

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

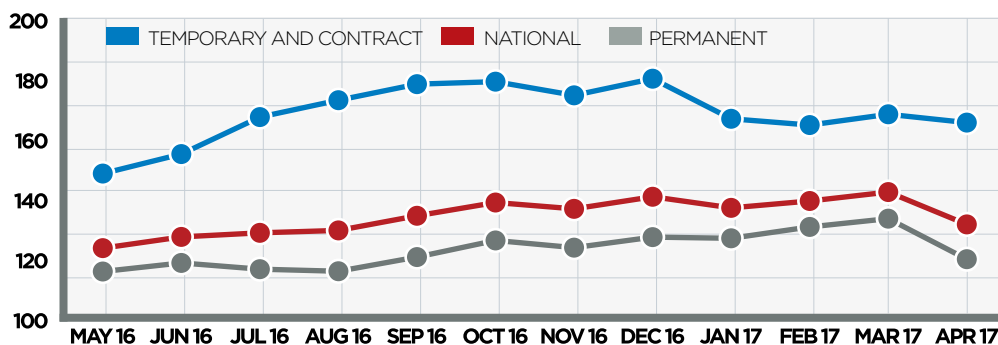
- ⚙️ In April the Labourforce / Impex TL&SC Job Index fell a surprising 7.6%
- ⚙️ Part of this can be attributed to three days lost to Easter and ANZAC day as well as school holidays
- ⚙️ Permanent job opportunities fell a whopping 10.2% wiping out a short-lived Bull Run in early 2017
- ⚙️ Temporary and Contract opportunities fell just 1.7%
- ⚙️ All states and territories fell in April with the Mining and Resource states faring particularly poorly
- ⚙️ The largest falls were seen in white collar occupations - TL&SC Management fell 10% while Clerical vacancies fell 6.7%
- ⚙️ Conversely Air, Sea and Rail Transport job opportunities fell just 2.7%
- ⚙️ Demand in Retail and Wholesale fell sharply. Mining, Utilities and Construction was also hard hit
- ⚙️ Quite simply a month to forget!

Job Index in shock 7.6% fall. A month to forget?

Three months of successive growth and a new record high in March were knocked for six with job opportunities in the sector falling a surprising 7.6% in April. The Labourforce/Impex Transport Logistics and Supply Chain Job Index fell from 141.92 to 131.13. This is also the lowest it has been since September last year, down 7.6% over six months. The market is now only marginally ahead (3.1%) of where it stood a year ago. April was significantly affected by three lost working days due to Easter and ANZAC Day, arguably more so than usual because of the closeness in timing which resulted in both employers and

job seekers taking unusually long breaks for this time of year. But other sectors were not hit as hard suggesting that the decline cannot be solely attributed to seasonal factors. The big fall was in permanent job opportunities which fell a whopping 10.2% from last month's record level. The fall wiped out all the gains made thus far in 2017. On the other hand Temporary and Contract opportunities fell just 1.7%. This type of flexible work has been pretty stable all year falling just 0.8% in three months. Historically the early part of the year is quiet and bottoms out in April before picking up again towards mid year.

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS

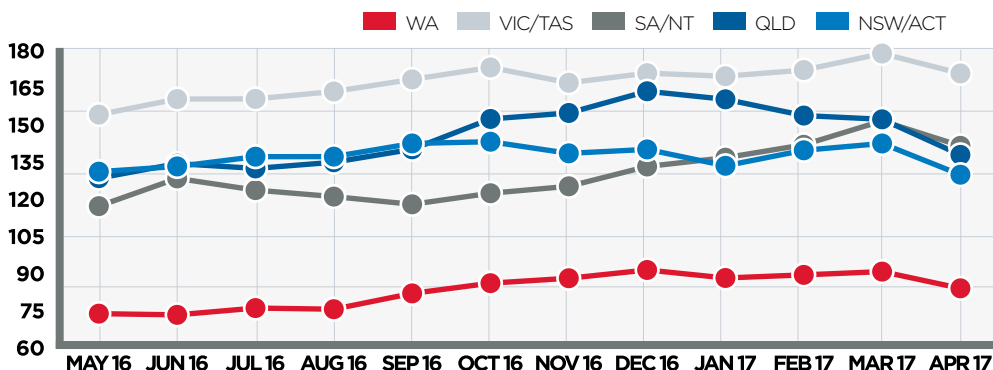


Mining and resources states crash. NSW not far behind

All states and territories fell in April ranging from 4.5% to 9.5%! Interestingly, VIC/TAS the strongest performing state fell the least. Whilst off its record high last month, at 169.68, it remains very strong and well ahead of all other states and territories. The mining and resource states fared particularly poorly. Queensland fell the most – 9.5%, adding to the losses seen in January, February and March. Demand in the “Sunshine”

State is now 14.1% lower than three months ago, an ominous decline since peaking in December. WA may have fared better, falling 7.5% but its index now sits at just 82.90, well behind all other regions. With question marks still hanging over the sustainability of recent commodity price gains this suggests short to medium term prospects in these states are not strong. NSW/ACT suffered a significant blow too, falling 8.9%.

