

Transport, Logistics & Supply Chain Job Index

REPORT

KEY FINDINGS

- ④ The Labourforce / Impex Job Index rose an impressive 6.7% in February
- ④ The Index increased from 121.94 to 130.14, a new record high
- ④ The Temporary and Contract market is red hot, having risen 33% in 12 months
- ④ Permanent demand is up just 1.5% in 12 months, possibly reflecting a move to a more casualised workforce
- ④ Both NSW and Victoria both enjoyed significant boosts in demand in February and now sit at record levels
- ④ There was a 10.9% rise in demand for TL&SC Management opportunities, easily its best month on record
- ④ Demand for TL&SC clerical staff also rose an encouraging 5.7% in February
- ④ Stores Persons and Freight Handlers and Road Transport have both enjoyed strong starts to the year
- ④ Job opportunities rose across all sectors with the notable exception of Manufacturing. The index for Manufacturing is now at 94.56, its lowest level since October 2014
- ④ Growth in the Public Sector's demand for TL&SC continues to astound, up 7.6% in February

GDP GROWTH & AUSSIE DOLLAR BACK UP

Last week the National Accounts showed a higher than expected growth, bringing GDP up 3% year on year. This was largely due to the growth in the domestic consumption of services. Generally, this is good news for our local, domestic economy.

However, the Aussie dollar hit US\$0.7445 (an 8 month high), which makes it hard for our exporters to compete. Taken with a decline in the national savings rate, from 9.1% of GDP to 7.6%, and the slower growth in China, the economic landscape may prove sluggish as 2016 plays out.

Certainly, Dun & Bradstreet's February Business Expectations Survey highlighted a sharp decline in expectations for the second quarter, with businesses issuing gloomy forecasts for the three-month period to June 2016. With a possible federal election before July, let's hope a new or returned government will have more impact than after the last federal election.

Across the Tasman, we have seen the NZ Government books hitting a surplus. The nearly \$1 billion surplus was due to prudent financial planning and a refocus of the government service provisions based on outcomes, as opposed to just inputs. Certainly, this puts pressure on the Australian Government to keep a tight rein on spending and not go on a spending spree in the lead up to the possible double dissolution election.

One of the indicators to the health of the economy is the number of job advertisements placed. We produce this Job Index for our clients because we take our leadership role within this sector seriously. It aligns with our pillars of ethics, timeliness, responsiveness and accuracy. Whilst you may be familiar with other indices, this is the only index specifically for the Transport, Logistics and Supply Chain Sector.



NATIONAL JOB INDEX

Strong recovery in February. Temp & Contract red hot

The Labourforce/Impex Transport Logistics and Supply Chain Job Index enjoyed a strong recovery in February rising 6.7%. The Index rose from 121.94 to 130.14, a new record high. As December and January data is always disrupted by seasonal factors the more critical trend is the 10.7% rise over the last 12 months, a

very impressive performance against any national benchmark.

The inevitable but historically low fall in Temporary and Contract demand in January was wiped out by a 7.1% rise in February. The Index now sits a remarkable new high of 169.81. Demand has risen by precisely one third in a year.

The Permanent market also rose by 6.5% in February. The permanent market has not show nearly the level of growth recorded in the temporary and contract scene, rising just 1.5% over 12 months. This may reflect a move by employers to a more casualised workforce.

STRONG RESULTS

There are some really positive trends going into 2016.

The difference between massive growth in Temp and Contract v subdued Perms highlights a move towards a more casualised workforce. Australian businesses are demanding more flexibility and transfer of risk to ensure they are nimble and have capacity to flex up and flex down to meet fast changing needs.

This month has also shown the growth in Management roles required to be filled. Impex, in both Australia and New Zealand, are now proud partners of ADI Consult, who are a global network of Executive Recruitment and Consulting specialists for the International Trade and logistics Industry. Check out the ADI Consult tab on the Impex websites.



