

# Permanent job numbers grow

The number of vacancies is improving as the economy picks up, writes **Sam McKeith**.

**B**usinesses nationwide are shifting temporary staff to permanent positions and hiring more permanent employees as the economy strengthens, skills shortages re-emerge and profits create bigger staff budgets.

But recruiters say manufacturers are still wary and many multinational firms risk missing out on securing talent because of lingering headcount freezes overseas.

Hays director Grahame Doyle says the level of recruitment for permanent jobs locally is hitting 12-month highs.

"Employees are also saying, 'If my current employer does not offer me a permanent role I may very well look around at other opportunities'," Doyle says.

The number of people in work grew by 35,200 last month, three times more than economists had expected, and unemployment fell

to 5.5 per cent, its lowest level since April.

Job ads rose 6 per cent in December following a 5.2 per cent rise for November in the Australia and New Zealand Banking Group monthly job ads survey.

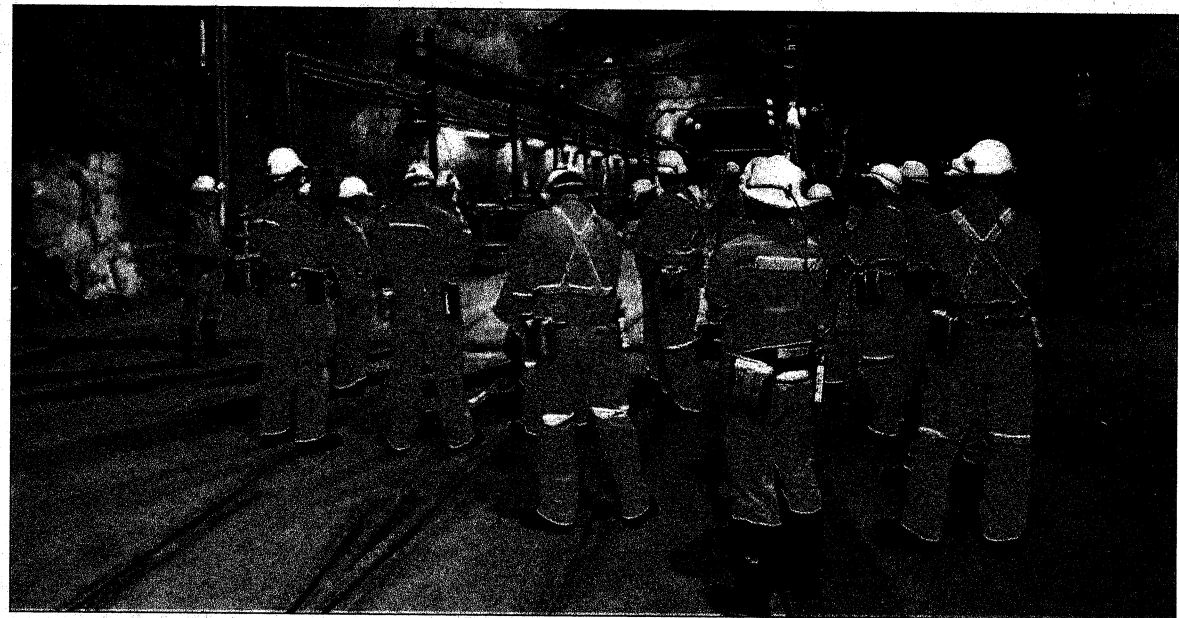
IPA recruitment chief executive Rabieh Krayem says the number of firms hiring permanent staff has increased significantly nationwide, but resources firms in Western Australia stand out.

WA led the nation with a jobless rate of 5.1 per cent last month, down from 5.2 per cent in November, and is pinning its hopes for further jobs growth on developments such as the \$43 billion Gorgon liquefied natural gas project and Woodside Petroleum's Pluto project.

Krayem says mining firms are boosting permanent staff ranks in Queensland, particularly in the coalmining Bowen Basin region.

"We're not back to the heyday [in Queensland] but there is a lot more pressure to find workers and on wages in the mining sector," he says.

Queensland's unemployment rate is the highest in the country, but



The number of people in work grew by 35,200 last month, three times more than expected.

Photo Michael Clayton-Jones

fell from 6.1 per cent to 5.9 per cent last month.

New human resources budgets have contributed to firms hiring more permanent staff, recruiters say. "Clients who run a calendar year financial year have new budgets and many have got some allocation for recruitment, which in many cases did not happen in 2009," one says.

But recruiters say temps still dominate recruitment in the manufacturing sector.

Manpower Australia and New Zealand managing director Lincoln Crawley says local

manufacturers are still wary about boosting their permanent headcount. "The confidence is just not there yet," Crawley says.

Manufacturing suffered heavy job losses last year, with a number of high-profile companies slashing staff numbers.

These include Pacific Brands – the maker of clothing brands including Bonds and King Gee – which cut 1850 jobs. Tyre manufacturer Bridgestone shed 600 people at its Adelaide factory.

Headcount freezes at many multinationals remain a handbrake on recruiting

permanent staff, says Trevor-Roberts Associates principal Edwin Trevor-Roberts.

He says many businesses with headquarters overseas are still in "damage control" as a result of the global financial crisis and have strict hiring bans in place.

"A company with an American head office just told me, 'You can put on as many contractors as you like, just don't increase our head count'," he says.

In Europe, unemployment in the 16 euro zone countries was 10 per cent in November. The US rate was 10 per cent in December.