

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

- The Labourforce / Impex Job Index rose by 0.7% in April
- The Index sits at 127.16, close to the record set in February and 14.6% higher than a year ago
- The permanent market is particularly strong. The Index now sits at 118.33, a new record high
- Victoria remains in the driving seat showing a 3.2% rise in April
- In stark contrast Western Australia saw demand contract a shocking 9% in April, 16% in the last three months
- TL&SC Management is showing signs of strength. The Index is now at 116.82, it's highest level since February last year
- The rise in demand for Air, Sea and Rail Transport Professionals continues although the rate of growth seems to be slowing. Job vacancies were up just 2.4% in April
- Demand amongst core Transport and Logistics companies' remains very robust, up 24.1% over 12 months
- Manufacturing has seen a significant improvement, 9.2% up on the quarter and at the best level since January 2015.

DRUG USE ON THE INCREASE

As winter sets in and the number of long weekends become less frequent, we are able to focus on getting our production fundamentals settled. A Federal election on 2 July is welcome if it leads to greater certainty for the transport and supply chain sector.



Paul McLeay and Regan Brown at the DATIA Global Conference.

This summer and beginning of the year saw record numbers of drug testing on our roads. There was a 400% increase in the number of drivers detected positive to drug use on Queensland roads over the Easter long weekend, compared to the figures from the previous year. Almost 1 in every 3 motorists caught under the influence on Queensland roads last year was high on drugs, according to the official police figures. In Victoria, 200 Drivers returned positive results over the Labour Day long weekend blitz. There were similar results across the country.

LabourHealth has been conducting workplace drug and alcohol testing for more than 15 years across Australia. We recently attended the Drug and Alcohol Testing Industry Association (DATIA) Global Conference in the US to ensure we maintain our industry leading technology, process and compliance.

LA PORT VISIT

We support our clients through the supply chain and are there with them as they grow. That is why we expanded to New Zealand last year, and have further plans for growth this year. We recently had a private waterside tour of the LA Port.

This massive facility has 91 ship to shore cranes servicing 7,500 acres along 43 miles of waterfront. The top containerised imports are flat pack and furniture, auto parts, apparel, electronics and plastics. Whilst the exports are paper, pet/animal feed, scrap metal, fabric and soy beans. Asia and the Pacific make up a staggering 95% of trade.



NATIONAL JOB INDEX

Bullish market regains strength. Only 2% below February record high

The Labourforce/Impex Transport Logistics and Supply Chain Job Index regained some of March's decline with a 0.7% rise in April. The market is still only 2% below the record high set in February. The Index rose from 126.27 to 127.16, a very strong 14.6% higher than this time last year. As predicted last month the fall in March appears to

have been a short term aberration in an otherwise bullish market.

The Permanent market is particularly strong at the moment. It grew by 1.8% in April. The Index now sits at 118.33, a new record high and 10.6% higher than this time last year.

The Temporary and Contract market

slipped again in April. It fell a further 1.9% taking the Index from 158.37 to 155.33. The Temporary and Contract market remains volatile. Demand is up a massive 25.5% over 12 months but all of this was achieved in mid 2015. Despite considerable movement both up and down the Index has risen only 0.1% in the last 6 months.

PROTECT YOUR PEOPLE, PROTECT YOUR ASSETS

With the increase use of drugs in the community, only naive employers believe there will not be an impact at their workplace.

If you or your employees are in a safety sensitive environment, or deal with risk, you need to be aware. If you don't measure it, you won't manage it.

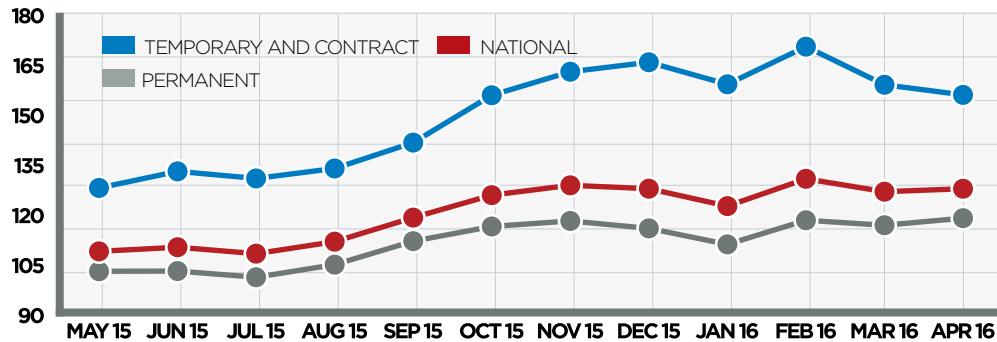
We work with you to randomly select your employees for regular, drug and alcohol testing to ensure you keep them, your colleagues and your business safe.



