

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

- ⚙ Demand for Transport, Logistics and Supply Chain staff fell 4.6% in December, the first fall since June
- ⚙ The Labourforce Impex Job Index sits at 114.09, so still a very strong market
- ⚙ Perm demand fell 5.3%, Temp and Contract 2.7%, but much of this is seasonal
- ⚙ Queensland and WA fell substantially in December. Both have fared well in 2014 despite weakness in the Mining and Resources sector
- ⚙ Demand for Stores Persons and Freight Handlers fell a further 5.5% but this is the normal seasonal fall off in demand for temporary staff
- ⚙ Demand for TLSC Management rose 2.8% in December, 29.8% over twelve months driven by demand for senior professionals with export experience
- ⚙ Manufacturers actively hiring, up 10.2% in December alone, spurred on by more favourable terms of trade
- ⚙ In stark contrast Retail demand down 12.2% in December but this is entirely seasonal and, if history repeats itself, a recovery is likely in Q2 2015

AUSTRALIA BUSINESS WEEK IN INDIA

Last week, Minister for Trade and Investment Andrew Robb led Australia's largest-ever business mission to India, building on the growing economic momentum between our two countries.

Australia Business Week in India (ABWI) includes around 450 Australian business leaders who represent a wide range of sectors, including resources and energy, infrastructure, transport, agribusiness and food, financial services, health and medical, sport, cultural services, tourism, education and training.

Participants are involved in various activities, including significant investment forums and other industry-specific events across a number of Indian cities including New Delhi, Mumbai, Ahmedabad, Kolkata, Jaipur and Chandigarh.

The visit by the Trade and Investment Minister follows the successful visit by Prime Minister Abbott to India last September and Mr Modi's recent visit to Australia, the first by an Indian Prime Minister in 28 years.

With a population of 1.2 billion people and an emerging middle class, India was a country of enormous opportunity and Australia has much to offer in supporting its development.

Mr Robb will also continue high-level discussions aimed at finalising a comprehensive bilateral trade agreement between Australia and India. Prime Ministers Abbott and Modi would like to see an agreement concluded by the end of 2015.

India is Australia's fifth largest export market and two-way trade between India and Australia is approximately A\$15 billion.



NATIONAL JOB INDEX

Seasonal factors see Job Index fall.

The Transport Logistics and Supply Chain employment market experienced its first month of decline since June 2014, with the Labourforce Impex Job Index falling 4.6% to 114.09. This is largely attributable to seasonal factors. Over the past twelve months demand has risen 22.4%, well above the national norm, so December's decline is a short term aberration against the long term trend.

Temporary and Contract job advertisements fell 2.7% in December. The Index now fell from 132.49 to 128.85. The temporary market has grown in ten out of the last twelve months, 40.2% over the last year. Some of the recent growth is attributable to short term hires for the Christmas period. Some softening should be expected in early 2015.

Demand for permanent staff fell 5.3%, reducing the Permanent Index from 115.58 to 109.45. Job seekers in our sector can be heartened by the strength of the market throughout the past year. Budgetary issues and declining commodity prices are creating broader concerns for business which cloud an otherwise positive outlook for 2015.

BUILDING ON GROWTH

Labourforce group of companies continues to provide you with reliable data about the Australian employment market.

We are reporting the first fall in some time but its clearly seasonal as it mirrors last year's trends so generally positive outlook.

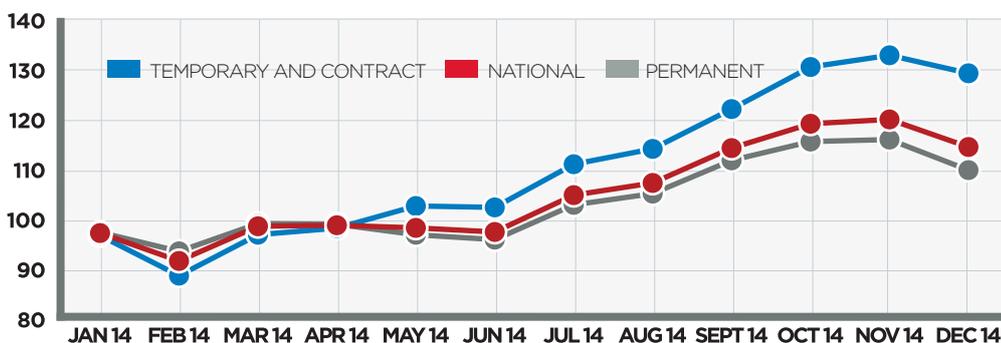
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Regan Brown
CEO
LABOURFORCE

