MAY 2014

Transport, Logistics & Supply Chain Job Index REPORT

KEY FINDINGS

- The National Index has risen 3.7%
- Federal Government Budget presents threat to a robust employment market
- Both Temporary and Permanent roles have picked up
- SA/NT have enjoyed a strong bounce back in demand
- Victoria remains the strongest state
- Interesting contrast between strength in Transport, Logistics and Supply Chain Clerical and continued weakness in demand for Management!
- Storepersons and Freight Handlers in high demand
- Manufacturing and Transport and Logistics employers most active
- Retail and Wholesale weak

NATIONAL JOB INDEX

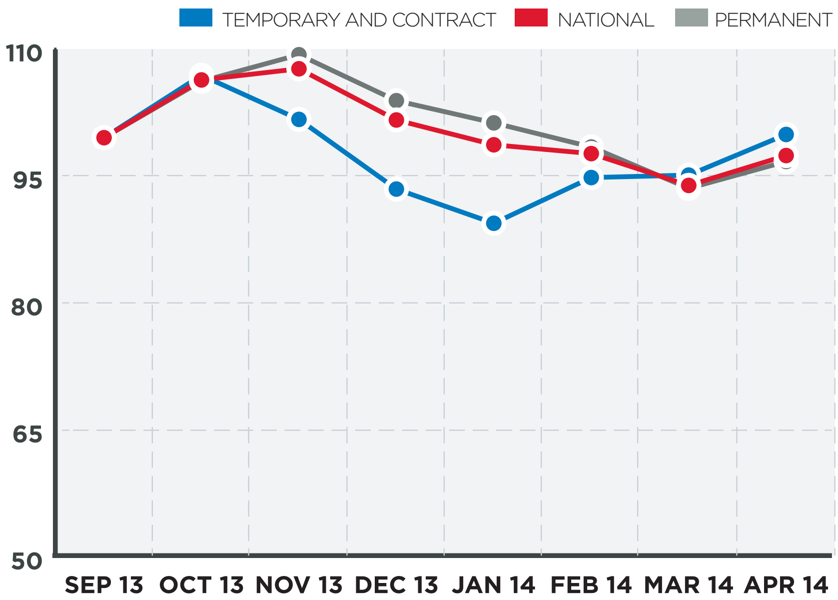
3.7% increase in April Job Index

April has seen an encouraging 3.7% increase in the Labourforce Impex Transport Logistics and Supply Chain Job Index. The Index now sits at 97.89, a 2.1% fall over seven months. The rise is broadly in line with a pick up in the employment market (ANZ reported a 2.2% rise in April) and it reverses a similar fall in March.

Rises were seen in both Permanent and Temporary job opportunities, up 3.2 and 4.8 points respectively. The temporary market has been the more volatile with a sharp decline recorded in Q4 2013 but steady recovery in early 2014, rising to 100.38, placing it marginally ahead of the Permanent Index at 97.19.

Overall we regard the sector in pretty good shape from an employment perspective. However the optimistic outlook is muted by the uncertainties surrounding the Commission of Audit findings and the Federal Budget. Whilst there are no specific “threats” to the sector the impact of any expenditure “belt tightening” upon consumer and business confidence is likely to have a knock on effect on the sector and employment opportunities.

CHART 1
NATIONAL INDEX AND JOB TYPE ANALYSIS



BUDGET
INFRASTRUCTURE BOOST

While Joe Hockey asked all Australians to contribute to the prosperity of the nation in his first budget, the good news is the significant investment in infrastructure.

Building our economic prosperity is important for everyone.

We also need to have a flexible workforce ready to respond when the economy shifts up a gear.

Labourforce has 20 years in the transport and logistics sector and we are ready to supply all of your flexible workforce needs as the economy grows.

Regan Brown
MANAGING DIRECTOR
LABOURFORCE

STATE ANALYSIS
Victoria remains stand out performer. NSW major source of new jobs

April's rise nationally has had a positive impact on all states but in varying degrees. NSW/ACT had the smallest increase – 0.85 points but, as the graph above shows, it's been pretty stable for the last six months.

In stark contrast the biggest gain was enjoyed by SA/NT Index which rose 10.35 albeit from a very low base. Their market was particularly weak in the latter part of 2013 but has enjoyed something of a revival in the past two months.

WA also seems to have stabilised in the last quarter after several months of weakness. Victoria remains that stand out performer with their index at 121.80.

