

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

- ⦿ The Labourforce / Impex Job Index fell 4.3% in January
- ⦿ This is more of a seasonal downturn that structural decline
- ⦿ Temporary and Contract demand fell for the first time in six months but remains remarkably strong, 23.5% higher than January last year
- ⦿ Victoria/Tasmania slipped 5% from its December record high but remains the strongest state
- ⦿ NSW is stable and strong but WA and Queensland showed inevitable jitters in light of volatile mining and resources market conditions
- ⦿ Freight Handlers, Packers and Road Transport saw its inevitable post Christmas seasonal decline
- ⦿ Demand for TL&SC Management rose 4.2% in January, 10.2% in the last three months, a good sign after a depressed market in 2015
- ⦿ Demand from Transport employers remains steady and strong while demand from the Public Sector is growing in importance

HEAVY VEHICLE ROAD REFORM

The Transport and Infrastructure Council has unveiled plans for Heavy Vehicle Road reform.

The Council says the ultimate goal of heavy vehicle road reform is to turn the provision of heavy vehicle road infrastructure into an economic service where feasible. This would see a market established that links heavy vehicle user needs with the level of service they receive, the charges they pay and the investment of those charges back into heavy vehicle road services.

They build a case for more direct user charging to fully close the link between the needs of users and the charges they pay, whilst acknowledging there is much that can be done to improve these linkages within the current heavy vehicle charging framework (PAYGO).

The Transport and Infrastructure Council brings together Commonwealth, State, Territory and New Zealand Ministers with responsibility for transport and infrastructure issues, as well as the Australian Local Government Association.

Last week it released national expenditure plans and asset registers for Australia's key road freight routes. They can be found <http://transportinfrastructurecouncil.gov.au>

The information is provided in both data tables and interactive map files (.kml), which can be opened in Google Earth or a similar online mapping application.

Labourforce welcomes this development as part of the comprehensive process to progress the issue of heavy vehicle road reform. We are encouraged that this information will better inform any changes to road prices. We also support calls to lower the burden on transport operators.

**HAPPY
CHINESE
NEW
YEAR**



NATIONAL JOB INDEX

Expected fall in January. No cause for concern

The Labourforce/Impex Transport Logistics and Supply Chain Job Index sustained a second consecutive monthly decrease with the number of advertisements falling 4.1% in January. The Index fell from 127.17 to 121.94.

We predicted last month that, given the substantial increase over recent months, some stabilisation was inevitable leading in the Christmas / New Year break. The scale

of this fall is small considering the recent strength in employment prospects that have seen vacancies rise 13.3% in six months. We see no cause for concern.

The Temporary and Contract continued finally eased in January, dropping 4% to 158.51. This is the first fall in six months in what has been a remarkable bull run where we have seen temporary and contract opportunities rise 23.5% in 12 months. The

temporary market has contracted in the first quarter of prior years so some further post Christmas softening is possible.

The Permanent market retreated 4.2% in January. It was been far weaker than the temporary and contract scene and has fallen 3.3% over the year. In Q3 we saw some recovery but that too has lost momentum.

HAPPY CHINESE NEW YEAR



The Chinese New Year festival is centuries old and gains significance because of several myths and traditions. 2016 is the year of the Monkey.

Now is the time to clean the house, get together with family and friends. We are using the opportunity to do the same with our business. We are "cleaning our house" to ensure we have the best operating systems to service you in the most efficient way.

We are also "getting together with family and friends by reaching out to clients always asking if there are better ways we can serve you.

We celebrate the year of the Monkey and wish you success, prosperity and good fortune for 2016.



Regan Brown

Regan Brown
MANAGING DIRECTOR
IMPEX PERSONNEL

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS



STATE ANALYSIS

Old collapse. WA shudders to halt. Vic first fall

In January all states and territories experienced a contraction in demand. The worst of these is Queensland where demand collapsed a further 7.6% after a sizeable fall of 6.0% in December. The recent weakness has all but wiped out a strong third quarter and leaves the index a mere 2.3% above this time last year. Victoria/Tasmania remains the strongest state although it did slip from its record high in December of 156.23 to 148.39, a 5% fall. This was its first fall since May last year. NSW has been the most stable market of late. It only fell 1.6% in January and just 2.5% in the last quarter.

