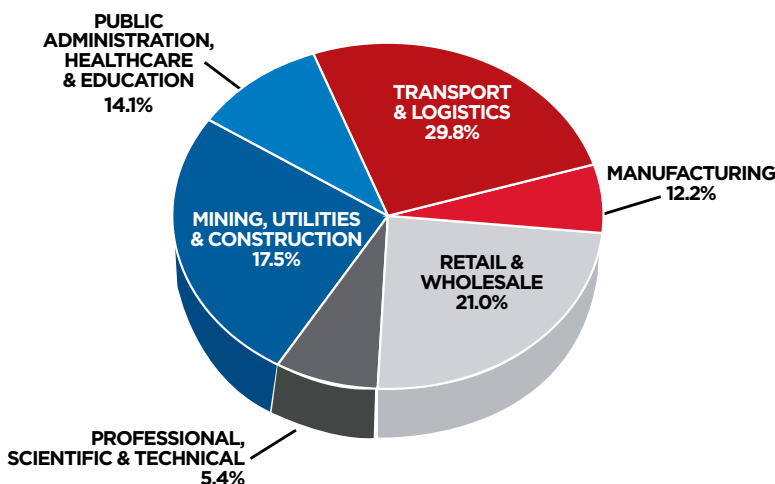
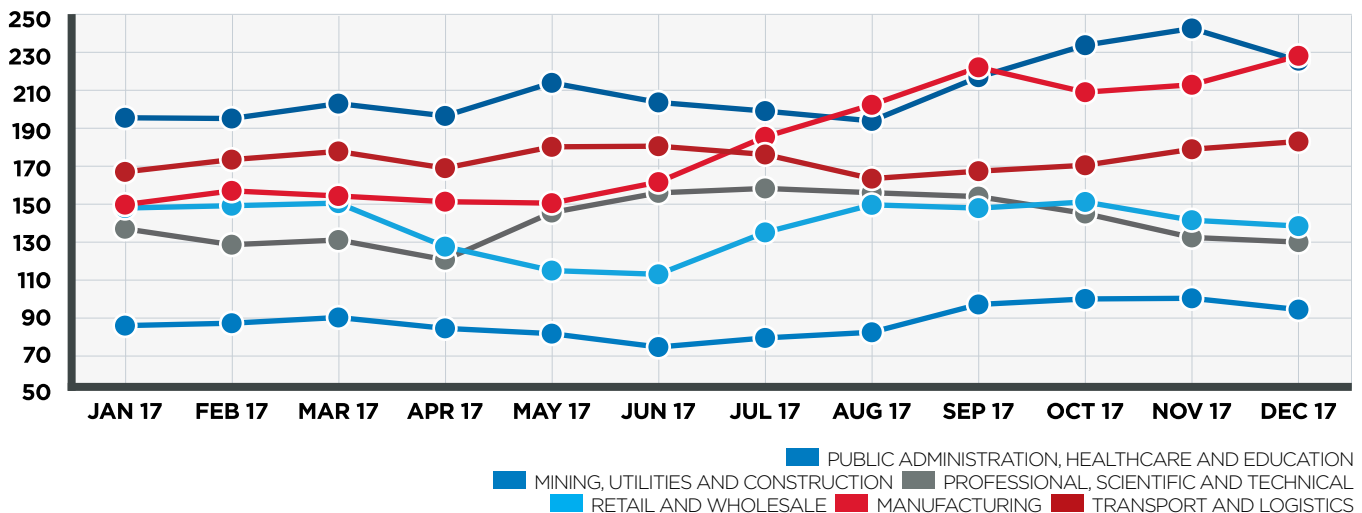


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY DECEMBER 2017

The big winner in 2017 was Manufacturing that saw its share of the national market rise 4% to 12.2%. This was gained at the expense of Retail and Wholesale which suffered a 3.8% decline from 24.8% to 21%.

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

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