

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

-  The Labourforce Impex Transport, Logistics and Supply Chain Job Index softened by 0.3% in February
-  The Index now sits at 117.65, reflecting significant growth over the last twelve months
-  Permanent opportunities rose 1.9% while Temp and Contract fell 4.2%. There is a definite trend away from temporary to permanent hiring reflecting confidence amongst employers
-  Victoria rose 3.1% and remains the strongest performing state. NSW still subdued
-  Demand for Store Persons and Freight Handlers is regathering momentum rising a further 6.4%
-  Conversely managerial appointments continue to trend down, easing 3.9% in February
-  Transport and Logistics employers have started the year confidently with demand rising a further 2.5% while Manufacturing now trending down
-  Retail sector rose again, this time a whopping 11.0%, a reflection of increased on line sales
-  Those with uncertain futures at Australia Post may well look at other areas of the private sector where job opportunities are plentiful

MANUFACTURING DECLINES, RETAIL AND WAREHOUSING GROWS

Last month the Department of Foreign Affairs and Trade published a new report: Australia's Trade by State and Territory 2013-14 which provides a complete statistical guide to exports and imports of goods and services for each state and territory.

South Australia's rate of trade growth stood out in 2013-14, with export and import volumes up 9.3 per cent and 6.7 per cent respectively on the previous year. Export volumes also grew from Western Australia (up 7.4 per cent), Queensland (up 4.7 per cent), Victoria (up 1.9 per cent) and New South Wales and the Northern Territory (both up 0.8 per cent). Offsetting these rises were falls in export volumes from Tasmania (down 13.7 per cent) and the Australian Capital Territory (down 9.6 per cent).

In 2013-14, Western Australia remained Australia's major exporter accounting for \$138.0 billion – or 41.7 per cent – of Australia's total exports, followed by New South Wales and Queensland with 18.1 per cent and 16.5 per cent, respectively. New South Wales remained Australia's leading destination for imports, accounting for 34.6 per cent (or \$116.9 billion), followed by Victoria, Queensland and Western Australia.

With the Aussie dollar continuing at lower levels, we thought we would see increases in exports and a slight pick up in Manufacturing. However, this month's performance index from Ai Group showed a slight contraction of the Manufacturing sentiment. This is consistent with our subdued results in Manufacturing.

2015 continues to see increases in Retail and warehousing. With the continued purchasing choices of Australian consumers, we expect to see this growth continue.



NATIONAL JOB INDEX **Market takes a breather**

After a strong start to the year in January the Transport Logistics and Supply Chain employment market eased off with a 0.3% rise in February placing the Labourforce Impex Job Index at 117.65. Over the past twelve months demand has risen 29.0%, 10.1% in the last six months and actually fallen 1.6% in the last quarter. The long term trend has clearly been up but this cannot continue unabated. The market may well have plateaued but at a very strong level. Economic signals are mixed

but with a weakening dollar and further interest rate falls on the horizon the market should stay strong.

While the overall market may have flattened in February there were some interesting developments in the market. Temporary and Contract job advertisements fell a sizeable 4.2% following a fall in January too. The Index fell from 128.36 to 122.95. The temporary market has grown substantially in the last year – by a hefty 39.3% but it has

retreated 7.2% in the last quarter.

By way of stark contrast demand for permanent staff rose 1.9% in February, raising the Permanent Index from 113.86 to 115.99. As there are three permanent vacancies advertised for every one temporary job this strength easily outweighs the softening in the Temporary and Contract market. Job seekers in our sector can be encouraged by the confidence amongst employers.

Labourforce and Impex Personnel can supply all of your contract, temporary and permanent roles in the transport, logistics and supply chain sectors.

We have experienced staff located in twelve offices across Australia and New Zealand, as well as account managers on some of our sites.

We strive to meet our customer needs, that is why we are open 24/7 because we are working when our customers are.

LabourHealth is also working hard to provide you with all of your drug and alcohol testing, audiometric testing and pre-employment medical testing. Best of all, we come to you, so as not to disrupt your work flows. Why send your staff to the doctors – we come to you with purpose built trailers and cutting edge equipment.