Regan Brown

Regan Brown
CEO
LABOURFORCE

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS



STATE ANALYSIS

Victoria powers on. NSW momentum falters. WA crashes and burns

Victoria remains in the driving seat showing a 3.2% rise in April. The Index sits at 163.45 just narrowly below the record established in February. The market in Victoria has been remarkably strong growing 10.2% in the last three months and 31.3% in the last year.

It's an entirely different story in Western Australia. It saw demand contract a shocking 9.0% in April. Demand has fallen 16% in the last three months. This is somewhat surprising as the mining sector in WA in early 2016 has

shown some signs of life attributed to the rebound in commodity prices. Despite the falls of late the market is still just above the record low set last September.

The significant growth in NSW seen in 2015 has lost momentum. April saw a second successive month of decline, but of just 0.4%. It remains the fastest growing state notching up a 27.9% rise over 12 months. It's too early to tell whether the market is slowing or simply pausing before continuing its impressive expansion.

CHART 2 COMPARISON OF STATE JOB INDICES

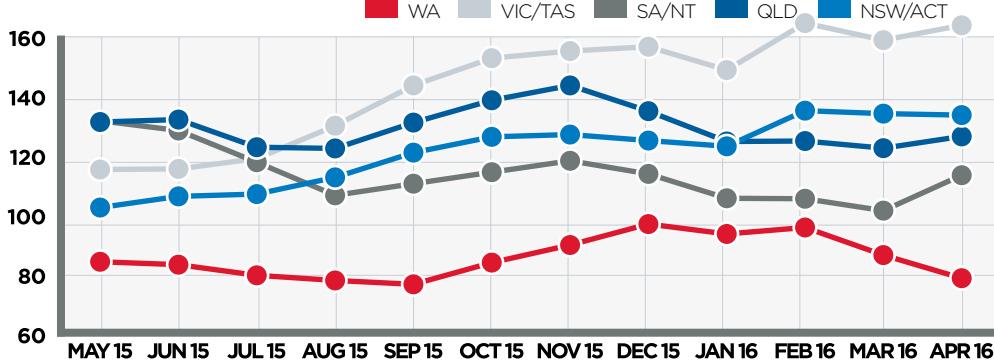
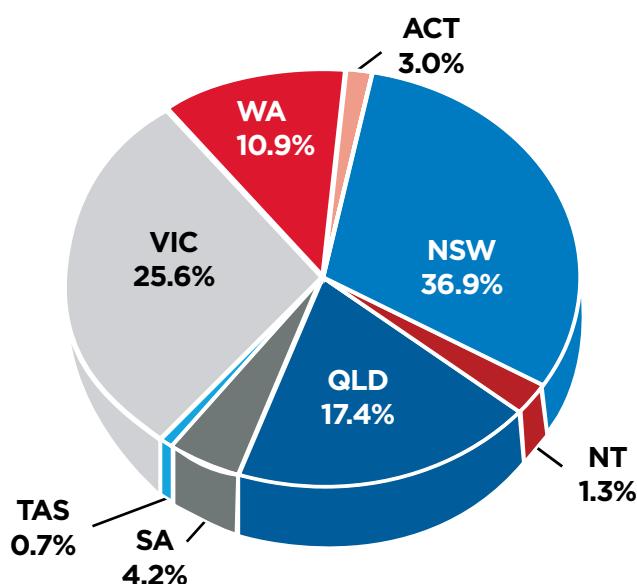


CHART 3**ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY APRIL 2016**

The strength of the Eastern state powerhouses of NSW and Victoria is most evident here. Their combined share of the market is now 62.5%. A year ago it was 54.4%, a massive increase in such a short period.



