

Transport, Logistics & Supply Chain Job Index

QUARTERLY REPORT

KEY FINDINGS

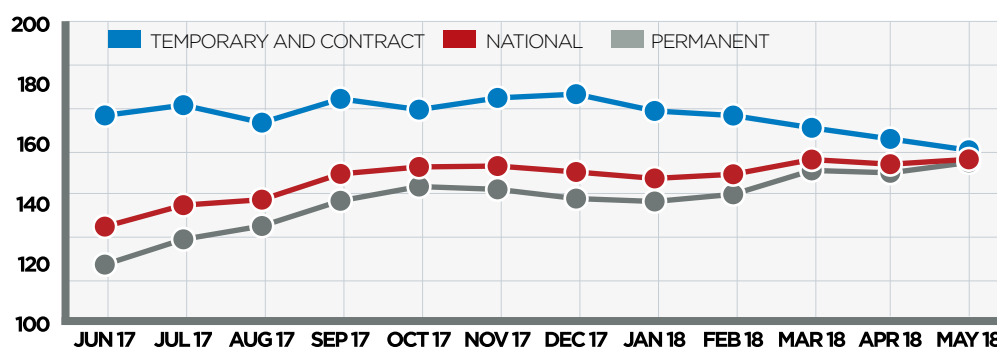
- ⚙️ The Labourforce / Impex TL&SC Job Index rose another 1.1%, setting a new record high in May
- ⚙️ The permanent market grew 2.3%. It also set another record in May
- ⚙️ Contingent demand continues to soften, retreating a further 2.3% last month
- ⚙️ The gap between contingent and permanent indices is narrowing
- ⚙️ Job vacancies in WA returned to the same level as November 2013. This has been a slow and challenging recovery post Mining Boom
- ⚙️ It was another good month for anyone looking for a job in road transport. Vacancies rose 9.5%
- ⚙️ Demand for TL&SC Managers has fallen for a second successive month
- ⚙️ Transport and Logistics employers continued to impress, registering an additional 8.1% rise in advertised vacancies and setting a new record high

Permanent jobs market grows as skills' shortages appear

Job prospects in the Transport Logistics and Supply Chain sector continued growing at a steady pace reaching a new record high 153.92. The May rise was 1.1%. The Impex/Labourforce TL&SC Job Index has grown an impressive 15.4% in past the 12 months at almost double the rate than this time last year (8.2%). The market remains in favour of permanent jobs. This grew another 2.3% in May breaking a new record at 152.88. After a modest seasonal dip in April the index saw annual rise of an astounding 28.8%, way above the national

average. The contingent market (temporary plus contract plus casual job opportunities) continued the path of steady decline losing another 2.3%. After a disappointing start to the year this sets the Index back to 156.97, 10.8% lower than last year and the lowest since mid-2016. The gap between contingent and permanent is narrowing, possibly because as the market picks up skills shortages are now appearing. Employers would rather lock in staff with those skills in permanent employment.

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS

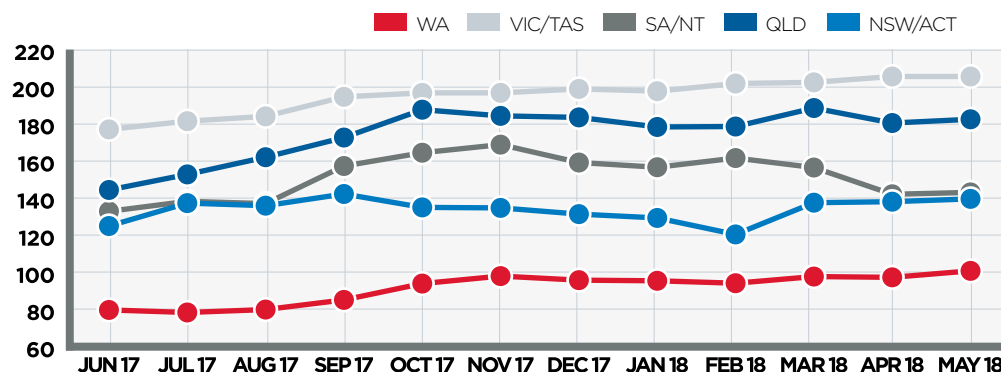


Queensland bounces back. WA big winner

After a very positive start to the year the Vic/Tas Job Index has plateaued. It remains at its record high of 205.5, set in April. We expect the record to be exceeded in the months ahead. Queensland bounced back from a short fall last month and recovered some 1.1%. Year on year growth of an impressive 28% remains way above the national average. The index is now at 182.44. While job vacancies have retreated slightly from the record high of 188.50 established in March the momentum is still very strong and we anticipate further growth in the near term. The job market in NSW/ACT has

enjoyed modest growth of 9.5% in the last year. The index now stands at 139.58 and has increased each month in 2018. At current rates, the prospects are good for further improvement as the year progresses. The big winner seems to be Western Australia where job vacancies have finally returned to the same level as November 2013. The index grew 3.6% and passed 100-mark by very narrow margin, settling at 100.82. The road to recovery has been slow and challenging for WA since the end of the Mining Boom. The graph provides a breakdown of the proportions of each state and territory.

