Emsi

South Australia State Report

Emsi

Contents

About Emsi

Economic Modelling Specialists International (Emsi) creates tools and services that help organisations better understand the connection between economies, people and work. Through our unparalleled local and granular economic data, we work with education providers, economic developers, and employers, giving them the understanding they need in order to close skills gaps, drive growth, and increase productivity in the economies they serve.

Foreword

We often hear Government, media and employer groups complaining that there is a lack of people with the right skills in the economy, but a noticeable tendency is that of trying to fix the problem with broad brush solutions. For instance, it is often claimed that the economy needs more engineers? Perhaps, it does, but the next questions to ask are: What type of engineers are needed? Where are they needed? What will the situation look like in a few years?

The fact is that though we often talk about "the economy," in reality there is no such thing as the "Australian economy," as such. Rather, the "Australian economy" is simply the aggregation of a number of smaller local and regional economies, each one with very different employer needs.

For any organisation that is involved in educating and training people in the skills that are needed by employers, or in the economic development of a region, this point cannot be emphasised too strongly. If we are to see real economic growth, both education providers and economic developers need to be far more aware of demand at their local and regional level, in order to be able to respond to that demand effectively.

One of the best ways of gaining this understanding is through Labour Market Intelligence (LMI). However, although there is a wealth of publicly available data sources available, there are usually a number of problems associated with using them. To begin with, not one dataset out there gives a complete picture of the labour market. Secondly, all datasets contain strengths, weaknesses, and data suppressions. And thirdly, attempting to use the raw data is a hugely time-consuming and resource-consuming activity.

Most LMI solutions can help overcome the first and the third problem, by combining different datasets into one system. However, this still doesn't overcome the second problem – that of weaknesses and data suppressions. Since these problems and gaps in the data tend to occur at the most specific industry and occupation levels, what most LMI solutions tend to do is to make assumptions about the granular levels based on the data and trends at the more generic levels.

This approach is bound to lead to erroneous conclusions, since many of the industries at the 3-digit level, and occupations at the 4-digit level are quite different from one another. For example, within the 2-digit Sports and Personal Service Workers occupation category, there are such disparate occupations at the 4-digit level as Beauty Therapists, Fitness Instructors, and Funeral Workers. Needless to say, these occupations are hardly likely to have been growing or declining at the same rate! The same sorts of errors occur if assumptions are made in respect to geographies, since regions are made up of sub-regions which are often far from homogenous.

At **Emsi** we take a different approach. Rather than taking public datasets and making broad assumptions, we economically model them together using a technique developed over many years, which allows us to retain the strengths and discard the weaknesses of each source. What we end up with is a dataset that gives a detailed and accurate picture not only of regional labour markets, but also of the sub-geographies within, right down to the most specific industries and occupations.

The intent of this report is to give you a flavour of this data, tailored specifically to your State. We hope that it will be helpful to your organisation in better understanding what industries, occupations and skills are driving your labour market, and in turn will help you think about how the use of highly granular LMI might be of use to you in your future strategy.

Overview of our State's economy

Number of jobs in 2010:

796,351

Number of jobs in 2015:

805,331

Projected number of jobs by 2020:

845,514

Forecast increase in jobs between 2015 and 2020:

40,183

Forecast job growth between 2015 and 2020:

