Milparinka

Wilcannia

Broken Hill

Far West NSW

Menindee

Silverton

Sunset Strip

Tilpa

Tibooburra

White Cliffs

Ivanhoe

Far West NSW

Workforce Development Study

Regional
Development
Australia

FAR WEST NSW

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1.0   Executive Summary

In 2016 RDA Far West committed to undertake research into the workforce capacity of the Far West region. The purpose of the study was to build an evidence base around workforce issues affecting the region to inform the future planning, training and development needs to position the region to take advantage of current and emerging growth opportunities.

The study focused on several associated areas, including;

- Current and future workforce demand in the Far West
- How, and the extent to which, the region can meet the demand
- Skills gaps and shortages
- Current strategies for recruitment and retention of workers
- The capacity of the region to meet current and future training needs
- What skills employers need to grow their businesses
- The work-readiness of the region's job seekers

This document represents the research report which responds to the research questions listed above. It provides an overview of the region's economy and labour profile, the results of the survey of employers and key focus areas with suggestions to consider in the development of any workforce planning strategies.

Employers surveyed were drawn from a wide range of industries and included small, medium and large businesses from across the region.

The research indicates wide-ranging opportunities in the region. There is a desire for growth from business with over 50% planning for growth in the next 1-2 years and another 27% planning to grow in the next 3-5 years, of which 63% are planning for moderate growth. This is significant and indicates an underlying strength in the region's economy. However, the optimism demonstrated by employers for growth is under threat with skills gaps and difficulties in attracting and retaining a workforce hindering plans for growth and negatively impacting on many businesses with 38% of respondents reporting they have advertised positions in the past 12 months they could not fill, and another 42% that have settled for an employee that didn't meet all of their expectations or requirements at the interview. A significant number of employers, 38%, reported this situation had impacted the organisation with missed opportunities and 34% reporting low productivity as a consequence.

A number of skills gaps have been reported and coordinated strategies to increase the region's skill base and capacity could help to address some of the recruitment issues faced by employers.

It appears there is a range of factors that are impacting on the ability of businesses to recruit and retain staff, including a lack of basic and specialised skills. There are opportunities for collaboration and improved communication across the region, better alignment of training to employer needs and substantially better promotion of the region to ensure perception and reality closer align.

There will always be barriers and issues that cannot be addressed, for example, the location of the region, however, there are also a number of strategies that could be employed to increase

the region's skill base. A Workforce Planning and Development Strategy could be developed as the next stage of this project to position the region to take advantage of current and emerging growth opportunities.

A number of focus areas are listed below and provide a starting point for further consultation, collaboration and the development of strategies to address the identified barriers.

Job readiness - The common perception amongst respondents was that job seekers, especially young people and the long-term unemployed are not ready for work, however, the evidence suggest that if young people and the long-term unemployed can become job ready, employers are willing to consider employing them. Job-ready skills are modelled and developed in a range of situations, families, schools and employment service providers all contribute to the job readiness of an individual, but despite this, some still appear to be missing out on acquiring these skills.

Align training to the needs of the region – Any growth of the region's economy or diversification of industries will need to be underpinned by affordable and accessible high-quality training that aligns with the region's needs. Whilst more than half of employers surveyed were satisfied with current training options in the region, only 17% believed the training aligns to the needs of the region and more than 50% were not confident the region could meet their training needs over the next 5 years. Several employers raised significant concerns about training options for apprentices in the region and cited these issues as a barrier to employing apprentices.

Workforce attraction and retention – With the decline in the population of the region, and the desire by business to grow, it appears strategies will need to focus on both upskilling the region's workforce and attracting workers to the region.

Understanding and maximising the transferability of skills - The Far West has flourished for more than 130 years and given the cyclical nature of some of the region's key industries, mining and agriculture, the transferability of skills has obviously been recognised and utilised in the past. However, given the declining population and reported difficulties in attracting and retaining staff, it appears more critical now than ever that individuals and industry in the region recognise and maximise the use of transferable skills.

1.1   Methodology

Quantitative research

The Methodology of this study included the development of an online survey to capture as many employers as possible within the resource restrictions of the organisation.

The survey was developed in consultation and trialled with Executive Officer's from other RDA's in NSW to ensure its suitability in both content and structure.

The survey was heavily promoted across the region's media, and individual invitations to complete the survey were forwarded to over 500 employers. Comprehensive coverage in all regional media helped to promote the survey and the purpose behind it.

A partnership with the University of Sydney Business School provided additional resources to support the online survey with Computer Assisted Telephone Interviewing (CATI) to further engage with employers and better understand current and future workforce needs.

To ensure a broad cross section of employers from across the region were interviewed RDA FW was guided by the Economy ID's regional profile of businesses in the region.

2.0   Profile of the Far West

This section provides an overview of the economic and labour market profile for the far west region drawn from existing research and available data. It provides an important context for the project by identifying key sectors by value add and employment. Specifically, the labour market profile suggests;

- Accommodation and Food Services is the region's largest employer, generating 1,222 jobs in Broken Hill in 2014/15, followed by health care and social assistance and the retail trade
- Unemployment across the region is higher than the State average
- The region is quite fragmented. Broken Hill is larger and more diverse than many other smaller centres. Social disadvantage appears to be higher, economic participation lower and business opportunities fewer in the smaller and more remote areas. The impact of this can be seen in population data, many areas in the region are experiencing population decline.

2.1   Economic Profile

The region consists of 2 Local Government Areas (LGA's) and the Unincorporated Area of NSW, covering approximately 147,000sq.km. The region is sparsely populated and has a diverse range of industries and economic environments. In 2015 the economic output for the Far West region was $1,006 million (Gross Regional Product)*(Economy.ID, 2015)*

Key sectors across the region include agriculture, accommodation and food services, health care and social assistance, retail, public administration and mining.

Exports in the region are dominated by mining, generating $637million in exports in 2014/15 with total exports for the same period at $872.5million.

Figure 1 – Value added by sector comparison Broken Hill/NSW 2015
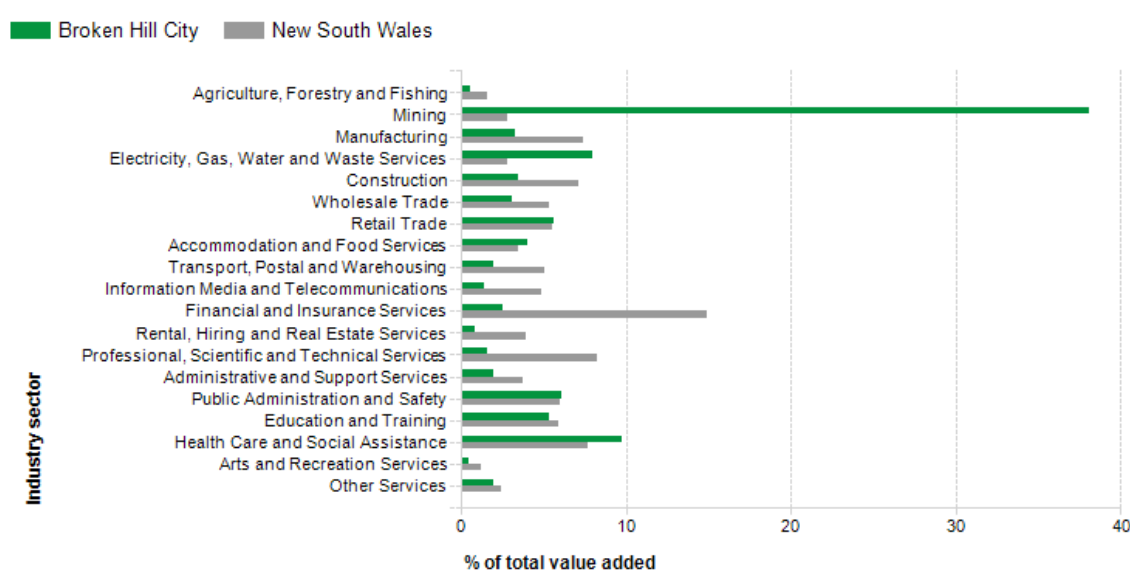
Source- Economy ID

2.2   Employment

Though mining is the largest contributor to the overall economic output it is less dominant as a source of employment. It should be noted that a number of mining operations are in various stages of development across the region and the overall contribution to regional employment is likely to rise, taking into account direct and indirect employment through the industry's requirements for skilled tradespersons, mining services and other supports such as food and accommodation services.

As highlighted in figure 2 the region has experienced employment growth over a number of sectors including, health care and social assistance, education and training, accommodation and food services, construction and mining.

Figure 2 – Industry by Regional Employment Far West (2001 – 2011)
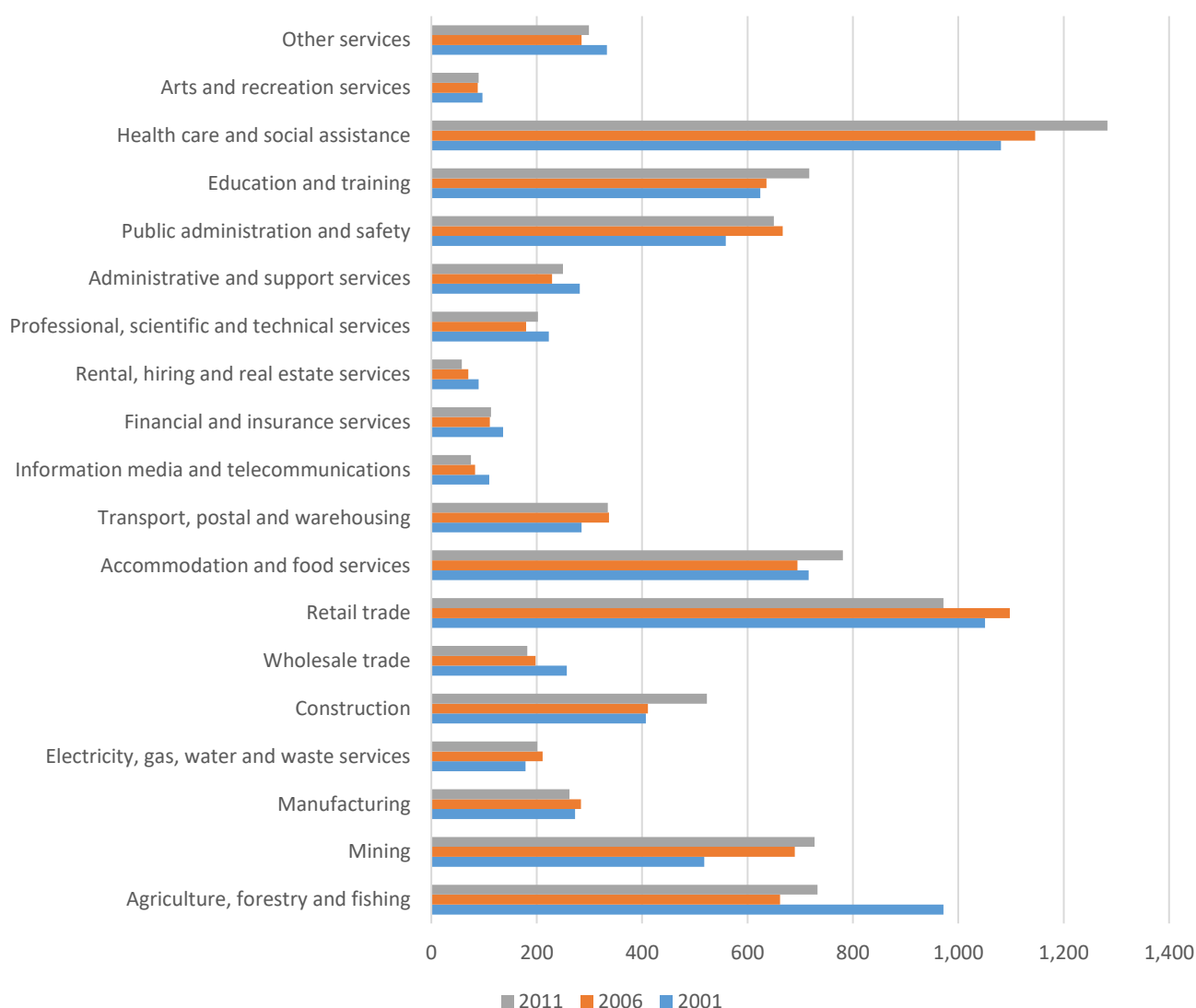
Source ABS – Industry by employment

Figure 3 – Individual income comparison Broken Hill/NSW 2011
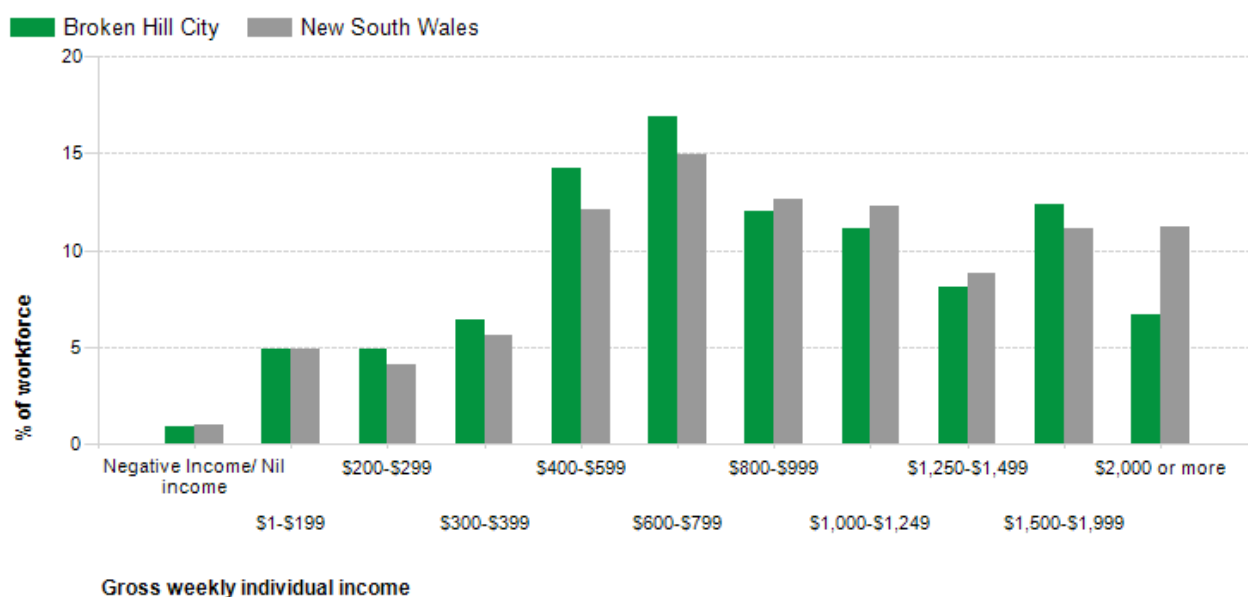
Source – Economy id

Analysis of the workforce individual income levels in Broken Hill City in 2011 compared to New South Wales shows that there was a lower proportion earning a high income (those earning $1,500 per week or more) and a higher proportion of low income persons (those earning less than $400 per week).

Overall, 19.0% of the workforce earned a high income, and 17.1% earned a low income, compared with 22.3% and 15.6% respectively for New South Wales.

Individual income varies significantly across the region with the median employee income in Broken Hill City in 2013 at $47,466 compared to the medium employee income in Central Darling Shire for the same period at $40,115. (ABS data)

The social and Economic disadvantage in the region has been highlighted through several reports. Both the Closing the Gap Report and the Dropping of the Edge Report have highlighted the social and economic disadvantage of the Wilcannia community, particularly in relation to the disconnect of the community from services provided to and enjoyed by community members and services that are taken for granted by other communities.