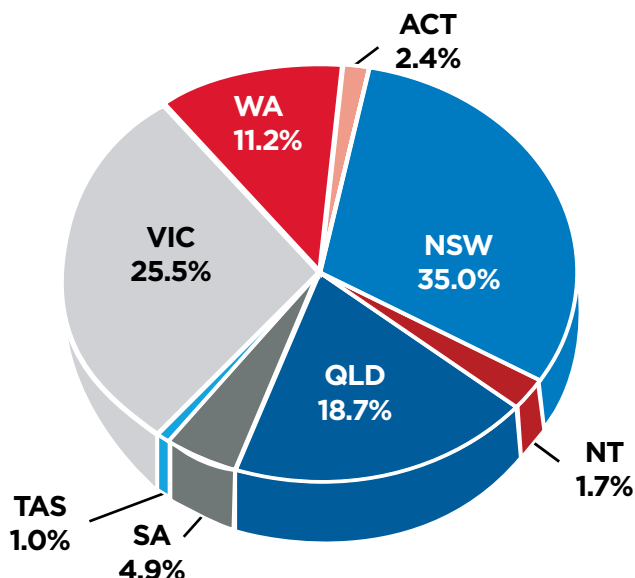
CHART 2 COMPARISON OF STATE JOB INDICES



MAY 2017

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

In a month where advertising volumes fell significantly across the board it's not surprising that state percentages have hardly changed. The only really significant change was Victoria's growth from 24.5% to 25.5%, largely at the expense of Queensland and NSW.



OCCUPATIONAL ANALYSIS

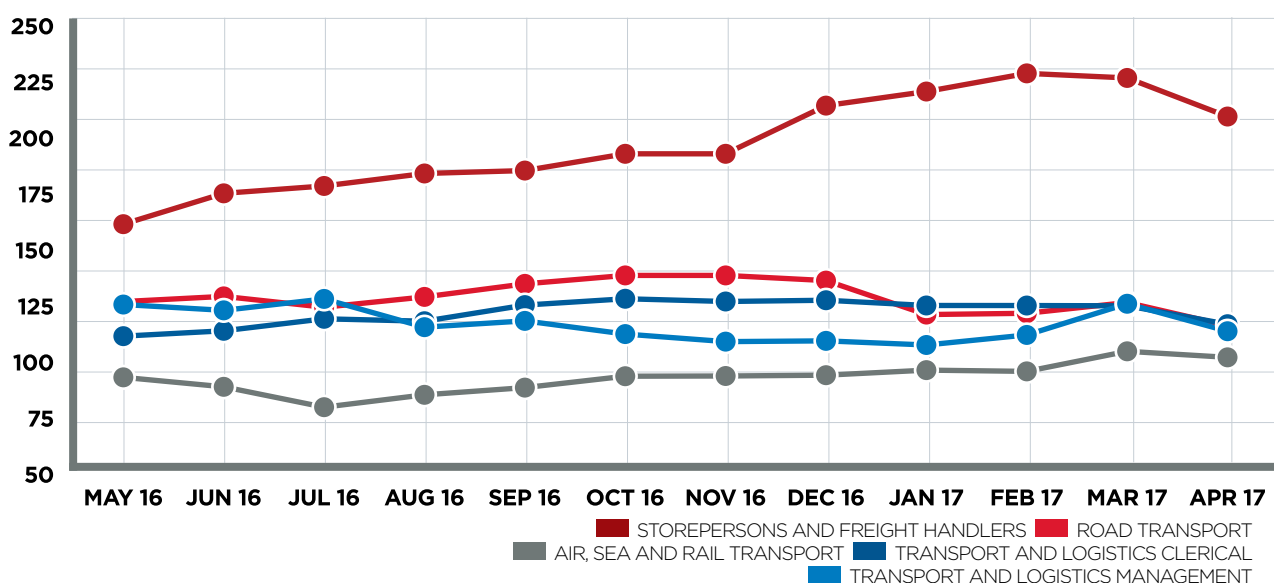
White collar jobs lead the decline. Down, down, down

Not surprisingly in April all occupational categories saw contraction in job opportunities. The largest falls were seen in white collar areas – TL&SC Management fell 10% while Clerical fell 6.7%. The most logical explanation here is that possibly such supervisory and support roles are not as time critical so, whilst the Easter break slowed the entire market, the pace slowed less for more time critical operational roles. Also we have already reported that permanent

roles were hit harder than temporary and arguably more office roles are permanent in nature. Road Transport was particularly hard hit, falling 8.4%. Demand here has really been weak all year and is down a disturbing 20.7% since its record high last October. Conversely Air, Sea and Rail Transport fell just 2.7%. While it remains the weakest sector (Index at just 98.84) this is only its second fall in nine months. Job opportunities have been steadily improving since it hit an all time low last

July. Last month we reported that a small fall in March for Store Persons and Freight Handlers was likely to just be a temporary aberration. After all we had seen nine months of continuous growth resulting in a record high in February. However here too we saw a 7.7% decline in job vacancies. The market is still very strong but, if this is more than just an Easter slow down, a more protracted decline must now be considered a possibility.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

All sectors contract sharply. Retail and Wholesale surprise decline

Again all sectors of the market contracted in April. The worst was Retail and Wholesale which fell sharply. This is unusual. Normally Retail vacancies fall naturally after the December peak but then start to pick up again in Q2. It's been quite the contrary this year.