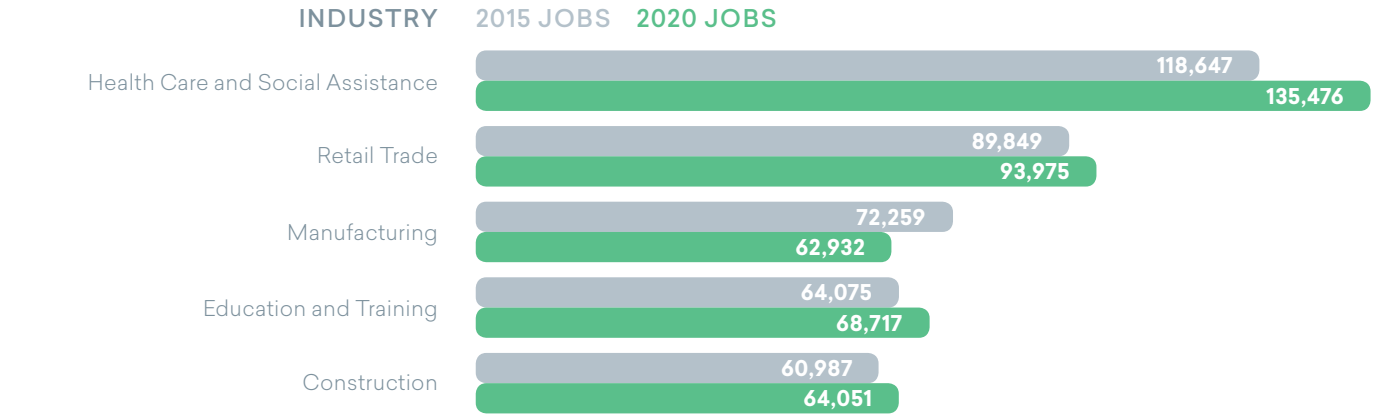
5%

Average wage:

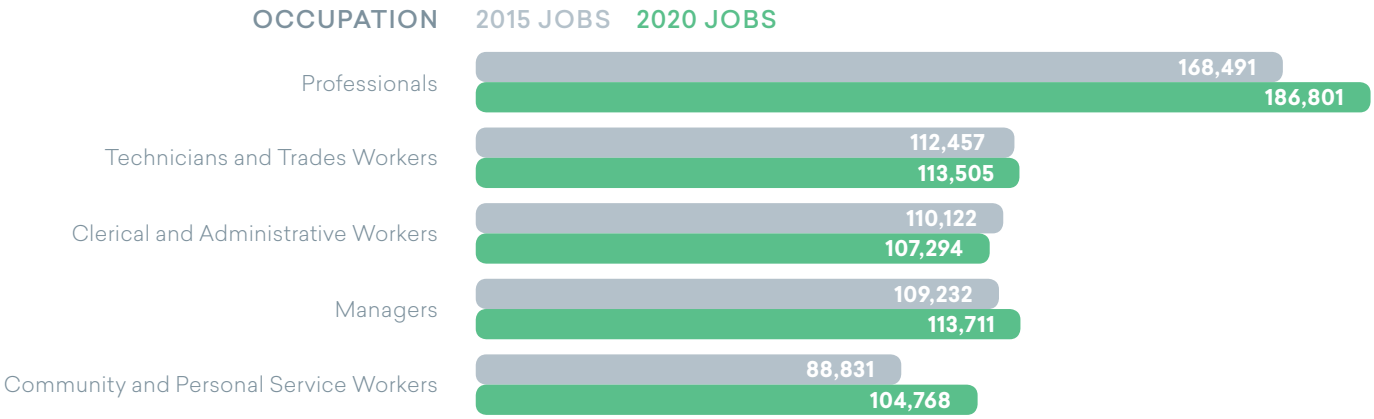
A$52,331

High level overview of our State's industries and occupations

TOP 5 HIGH LEVEL INDUSTRIES



TOP 5 HIGH LEVEL OCCUPATIONS



TOP 5 HIGH LEVEL GROWTH INDUSTRIES

INDUSTRY	CHANGE IN JOBS (2015-2020)	% CHANGE
Health Care and Social Assistance	16,829	14%
Professional, Scientific and Technical Services	6,558	12%
Accommodation and Food Services	6,284	12%
Education and Training	4,642	7%
Retail Trade	4,126	5%

