

Employment prospect brightens

Job vacancies increased

Job vacancies in Australia rose by a seasonally adjusted 9.9% in the three months to August, recovering from a 2.5% contraction in the preceding quarter. All States and Territories, except South Australia, recorded growth in job vacancies (Table 1). Robust growth in job vacancies occurred in both the private and public sectors, with seasonally adjusted job vacancies in the private and public sectors having increased by 9.5% and 13.6%, respectively (Table 2).

More job vacancies across most industries

The rise in job vacancies was recorded across most industries, with the accommodation and food services industry having the largest increase, followed by the health care and social assistance and utilities industries (Table 3). Job vacancies in the manufacturing industry rose 25% on a non-seasonally adjusted basis in the three months to August, reversing the 8.9% decline in the previous quarter, placing it in fourth position in terms of the growth in job vacancies. Consistent with the recent softening of building approvals, job vacancies in the construction industry rose by a modest 3.1%, while that in the rental, hiring and real estate services industry remained flat.

Labour capacity constraints to rise

The labour market is generally strengthening alongside the economic recovery that has gained traction over recent months. The encouraging rise in job vacancies, however, foreshadows a period of labour capacity constraints and, also possibly, rising inflationary pressures and higher interest rates.

Table 1: Percentage change in job vacancies

	Quarter ending August	Quarter ending May	Quarterly change (% pts)
NSW	11.4	-5.6	16.9
VIC	9.2	10.5	-1.3
QLD	17.2	-9.8	27.0
SA	-7.0	7.5	-14.5
WA	5.2	-2.2	7.4
TAS	52.9	-39.3	92.2
NT	4.9	-6.8	11.7
ACT	31.9	-19.0	50.9
Australia*	9.9	-2.5	12.4

* Seasonally adjusted data

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**Job vacancies –
 August quarter 2010**

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Table 2: Percentage change in job vacancies in private and public sectors

	Quarter ending August		Quarter ending May		Quarterly change (% pts)	
	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>
NSW	12.1	5.4	-5.2	-11.9	17.3	17.3
VIC	8.8	14.8	13.3	-15.6	-4.5	30.4
QLD	13.4	48.4	-9.9	-8.8	23.3	57.2
SA	-9.6	25.0	9.7	-11.1	-19.2	36.1
WA	4.7	11.8	-0.8	-15.0	5.5	26.8
TAS	66.7	20.0	-47.8	0.0	114.5	20.0
NT	6.9	8.3	-3.3	-14.3	10.2	22.6
ACT	44.1	0.0	-24.4	0.0	68.6	0.0
Australia*	9.5	13.6	-1.7	-9.4	11.2	23.0

* Seasonally adjusted data

Table 3: Percentage change in job vacancies in the industries

	Quarter ending August	Quarter ending May	Quarterly change (% pts)
Accommodation and Food Services	77.9	-41.7	119.6
Health Care and Social Assistance	34.9	21.7	13.3
Electricity, Gas, Water and Waste Services	33.3	-25.0	58.3
Manufacturing	25.0	-8.9	33.9
Administrative and Support Services	19.4	14.9	4.5
Information Media and Telecommunications	16.7	0.0	16.7
Mining	14.5	19.2	-4.7
Professional, Scientific and Technical Services	11.3	-25.7	36.9
Arts and Recreation Services	10.5	-32.1	42.7
Public Administration and Safety	8.0	-1.1	9.1
Financial and Insurance Services	3.5	33.7	-30.2
Construction	3.1	-2.2	5.3
Rental, Hiring and Real Estate Services	0.0	-39.6	39.6
Retail Trade	-1.2	48.2	-49.4
Other Services	-13.0	-53.0	40.1
Transport, Postal and Warehousing	-20.2	50.0	-70.2
Wholesale Trade	-21.8	-8.1	-13.6
Education and Training	-23.8	5.0	-28.8
All Industries	10.1	-2.5	12.7

Note: Non seasonally adjusted data