The ABS Local Government Area Index of Relative Socio-economic Advantage and Disadvantage, 2011 (released March 2013) ranked Central Darling Shire as the second most disadvantaged local government area in NSW and Broken Hill as the eighth most disadvantaged local government area in NSW.

Table 1: SEIFA ranking and university access scores comparison Far West Region/Australia/NSW

	Broken Hill	Central Darling Shire	Unincorporated NSW	Regional Australia	Outer Metropolitan Australia	Inner Metropolitan Australia	Sydney Inner
SEIFA index of Education and Occupation	885	913	1025	947	966	1063	1181
SEIFA Index of Economic Resources	912	880	1073	950	1020	1029	921
University Access score	0.7	08	0.7	18	129	645	2547.8

Regional Participation, The Role of Socioeconomic Status and Access Cth, 2010

Notes: The SEIFA Index of Education and Occupation is a measure of the educational and occupational elements of socioeconomic status.

The SEIFA Index of Economic Resources is a measure of the financial elements of socioeconomic status.

University Access Score is a measure of access to University campuses, taking into account distances and sizes of nearby campuses.

2.3   Tertiary participation rates in the Far West Region

University participation rates for the Far West, as demonstrated below, are considerably lower than averages across Regional Australia, outer Metropolitan Australia and Inner Metropolitan Australia.

Table 2: University participation rates far west compared with other populations

	Broken Hill	Central Darling Shire	Unincorporated NSW	Regional Australia	Outer Metropolitan Australia	Inner Metropolitan Australia	Sydney Inner
% participation rates 19-21y.o.	17.5	13.3	21.4	19.3	22.9	37.4	60.8
% participation rates 17-24y.o.	10.3	6.4	6.8	12.5	16.1	26.4	40.8
% participation Rates over 25y.o. – mature age	1.2	1.3	1.8	1.4	1.7	3.5	5.9

Regional Participation, The Role of Socioeconomic Status and Access Cth, 2010

2.4   Projected employment growth in Australia by industry

Over the coming five years, employment nationally is projected to increase in 16 of the 19 broad industry groups, with significant declines in employment projected for Agriculture, Forestry and Fishing; Mining; and Manufacturing.

Following the peak of the Mining boom around mid-2011, employment growth, in the main, was relatively soft up until the beginning of 2015, when labour market conditions strengthened significantly. Over 2015, for instance, the level of employment increased by 298,300 (or 2.6 percent), well above the decade average rate of 1.8 per cent per annum at that time.

Over the first six months of 2016, however, the pace of employment growth has slowed considerably, with the level of employment rising by just 53,300 (or 0.4 per cent) to stand at 11,933,400 in June 2016.

Figure 4: National Projected employment growth by industry – five years to November 2020 ('000)
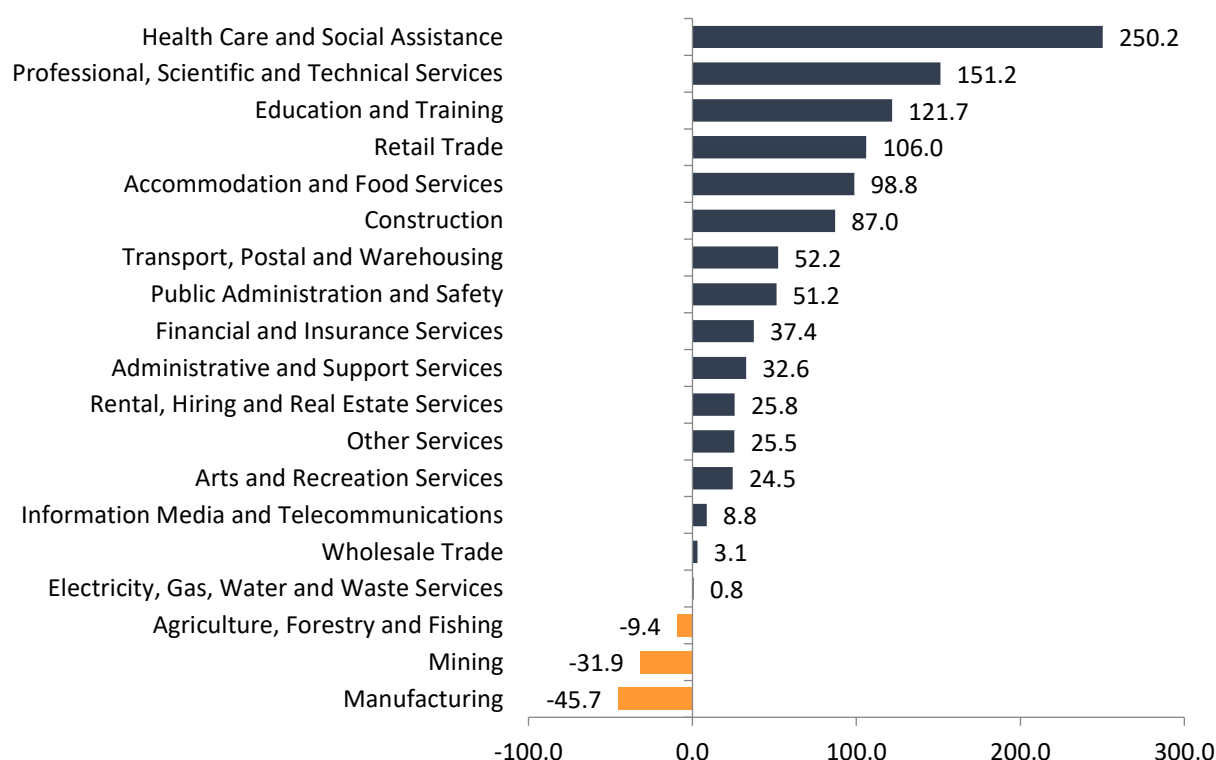
Source: Labour Market Research and Analysis Branch, Department of Employment, August 2016

Nationally Health Care and Social Assistance is projected to make the largest contribution to employment growth (up by 250,200 or 16.4 percent), underpinned by Australia's ageing population and increasing demand for childcare and home based care services as well as being stimulated by the implementation of the National Disability Insurance Scheme. The second largest contribution is from professional, scientific and technical services, where employment is projected to increase by 151,200 (or 14.8 per cent) reflecting ongoing strength in demand for

business services, strong housing construction activity and infrastructure investment. The next largest increase in employment is projected to come from education and training (121,700 or 13.0 percent) as it responds to continued growth in the school age population, followed by retail trade (106,000 or 8.4 per cent), reflecting low interest rates.

In the Far West region (including Orana as SA4* data) retail trade, health care and social assistance and the accommodation and food service industries are predicted to make the largest contributions to employment growth, offset by reductions in agriculture, forestry and mining fishing and mining.

Figure 5: Far West Region (SA4) Projected employment growth by industry – five years to November 2020 ('000)

Industry	Value
Retail Trade	0.8
Health Care and Social Assistance	0.8
Accommodation and Food Services	0.8
Public Administration and Safety	0.4
Education and Training	0.4
Transport, Postal and Warehousing	0.2
Administrative and Support Services	0.2
Professional, Scientific and Technical Services	0.1
Arts and Recreation Services	0.1
Other Services	0.1
Construction	0.1
Wholesale Trade	0.1
Information Media and Telecommunications	0.0
Financial and Insurance Services	0.0
Rental, Hiring and Real Estate Services	0.0
Electricity, Gas, Water and Waste Services	0.0
Manufacturing	0.0
Mining	-0.1
Agriculture, Forestry and Fishing	-0.8

Source: Labour Market Research and Analysis Branch, Department of Employment, August 2016

*Statistical Areas Level 4 (SA4s) are geographical areas that will replace the current Labour Force Regions and be used for the output of a variety of regional data, including the Labour Force Survey and 2011 Census Data. There are 106 SA4s covering the whole of Australia without gaps or overlaps. They are built up from whole SA3s. The SA4 regions are the largest sub-State regions in the Main Structure of the Australian Statistical Geography Standard (ASGS). Whole SA4s aggregate to Greater Capital City Statistical Areas and State and Territory.

2.5   Unemployment

Unemployment in the main centres of the region have remained reasonably steady over the past 5 years with;

- Broken Hill remaining fairly steady at 6.2%, averaging 6.7% for the past 5 years (March 2013 – March 2016).
- Central Darling Shire steady at 7.1%, averaging 8.8% for the past 5 years
- Unincorporated Area of NSW steady at 6.2%, averaging 5.6% over the past 5 years

The Far West underperforms against both the NSW, average (5.7%) and Western NSW (5.6%) *(Department of Employment, 2014)*.
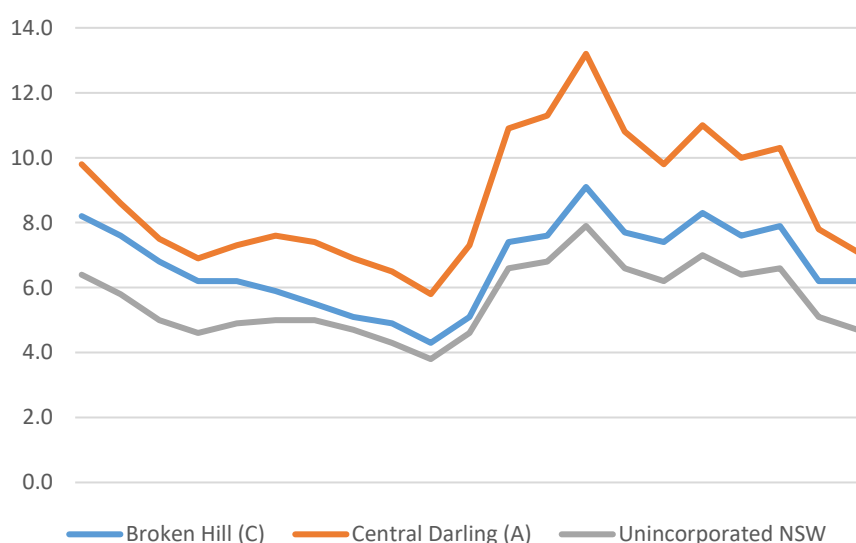

Figure 6 – Unemployment by Centre, Far West NSW (Dec2010 – March 2016)

2.6   Population

The population of the region was recorded at almost 22,000 in 2011, Broken Hill was the largest population centre with over 19,000.

The population across the region has been in decline over an extended period with the decline and modern mechanisation of mining in the region.

There is some uncertainty regarding the future population of the region, especially over the long term, however, the region is positioning itself to take advantage of other opportunities including tourism and agri-business.

The Far West, along with most of Australia, is also challenged by an ageing population, Far West NSW has one of the highest median ages in NSW at 42.5 years, while the lowest median age is in Sydney at 35.5 years.
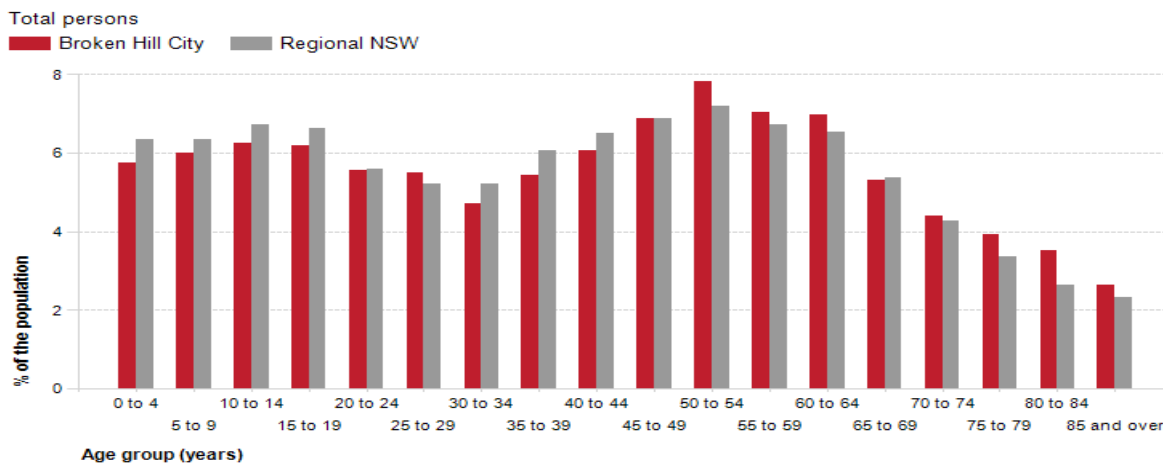
Figure 6 shows that most population groups are showing a downward momentum whilst the 55-64, 75-84 and over 85 years brackets are increasing.

Figure 7 – Far West population by age bracket (2001 – 2011)
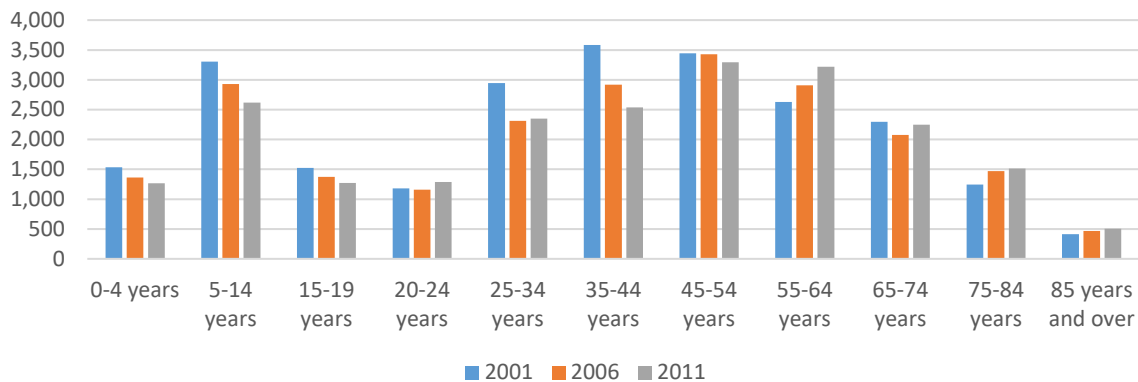
Source: Department of Employment, 2016

Figure 8 – Age structure – five year age groups comparison, Broken Hill/NSW, 2011

Source: Population ID, 2016

Over the past 50 years, the far west has experienced population declines which have been directly linked to changes within the mining industry and to drought. According to 2011 Census data, the far west population declined 11.6 percent over the previous 10 years to 2011. In a national context, the Far West RDA region falls within an area that over the past 10 years has suffered the greatest population decline of any area of the country.

Aboriginal people make up a significant percentage of the region's population. Some 10.3 per cent of the total Far West RDA regional population identified as being Aboriginal or Torres Strait Islander during the 2011 Census, compared to 2.5 percent nationally and 2.5 percent in New South Wales. This was an increase of 1.5 percent from the 2006 Census (8.8%). The total Indigenous population is lower in the Broken Hill City Council LGA (7.5%) and the Unincorporated Far West (5.2%), but much higher in the Central Darling Shire LGA, where the proportion is 38.2

per cent of the total population. In the community of Wilcannia, over half of the population identify as Indigenous (57.5%) compared to Menindee (39.7%) and Broken Hill (7.5%).