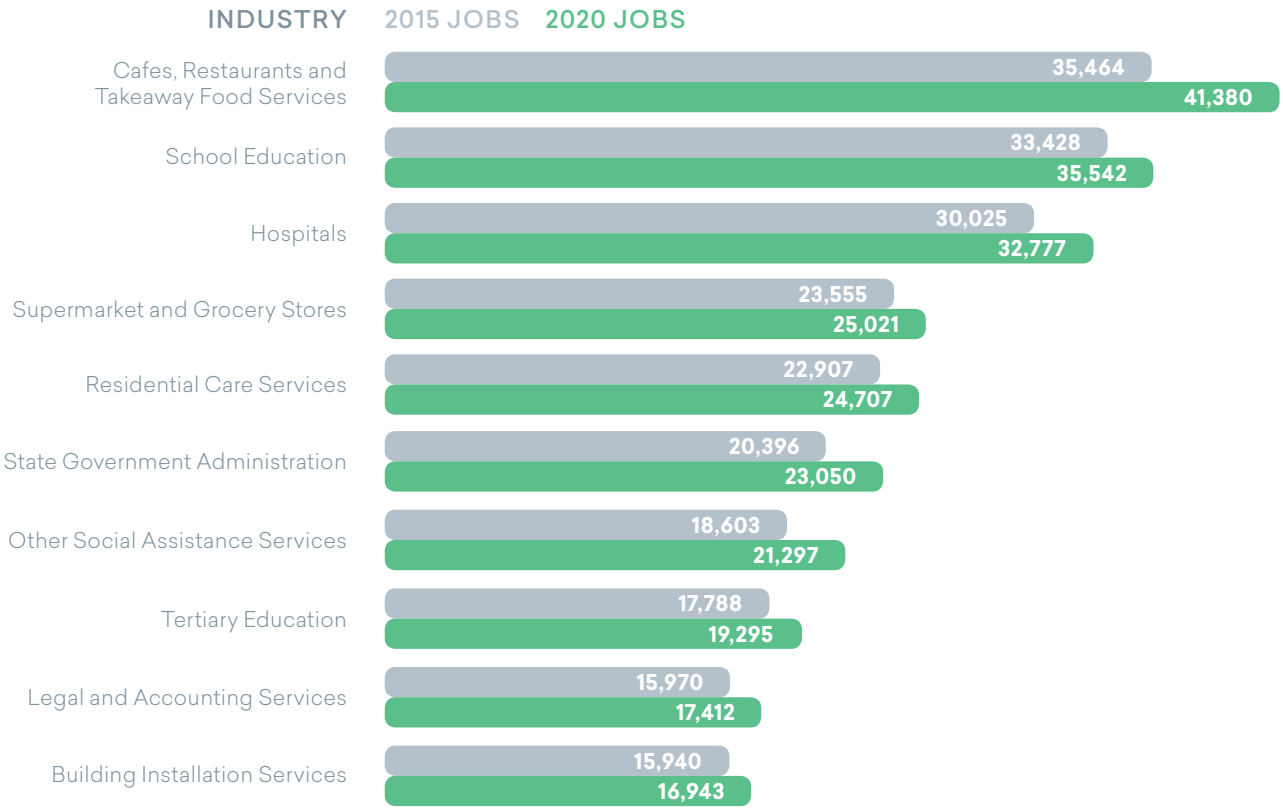
TOP 5 HIGH LEVEL GROWTH OCCUPATIONS

OCCUPATION	CHANGE IN JOBS (2015-2020)	% CHANGE
Professionals	18,310	11%
Community and Personal Service Workers	15,937	18%
Sales Workers	5,580	7%
Managers	4,478	4%
Technicians and Trades Workers	1,048	1%

What are our top industries?

A good place to start when trying to understand what is driving your State's economy is to look at which industries are driving employment both in terms of total numbers employed and in terms of future growth. However, simply looking at the headline industries will not tell you an awful lot. To come to a really good understanding of the drivers in your State, it is crucial to drill right down to the most specific industries (3-digit ANZSIC). Our data tool, ***Analyst***, allows users to do just this, and the information below shows both the biggest industries and the highest growth industries in your State, right down to the most granular levels.