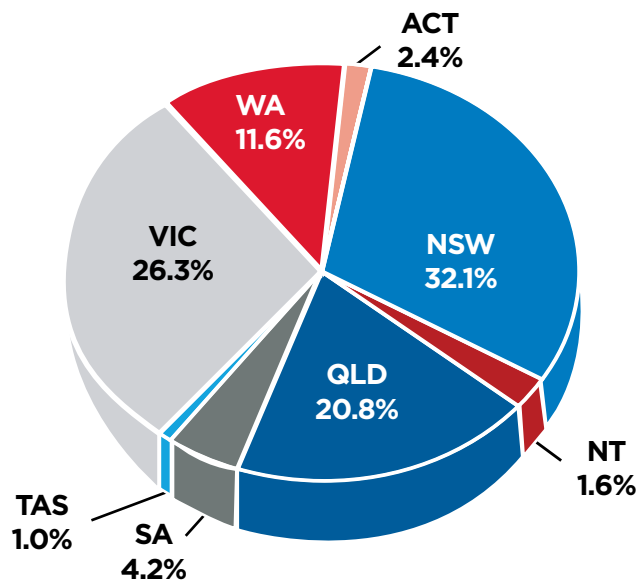
CHART 2 COMPARISON OF STATE JOB INDICES



JUNE 2018

CHART 3
ANALYSIS OF JOB
ADVERTISEMENTS BY
STATE AND TERRITORY
MAY 2018

There has been very little change in the states and territories respective share of the market. In May Victoria held 26.3% which is about the same as 12 months ago. WA saw its share grow 0.3% in May and 0.8% since May 2017. It now holds 11.6%. Queensland has enjoyed the biggest growth in market share. Year-on-year it has increased by 2%.



OCCUPATIONAL ANALYSIS

Strong growth for road transport workers. Records smashed

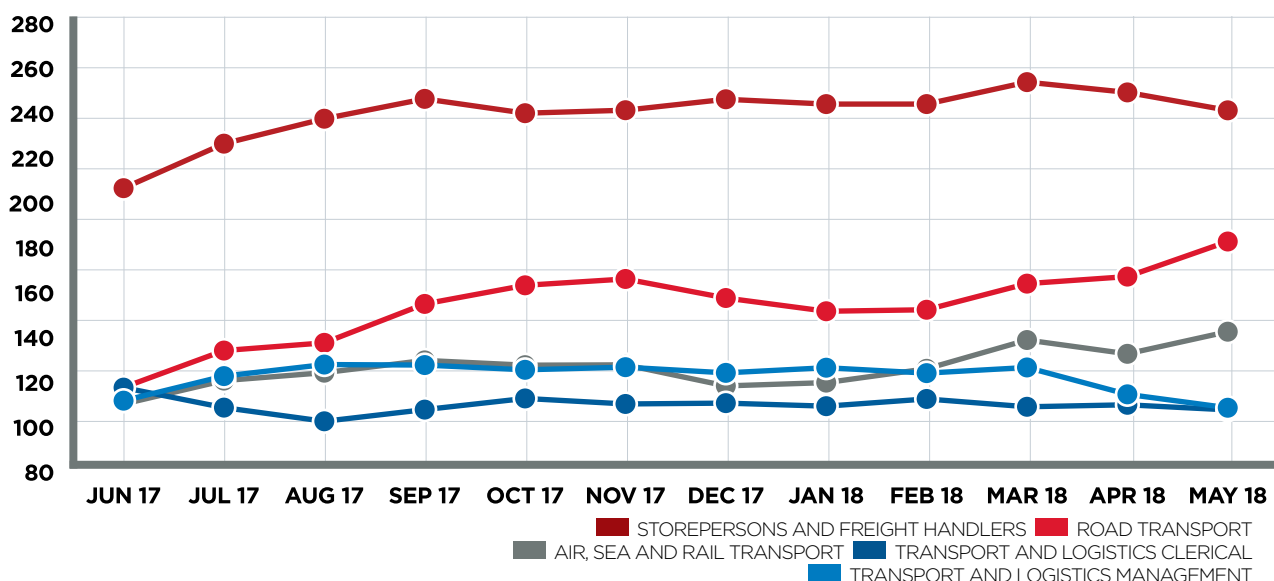
May was, once again, buoyed by strong growth in demand for road transport workers. Vacancies rose sharply by 9.5% in May. Over the past 12 months the Job Index has grown by an astounding 55.6% and set another record at 179.59 this month.

Opportunities in the Air, Sea and Rail transport sector grew by encouraging 7.6%, reaching a new record high of 139.36. The demand remains well above all other transport professionals, rising an impressive 34.8% year on year.

As expected, the demand for Store Persons and Freight Handlers decreased in May. This puts the Job Index back 6 months at 238.10. We may not see much improvement before start of the third quarter when seasonal demand starts to kick in.