Mining, Utilities and Construction was also hard hit. It fell by 6.6%. Overall the Mining sector has recovered

ground over the last 18 months as commodity prices improved. As they are now beginning to retreat once more it may be that demand has peaked. Construction may also have eased with fears of oversupply in the residential unit market. With record prices and supply shortages this is likely to be short lived. Infrastructure projects are also helping the job market. This month's fall in demand

amongst Transport and Logistics employers, 5.1%, whilst far from the worst decline, managed to contract the Index from its record high level last month of 171.93 to 167.37. It reversed the gains made over the year to date and down to a level not seen since last November.

The graph below provides a breakdown of the proportions of each major industrial sector.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

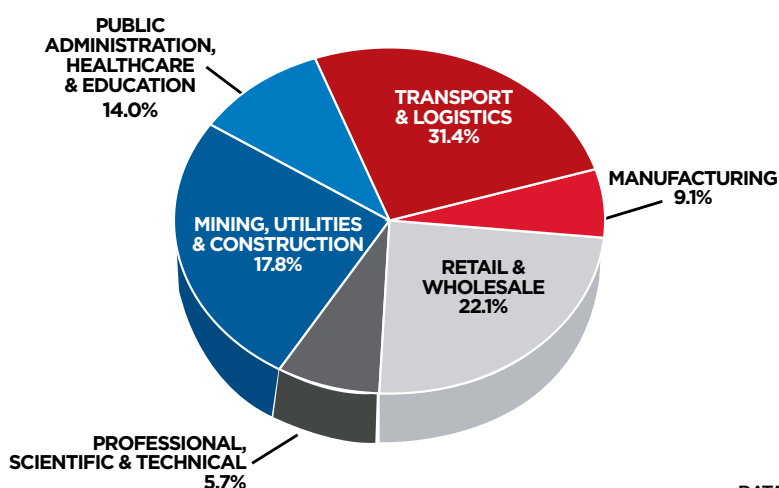
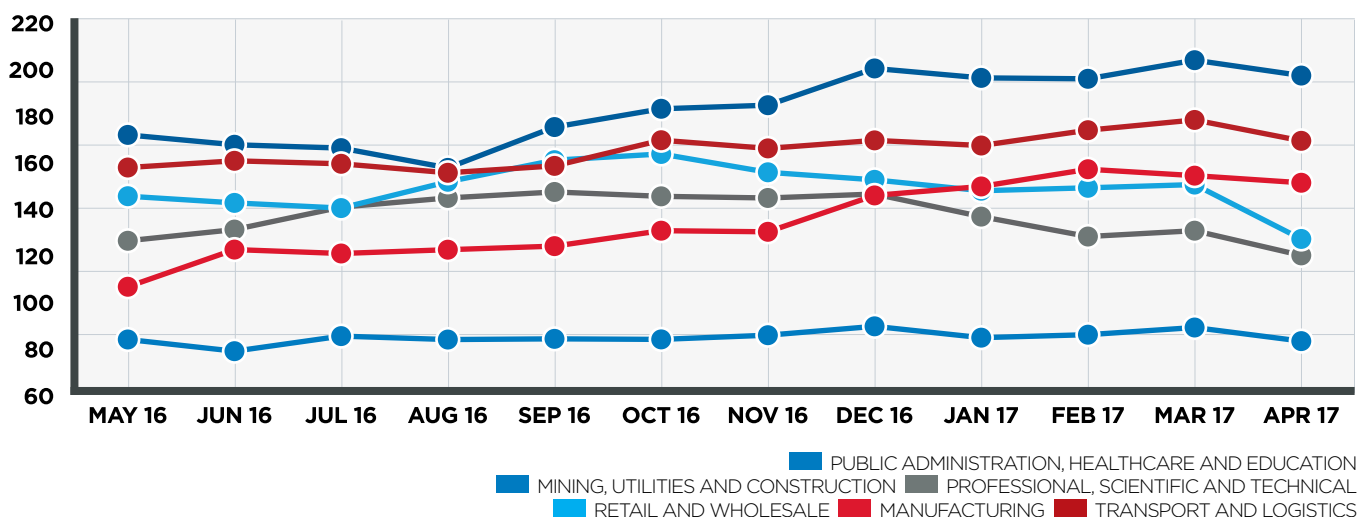


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY APRIL 2017

The massive fall in Retail and Distribution job vacancies has seen its share of the national market retreat to 22.1%, down from 24.2% in March.

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

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