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Permanent job vacancies up more than 10% year-on-year

Key points

- The Sunsuper Australian Job Index (formerly the Kinetic Super Job Index) fell 1.6% in the September quarter indicating a slight contraction in the national job market.
- The ratio of permanent (72.2%) to contingent (27.8%) job opportunities remained steady since last quarter.
- Contingent demand has grown over the last twelve months (by 1.6%), but permanent demand has grown much faster (a massive 10.3%).
- Professional job opportunities were 12% higher than last September, clerical and administrative roles were down 6.3%.
- The mining, construction and utility sector were well ahead of the rest of the market, with job opportunities nearly doubling in just three years.
- The Royal Commission has impacted employment prospects in the banking and insurance space, with job opportunities falling 13.5% in the last six months and by 5.3% in the last three months.

The latest Sunsuper Australian Job Index has today revealed that although the job market fell slightly in the September quarter (-1.6%), contingent demand was up year-on-year, and permanent job opportunities grew by a massive 10.3% in the last year.

The Sunsuper Australian Job Index is the first and only Australian jobs report to split data between permanent and contingent (i.e. temporary, fixed term contract and casual) job vacancies.

Sunsuper's Chief Economist Brian Parker said this can be attributed to a strong employment market, one where employers are confident to hire permanent staff, looking to lock in skills and minimise talent shortages.

"The fall in this quarter's index was more pronounced in the contingent work space. This is particularly disappointing because this is normally a time when temporary and contract work starts to build for Christmas in sectors such as manufacturing and distribution. It may also reflect a rebalancing of hiring by employers towards permanent employment to lock in skills and talent," said Mr Parker.

"Despite the softer quarter there were regions still enjoying record levels of job vacancies. The strongest performing region was Victoria/Tasmania where the index rose 19.4% over the last twelve months and established a new record high in September.

"It was a strong quarter for Queensland with permanent rising 1.2% and contingent up 1%. Likewise, both South Australia and Tasmania saw rises in both their permanent and contingent job indices.

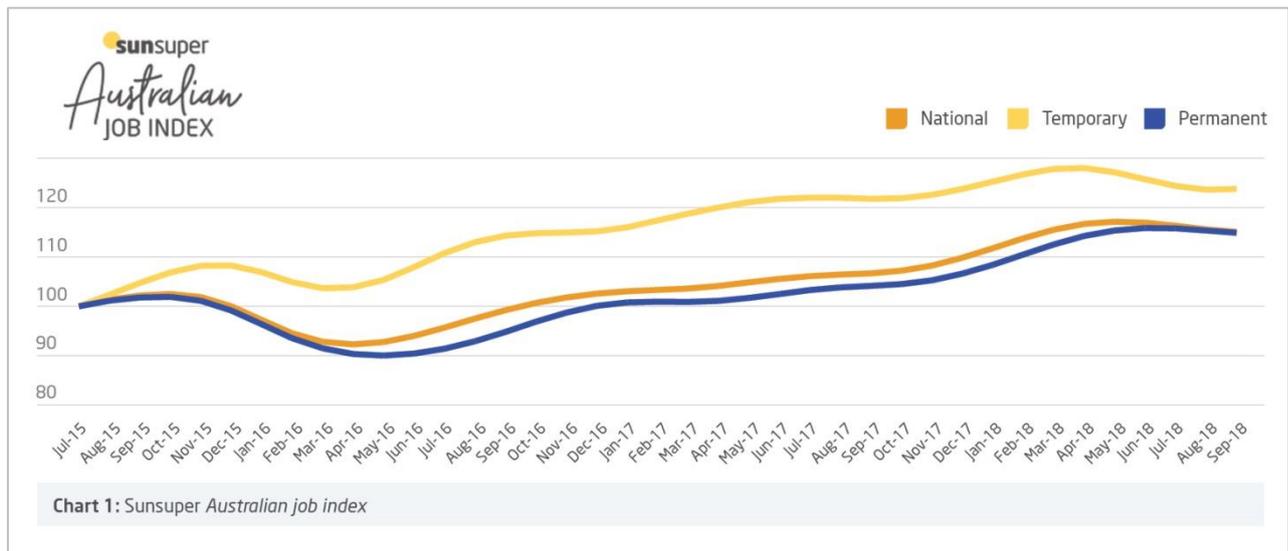
"When split by industry, the mining, construction and utility aggregated sector was well ahead of the rest of the market, with job opportunities nearly doubling in just three years. Mining represents the largest share of the three and in September 2015 this sector was in

deep recession. The post-mining boom period saw mass retrenchments and relatively little new role creation. However, three years on and commodity prices are strong, production is up and there is an abundance of job opportunity in the sector once more.

“The weakest performer was the financial and insurance services industries. The sector was performing reasonably well until around this time last year when the Royal Commission was called, and this seems to have had a significant effect on employment prospects in the banking and insurance space. Job opportunities fell 13.5% in the last six months and 5.3% in the last three months.

“The other sector where employment prospects are retreating is retail and wholesale, with demand 4.1% lower than a year ago and, more worryingly, down 9.3% in the last quarter. This can primarily be attributed to disruption in the retail sector. The fourth quarter is normally when retail job vacancies pick up for the Christmas period, and while this will inevitably occur, it is unlikely to be as buoyant as previous years.”

For a full copy of the report, visit sunsuper.com.au/australianjobindex



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About the Sunsuper Australian Job Index

The Sunsuper Australian Job Index measures and tracks digital job advertisements across more than 4,000 sources including job boards, employer career portals and recruitment company web sites.

Following on from the Fund’s merger with Kinetic Super in May 2018, Sunsuper took over the Kinetic Super Job Index Report. The Kinetic Super report previously only used contingent job data, whereas as the Sunsuper Australian Job Index now reports both permanent and contingent trends.