OCCUPATIONAL ANALYSIS

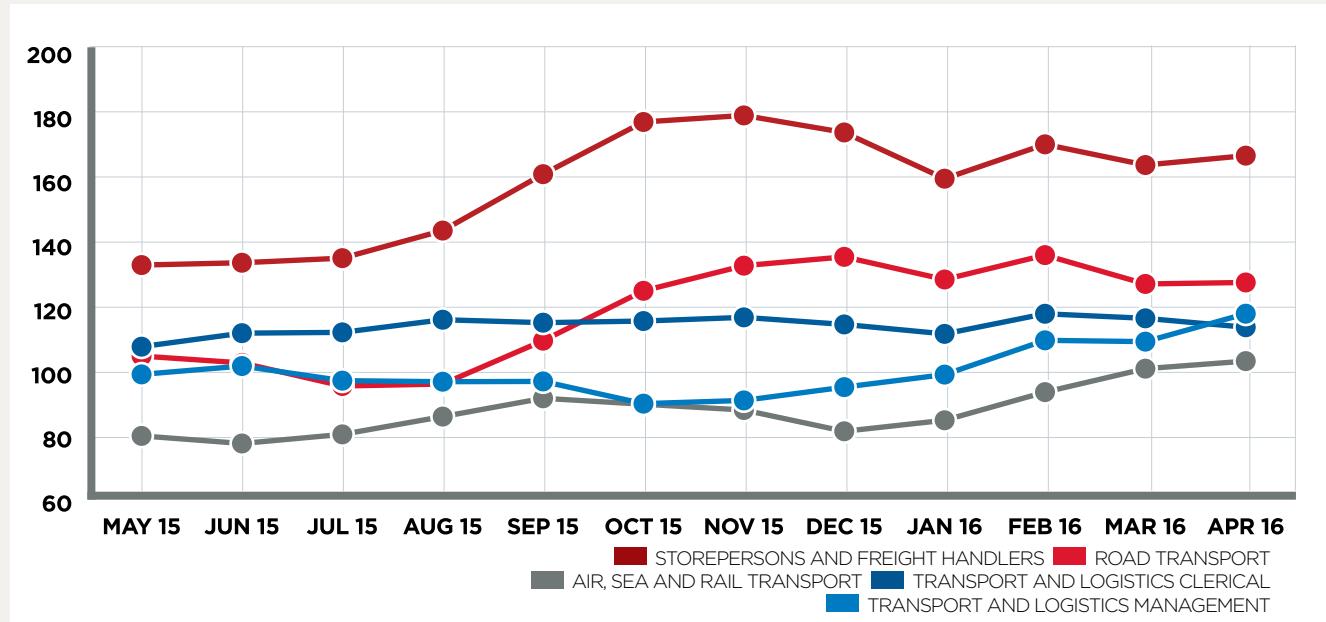
Demand for management shows good signs of strength

The market for TL&SC Management is showing really good signs of strength. The Index is now at 116.82, it's strongest since February last year. A rise of 8.1% in April contributes to a 19.4% rise in the last three months. Indeed the market has expanded 31.6% in the last six months, reversing a particularly quiet market in mid 2015.

The white collar clerical market has not been as strong, or for that matter, volatile. It fell 1.7% in April but over twelve months demand is down just 2.4%. The Index has slipped to 112.59 so still strong but, for the first time, below that of TL&SC Management which now sits at 116.82.

The rise in demand for Air, Sea and Rail Transport Professionals continues although the rate of growth seems to be slowing. Job vacancies were up just 2.4% in April. The Index is now at 102.02 the first time it has been above the 100 benchmark since early 2015.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Public Sector online advertising no signs of slowing

Public Sector, Health and Education enjoyed another month of growth with demand up a further 3.8% in April. The Index now sits just below the 200 benchmark. The Public Sector has increased online job advertising across many occupations so TL&SC has been no exception. The growth has been in white collar roles rather than client facing transport job opportunities.

Demand amongst core Transport and Logistics companies' remains very robust. Demand rose 2.1% in April setting the trend back on course to challenge the record high of 167 set in February. Demand is 8.7% higher than three months ago and a very impressive 21.4% higher than this time last year.

Manufacturing has seen a significant improvement in TL&SC job vacancies in April. This rise reverses falls in the last

two months and places the Index at 112.01, 9.2% up on the quarter and at the best level since January 2015.