Table 3: Far West RDA region population, 2011

Area	Population	Indigenous population	
		No. of People	% of population
Broken Hill City Council (LGA)	18,517	1396	7.5
Central Darling Shire Council (LGA)	1991	760	38.2
Unincorporated Far West (Statistical Local Area (SLA)	698	36	5.2
Total	**21,206**	**2183**	**10.3**

Source: *Census of Population and Housing, 2011*

Within the Far West region, the Aboriginal population has been growing while the non-Aboriginal population has been declining. In 2011 the New South Wales Government Ministerial Taskforce on Aboriginal Affairs reported that in the last 15 years the Aboriginal population of Broken Hill increased by 50.5 per cent, while the non-Aboriginal population fell by 5.9 percent; and the Aboriginal population of Wilcannia increased by 14.4 per cent while the non-Aboriginal population fell by 6.5 percent. This is in part due to many Aboriginal people moving to regional towns, drawn mainly from smaller towns, while at the same time non-Aboriginal people are moving out of the region.

3.0   Key findings from the Survey of employers

This section presents the key findings from the survey of employers across the region. A total of 93 employers participated in the survey which asked employers about current and future workforce needs, occupations that employers find difficult to fill currently and anticipate difficulty filling over the medium term, recruitment and retention strategies used by businesses, and education and training needs of employers.

Key findings from the survey of employers

- Plans for business growth in the region are strong with around 80% of respondents planning to grow their business in the next 10 years.
- Whilst plans for growth are strong 1/3 of respondents reported advertising positions in the past 12 months they were unable to fill, negatively impacting business growth in the region. Two of the major reasons reported are;
  - The region's isolation/location as a reason for recruitment difficulties
  - The perception of the region as barrier to attracting and retaining staff
- 42% reported filling a position with staff that didn't fully meet their expectations, again negatively impacting business growth
- Significant numbers of employers are interested and willing to consider employing apprentices, trainees and school based trainees
- Training opportunities and professional development for staff have been raised as barriers to growth and development, with face to face training options preferred by 2/3 of respondents.
- Regional Infrastructure, mobile coverage and high speed broadband have been identified as barriers to growth
- Generic employability skills are important to the region's employers and many employers reported young people and the regions long term unemployed as not ready for work.
- Education programs for employers and job seekers to facilitate a better understanding of the transferability of skills would be valued by a large number of employers

4.0   Survey results

4.1   Demographic profile of responding businesses

Respondents were asked a few general questions to begin the survey including contact details etc. The survey then asked respondents how long their organisation had been operating, with almost 80% of all respondents in operation for more than 10 years.
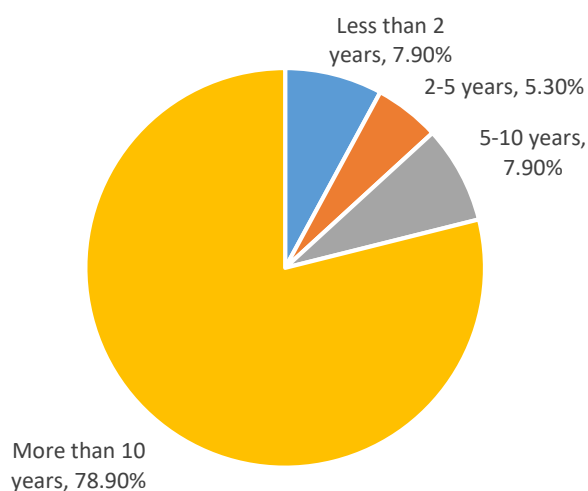

Figure 9: How long has your business been operating?

To ensure a reasonable cross section of employers from across the region the region was separated into Local Government Areas, being Broken Hill City Council, Central Darling Shire Council and the Unincorporated Area. Given the population of Broken Hill is approx. 82% of the regional population the mix of respondents appears very representative of the regions' population.
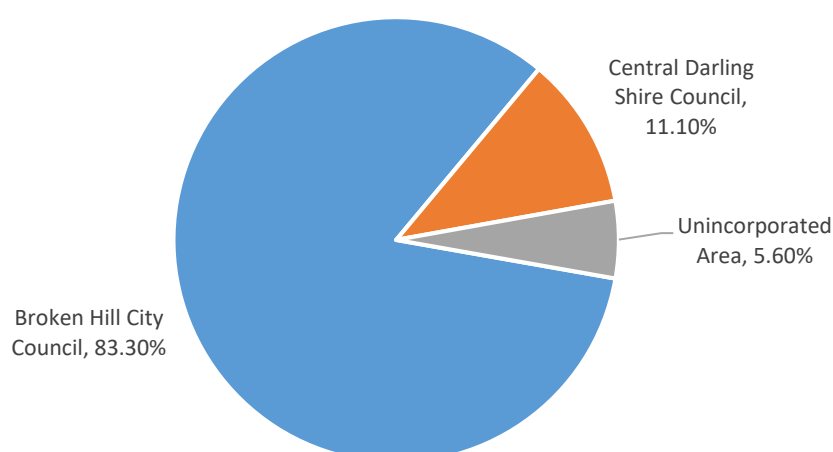

Figure 10: In which Local Government Area does your business operate?

Figure 11 below, indicates the breakdown of industry sectors respondents identified with and shows a reasonable cross section of the region's industry sectors.
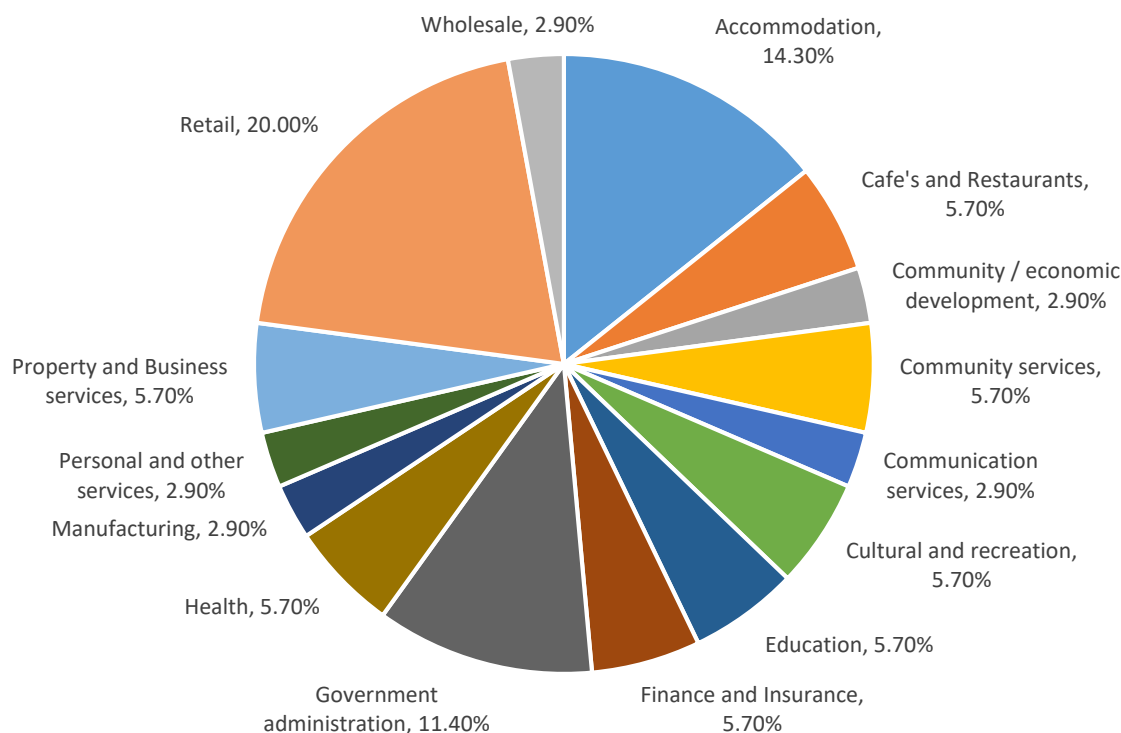

Figure 11: What is the primary industry area of your business?

4.2   Technology use in the region

Telecommunications, in particular, high speed broadband and mobile phone coverage has been highlighted as a barrier to growth in the region over an extended period of time. Respondents were asked about their use of technology, whether the organisation has a website, what the website is mainly used for and to what extend the organisation relied on electronic communications.

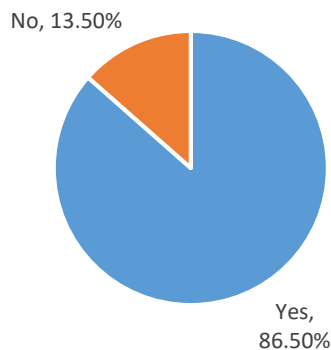*Figure 12: Does your organisation have a website?*

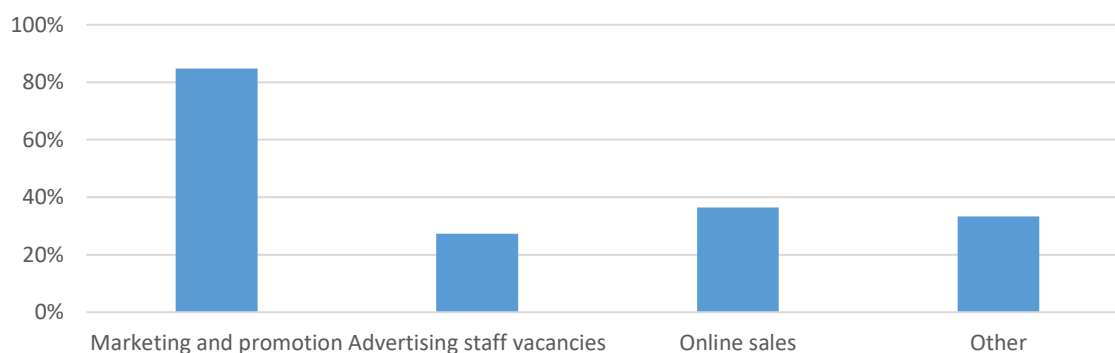*Figure 13: For what purpose does your organisation use its website?*

Figure 14: Where do you sell/market your goods and/or services?
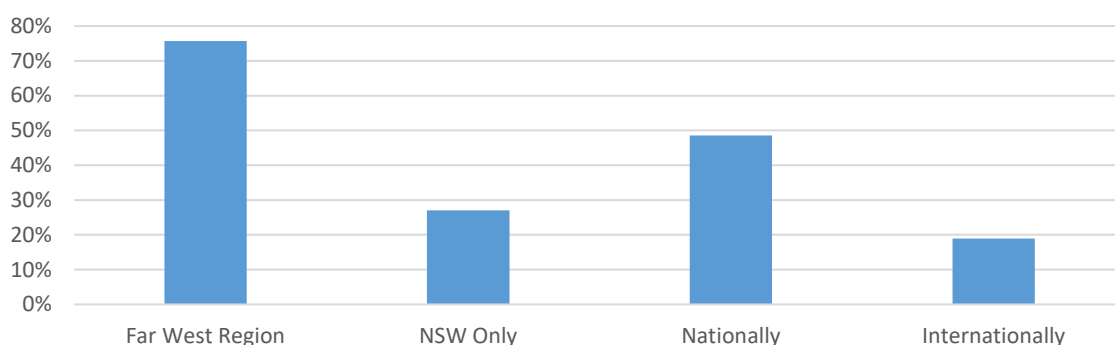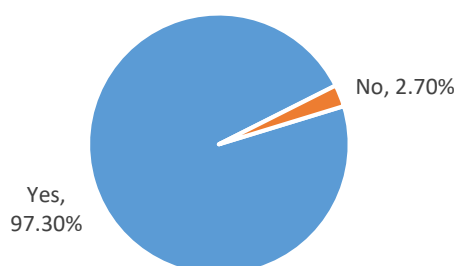

Figure 15: Does your organisation rely on electronic communication?

4.3   Growth Aspirations

A Workforce Planning and Development Strategy could be developed as the next stage of this project to position the region to take advantage of current and emerging growth opportunities. In order to do this, the survey sought to uncover the growth aspirations businesses in the region have. It found that there is a desire to grow, with many businesses across the region making plans to grow in the next five years. This is good news for the region and highlights underlying optimism on market opportunities in the region. However, whilst growth may be a focus for some, skills gaps, skills shortages and difficulties attracting and retaining staff appear to be hampering current performance and potentially having a negative impact on the ability of businesses to grow.

4.4   Plans for growth

Overall, just over half of the business surveyed plan to grow in the next 1-2 years with 80.8% planning growth over the next 10 years, suggesting a greater workforce demand.
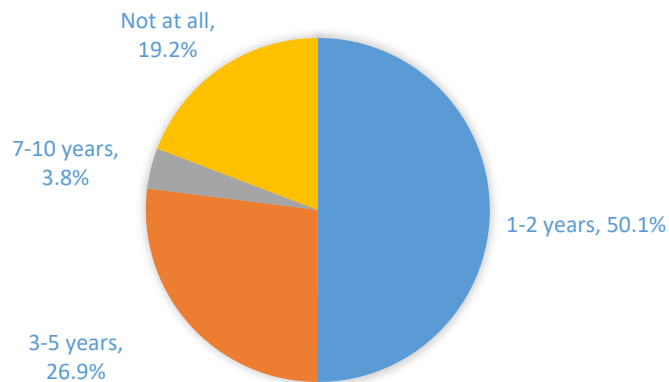

Figure 16: Do you have plans for your business to grow?

Of all the businesses planning to grow in the next 10 years 13.6% were planning for significant growth (more than double), whilst 63.7% were planning for moderate growth.
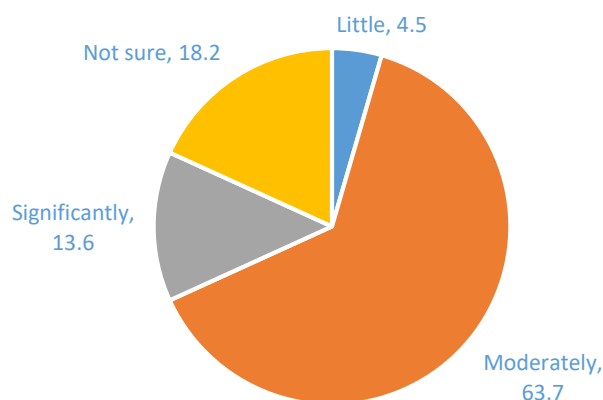
Figure 17: If you are planning for your organisation to grow to what degree are you planning to grow?

The businesses not planning to grow in the next 10 years were asked to indicate their intentions for the business. One in five (20%) of these business reported they planned to maintain their business at the current rate, with 1 in 5 (20%) reporting the business has reached maturity with little or no room for growth and another 20% planned to reduce staff in light of their financial circumstances.

Business planning to grow were positive about their growth opportunities despite facing recruitment and retention difficulties.

The businesses planning for growth were asked to identify any barriers to their planned growth. Respondents identified a range of barriers but 52.6% reported that they attract applicants but the people that do apply don't have suitable skills.

4.5   Current Workforce Demand

4.5.1   Recruitment

Respondents were asked about their current workforce demands and any difficulties they experienced recruiting staff over the past 12 months. More than 1/3 of businesses reported advertising a position in the past 12 months that they were unable to fill.
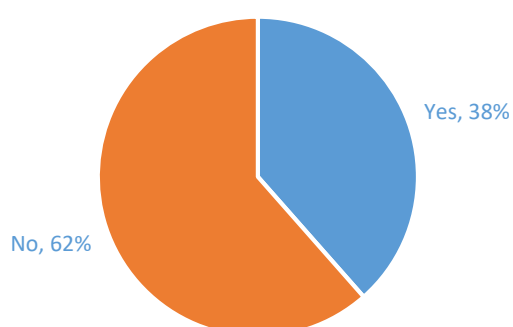
Figure 18: Have you advertised/promoted vacancies over the past 12 months and not been able to fill the position?