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

CHART 2 COMPARISON OF STATE JOB INDICES

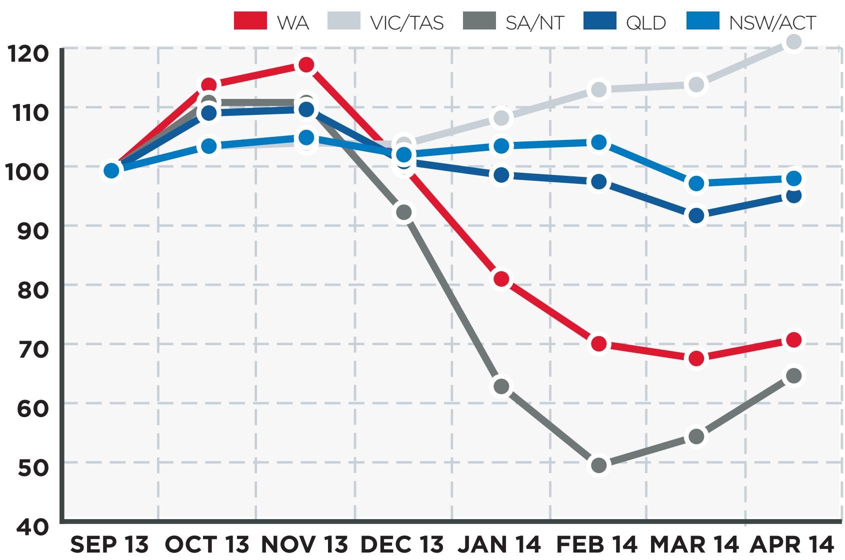
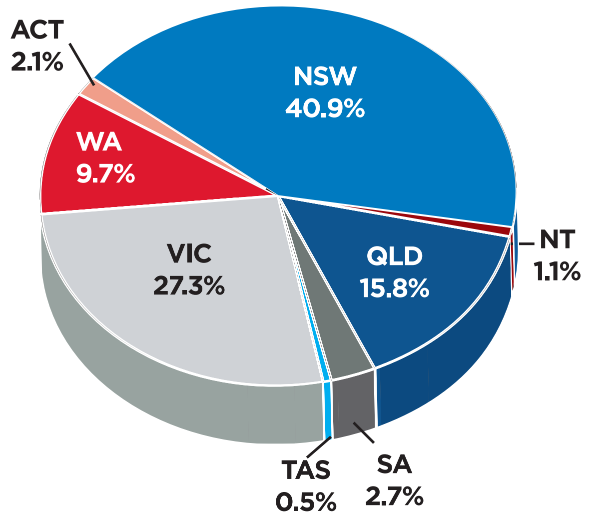


CHART 3 ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY FEBRUARY 2014

NSW remains the major source of new job opportunities with just over 40% of all advertised vacancies. Victoria continues to pick up market share as a result of its sustained growth in the last six months.



OCCUPATIONAL ANALYSIS

Growth in road transport and freight handlers. Management declines

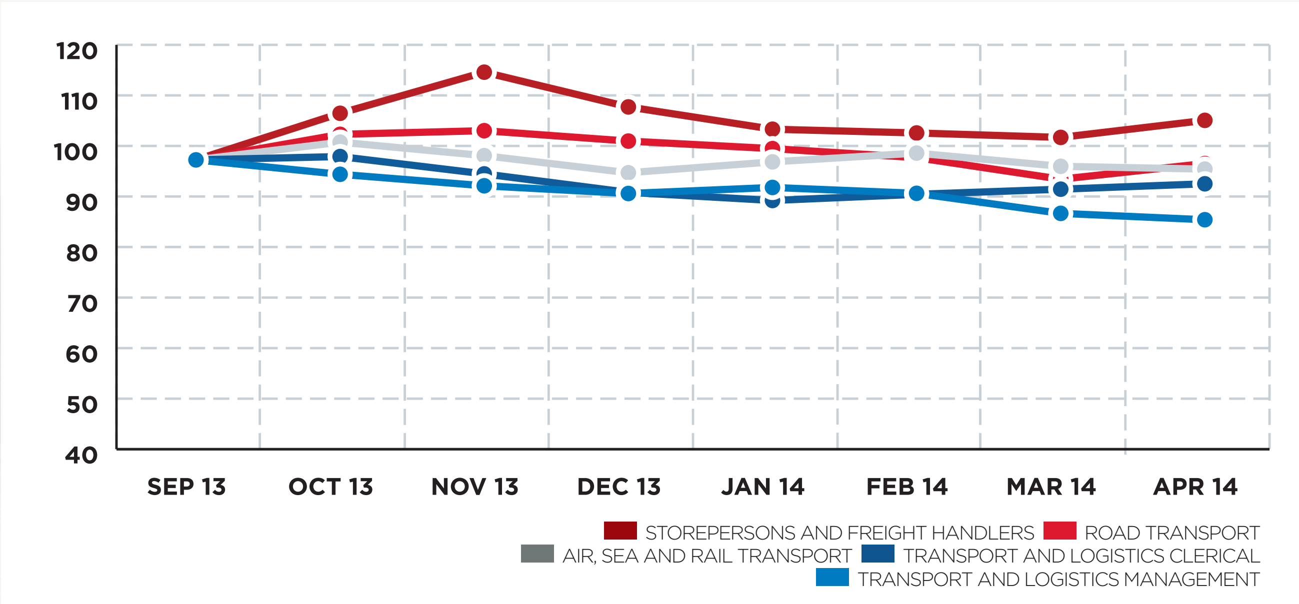
There was mixed performance between various occupations in April. The national rise was shared by Transport, Logistics and Supply Chain Clerical (+1.81), Road Transport (+5.41) and Storepersons / Freight Handlers (+5.91). But small falls were experienced by Transport, Logistics and Supply Chain Management (-2.20) and Air, Sea and Rail Transport (-0.96).