Job opportunities are still up 21.2% over the last 12 months. This rate of growth was never sustainable but hopefully things will remain buoyant in 2016. Western Australia's good run of form came to an abrupt end. It recorded a 3.4% fall in January. 2015 proved a topsy-turvy year for WA with a shocking start wiped out by a very strong recovery in the second half of the year. It really all rests on how the Mining and Resources sector performs in 2016. Demand in that sector has proven surprisingly resilient of late despite fluctuating and declining commodity prices.

CHART 2 COMPARISON OF STATE JOB INDICES

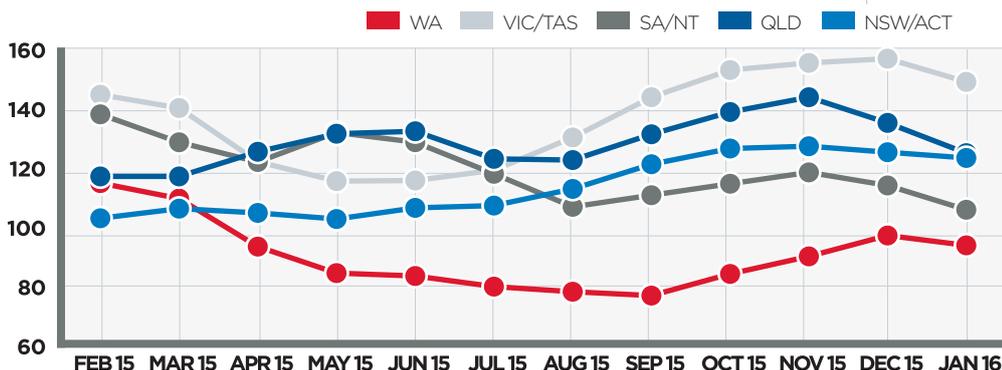
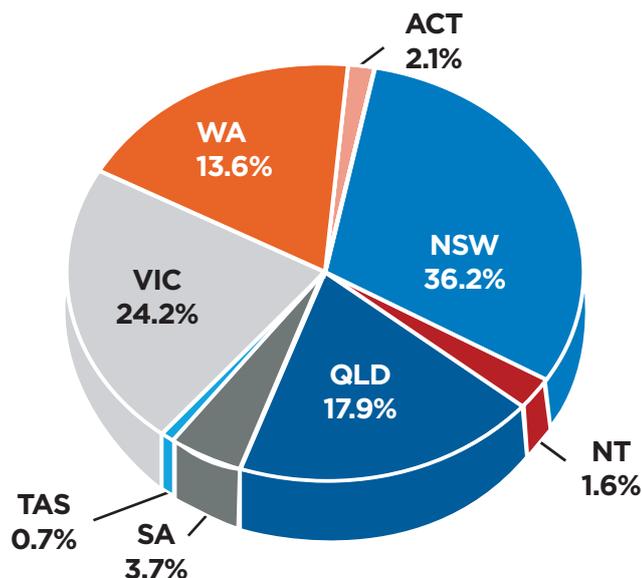


CHART 3
ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY JANUARY 2016

The long term trends described above has seen NSW's share rise from 32.1% to 36.2% and WA's falling from 17.2% to 13.6% in the last 12 months.