With more than 38% of respondents reporting difficulties recruiting staff in the past 12 months respondents were asked if they had promoted vacancies in the past 12 months and settled for an employee that didn't really meet expectations during the interview.
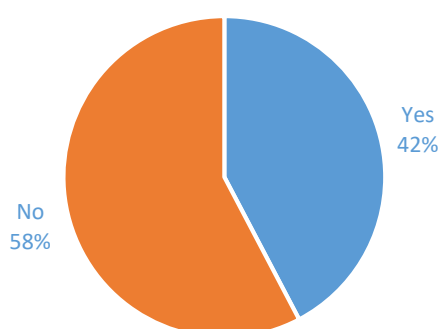

Figure 19: Have you advertised/promoted vacancies over the past 12 months and settled for an employee that didn't really meet your expectations during the interview, i.e. the best of the applicants

To assist with ascertaining skills gaps and shortages, respondents that reported difficulties in recruiting staff were asked to indicate the difficulties they had experienced in relation to a variety of different positions within their organisation.

Figure 20: Please indicate the level of difficulty your organisation has faced over the past 12 months in attracting suitable staff in the following areas.

The most difficult occupations to fill included;

- Managers and other professionals reported as difficult by 28% of respondents with another 14% reporting attracting managers and professionals as not easy.
- Accounting and finance were reported as difficult by 19% and not easy by another 14%
- Sales and marketing was reported as difficult by 20% and not easy by another 20%, and
- Administration was reported as difficult by 14.3% and not easy by another 23.8% of respondents

Respondents that reported recruitment difficulties were asked to indicate the main reasons for unfilled vacancies within their organisation. Respondents were presented with a series of statements and asked to what extent they agreed with each of the statements. A shortage of qualified applicants with specific and technical skills was reported, as was experience and applicants not being job ready. Interestingly a number of respondents reported a perception of a lack of services in the region as being a reason for unfilled vacancies.
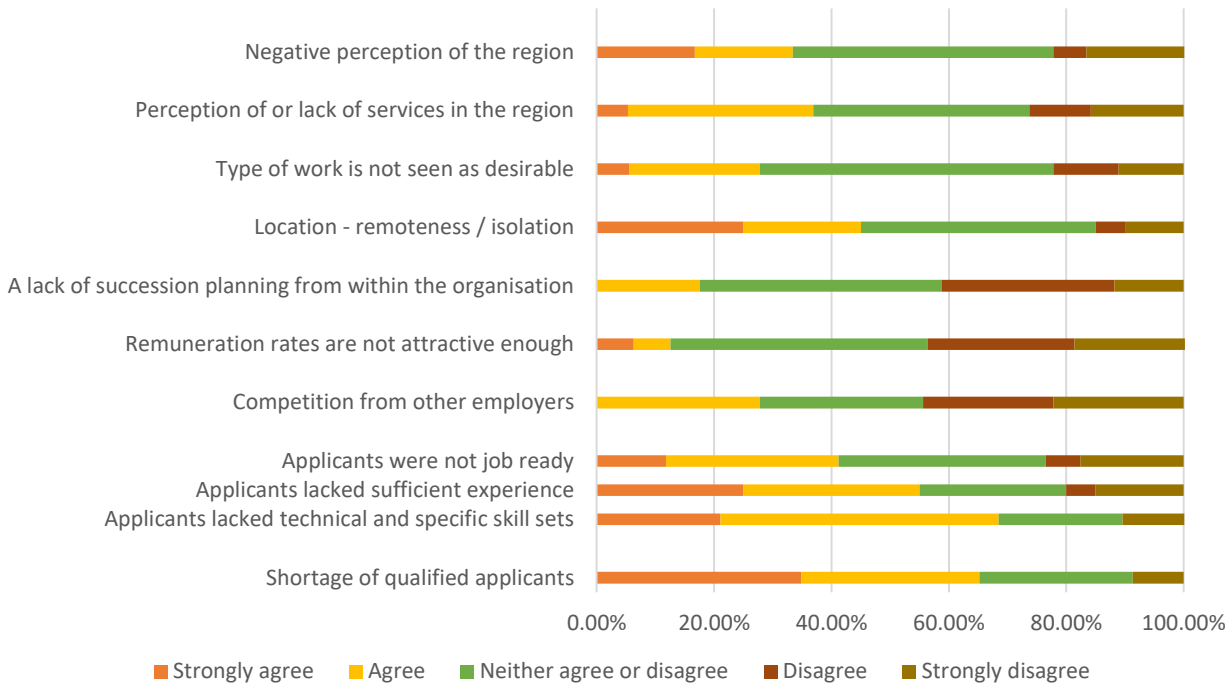
Figure 21: Please indicate to what extent you agree with the following statements. Unfilled vacancies within our organisation over the past 12 months are caused by;

To understand if the recruitment and attraction issues raised by employers across the region are isolated to the region and its immediate workforce, respondents were asked about their experience and perception of barriers when attracting suitable staff from outside of the region. Isolation and the region's location were highlighted by respondents (63%) as barriers to attracting suitable staff to the region whilst opportunities for employment for partners and spouses were raised by 40% of respondents.

Figure 22: From your experience what are the major barriers to attracting suitable staff from outside of the region?

'Other' barriers raised by respondents to this question included;

- A lack of things to do
- Suitable and affordable accommodation and child care options

4.5.2   Impact of recruitment difficulties

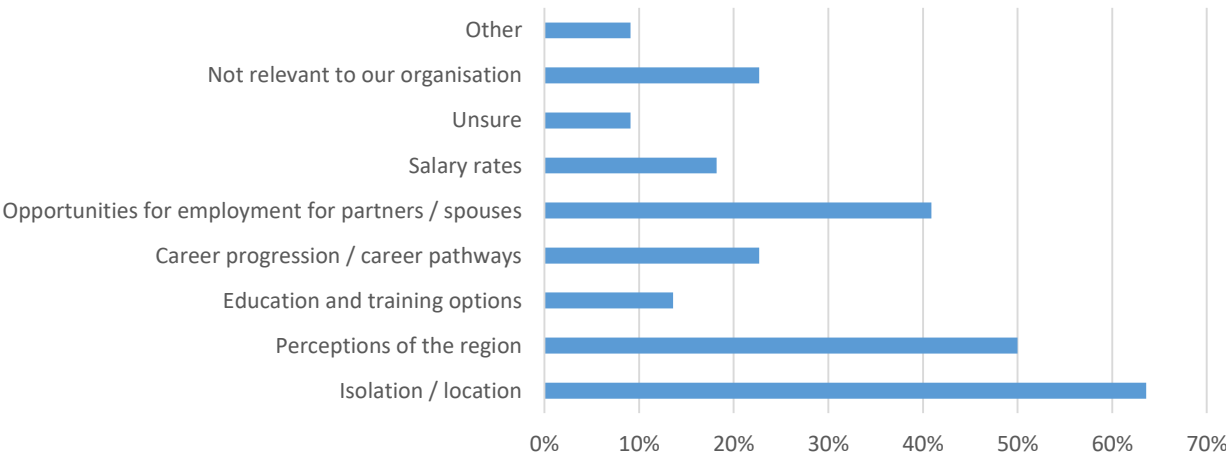Survey respondents that experienced difficulties in the past 12 months were presented with a series of statements and asked to what extent they agreed with each of the statements to indicate what impact these difficulties had on their business. More than 1 in 3 (37.5%) reported missed opportunities as a result of recruitment difficulties with 33.3% reporting low productivity as an impact of recruitment difficulties.

Impact	Percentage
Other	4.2%
Not applicable, we have experienced no difficulties	20.8%
No negative impacts	8.3%
Missed opportunities for growth	37.5%
Impacts on the organisation's viability	12.5%
Impacts on the organisation's credibility	29.2%
Failure to meet deadlines	4.2%
Additional operating expenses	4.2%
Lower quality of goods/services	25%
Delays in production or provision of goods/services	16.7%
Low productivity	33.8%

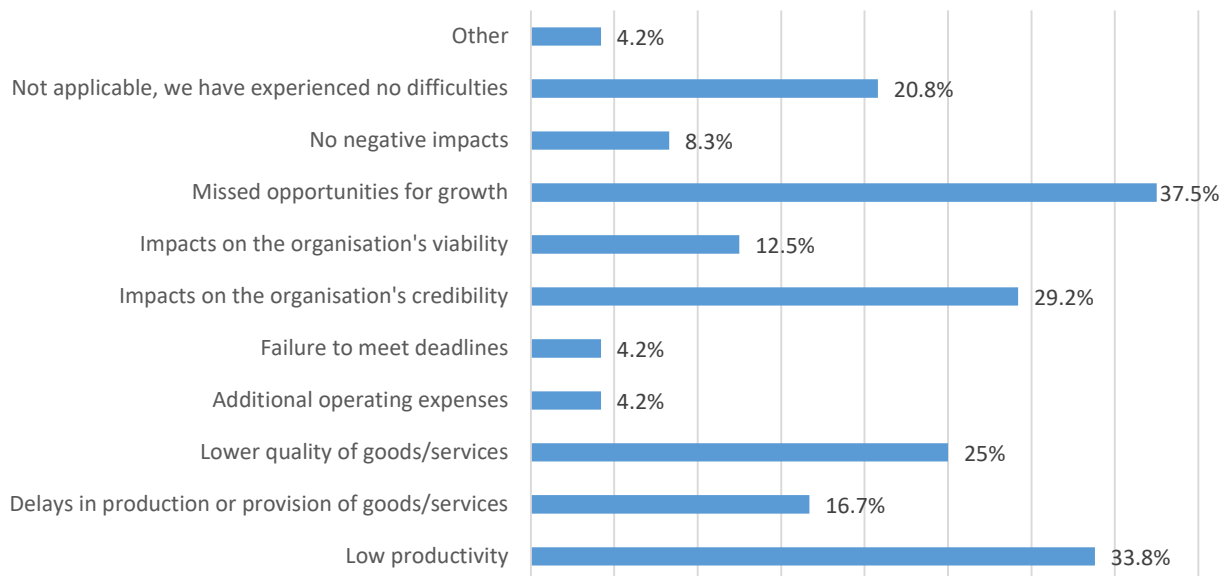*Figure 23: What impact has hard to fill vacancies had on your organisation?*

4.5.3   Retention of staff

Respondents were asked about both recruitment and retention difficulties with 30.8% of respondents reporting difficulties in the past 12 months retaining staff.
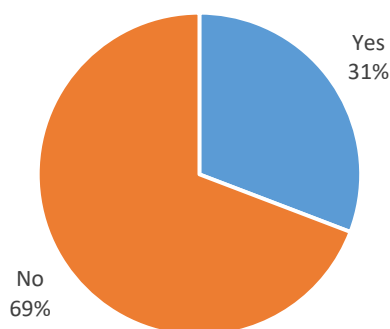
Response	Percentage
Yes	31%
No	69%

Figure 24: In the past 12 months have you experienced difficulty in retaining staff?

Of the respondents that reported retention difficulties in the past 12 months, 25% reported a higher than expected or wanted staff turnover rate.
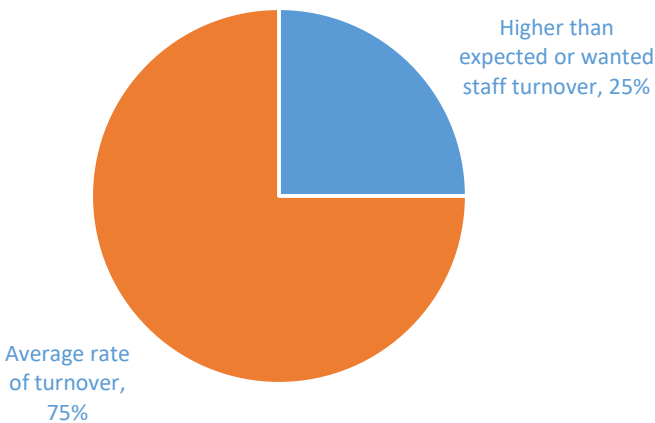
Figure 25: To what extent has your organisation experienced difficulties in retaining appropriately skilled staff in the past 12 months? Are you experiencing what you consider to be higher than wanted or expected staff turnover?

With 25% of respondents reporting higher than expected staff turnover in the past 12 months respondents were asked what they believed were the main reasons for staff voluntarily leaving their organisation.

As shown in figure 26 below, 43.5% of respondents reported family reasons as a main contributor to staff voluntarily leaving their organisation.

Figure 26: What do you believe are the main reasons for staff voluntarily leaving your organisation?

4.6   Future workforce demands

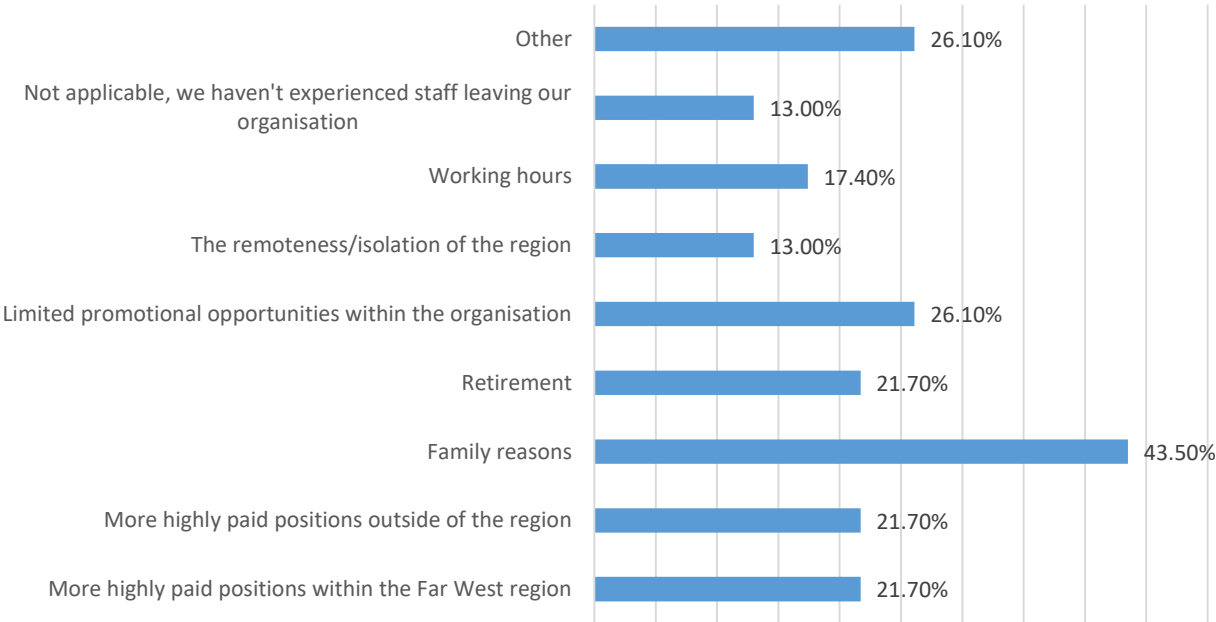The survey asked respondents to consider what skills and positions they envisioned being required in the next 5 years, including what priority their organisation was currently giving to managing skill shortages in the future.