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS



STATE ANALYSIS

Queensland takes a hit.

The overall decline in advertisements was broadly spread across the country, the only exception being SA/NT which defied the trend and grew 0.9% in December.

Queensland took the biggest hit – a fall of 8.8% although the Index still remains at 120.97. WA fell 7.2% on top of a 3.5% fall in November, its Index now at 110.74. Both states have still performed well over the last

twelve months despite a weakening Mining and Resources sector.

The Index for NSW fell to 101.12 reflecting little increase in demand over the last year, the weakest performing state.

The graph below provides a breakdown of the proportions of each state and territory:

CHART 2 COMPARISON OF STATE JOB INDICES

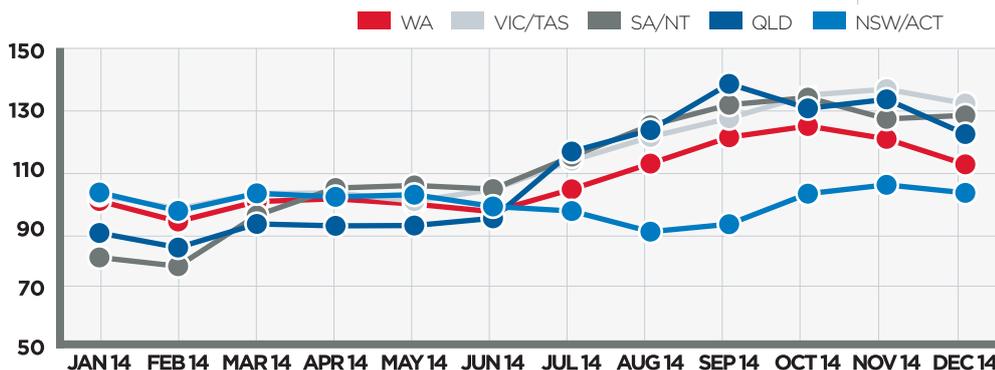
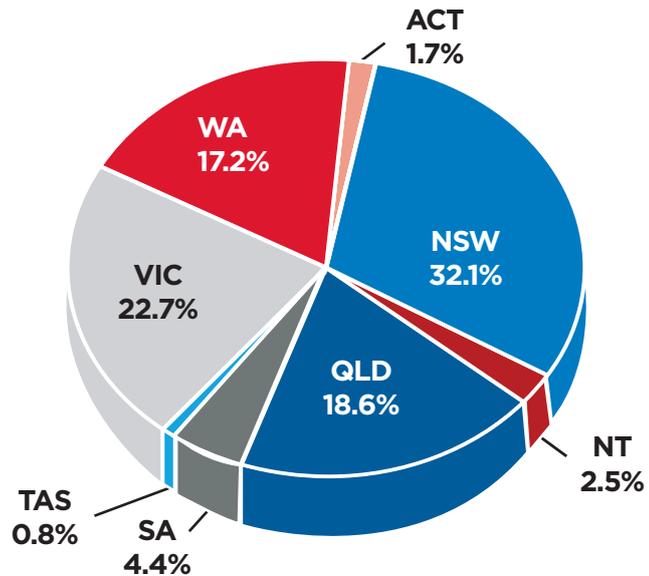


CHART 3
ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY DECEMBER 2014

The share of job opportunities is well distributed nationally. Whilst SA/NT have performed very strongly all year they still only represent a small proportion of the overall market. Despite a slow 2014 NSW still offers the greatest number of vacancies advertised but it was been Victoria that has performed well and seen its market share rise from 19.7% to 22.7%.