TOP 10 BIGGEST INDUSTRIES



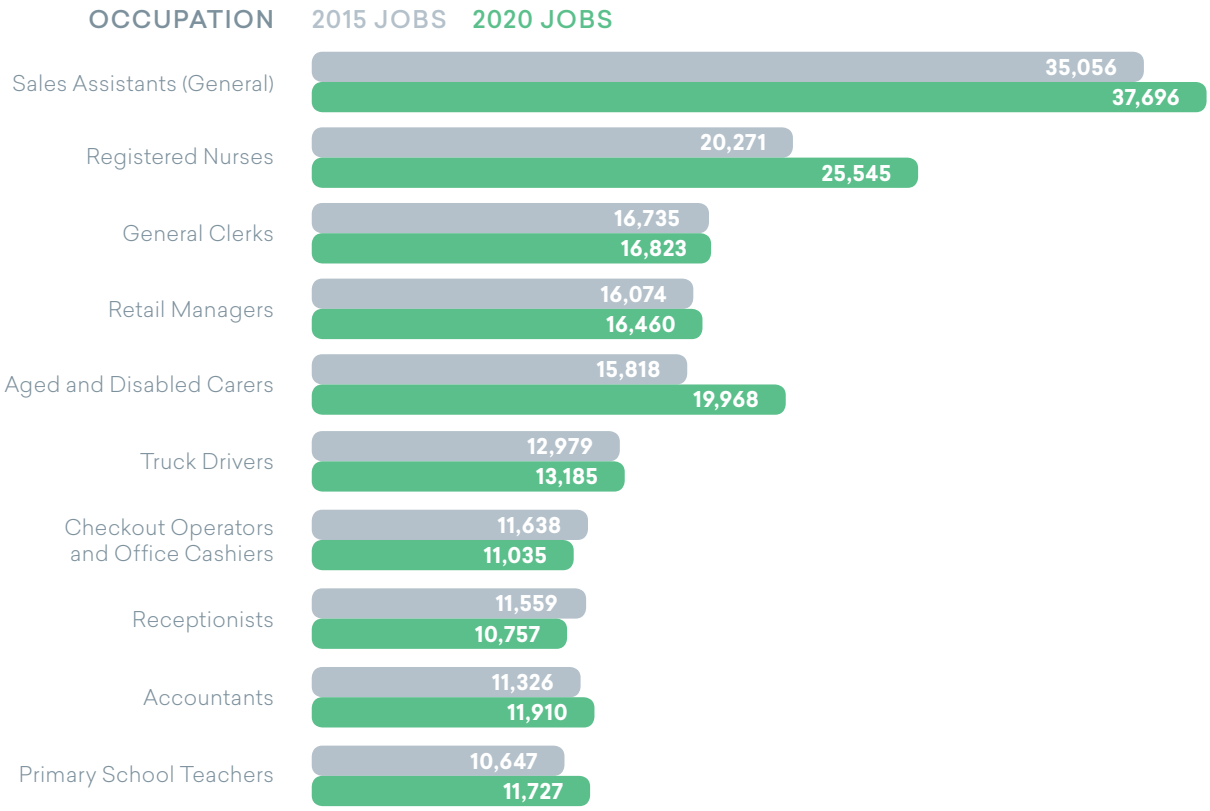
TOP 10 HIGHEST GROWTH INDUSTRIES

INDUSTRY	CHANGE IN JOBS (2015-2020)	% CHANGE
Cafes, Restaurants and Takeaway Food Services	5,916	17%
Architectural, Engineering and Technical Services	2,979	20%
Hospitals	2,752	9%
Other Social Assistance Services	2,693	14%
Medical Services	2,661	24%
State Government Administration	2,654	13%
Allied Health Services	2,327	17%
School Education	2,114	6%
Medical and Other Health Care Services, nfd	1,901	39%
Residential Care Services	1,800	8%

What are our top occupations?

The industry data tells us a good deal, but we also need to look through the lens of occupations to see which jobs are driving the State's economy. As with the industry data, our ***Analyst*** tool can drill right down to the most granular detail, and so below we have set out the Top 10 occupations in your State both in terms of total numbers employed, and forecasted change to 2020 at the 4-digit ANZSCO level.