Respondents reported a number of expected skill areas that would be required in the next 5 years, including;

- 43% of respondents reporting information technology
- 39% reported accounting and finance
- Another 39% reported administration, and
- Managers and other professionals were reported at 35%
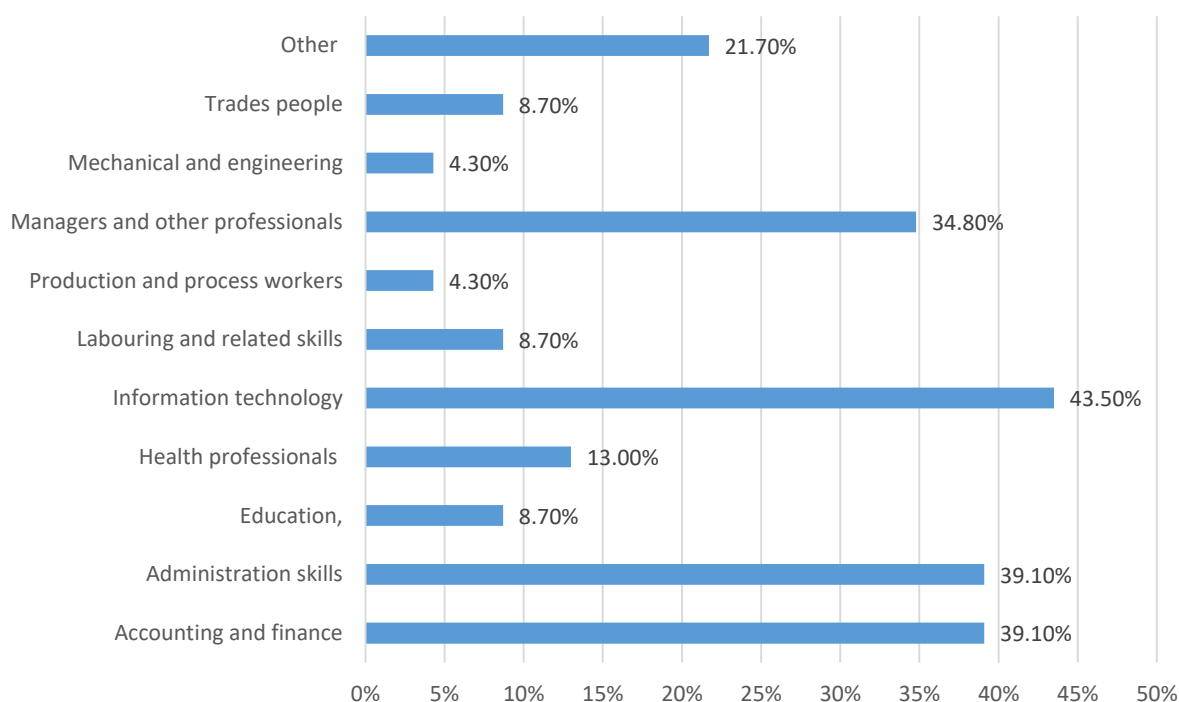
Figure 27: What skills and positions do you envision being required in the next 5 years?

In several categories, respondents were asked to further clarify the type of skills within an industry sector. The responses included;

- Education – teachers, tutors and academics
- Health – dentists, nurses and doctors
- Managers and other professionals – assets managers, project managers, business management, senior executives and strong leaders
- Other – care workers, customer service, retail sales and tour guides

In light of the reported issues in attracting and retaining suitable staff, respondents were asked what priority their organisation placed on managing skill shortages. Of interest is the fact that only 4% of respondents reporting managing skill shortages as a high priority within their organisations and 28% reported managing skill shortages as a low priority, curiously 32% stated it was not relevant.
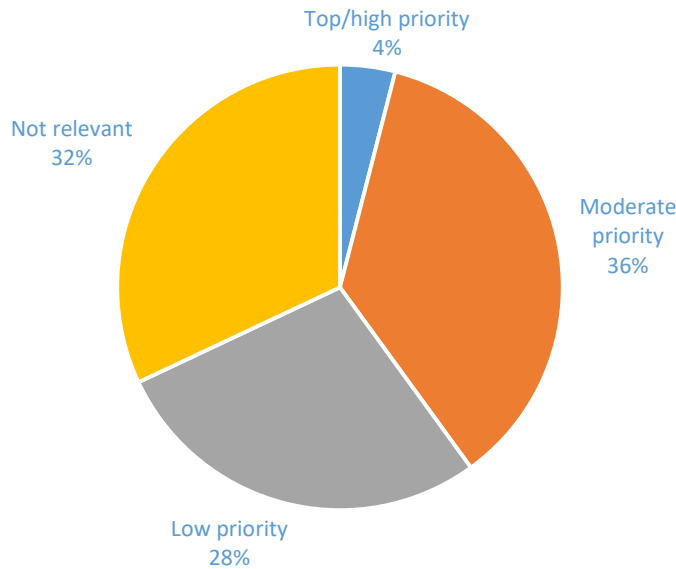
Figure 28: What priority is your organisation currently giving to managing skills shortages in the future?

4.6.1   Promoting future opportunities

To gain a better understanding of the strategies employed to promote staff vacancies respondents were asked about how they advertise staff vacancies. Over 61% of respondents reported using only the local media to promote vacancies and interestingly 42% relied on word of mouth and another 11% waited until they were approached.

Figure 29: When you require new staff how do you advertise staff vacancies in your organisation or attract new staff members?

To better understand the adjustments regional businesses have made to attract and retain staff members, respondents were asked about the adjustments and strategies they have employed to assist. Flexible working hours appear to be the most common adjustment local employers have made to suit their staff with 46% reporting they had introduced flexible working condi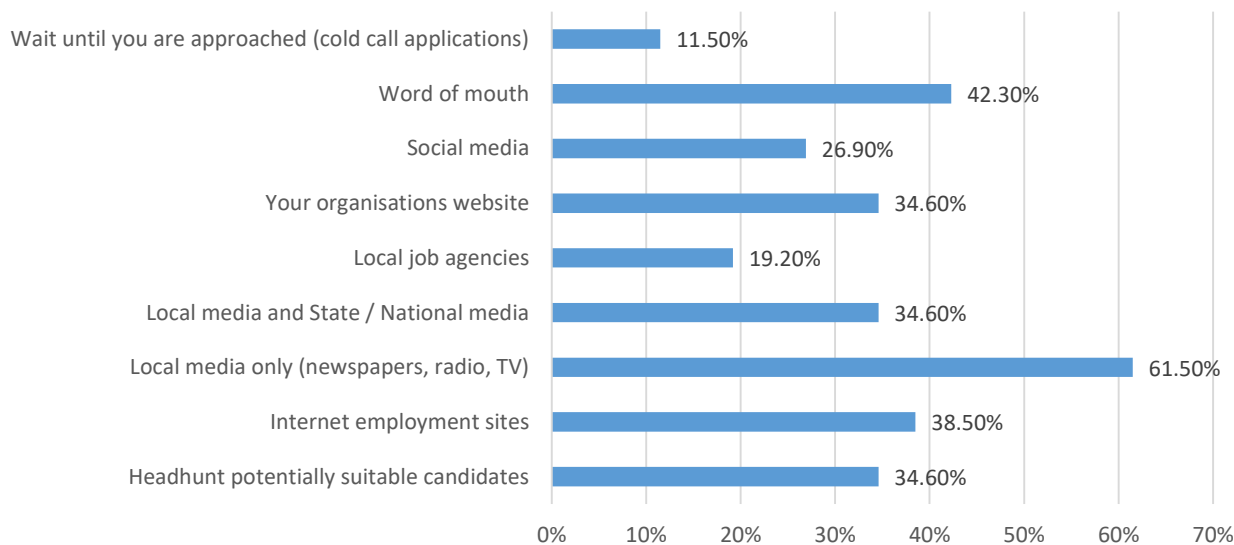tions, whilst another 34% reported providing in-house training to increase the skills of their existing staff. Of interest was the 34% of respondents that reported doing nothing as attracting and retaining staff was not an issue for them.
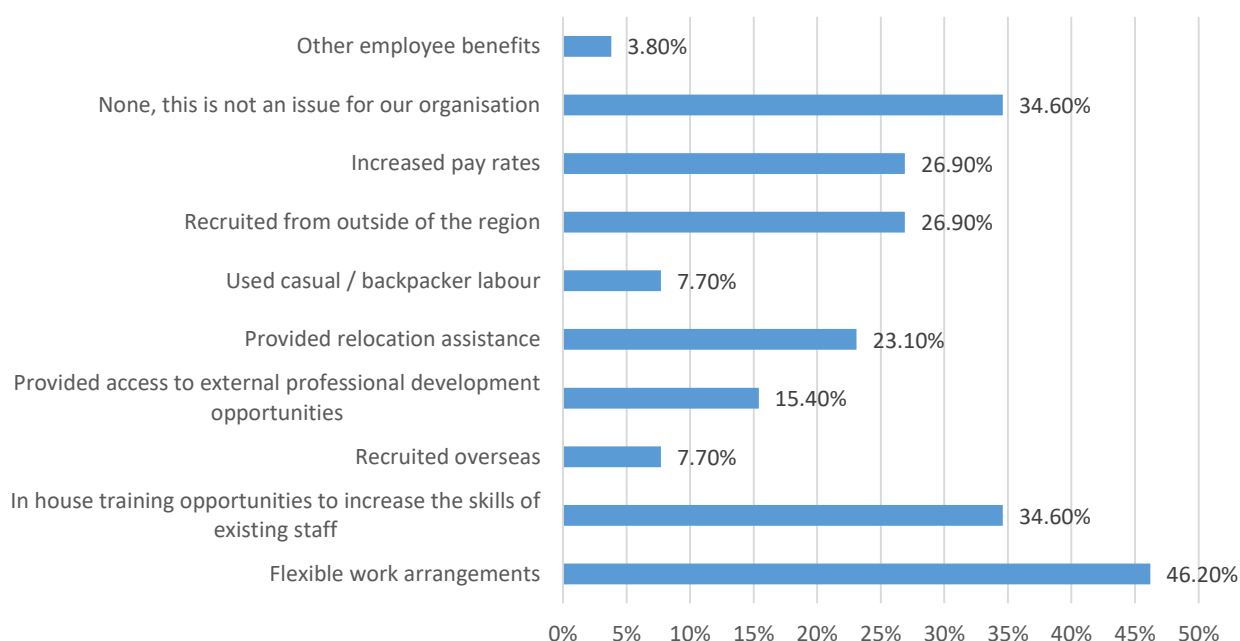
Figure 30: What adjustments / strategies have you introduced to assist with attracting / retaining staff?

To ensure a comprehensive picture of the adjustments some employers had made an 'other employee benefits' section was included with respondents that selected this option asked to clarify their response. Of the 3.8% of respondents that reported other strategies all included accommodation and or food packages as part of their strategies to attract and retain staff.

As employees increasingly look for an employer of choice, the survey asked respondents what value they placed on being an employer of choice. Almost 68% of respondents reported being an employer of choice as important or very important.
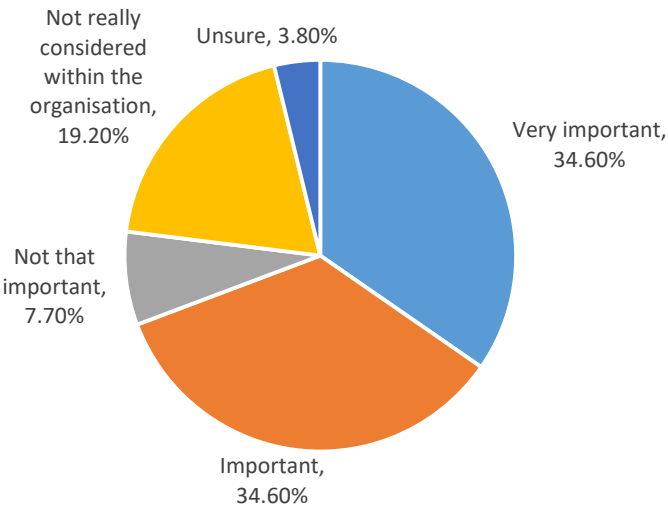
Figure 31: What importance does your organisation place on being an employer of choice?

4.7   Current employment v's future employment

Respondents were asked about their current workforce to build an understanding of the demographics of employees they currently employ and who they may consider employing in the future. When asked if they employed apprentices, trainees or school based trainees, surprisingly, with the reported skill shortages and difficulties attracting staff, 69% stated they employed no apprentices, trainees or school based trainees.
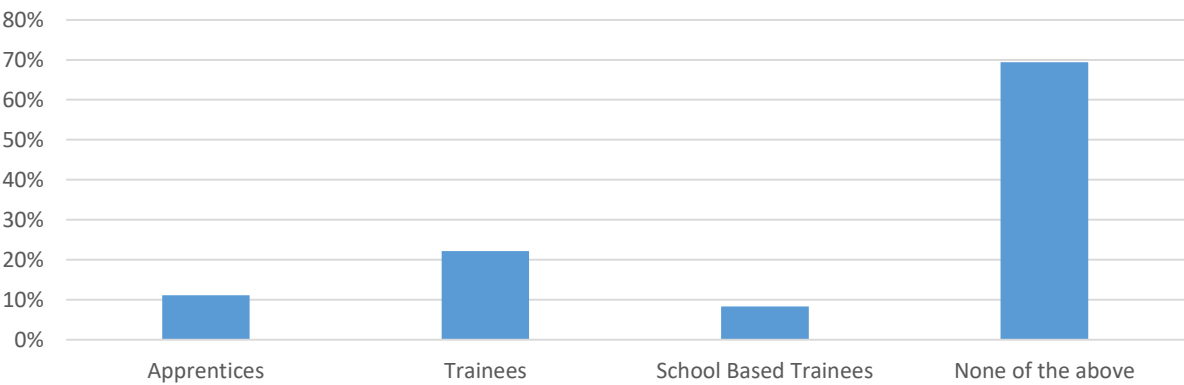
Figure 32: Do you currently employ any of the following?