Regan Brown

Regan Brown
MANAGING DIRECTOR
IMPEX PERSONNEL

CHART 1 NATIONAL INDEX AND JOB TYPE ANALYSIS



STATE ANALYSIS

NSW and Victoria hit record highs

The big boost in demand in February was primarily driven by strength in the Eastern seaboard. New South Wales rose an impressive 9.8%. The index has risen 31.6% year on year and now sits at 134.72, a new record high. There was also some healthy growth in the ACT market.

Victoria's performance was even more spectacular. Job opportunities rose 10.6% in February. For it too demand is at a record high of 164.20, a 42.9% increase over twelve months. For both states this substantial

growth is primarily in temporary and contract opportunities.

The relatively weak performances of both Western Australia and Queensland were regularly observed throughout 2015. That trend looks like continuing this year. Demand did rise in both states, by a paltry 2.3% and 0.1% respectively. WA looks in better shape than Queensland over the medium term but the fortunes of both will be determined by how the Mining and Resources sector performs in 2016.

CHART 2 COMPARISON OF STATE JOB INDICES

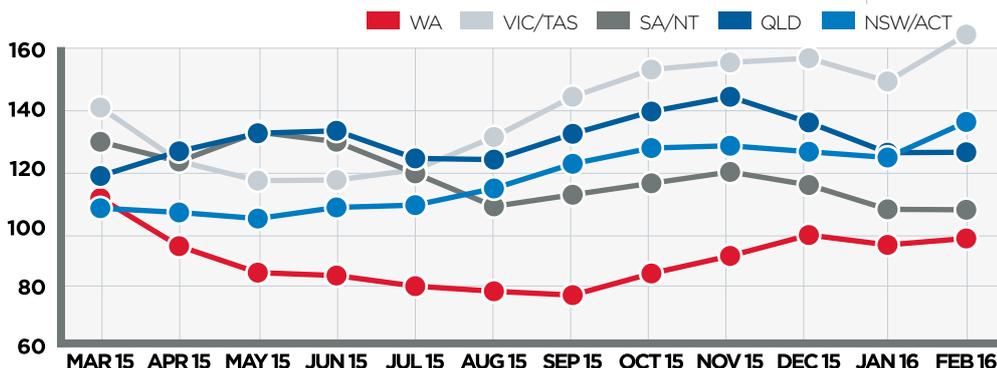
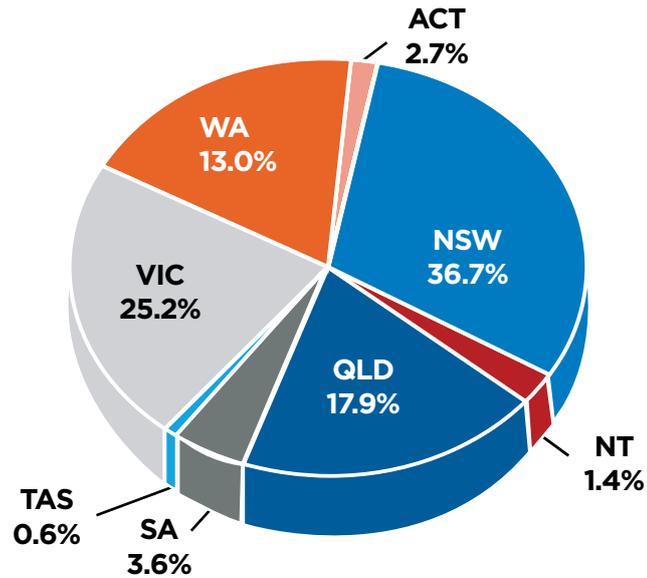


CHART 3
ANALYSIS OF JOB ADVERTISEMENTS BY STATE AND TERRITORY FEBRUARY 2016

NSW and Victoria now have a combined 61.9% share of the national TL&SC market. The equivalent share a year ago was 54.9% with WA and Queensland the biggest losers.



OCCUPATIONAL ANALYSIS

Best month ever for TL&SC management

Demand rose in every occupation in February. The most pleasing result was the 10.9% rise in demand for TL&SC management, easily its best month ever. The Index is now at 108.51, it's strongest since March last year. This has been boosted by a 13.5% rise in the last six months but, with the Index still down 8.4% compared to this time last year, there is scope for further improvement.