OCCUPATIONAL ANALYSIS

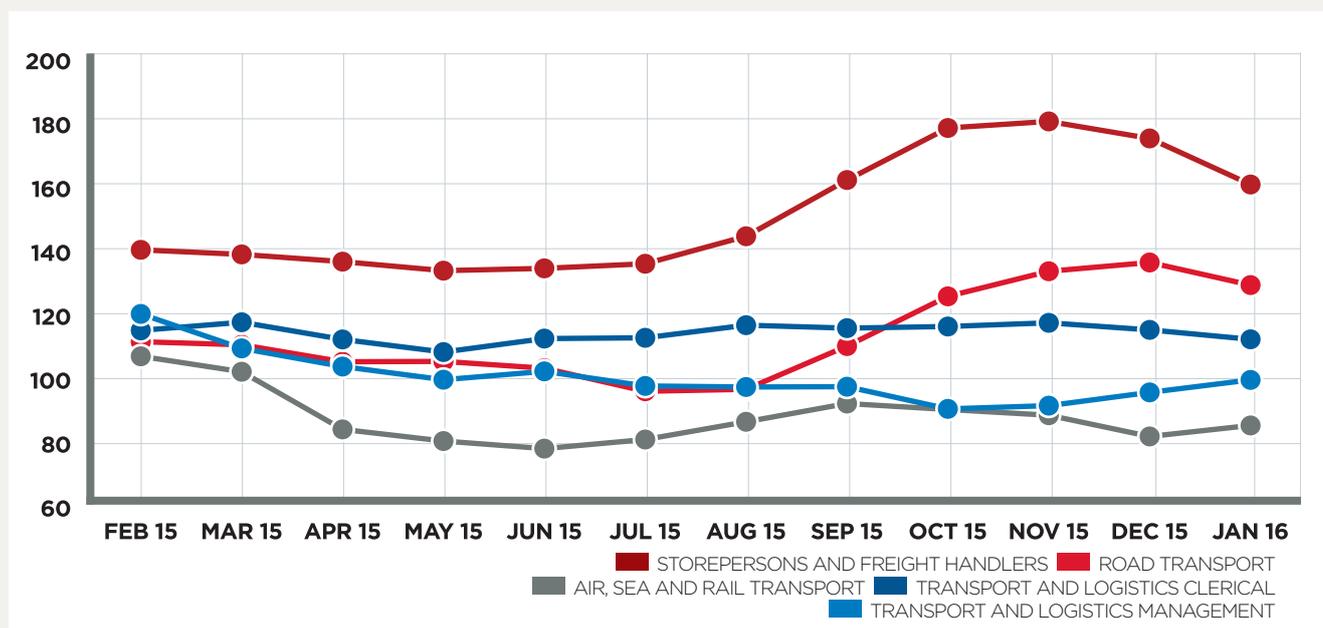
Managerial roles only bright spot in post Christmas slump

As anticipated, demand for Store Persons and Freight Handlers has declined further in January, falling a whopping 8.3%. We have seen similar seasonal decline in prior years only for the market to expand again finding new highs. The market is up a net 22.9% over the last year so it's still in remarkably good shape.

It was also a tough month for Road Transport specialists where demand eased 5.3%. The Index fell from its record high of 134.57 to 127.50. One suspects a similar seasonal factor at play so any thoughts of a sustained decline following a bumper 2015 are premature. 2015 was a disappointing year for white-collar professionals in the TL&SC sector.

Clerical opportunities remain steady, falling 2.5% in January but just 1.2% up over this time last year. By way of contrast Managerial roles have picked up strongly in recent months with a 4.2% rise in January contributing to a 10.2% rise over the last three months. The Index lies at 97.81 clawing its way back to the 100 benchmark set in November 2013.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Big falls in Retail and Wholesale, Manufacturing, Mining and Construction

January saw drastically contrasting fortunes between sectors. There was a precipitous fall of 12.9% in Retail and Wholesale. But we saw a similar seasonal hiccup last year so we expect the market to pick up again through the year. We also saw falls of 8.2% in Manufacturing and 6.3% in Mining, Utilities and Construction.