OCCUPATIONAL ANALYSIS

Demand for Transport, Logistics and Supply Chain Management continues to grow.

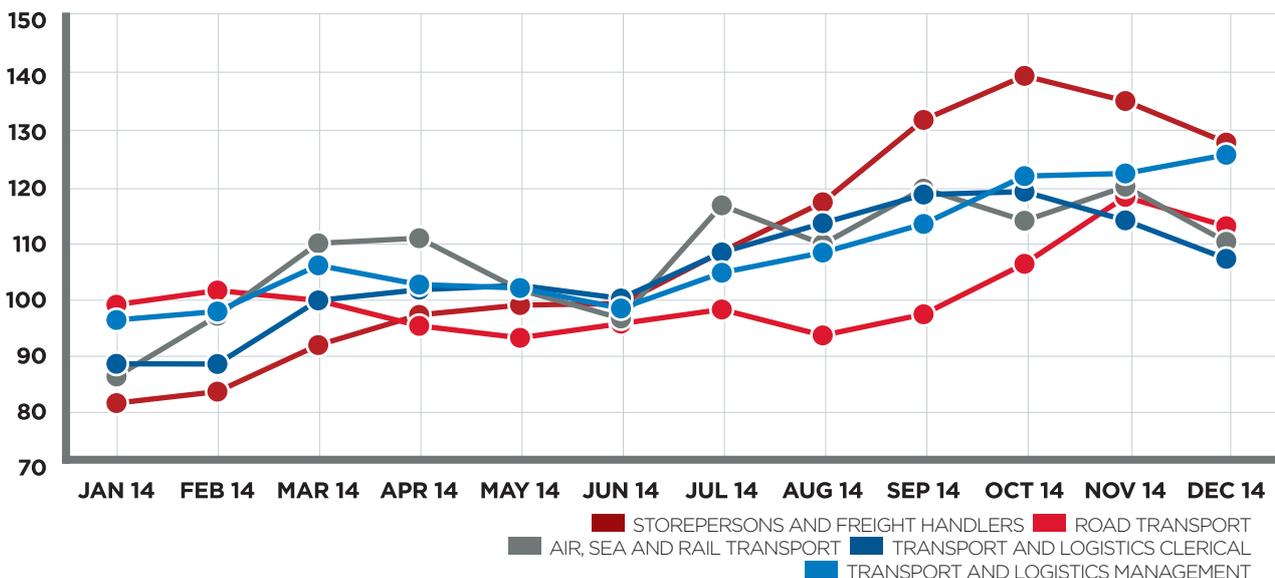
Demand for Store Persons and Freight Handlers fell for a second successive month. December's fall of 5.5% eclipses the 3.2% fall in November but still leaves the Index at 126.73. The fall is similar to that seen last year. Demand is clearly very seasonal. We expect a further easing in demand after the Christmas period, particularly for temps.

On a similar theme, demand for Road Transport staff that had taken off in the last quarter, fell 4.5% in December to 111.17.

A seasonal boost and then lull towards Christmas and New Year seems the logical explanation.

The stand out performer in December was demand for Transport, Logistics and Supply Chain Management. It bucked the trend and grew 2.8%. The Index has slowly risen over 2014 and now sits at 124.55, encouraging job prospects for our more senior executives particularly for those with export experience.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Resurgence in manufacturing as Aussie dollar falls.

The clearest trend to observe has been the resurgence of demand within the Manufacturing sector. Demand has risen sharply over the last quarter, 10.2% in the last month alone! This can be clearly linked to a fall in the A\$ and a more competitive landscape for our manufacturing sector. It had been languishing below the 100 benchmark throughout the year so a really encouraging outlook for 2015 as exports pick up.

