From: NEVILLE,Ivan  
Sent: Thursday, 9 August 2012 9:58 AM  
To: CAMERON,Tom  
Cc:  
Subject: RE: Jobs growth and trends [SEC=UNCLASSIFIED]  
Hi Tom  
First instalment (Employment Growth - Past and Future)  

Cheers  
Ivan  

From: CAMERON,Tom  
Sent: Monday, 6 August 2012 11:15 AM  
To: NEVILLE,Ivan  
Cc:  
Subject: Jobs growth and trends [SEC=UNCLASSIFIED]  
Ivan  
Can you send me a soft copy of that employment stuff at the back of the folder that we discussed on Friday.  
I think the titles were:  
Employment Growth - Past and Future  

rgds  
Tom
**Employment Growth - Past and Future**

Over the last ten years, high skilled occupations (those commensurate with a Bachelor degree or higher) have accounted for 43.6 per cent of total employment growth. This accounts for 995 300 new jobs. While employment in lower skilled occupations (those commensurate with a certificate 1 or secondary school education) has also grown, over the same period (up by 156 900), it has only accounted for 6.9 per cent of total growth.

**Chart 1: Employment Growth by Skill Level - 10 years to May 2012 ('000s)**

Source: ABS Labour Force Survey (DEEWR Trend Data), Cat No 6291.0.55.003

- This trend is likely to continue with employment for higher skilled occupations projected to grow faster than all other skilled levels, increasing by 322 500 in the next five years, and accounting for 38.9 per cent of total projected employment growth over this period.

- On the other hand, lower skilled occupations are projected to record smaller employment growth (up by 59 900) than all other skill levels. The major contributors to this growth are projected to be Sales Assistants (General), up by 12 600, Commercial Cleaners (8100); Kitchenhands (7800); Building and Plumbing Labourers (5000); and Concreters (5000).

**Chart 2: Projected Employment Growth by Occupational Group - five years to 2016-17 ('000s)**

Source: DEEWR 2012 Employment Projections
Industry employment growth

- In the five years to 2016-17, employment is projected to grow by 829 300 jobs nationally.
- Health Care and Social Assistance is projected to generate the largest employment growth, with an increase of 241 800, followed by Construction (131 200); Professional, Scientific and Technical Services (108 200); and Mining (103 700).
- Together, these four industries are expected to provide more than 60 per cent of total employment growth.
- On the other hand, Manufacturing is the only industry projected to record a decline in employment (down by 85 600). That said, there will be some manufacturing sectors. For example, Primary Metal and Metal Product Manufacturing is projected to record an increase in employment over this five year period.

Chart 3: Projected Employment Growth by Industry- five years to 2016-17 ('000s)

Source: DEEWR 2012 Employment Projections

Sectoral employment growth

- At the industry sector level, the largest growth is projected in Hospitals (up by 63 100) followed by Cafes, Restaurants and Takeaway Food Services (53 000); Architectural, Engineering and Technical Services (46 400); Residential Care Services (39000); Building Installation Services (37 600); and Metal Ore Mining (36 800).
- Furniture Manufacturing is the sector projected to record the largest fall in employment (down by 14 000).

Opportunities for lower skilled job seekers

The ongoing structural change in the Australian labour and the significant shift towards higher skills occupations will limit the opportunities available to job seekers without appropriate levels of qualification, work experience and employability skills.
State and Regional projected employment growth

- Employment in all states and territories is projected to grow over the next five years. Reflecting continued strong mining investment and population growth, Queensland is projected to experience the largest employment gain, up by 222,300, followed by New South Wales (186,100); Victoria (182,700); Western Australia (148,200); South Australia (53,700); Tasmania (12,700); the Northern Territory (12,200); and the ACT (11,400).

- Reflecting the national trend, employment growth for most states will be dominated by the Health Care and Social Assistance, Construction, and Professional, Scientific and Technical Services industries. In Western Australia, Mining, not surprisingly, is projected to provide the most new jobs.

Chart 4: Projected Employment Growth by State -five years to 2016-17 ('000s)

Source: DEEWR 2012 Employment Projections

- In New South Wales, the Hunter is projected to record the largest employment growth (up by 30,900) due to its large population, and large share of employment in industries such as Health Care and Social Assistance and Mining. Other regions in New South Wales are projected to experience large gains including Northern, Far West-North Western and Central West (which includes the towns of Bathurst, Dubbo, Broken Hill and Bourke) (up by 20,900) driven in part by growth in Mining, and Inner Sydney (19,300). Canterbury-Bankstown and Inner Western Sydney are projected to record the smallest employment growth across the state (1,500 and 2,900 respectively).

- In Victoria, Outer Western Melbourne is projected to record the largest increase both in the state and nationally, with employment increasing by 33,600. This Labour Force Region has the largest working age population nationally (15-64 yrs) and projected growth is dominated by Health Care and Social Assistance (up by 7,000), Construction (4,500), and Professional, Scientific and Technical Services (4,300). Inner Melbourne (up by 21,100) and North Eastern Melbourne (17,900) are also projected to experience large increases.
Queensland is projected to record the largest increase in employment, due mainly to population growth generating demand in industries such as Health Care and Social Assistance and Construction, in addition to the economic impact of strong mining investment and activity throughout the state. Brisbane City Inner Ring is projected to experience the largest employment growth in the state (up by 29 000), followed by Mackay-Fitzroy-Central West (27 000), Brisbane City Outer Ring (24 400), and the Gold Coast (23 700).

In South Australia, the largest employment gains are projected in Southern Adelaide (up by 14 000) and Northern Adelaide (13 900). In Regional South Australia, the largest growth is projected to be in Southern and Eastern SA (9300).

Despite making up 11.0 per cent of total employment, Western Australia is projected to account for 17.9 per cent of total employment growth over the five years to 2016-17 due to projected growth in Mining and the flow on effects from this industry. North Perth is projected to be the largest growing region (33 000) followed by South West Perth (25 500). Lower Western WA (which includes Busselton, Mandurah and Pinjarra) (21 500) is projected to record the largest employment growth in Regional Western Australia, ahead of Remainder-Balance WA (which includes Esperance, Kalgoorlie, Port Hedland and Broome) (15 900).

Despite the concentration of operational mines in the latter region, a substantial proportion of employees and contractors at these facilities are usually resident in their regions due to temporary contracts and fly in/fly out arrangements. Furthermore, many of the services provided to Mining are delivered by city-based workers. Coupled with its impact on the general economy, much of the stimulatory effect of Mining is therefore expected to be seen in other regions, especially those in metropolitan Perth.

Reflecting its softer labour market conditions, employment in Tasmania is projected to grow at the slowest rate of all the states, with only the territories projected to grow less. Greater Hobart-Southern is projected to record the largest increase within Tasmania (up by 6200), followed by Northern Tasmania (4200) and Mersey-Lyell (2200).

Chart 5: Projected Employment Growth by top 15 Labour Force Regions - five years to 2016-17 (’000s)

Source: DEEWR 2012 Employment Projections