Demand for Storepersons and Freight Handlers continues its positive progress with the Index now at 113.68 (a 13.7% rise) after a slow start to 2014.

Road Transport has recovered much of the decline experienced in March.

There is an interesting contrast amongst Transport, Logistics and Supply Chain professionals developing. Demand for both management and clerical positions were weak in late 2013 but this year clerical roles have rebounded, up 3.3% and the Index now sits at 91.72. By comparison Management roles have continued to decline, falling a further 10.3% in the first four months of 2014. The Index now sits at 79.88, the weakest occupational category.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Slide in public sector and retail continues

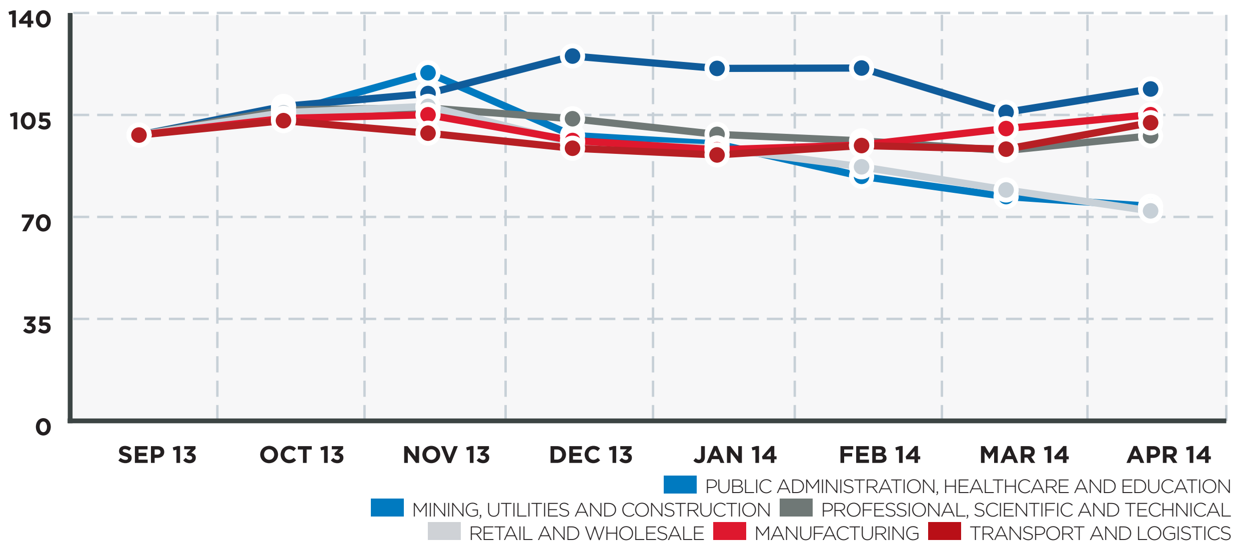
The biggest rise in April was enjoyed by Transport and Logistics employers where demand grew by 9.06 points taking it back above the 100 base line set last September for the first time in six months. The other really strong performer was, surprisingly, Manufacturing, which saw another 4.76 point rise taking it to 107.0.

Last months fall in demand from the Mining, Utilities and Construction sector picked straight back up in April.

Even before any Federal Budget announcements were made, the employment prospects in the public sector and retail were weak.

The trends for both industry sectors have been remarkably similar falling steadily since November last year. Both indices now sit below 80 reflecting a considerable slide in hiring by employers.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY



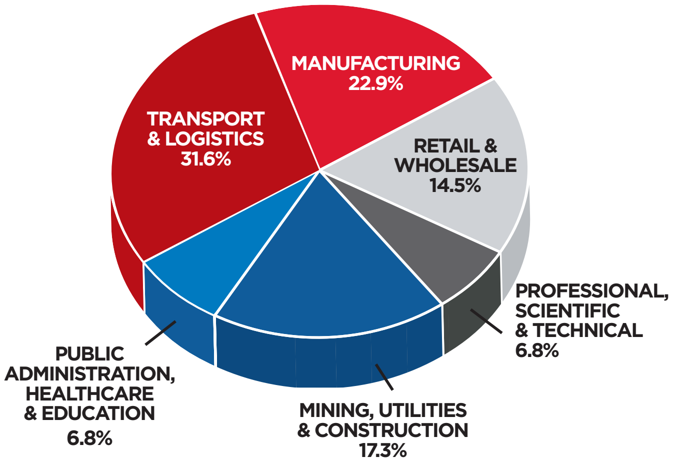


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY MARCH 2014

Both Transport and Logistics and Manufacturing still dominate the employment advertising landscape with just shy of 55% of all advertisements. Their share has grown (from 50.7% in September 2013). Retail and Wholesale has fallen from 19.1% to 14.5% over the same period.