

Business racing towards skilled staff squeeze

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Almost a quarter of all businesses report their biggest concern this year is a growing skills shortage that threatens to hamper growth and stifle expansion plans.

About 24 per cent of businesses said they would struggle to find skilled workers this year, the annual survey by recruitment services company Randstad found.

The survey of 2330 companies nationwide found the worst shortages were expected in the IT and education sectors, where 78 per cent of companies expect to have difficulty finding skilled staff.

This was closely followed by the construction sector, where 77 per cent of companies forecast problems.

Recruiters said a shortage of skilled workers was already forcing up pay in some sectors and many companies were having to look for talent overseas as the turnaround in the local economy boosted demand for labour.

The chief executive of recruiter IPA, Rabieh Krayem, said skill shortages were also intensifying in the mining sector, especially for technical engineers with oil and gas companies.

Mr Krayem said many companies were using the strong Australian dollar to lure back expatriates.

"Some of those roles are being filled

by people coming from overseas. The way the Aussie dollar is, we're getting expats living in Europe who are saying, 'You know what, it's not as financially attractive to stay here,'" Mr Krayem said.

Specialist hospitality recruiter Hostec said many hotels and restaurants were also struggling to fill posts because workers were being lost to the resources sector.

"The hospitality industry can't compete with the remuneration being offered on the west coast," chief executive Ian Wilson said. "You've got a young chef on \$38,000 working in a hotel in Perth who's suddenly on \$90,000 working in the mines as a

cook." He said the pull to the resources sector was particularly strong in regional areas.

"You can either choose to work as a housekeeper in a resort or go to the mines as a housekeeper, which pays significantly more. So for a lot of people it's an easy choice to make," he said.

The survey's findings contrast with last year's, when businesses' main concerns were managing internal change, costs and productivity. Difficulty in finding workers ranked with 9 per cent of respondents.

Randstad chief executive Deb Loveridge said deeper skills shortages meant many companies would miss out on improving business conditions.

"Australia's navigation of the GFC has been highlighted as an example of economic resilience and sound fiscal management but this hard work will be wasted with a lack of employees in Australia with the skills required by employers," she said.

Tougher immigration restrictions would also prevent companies from hiring skilled staff.

The federal government's Skilled Occupation List, due out this month, will replace the Migration Occupations in Demand List, which was subject to claims of rorting.

The latest list is expected to cut the number of vocations classified as in need of critical skills.