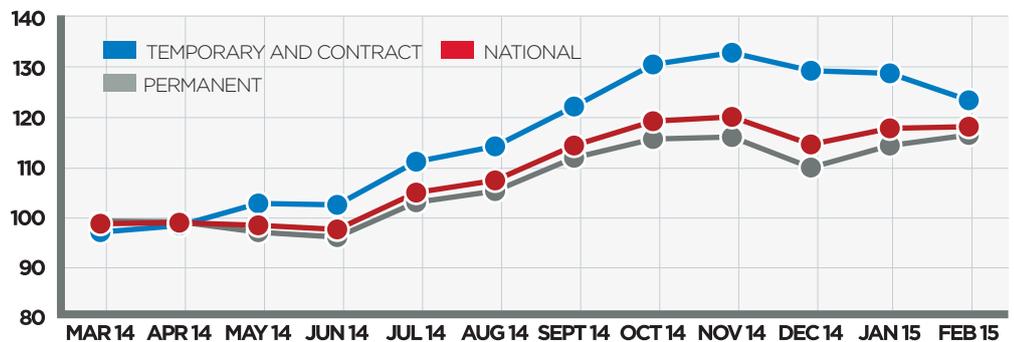
Contact us to day to find out how we can help you.

Regan Brown

Regan Brown
MANAGING DIRECTOR
IMPEX PERSONNEL



CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS



STATE ANALYSIS

Victoria still on the up. Roller coaster in WA

There were mixed fortunes on a state by state basis in February. Job advertising volumes rose in VIC/TAS (3.1%), SA/NT and NSW/ACT both up 1.1%. Western Australia is on a bit of a roller coaster ride at the moment recording a 1.3% fall compared with a 4.5% rise in January and a substantial fall of 6.4% in December!

NSW is still stubbornly subdued. It fell 4.2% in February and the Index is now at 102.37.

The market has barely moved in six months while other states have flourished.

The strongest of these has been Victoria. After a small dip in late 2014 it has started to trend up again with an Index of 144.06. VIC/TAS has grown remarkably strongly in the second half of 2014 and shows little sign of slowing in 2015.

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

CHART 2 COMPARISON OF STATE JOB INDICES

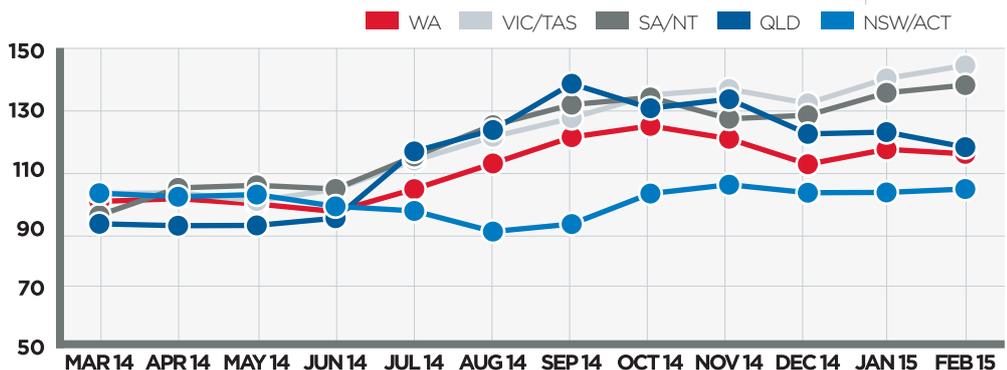
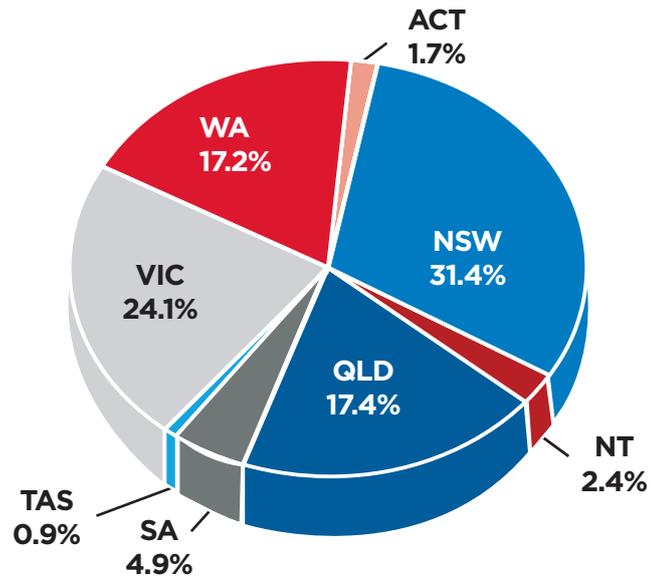


CHART 3
ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY FEBRUARY 2015

The lacklustre employment market is costing NSW market share. It remains the largest advertiser with a 31.4% share but this is well down on the 36.4% it commanded in November 2013. Over the same period Victoria has expanded from 19.7% to 24.1% of all job advertisements for the sector. Should trends remain the same we may see a relocation of Transport Logistics and Supply Chain professionals from NSW to Victoria.



