

HR Quarterly Index Australian Dashboard Report

April 2013

EXECUTIVE SUMMARY

The HR Quarterly Index provides a summary of industry confidence in the business sector from the HR Coach Research Institute.

The New Year seemed to be bringing a sense of conservative optimism with it. The first quarter has compounded that sentiment with all major indicators improving in the first three months of the year.

Business confidence rose by 3% and perhaps more encouraging still, the lack of business confidence contracted by 6% from December.

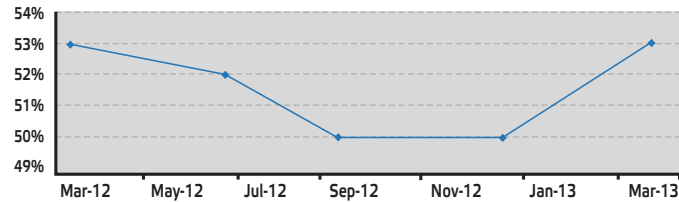
After an almost 10% drop in job advertisements over the last quarter of last year we have seen a rebound of just under 4% in the last quarter.

The expectation of an increase in wages has marginally risen yet; the expectation of the size of workforce and ability to find and keep staff has remained the same. This indicates that recruitment and retention of key employees should not become anymore challenging in the next quarter.

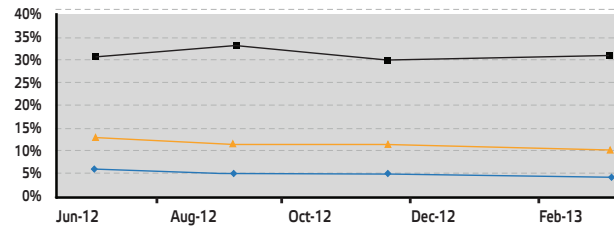
This offers businesses a unique opportunity to take stock of their human resources, invest in technology and services and proactively plan for the coming 12 months without the previous pressures of an employees market.

That being said there may be an added level of complexity as the external environment continues to be uncertain with changes in superannuation rates looming, the Productivity Commissions red tape initiatives and the volatile federal political landscape. Businesses will need to be mindful of managing potential additional costs and distractions from business as usual.

Business Confidence



Business Expectations for Staff

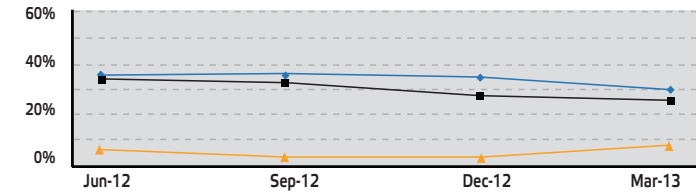


	Jun-12	Sep-12	Dec-12	Mar-13
◆ Concerns - Ability to Find and Keep Staff	6%	5%	5%	4%
■ Expect Increases in Wages Bill	31%	33%	30%	31%
▲ Expect Increases in Size of Workforce	13%	11%	11%	10%

Consolidated Results Table

Productivity Growth Factors	Jun-12	Sep-12	Dec-12	Mar-13	Qtr Var
Lack of Business Confidence	29%	33%	31%	25%	-6%
Business Confidence	52%	50%	50%	53%	3%
Concerns - Ability to Find and Keep Staff	6%	5%	5%	4%	-1%
Expect Increase in Wages Bill	31%	33%	30%	31%	1%
Expect Increase in Size of Workforce	13%	11%	11%	10%	-1%
Expect Increase in Value of Sales	30%	34%	38%	39%	1%
Expect Increase in Profitability	26%	25%	31%	32%	1%
Expect Increase in Capital Expenditure	7%	4%	4%	8%	4%

Business Expectations for Growth



	Jun-12	Sep-12	Dec-12	Mar-13
◆ Expect Increase in Value of Sales	36%	37%	34%	30%
■ Expect Increase in Profitability	34%	32%	28%	26%
▲ Expect Increase in Capital Expenditure	7%	4%	4%	8%

Job Advertisements

Job Advertisements per week	Month Change
Oct-12	-4.20%
Nov-12	-2.30%
Dec-12	-2.10%
Jan-13	0.60%
Feb-13	3.00%

Current State of the Employment Market

(as at March 2013)

Participation Rate	65%
Unemployment Rate	5.3%
IMF Unemployment Forecast	7.8%
OECD Unemployment Forecast	7.9%
Employment by person	11,517,000
Unemployment by person	615,000
Labour force underutilisation rate	12.5%

Key Sources:

HR Coach Research Institute
National STAR Report 2012
Sensis® Business Index March 2013

ANZ Job Advertisement Series March 2013
ABS - 6202.0 - December 2012, Labour Force, Australia