TOP 10 BIGGEST OCCUPATIONS



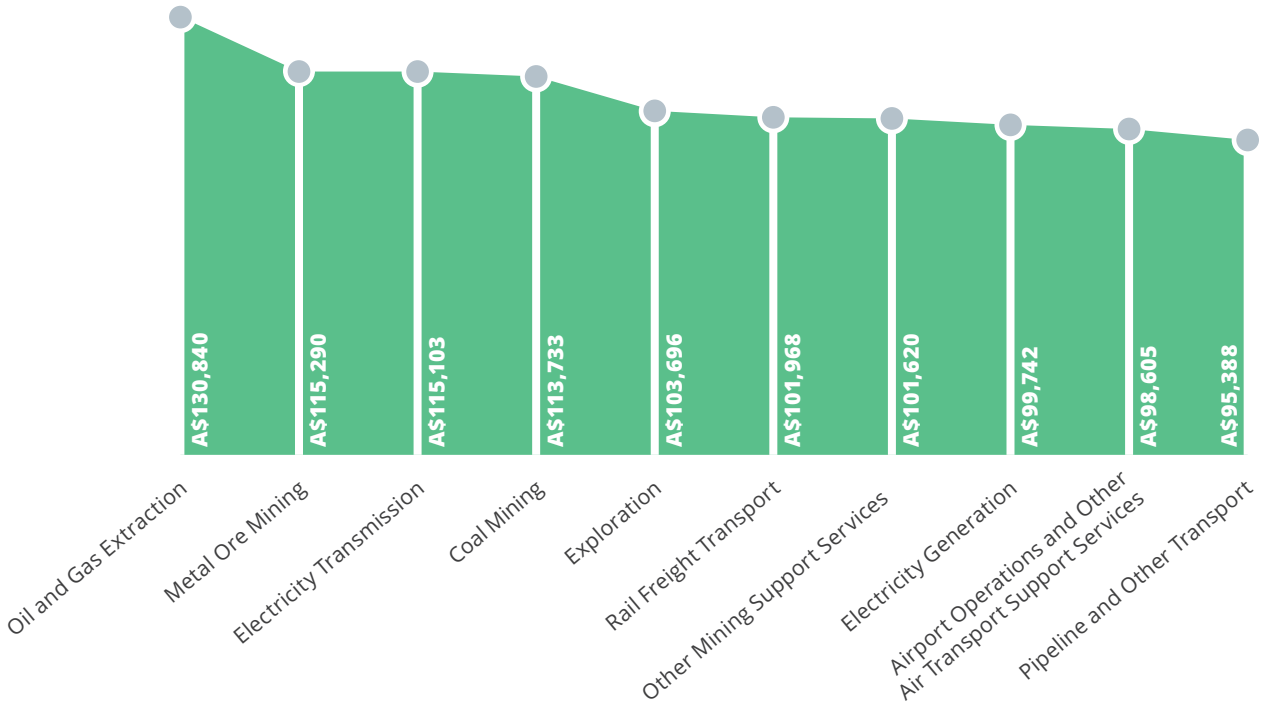
TOP 10 HIGHEST GROWTH OCCUPATIONS

OCCUPATION	CHANGE IN JOBS (2015-2020)	% CHANGE
Registered Nurses	5,274	26%
Aged and Disabled Carers	4,150	26%
Sales Assistants (General)	2,640	8%
Child Carers	2,378	23%
Electricians	1,152	12%
Primary School Teachers	1,080	10%
Police	1,041	27%
Sales Representatives	971	14%
Software and Applications Programmers	943	19%
Carpenters and Joiners	909	15%

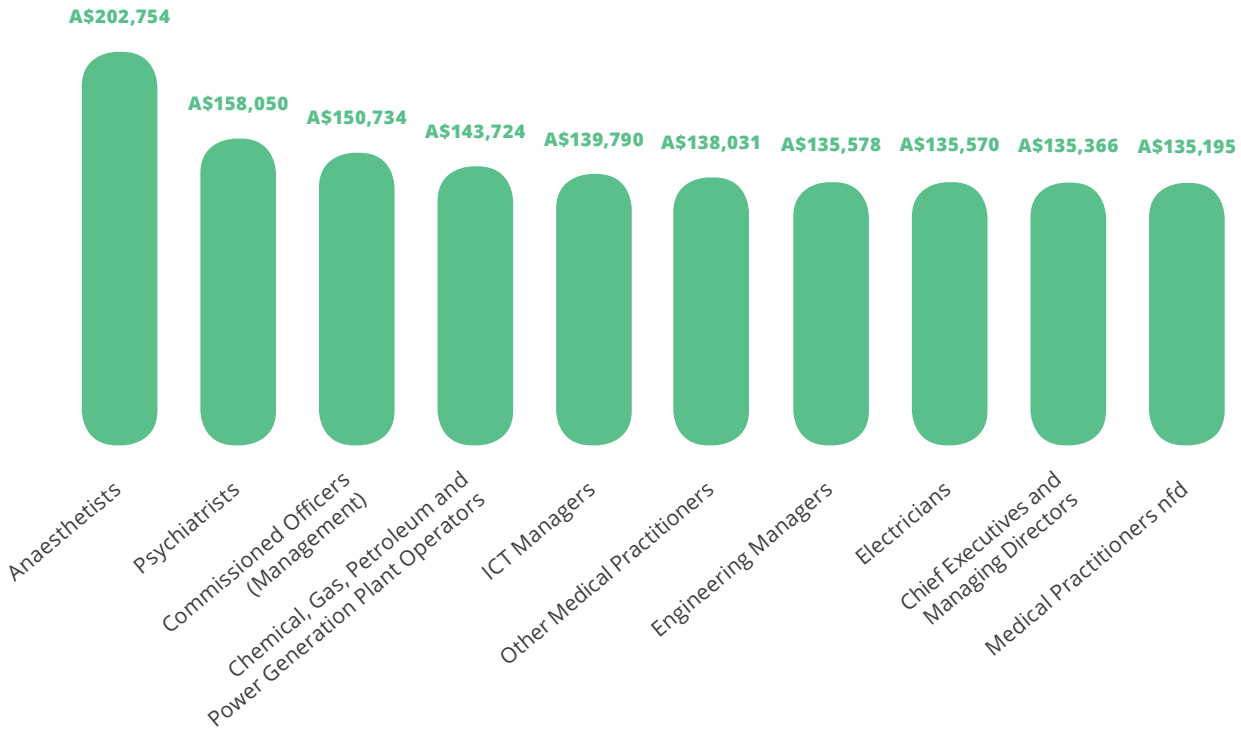
What are our highest paying industries and occupations?