Respondents were asked about the demographics of staff they were willing to employ when looking for new staff. People aged 25-45 were the most popular group with 92% of respondents willing to employ people in this category. Pleasingly, a high percentage of respondents reported being willing to employ across most groups, however, people requiring a significant investment in training and development to reach the required level were not a popular option with only 3.8% willing to employ this group.
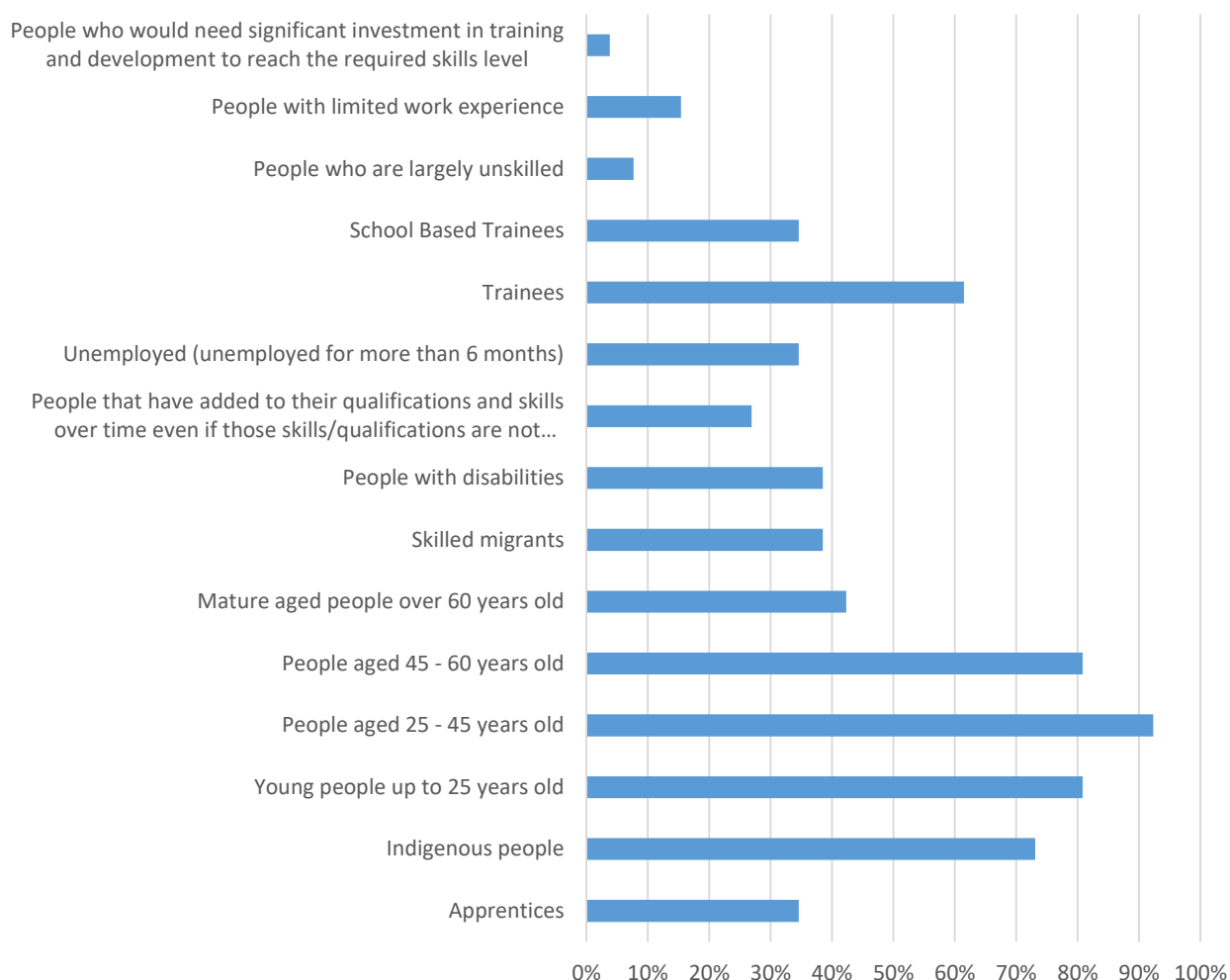
Figure 33: When looking for new staff would you employ?

4.8   Training and education

To understand education and training expectations, respondents were asked a series of questions about their satisfaction with current training and professional development options available to them, how engaged they are with them and what would ideally suit their circumstances.

Just over half, 55% of respondents were satisfied with the training and professional development options available to their current workforce, with almost 68% stating that accredited training was required within their workplace.

4.8.1 Satisfaction with current training options
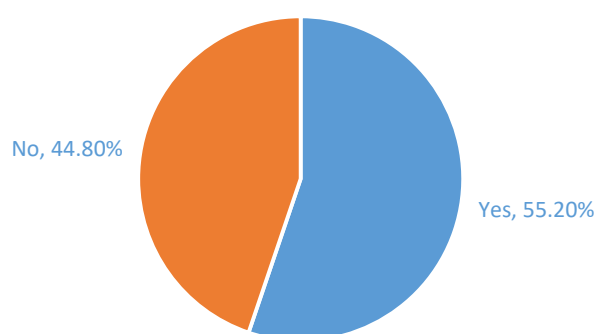
Figure 34: Are you satisfied with the training and professional development options available for your current workforce?

Respondents that replied they were not satisfied with current training options were asked to identify what training is required. Responses include;

- More comprehensive TAFE offerings
- Generic customer service workshops
- Affordable forklift training options
- Workplace skills including; time management, conflict resolution
- Improved hospitality training and options to extend training to include further skillsets
- Advanced vocational training
- Tertiary qualifications
- Event development
- Legal training
- Tour guide accreditation

4.8.2 Accredited v's non accredited training

Respondents were asked to think about the training they required in their organisations and if accredited training is required.
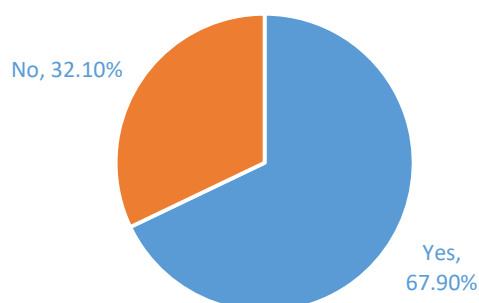
Figure 35: When you think about the training and professional development for your organisation, is accredited training required? That is training that provides a recognised qualification upon completion.

4.8.3 Training needs

To ensure the region builds an understanding of the training that businesses consider important respondents were asked about the most important training needs for their organisation. More than 2 in 3 respondents (67%) considered soft skills training to be the most important to them.
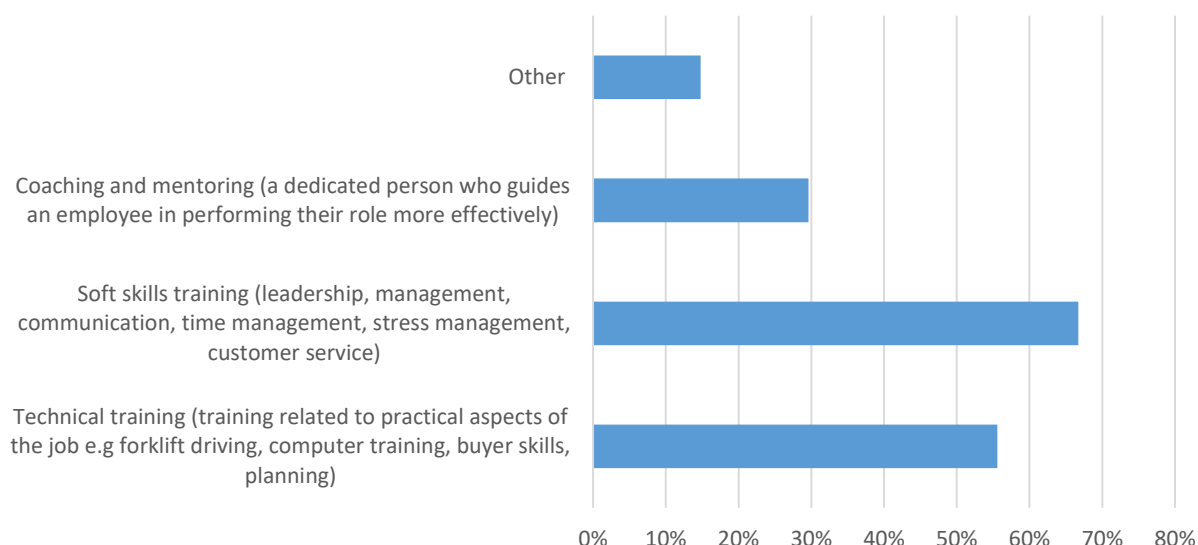
Figure 36: What are the most important training needs for your organisation?

Respondents who included 'other' were asked to clarify the most important training to ensure their requirements were understood. Responses included;

- Compliance
- Tourism excellence
- Legislative requirements
- Customer service

Whilst online and distance training models are becoming more prevalent, the model doesn't suit all learners and all businesses, respondents noted the current internet access of the region was also not conducive to online learning in many cases. Respondents were asked about the training options that would suit their businesses, with more than 3 in 4 respondents reporting face to face training most suitable for their organisations and another 51% were seeking short workshops.
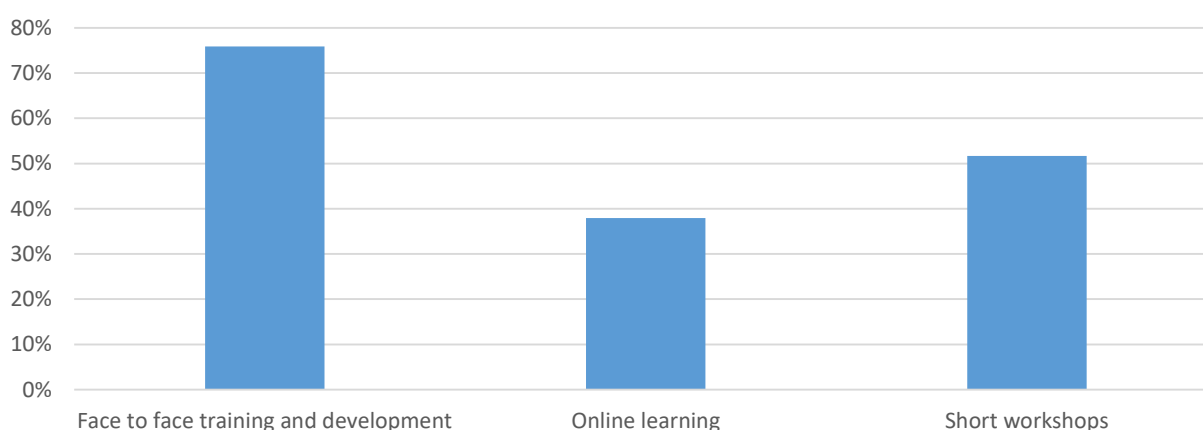
Figure 37: What training options would suit your organisation?

Respondents were further asked about their current relationship with training providers, over 55% of respondents reported having a relationship with a training provider, yet despite having a relationship with their training provider less than 17% of respondents believed training in the region aligned with the skill requirements of the region.
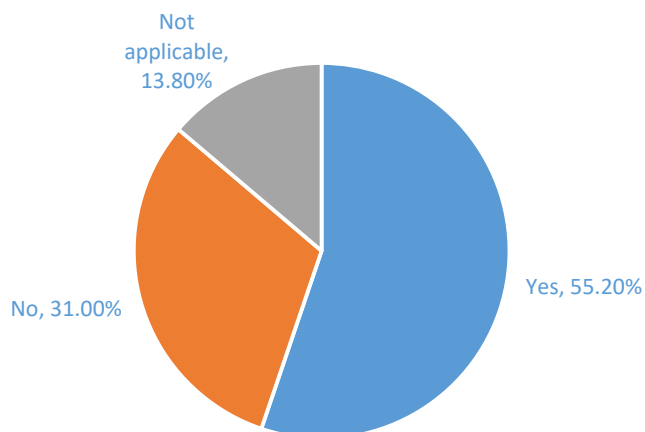
Figure 38: Does your organisation currently interact / negotiate / have a defined partnership with any training providers to develop suitable training programs for your staff?

4.8.4   Paying for training

Respondents were asked about their attitude towards paying for training and professional development for their staff, more than half stated they were prepared to pay for training, interestingly 10% were not prepared to pay for training and professional development for their staff.
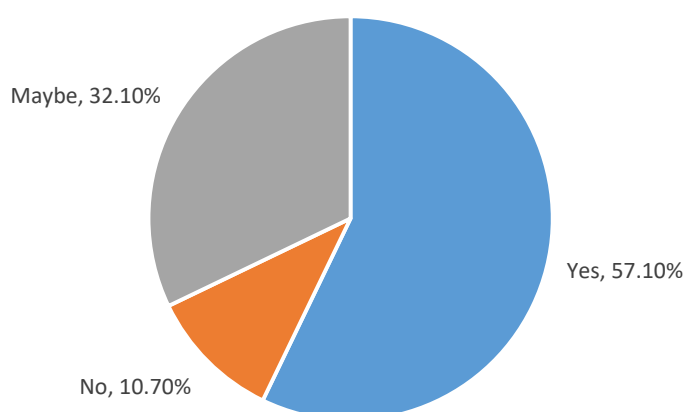
Figure 39: Are you prepared to pay for training and professional development for your staff?

4.8.5 Assistance for training

The survey asked respondents to identify the types of assistance offered by their organisations in relation to staff training and professional development, with almost 85% offering on the job training.
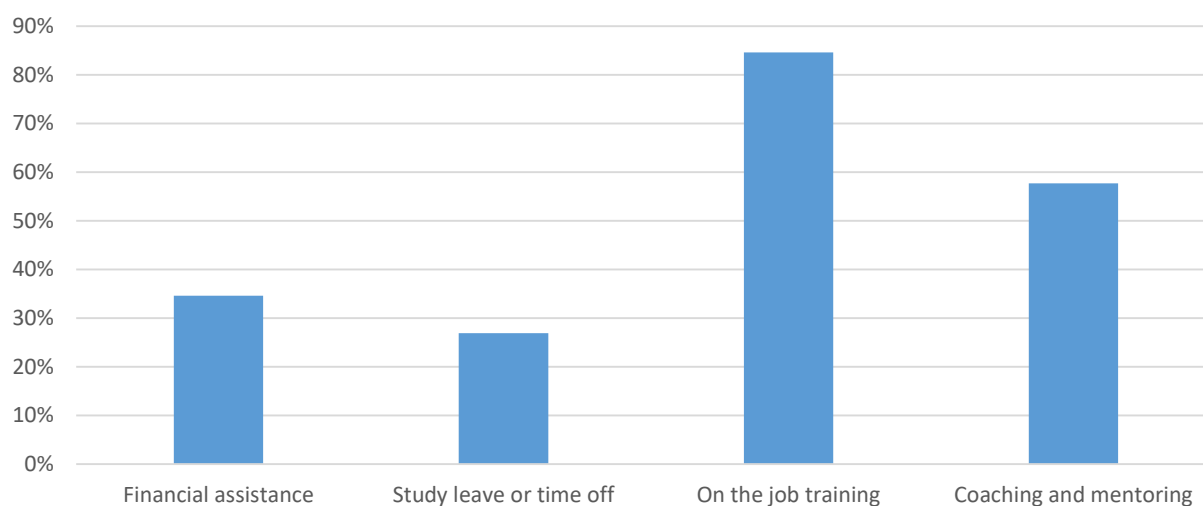
Figure 40: What type of assistance does your organisation offer staff for professional development / training?

4.8.6 Training for skills or training for the sake of training?

The survey asked about the respondent's perception of training available in the region and if that training aligns with the required skills in the region. Only 18% of respondents believe training aligns with skill needs and 1 in 2, 50% were unsure.
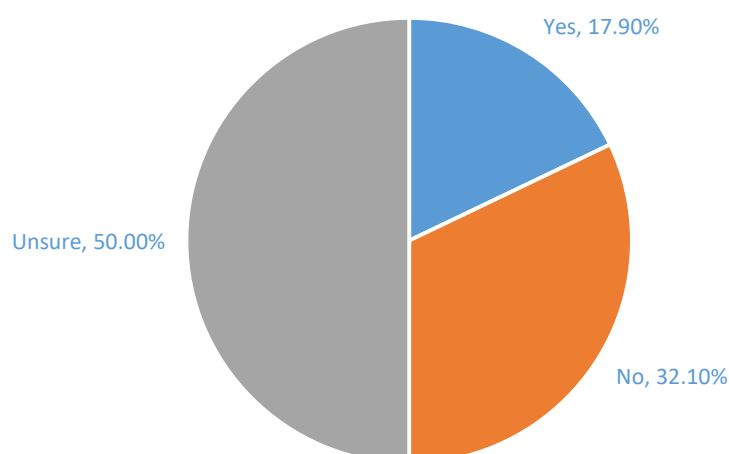
Figure 41: Thinking of the current education, training and professional development opportunities within the region do you feel the training/opportunities provided aligns with the required skills in the region?