Retail and Wholesaling however remains weak with demand easing another 6.2%. This is to a large extent seasonal. Job opportunities are still 2.0% stronger than a year ago. But this is more seasonal whereas the contraction in demand for both Manufacturing and Mining is more structural in nature.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

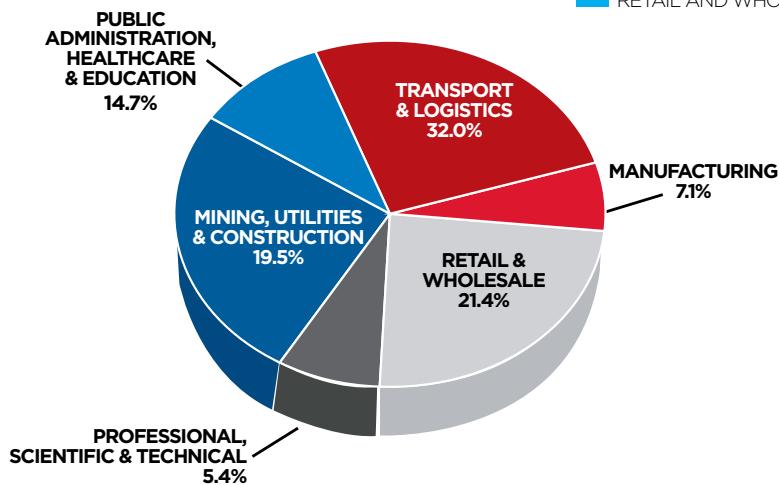
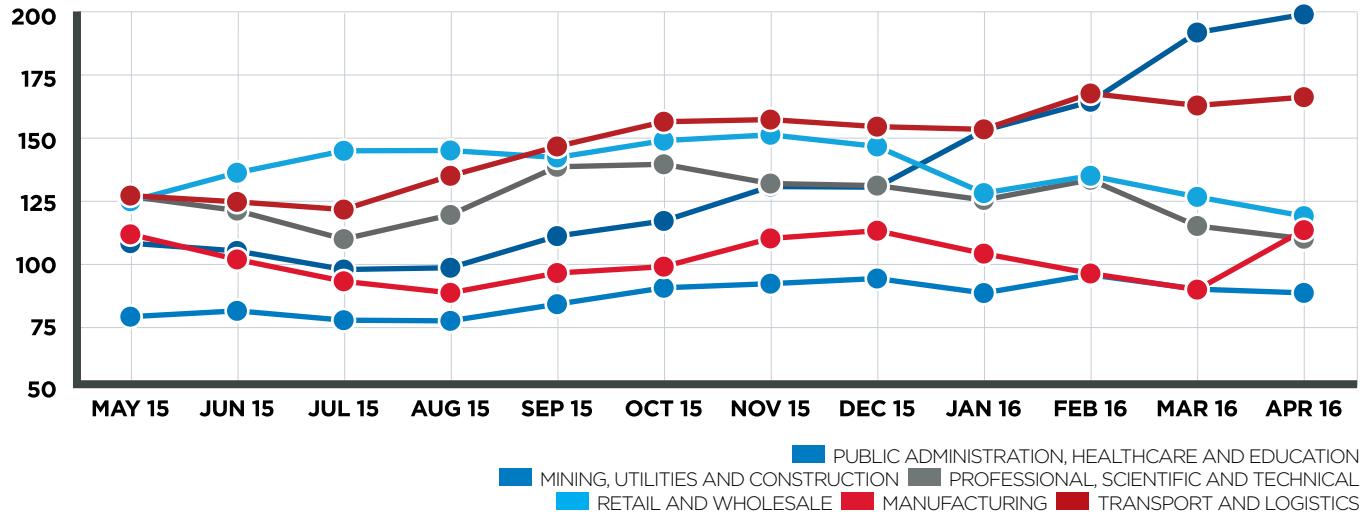


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY APRIL 2016

The big improvement in TL&SC hiring by manufacturers saw their share of the market rise to 7.1%, a big improvement from the 6.2% held a year ago and getting closer to the sort of levels it enjoyed previously. Over the same period Retail and Wholesale has slipped from 27.3% last October to just 21.4% in April.

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

LABOURFORCE PHONE 13 30 91 EMAIL recruitment@labourforce.com.au

IMPEX PHONE 1300 85 85 15 EMAIL info@impexpersonnel.com.au

LABOURHEALTH PHONE 1300 306 866 EMAIL info@labourhealth.com.au