On a similar vein demand for TL&SC

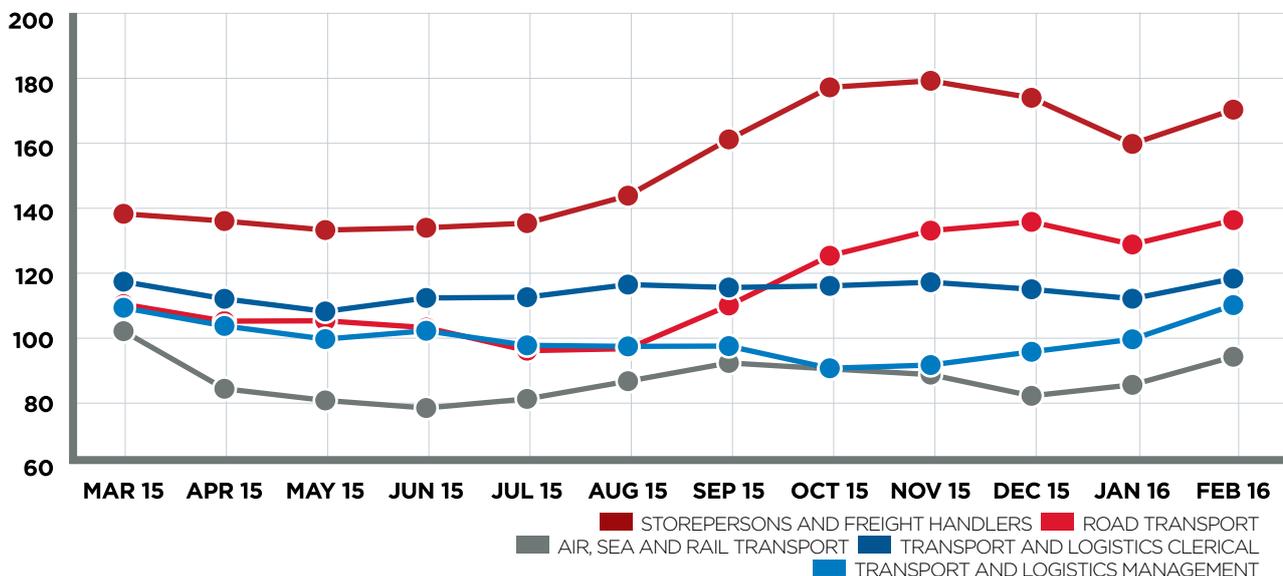
clerical staff rose an encouraging 5.7%. It too saw its index rise to 116.80, the best level since October 2014. Demand at the lower end of the white-collar occupations has been steadier over the last year compared with its more senior counterparts with demand up 3.1%.

The traditional post Christmas lull in demand for Stores Persons and Freight Handlers has been short lived. Demand rose by 6.7%. The index is now at

169.70, below the record set late last year but this strong start to the year means that this record is very likely to be broken in 2016.

Demand for Road Transport specialists has also rebounded strongly. A 6.0% rise in February leaves the Road Transport Index at 135.12, a new record high. In fact demand has risen 23.1% in the last year, even eclipsing the 22.5% rise in demand for Stores Persons and Freight Handlers.

CHART 4 ANALYSIS OF JOB ADVERTISEMENTS BY SPECIALIST OCCUPATION



INDUSTRY ANALYSIS

Mining, Construction and Utilities outperform Manufacturing

February saw rises in all sectors with the notable exception of Manufacturing. It fell 7.8%, its third successive monthly decline. The index for Manufacturing is now at 94.56, its lowest level since October 2014, down 15.3% year on year.

Even the Mining, Construction and

Utilities sector is performing stronger than Manufacturing. It rose 8.4% in February and is just 0.9% lower than a year ago. One expects that this growth has been driven by the construction sector rather than mining and utilities.

Growth in the Public Sector's demand for TL&SC continues to astound. Its

growth of 7.6% was consistent with many other industries but the 42.3% growth over 12 months is unmatched. But, to be fair, it did start from a very low base. This time last year state and federal political changes meant public sector hiring was muted and this reflects a return to more normal business conditions.