Another important aspect of unlocking your labour market is to look at how much industries and occupations pay. As with the data presented on previous pages, we have drilled right down to the most granular ANZSIC and ANZSCO codes to unlock the highest paying industries and occupations in your State.

INDUSTRIES - MEDIAN ANNUAL SALARY



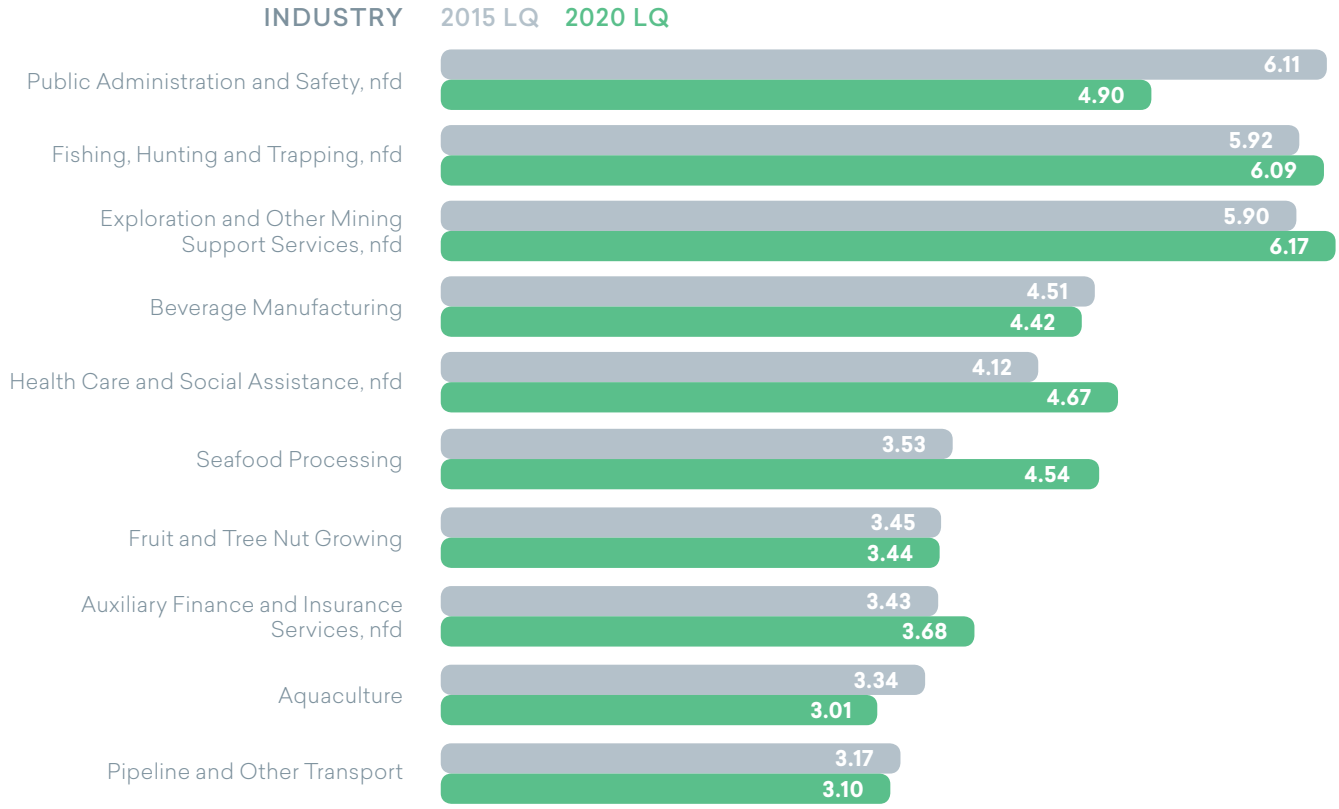
OCCUPATIONS - MEDIAN ANNUAL SALARY



What are our niche industries and occupations?

Where things begin to get really interesting is when we uncover the industries that make your economy unique. Our ***Analyst*** tool contains a function known as Location Quotient, which is a statistical measure of industry or occupation concentration in an area compared to the rest of the country. Location Quotient works on a benchmark basis, with 1.0 indicating the national average. Therefore, industries and occupations with a score of more than 1.0 indicates that they have an employment profile that is greater than the national average.

INDUSTRY LOCATION QUOTIENT



OCCUPATION LOCATION QUOTIENT

OCCUPATION	2015 LQ	2020 LQ
Financial and Insurance Clerks nfd	14.52	14.97
Printing Trades Workers nfd	8.29	8.54
Accommodation and Hospitality Managers nfd	4.86	4.83
Packers and Product Assemblers nfd	4.06	3.91
Aquaculture Workers	4.04	3.31
Farmers and Farm Managers nfd	3.84	3.68
Aquaculture Farmers	3.82	3.71
Stationary Plant Operators nfd	3.62	4.23
Crop Farm Workers	3.29	4.10
Middle School Teachers	3.23	4.05

Where are the jobs in our most niche industry?

The data on page 9 showed which industries are most unique to your State. However, we might then ask the question, what are the occupations that this sector employs? Through our Staffing Pattern function in ***Analyst***, we can answer this question. The data below gives a breakdown of the Top 10 occupations within the fourth