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State of the market

With a new financial year underway John Hackett assesses the current state of the employment market across the events sector and recaps on the market over the last few years.

The downturn experienced in late 2008 and into 2009 during the global financial crisis was felt hardest in permanent recruitment activity and to a lesser extent in temporary and contract employment, with most businesses putting staff recruitment on hold and many needing to downsize staff numbers in response to a decrease in business activity and revenue streams.

The recovery since then (over almost six years to date) has been slow and uneven and, in fact, while there was an upswing in recruitment activity within a short time (about nine months) after the GFC hit, the market recovery since then has been characterised by peaks and troughs as market conditions have improved, but where a degree of caution remains. Having said that, we are in a far better place now than we were back in 2009.

Over the past five to six years recruitment activity has been strongest for contract and temporary staff and this has been to some extent at the expense of permanent recruitment activity. This is because employers have been uncertain about the sustainability of the market recovery over the longer term and many are also still mindful of the conditions they faced back in 2009 when things were at their worst.

As a result, some jobs in the events industry are almost exclusively offered on a contract basis now; for example, technical event production roles. Pre-GFC this was the case but many agency operations back then were quite prepared to commit to offering these candidates a permanent job because the view was that the work will always be there. However, in the current climate, once projects are delivered and if there is no new client work available, contractors are let go until further work presents in the future. Notwithstanding, currently most freelance event producers do find they can be gainfully employed for most of the year as they move from one event project to another.

The corporate and aligned sectors that have their own in-house event teams have traditionally committed to permanent staff and this is still very much the case although a fair proportion of these businesses are working with a smaller core team and supplementing that team with temporary staff as needed.

The impact of all of this on permanent event staff salaries has meant that any upward pressure has been subdued, although in recent years has strengthened. Of course, at the height of the GFC salaries did fall across the board as staff supply in the market increased through redundancies and a lack of permanent opportunities generally. As we have recovered from this low point we have seen salaries increasing but we have really been playing catch up to pre-GFC levels. Apart from the government sector which tends to be insulated from salary falls, we have now seen the bulk of the market return to pre-GFC salary levels. As a result, the government sector (along with the multinational corporates) would now be better payers in the market despite changes in governments at both state and federal level and cost cutting agendas being implemented. (For those at a business or staff management level and seeking more information on event staff salaries, please contact Event Recruitment to receive our annual survey of the market).

So, where to from here? Well, I think market conditions will continue to improve as we see the global economy pick up, which it clearly has in the last 6-12 months, and as Australia moves successfully from a mining-led economy to an infrastructure and consumer-led one and confidence further improves. Hopefully that will iron out the "roller coaster" employment market we have experienced in recent years as market confidence and businesses bottom lines improve. **m**

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