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## LABOUR FORCE DATA REFLECTS TOUGH HIRING MARKET FOR BUSINESS

New data provides evidence that Illawarra's labour market is extraordinarily tight and making it very tough for businesses to find the staff they need to grow and prosper, according to the region's peak business group, Business Illawarra.

According to the April 2022 regional employment breakdown in the Australian Bureau of Statistics (ABS) Labour Force Survey, the monthly unemployment rate for the Illawarra currently sits at 4 percent compared to 7.9 percent in February 2020 when the pandemic started impacting the region's economy.

This equates to there now being approximately 6,800 unemployed people in the region compared to 11,800 back in February 2020. The data also shows a dramatic increase to the number of jobs in the Illawarra increasing from approximately 138,000 pre-pandemic to approximately 164,000 at the end of April 2022.

"While we'd generally welcome an increase in local jobs and low employment rates, we are at the point now where our local labour force is under intense pressure to meet increasing demands as the pandemic recovery continues and the backlog of planned investment takes off," said Business Illawarra Executive Director, Adam Zarth.

"We are seeing this pressure in the current number of job vacancies for the Illawarra and South Coast, which has climbed to an average of 2,934 in April according to the National Skills Commission Internet Vacancy report. Back in February 2020 there was only an average of 1,205 jobs being advertised – a 144 percent increase."

"Of concern to us is the continuing trend of job vacancies increasing at a pace that is exceeding the growth of workforce participation rates and early signs that the flow of internal migrants from other parts of Australia to grow our population is not as high as what was expected."

"Compared to other regional locations, ABS population stats to end June 2021 indicate that the Illawarra only attracted 0.6 percent (1,853) of the internal migration pool compared to 1.1 percent (8,175) in the Hunter and 1.4 percent (2,517) on the South Coast."

"Local businesses are reporting their frustrations to us, and the recent <u>Business Conditions</u> <u>Survey</u> reported again that sentiment towards staffing remains negative in the Illawarra. Some major infrastructure projects in the Illawarra are being delayed, and some new small businesses cannot open due to an inability to find staff, especially in the hospitality and retail sectors."

"Youth unemployment is also unusually low in the Illawarra now with the April figure of 7 percent well below the average twelve-month figure of 11.2 percent. Business Illawarra delivers the IllawarraYES Youth Employment Strategy and is committed to training young jobseekers to get the skills they need as quickly as possible to get on the job as fast as they can to help relieve the pressures of this remarkable labour market situation," said Mr Zarth.

Media Contact - Adam Zarth 0404 146 829

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## **About Business Illawarra**

Formerly the Illawarra Business Chamber, *Business Illawarra* is the region's peak business organisation; a not-for-profit advocacy group dedicated to the economic development of the Illawarra.