CHART 5 ANALYSIS OF JOB ADVERTISEMENTS BY INDUSTRY

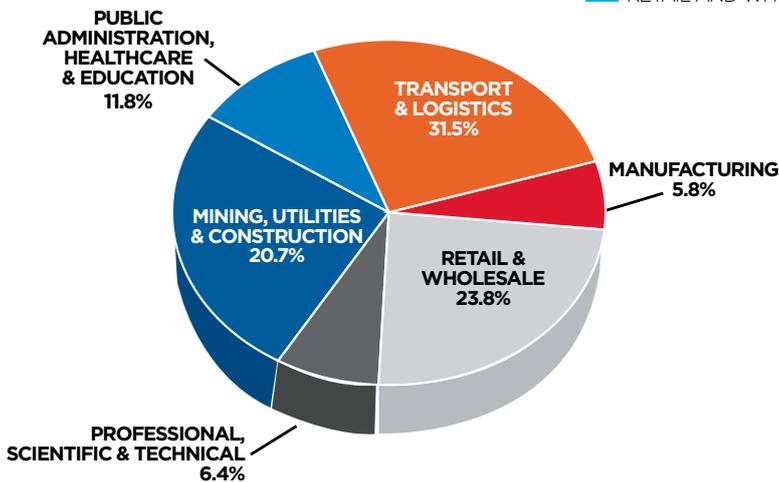
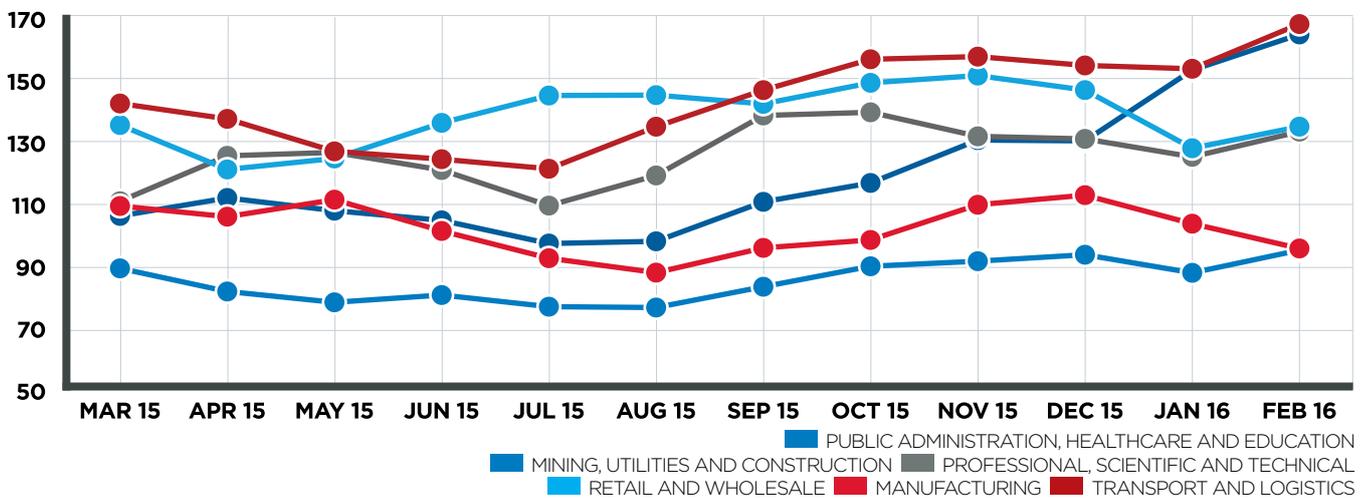


CHART 6 THE PROPORTION OF JOB ADVERTISEMENTS BY INDUSTRY FEBRUARY 2016

As all sectors expect Manufacturing grew strongly their respective shares changed little. The more pronounced change has been the slide in Manufacturing which has seen its share of the national market shrink to 5.8% from a high of 8.3% in December 2014.

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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