OCCUPATIONAL ANALYSIS

Store persons and freight handlers new momentum

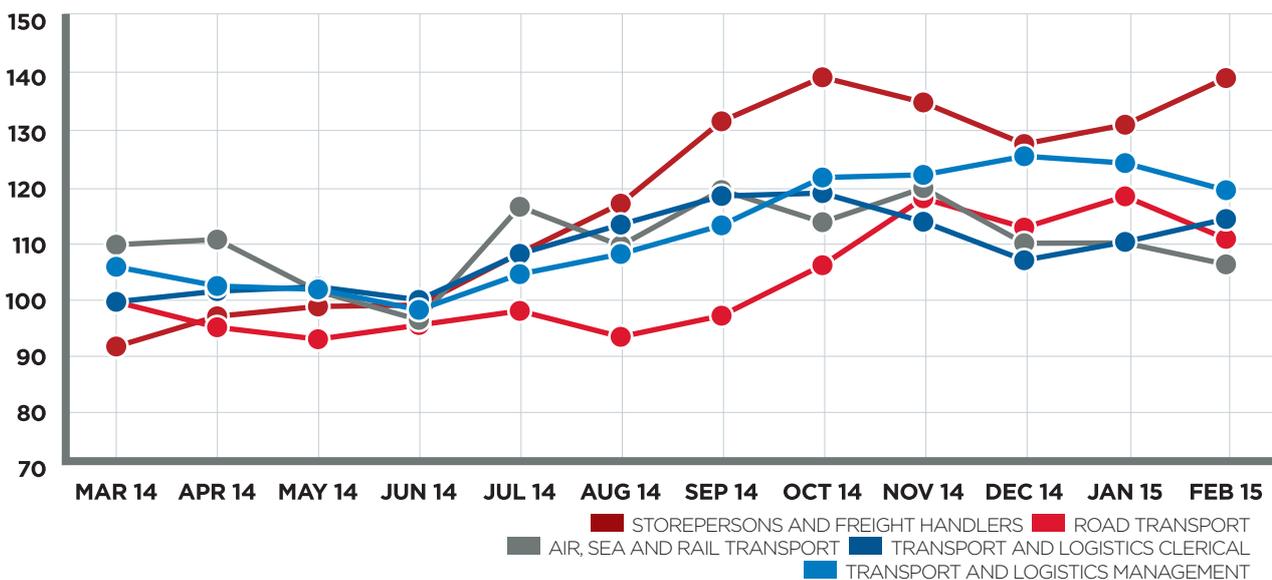
Demand for Store Persons and Freight Handlers is regathering momentum rising a further 6.4% in February. The decline in late 2014 was primarily seasonal and has been largely recovered. The Index now sits at 138.53 just marginally short of the record peak of 138.67 reported last October.

Interestingly Transport, Logistics and Supply Chain Clerical exhibit similar though less extreme and unrelated trends. After

a strong year demand for clerical staff eased off in the final quarter of 2014 but bounced back in early 2015. The Index is at 113.31 and whilst still below the peak set in September 2014, looks set to match and hopefully exceed that level in the forthcoming months.

Conversely managerial appointments continue to trend down, easing 3.9% in February.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Manufacturing slip becomes slide

The easing of demand within the Manufacturing sector reported last month has now become a decline, slipping 5.9% in February. This is the first fall since August. A similar decline was experienced last February only to bounce back in subsequent months.

Transport and Logistics employers have started the year confidently with demand rising a further 2.5% in February. The Index is now at 138.56. This is a 24.0% rise in twelve months.

Yet again the retail sector has surprised us. Demand rose again in February, this time a whopping 11.0%. The big fall before Christmas might have been anticipated because of seasonal

factors but the strong recovery reverses what occurred this time last year and, at 130.39 leaves advertising at record levels. It may be that large retailers are profiting from on line sales creating job opportunities in distribution while front of house sales opportunities are in decline.