In complete contrast demand from retail employers experienced a second monthly fall, this month a massive 12.2%. But the graph clearly shows that this is what happened last year. There are seasonal factors at play here. We can expect demand from retailers to remain weak in early months but a strengthening in the second quarter of 2015.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

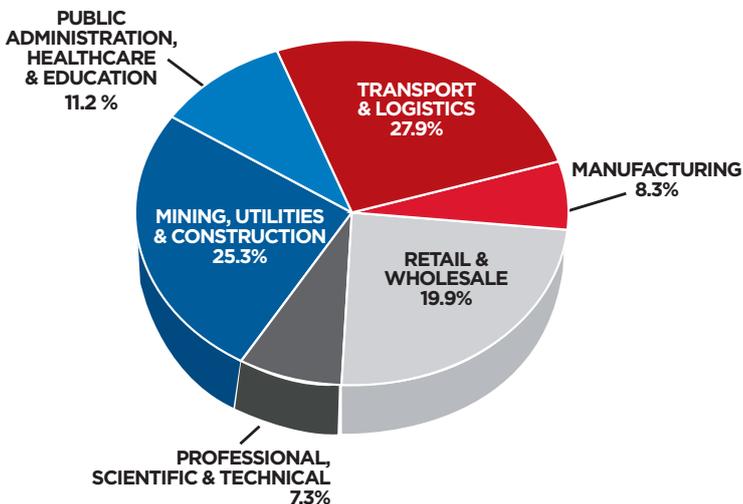
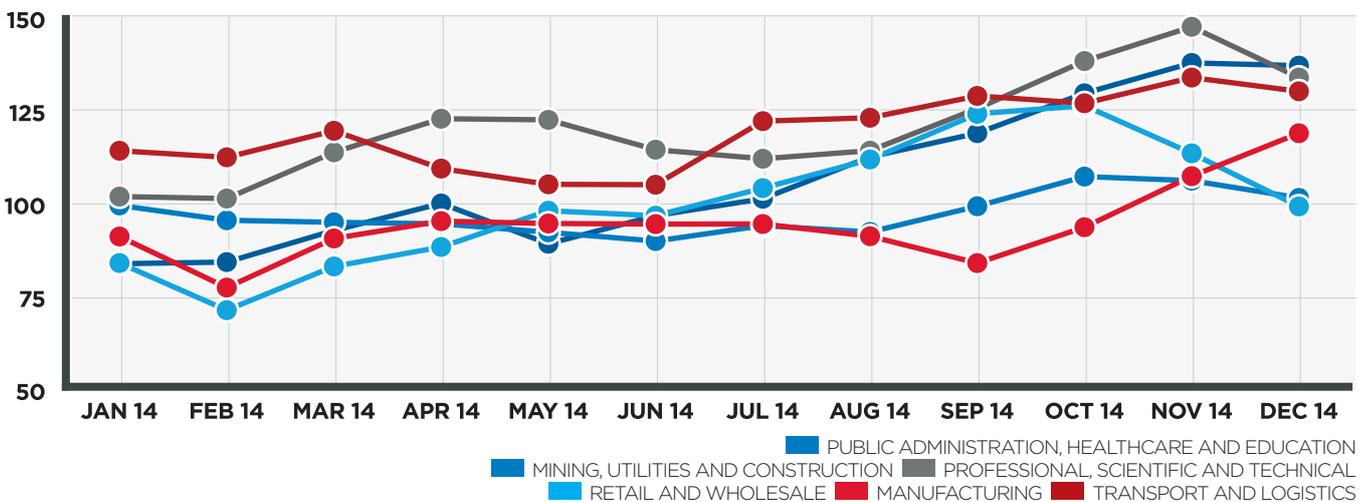


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY DECEMBER 2014

Transport and Logistics remains the most active employers, holding a 27.9% market share. It performed well throughout 2014 which should give job seekers confidence going into 2015. Despite the well publicised difficulties in the mining and resources sector, the Mining, Utilities and Construction sectors remain a critical and substantial employer group for the Transport, Logistics and Supply Chain sector.

In October 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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