With only 18% of respondents stating they believed current training aligned to the region's skill requirements, it was important to understand their level of confidence that future training needs, over the next 5 years would be met within the region. More than half of the respondents were not confident training needs would be met, and less than 7% were very confident.
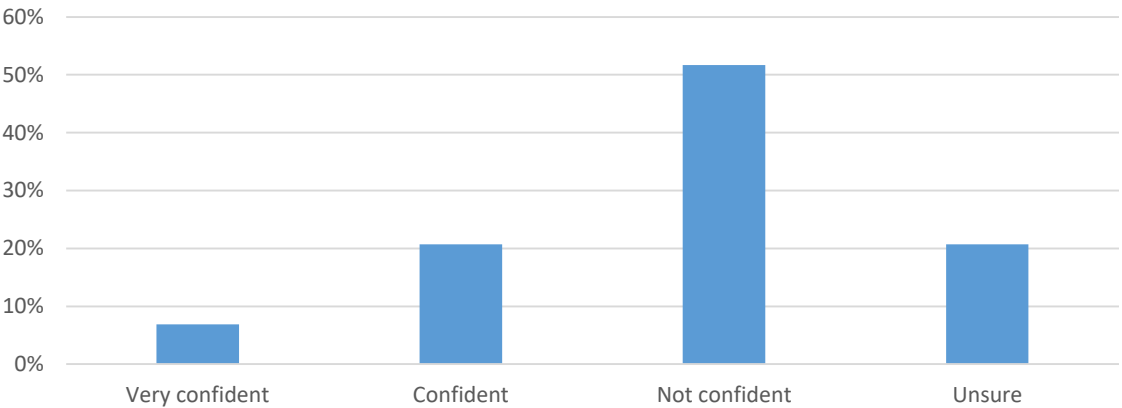
Figure 42: How confident do you feel that your organisation's education and training needs over the next 5 years will be met within the Far West region?

Respondents were further asked about the current training offered within their organisations. Customer service is reported as being offered by the majority of businesses with 55% offering customer service training, followed by technical and sales training at 33% respectively.
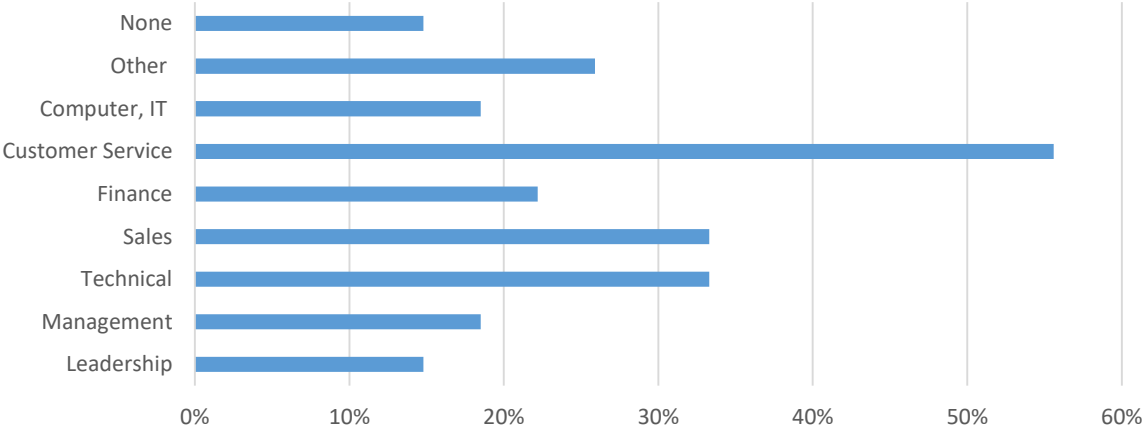
Figure 43: What training is currently offered by your organisation?

As with all questions where 'other' was an option, respondents were asked to further clarify their responses of other. In this case 'other' responses included;

- Outlook, Word, MYOB
- Commercial cookery
- Health
- Research skills
- Task specific training on the job

4.9   Customer Service

Customer service standards have long been raised as an area for improvement across the region. The survey asked respondents whose role it is to set and maintain customer service standards within their organisation, over 57% reported that everybody within the organisation is responsible for setting and maintaining customer service standards.
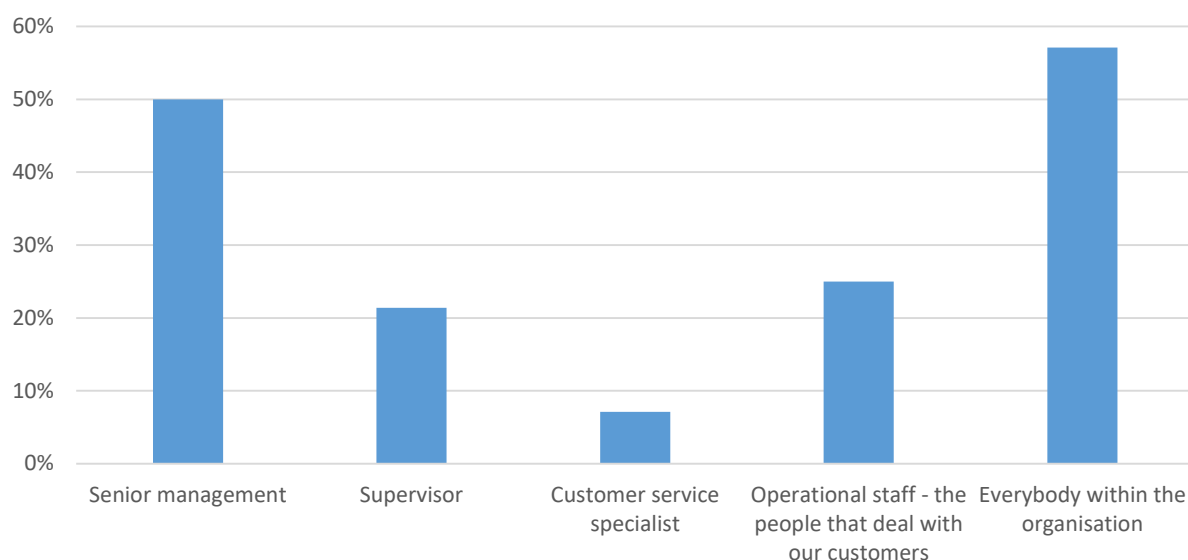
Figure 44: In your organisation whose responsibility is it to set and maintain customer service standards?

4.9.1   Measuring customer service

Respondents were asked about measuring and monitoring customer service standards in their organisation, 48% of respondents reported customer service standards are regularly measured but 22% also reported customer service standards are not measured or monitored.
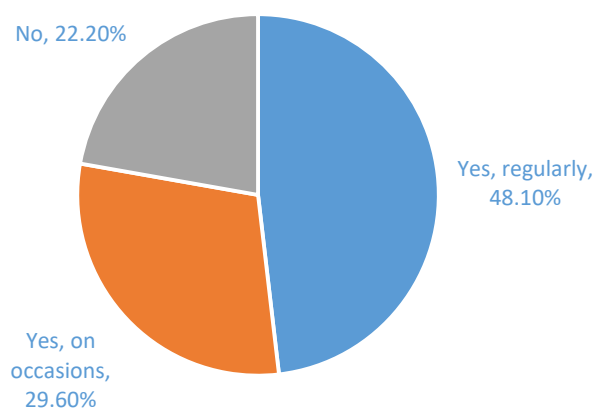
Figure 45: In your organisation are customer service standards/ principles measured and monitored?

4.10 Barriers to growth

Figure 46 below, outlines the fundamental barriers to growth as identified by respondents. More than 1 in 2 (52%) responded that they are able to attract staff but the people they attract don't have the required skills.
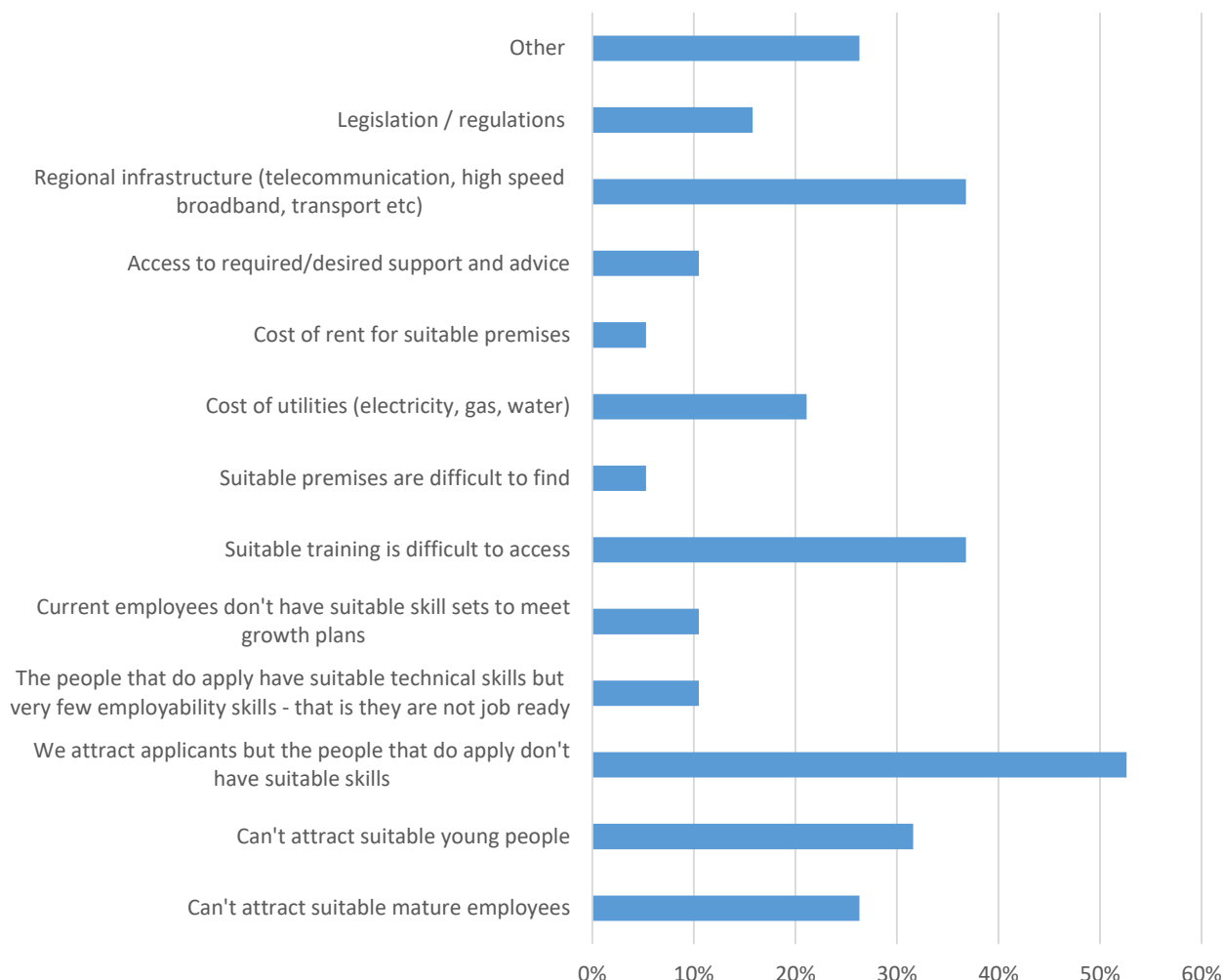
Figure 46: If you envision your organisation growing are there any fundamental barriers?

Again, several questions sought further information from respondents, responses included;
Regional Infrastructure
- High Speed Broadband
- Appropriate transport and flexibility for tourists
- Poor bandwidth effects delivery
- Improved IT assistance and support

Legislation / Regulations
- Highly legislated industry sectors are restricting growth opportunities

Other
- Attracting people with the right skills interested and willing to live in regional Australia
- Lack of flexibility with regards to transport services, trains, bus and the expense of flights
- Major industry reforms

4.11   Required support

Respondents were asked to identify any areas they required support or information. Business leadership identified as the highest support required with 41% of respondents identifying this area and 35% identifying succession planning.

Figure 47: Thinking about some of the challenges you may face over the next 5 years in attracting and retaining suitable staff would you like information or assistance with any of the following?

To further identify any required support and assistance respondents were specifically asked if they were interested in information or advice about recruiting and retaining Aboriginal and/or Torres Strait Islander people, people with disabilities and young people straight from school.

More than 70% of respondents stated they are interested in further information and advice around employing Aboriginal and Torres Strait Islander people and young people straight from school.
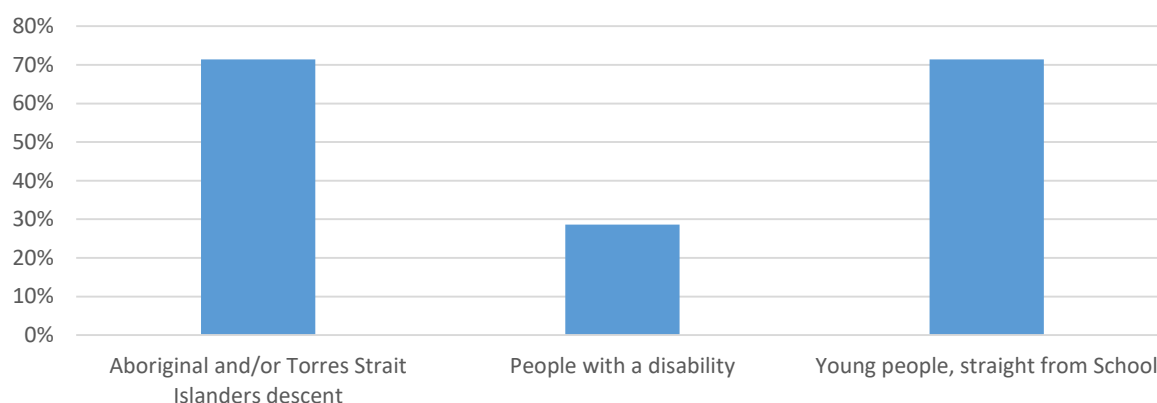
Figure 48: Would your organisation be interested in getting information or advice on how to recruit and retain any of the following groups of people?

4.12   Generic employability skills

Employability skills are those skills necessary for getting, keeping and being successful in a job.

While education and experience may make people eligible to apply for a job, to be successful in the role employees need to exhibit a mix of skills; 'employability skills'. This means that the specialist and technical skills associated with different roles may be less important than the 'soft skills' that can be transferred between different jobs and different employment sectors.

For employers, getting the right people means identifying people with the right skills and qualities to fulfil the role and contribute to the organisation's success. Candidates may have the qualifications and 'hard skills' needed to be able to manage the job role but, without a well-honed set of 'soft skills', employers are less inclined to hire.

Employability or 'soft skills' are the foundation of career building blocks and they are frequently referenced in the media as lacking in school-leavers, graduates and those already in employment. Many organisations spend a lot of time and money training staff, not in job specific areas but in general and basic skills.

The survey briefly asked respondents about their satisfaction with employability skills but focused a greater emphasis on the importance employers place on them.