Both had previously been on a strong run of good job creation despite challenging business conditions. 2016 is likely to prove equally challenging. Fortunately Transport employers remain bullish. Demand is slightly off November's peak but with an Index sitting at 152.56, 12.6% above January 2015 the sector is

performing very well. The big climber of late has been the Public Sector where we have seen a remarkably good run of growth in job opportunity. This is in stark contrast to early last year where state and federal political upheaval resulted in a serious contraction in demand.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

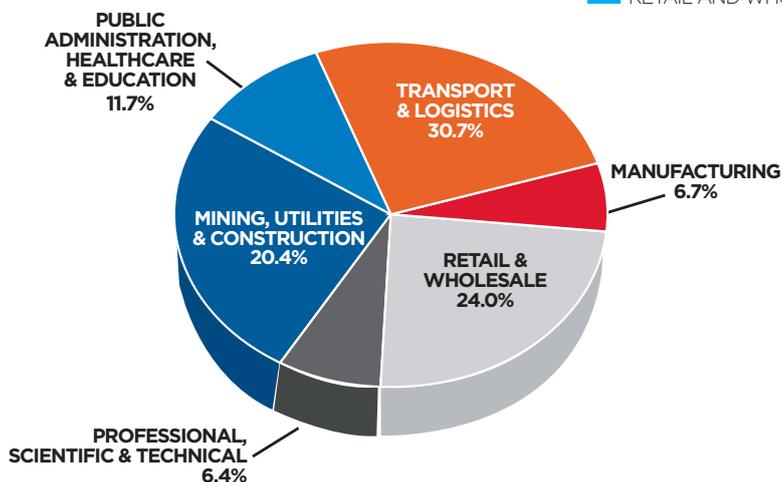
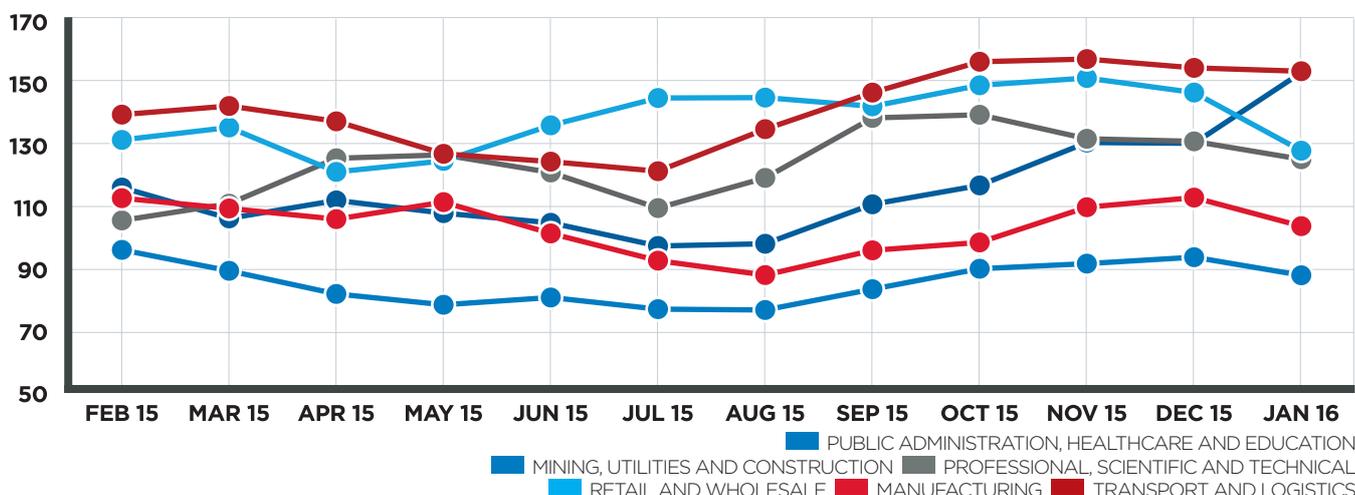


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY JANUARY 2016

The inevitable loser in January had to be Retail and Wholesale where its market share fell to 24%, its lowest level since January 2015. The Public Sector, which includes Health and Education, was the big winner. It saw its share escalate to 11.7%, its best result ever.

In October 2014 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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