Quite the opposite has occurred in the public sector where demand for Transport, Logistics and Supply Chain specialists has fallen substantially for a second successive month. Those struggling to find work in the public sector, or indeed those with uncertain futures at Australia Post may well look at other areas of the private sector where job opportunities are plentiful.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

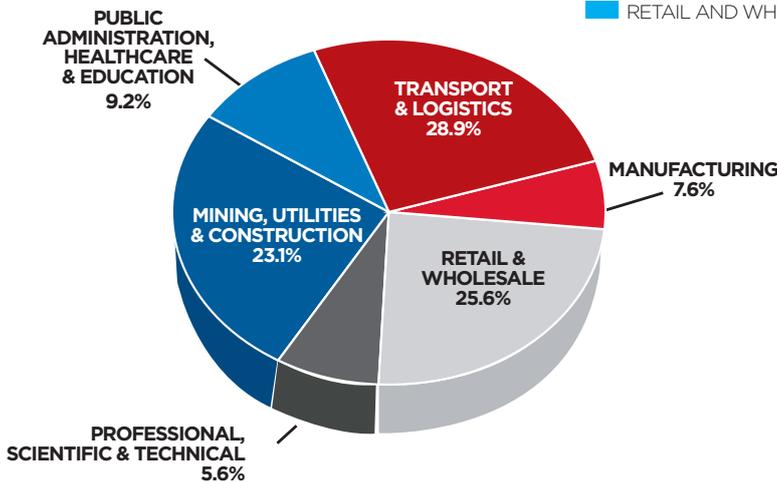
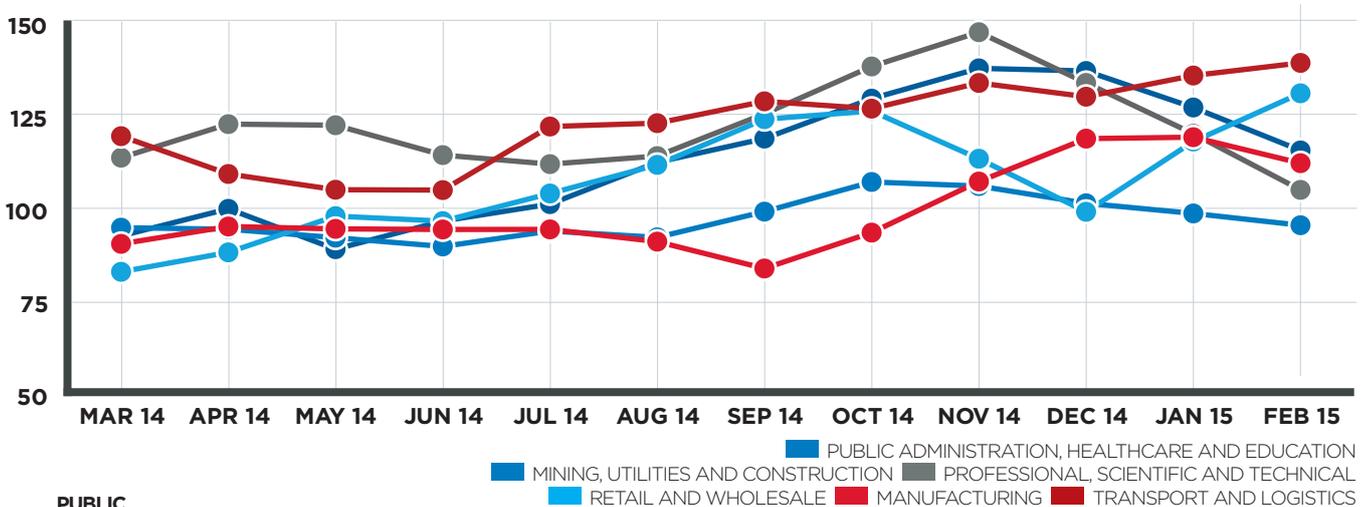


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY FEBRUARY 2015

The sub sector trends reported above impact market share. Transport and Logistics employers have again picked up their dominance, now representing 28.9% of all Transport, Logistics and Supply Chain job advertisements. Mining, Utilities and Construction has, unsurprisingly seen the biggest loss with its share retreating from 28.6% to 23.1% over the same period.

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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