niche sector, which is Beverage Manufacturing, including numbers employed, employment forecast, and the % of people employed in this occupation within the industry (the reason we have not chosen the first, second or third niche industries is that the numbers employed in those sectors are very small). The significance of this information is that you can find out quickly and simply what the occupations are in an industry, and therefore the skillset for that sector. It is worth noting that the process can also be run in reverse, whereby users can begin with an occupation (rather than an industry) and run an Inverse Staffing Pattern to quickly identify the industries that employ this position.

DESCRIPTION	EMPLOYED IN INDUSTRY (2015)	EMPLOYED IN INDUSTRY (2020)	CHANGE (2015-2020)	% CHANGE (2015-2020)	% OF TOTAL JOBS IN INDUSTRY (2015)
Food and Drink Factory Workers	1,185	1,149	-36	-3.04%	12.6%
Crop Farm Workers	751	594	-157	-20.91%	8.0%
Chemists, and Food and Wine Scientists	611	617	6	0.98%	6.5%
Packers	593	511	-82	-13.83%	6.3%
Crop Farmers	424	312	-112	-26.42%	4.5%
Forklift Drivers	377	343	-34	-9.02%	4.0%
Advertising and Sales Managers	338	309	-29	-8.58%	3.6%
Sales Representatives	294	326	32	10.88%	3.1%
Sales Assistants (General)	269	231	-38	-14.13%	2.9%
Metal Fitters and Machinists	229	172	-57	-24.89%	2.4%

Focus on Adelaide's economy

Number of jobs in 2010:

576,851

Number of jobs in 2015:

574,696

Projected number of jobs by 2020:

601,339

Forecast increase in jobs between 2015 and 2020:

26,643

Forecast job growth between 2015 and 2020:

5%

Average wage:

A$53,014

To find out more about how Emsi can help your organisation build a better regional economy, contact Andy Durman:

Email: andyd@economicmodelling.com.au
Phone: +44 (0)7720 641 651
Web: www.economicmodelling.com.au
Blog: www.economicmodelling.co.uk/blog
Twitter: @Emsi_UK