For a second successive month the pool of opportunities for TL&SC Managers reduced further. The Job Index fell 5.4%. The market for TL&SC Management positions is at the similar level as it was in January 2017. Should this trend continue it may take a couple of months before we could hope to see any improvement in prospects for Executive job seekers.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Transport and logistics hit record high. Retail woes continue

Transport and Logistics employers continued to impress, registering an additional 8.1% advertised vacancies in May. Demand has been on the rise since August last year. New automation and tracking technologies have enabled greater economies of scale. It is resulting in a shift in the skills required rather than mass redundancies.

Logistics companies have increasingly consolidated to boost competitiveness and to respond to increased international

trade. A combination of buoyant employment market and some looming skills shortages have all contributed to this new record high in demand. The Index now sits at 232.34.

After a massive drop last month, the Public Sector stabilised at 219.36. The outlook remains optimistic as the Federal Government announced \$75 billion for transport infrastructure, predominantly road and rail. Demand in the retail sector fell by 7.5%, however if the Federal

Government's small business incentive is to translate into jobs in the sector, retail is likely to be a winner going forward.

The Manufacturing sector saw a slight decline of 2.9%, erasing some of the gain made in April. This may be the first sign of recovery after the job index fell a shocking 17.6% since January.

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

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

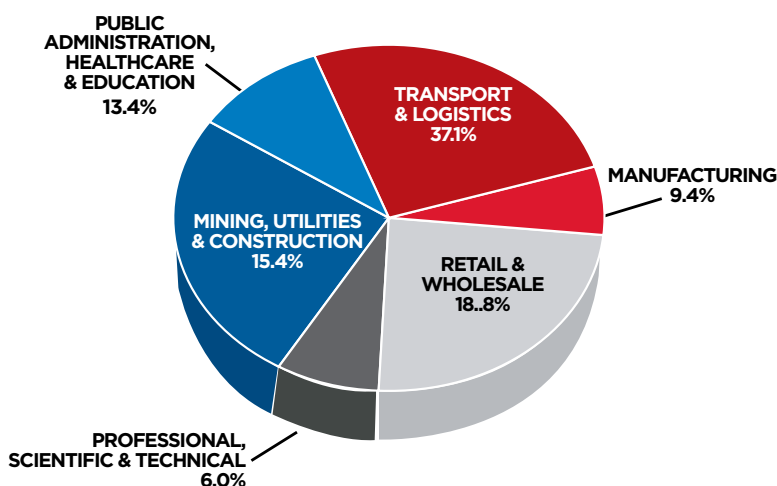
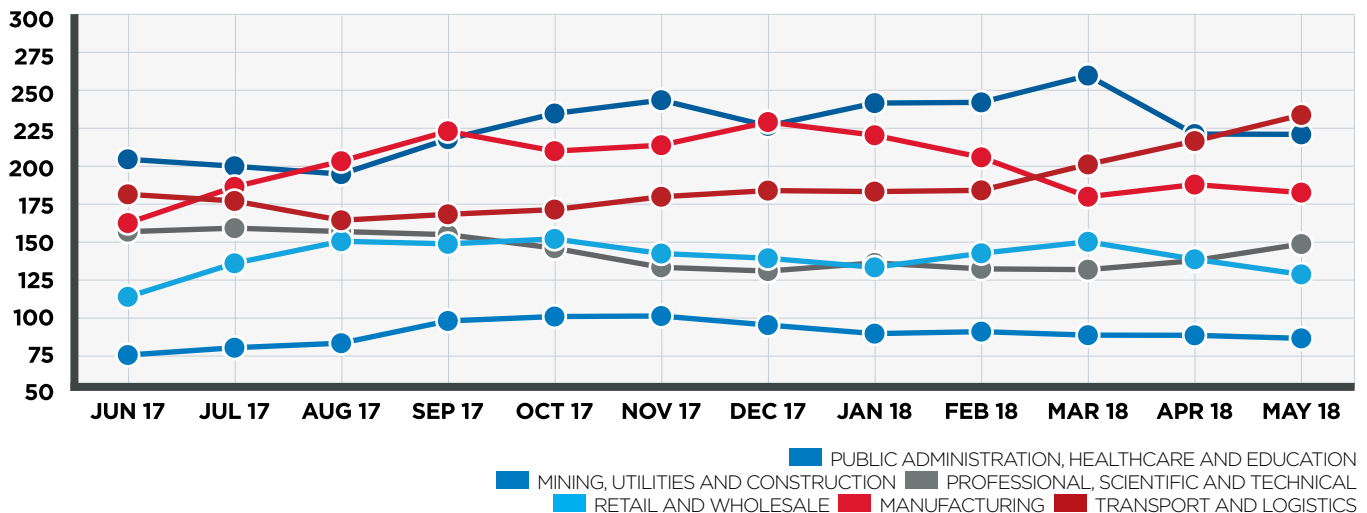


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY MAY 2018

Retail and Wholesale share of the national pie has fallen further to 18.8%. It has fallen 1.6% since January. This decline seems to be a trend in the second quarter of the year for the past two years. Likewise, Mining, Utilities and Construction has been shrinking. It has fallen 1.5% in a year and 4.1% in past 2 years. The big winner seems to be the Transport and Logistics industry claiming the biggest share of 37.1%. This is its largest share of the national market since November 2013 when we first began publication.

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