4.12.1 Communication

Communication is probably the most sought after skill by most employers and involves elements such as being a good listener, expressing yourself clearly and in writing, explaining things to people from different backgrounds and presenting a clear case.
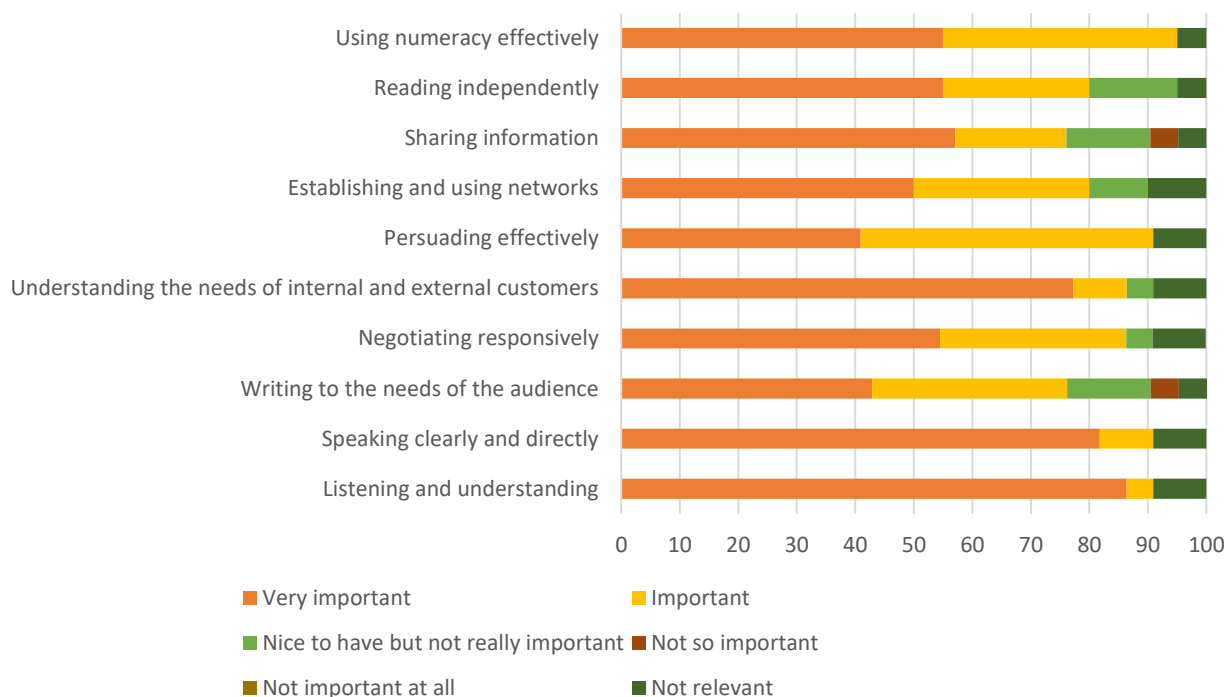
Figure 49: Communication that contributes to productive and harmonious relations between employees and customers

4.12.2 Team work

Team work involves working well with others to achieve results and recognising the value of other people's contributions and ideas.

Figure 50: Team work that contributes to productive working relationships and outcomes

4.12.3 Problem solving

Problem solving involves being able to offer a solution to a problem by analysing a situation and working out how to arrive at a favourable outcome. It often involves making optimum use of available resources and enlisting others to achieve an outcome.
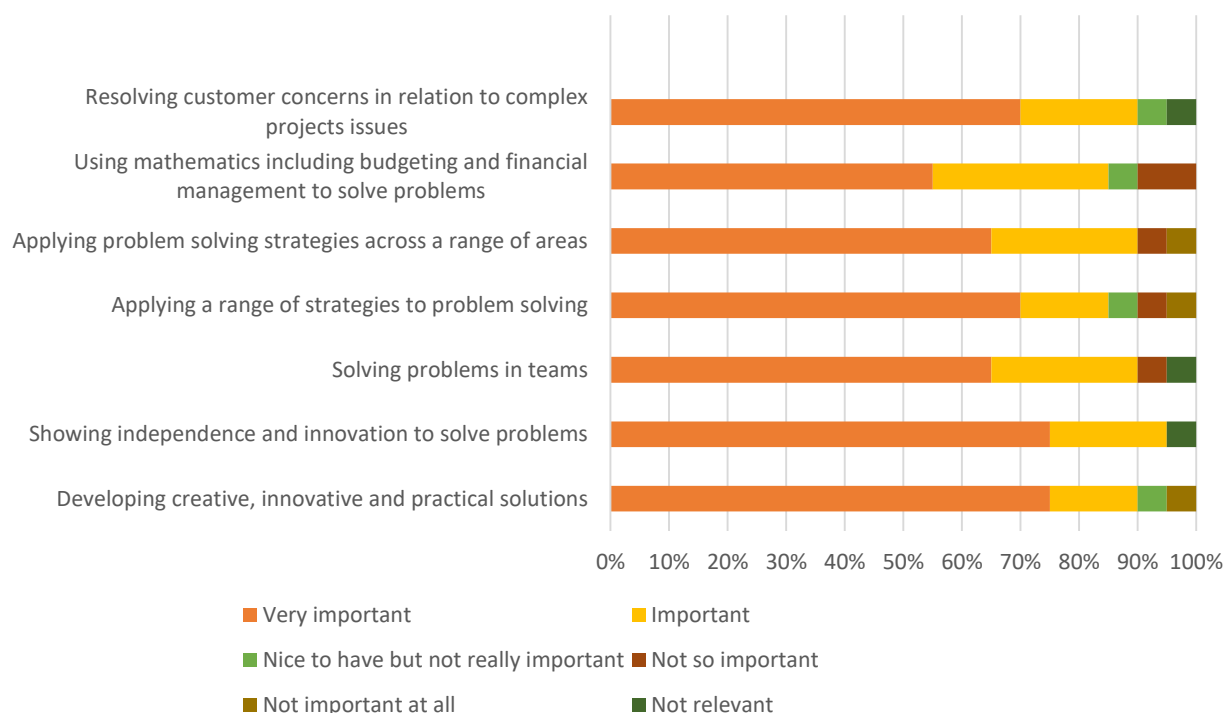
Figure 51: Problem-solving that contributes to productive outcomes

4.12.4 Personal and social responsibility

Refers to the ability to be able to apply equity values and a sense of social responsibility, sustainability and sensitivity to other people's cultures and the environment.
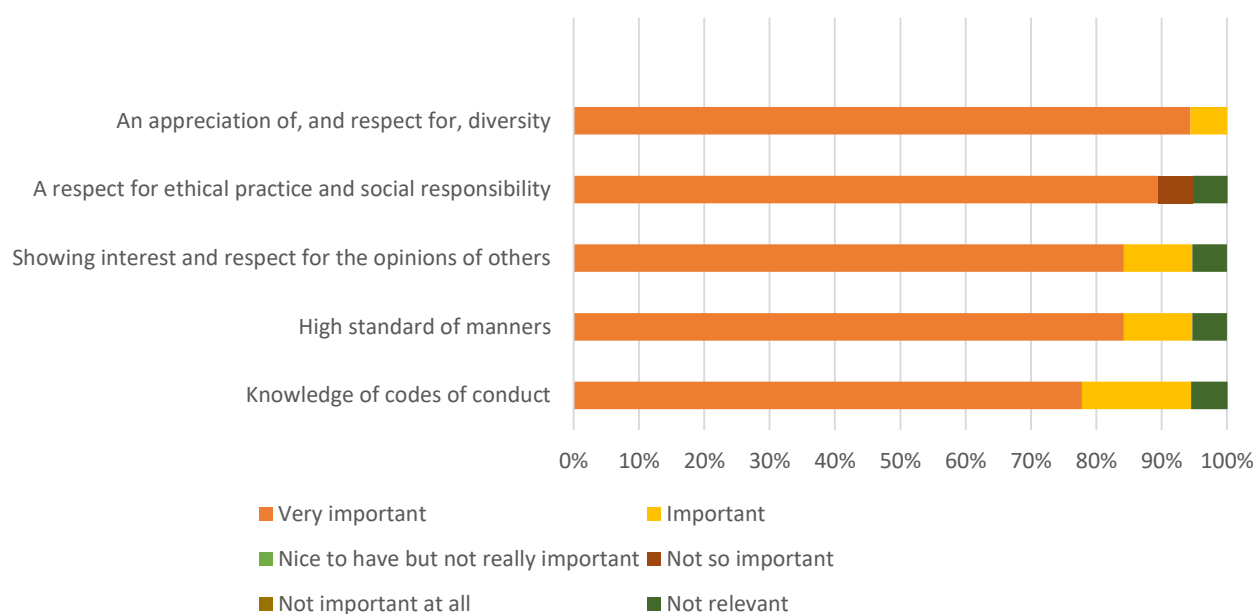
Figure 52: Personal and social responsibility

4.12.5 Initiative and enterprise that contributes to innovative outcomes

Involves being able to see innovative ways of doing things, seizing opportunities, and taking initiative. It may involve a different way of looking at a situation or the addition of a new idea to improve or streamline an existing process.
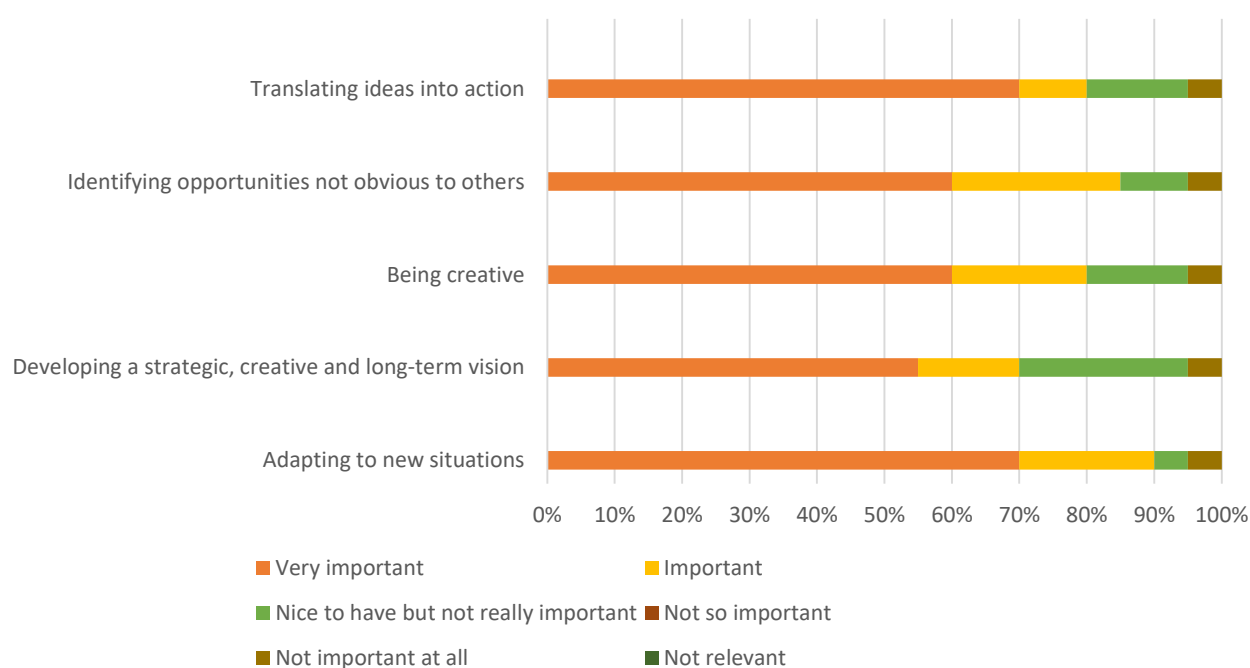
Figure 53: Initiative and enterprise that contributes to innovative outcomes

4.12.6 Planning and organising that contributes to long and short term strategic planning

The ability to identify what is required in a given situation and to manage people and resources effectively to achieve results. It also involves being able to manage time efficiently and prioritise what tasks need to be done to achieve an overall goal.
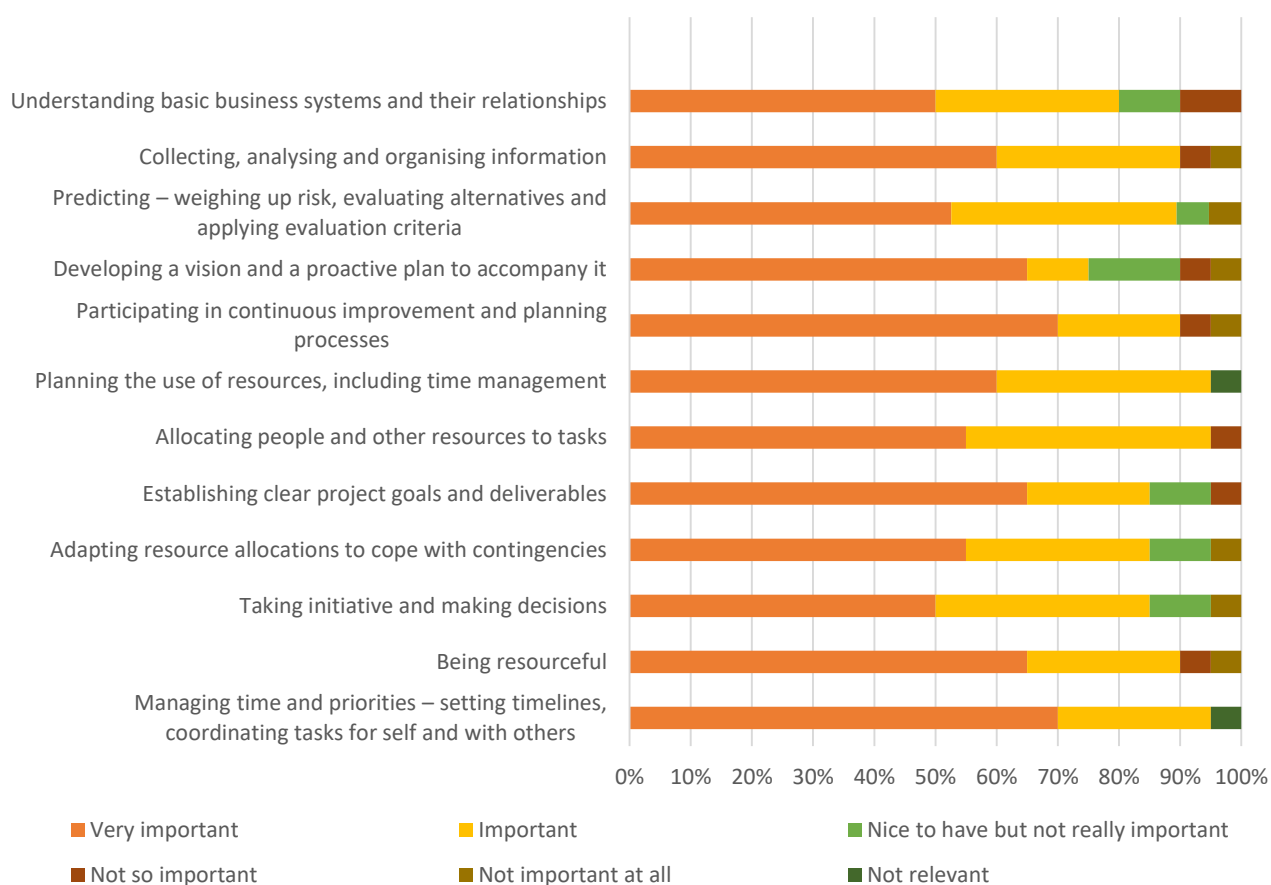
Figure 54: Planning and organising that contributes to long and short term strategic planning

4.12.7 Self-management that contributes to employee satisfaction and growth

Referring to the ability to take responsibility for your own actions and life direction, and to set goals and successfully achieve them. It involves setting achievable goals and using time and resources effectively to achieve them.
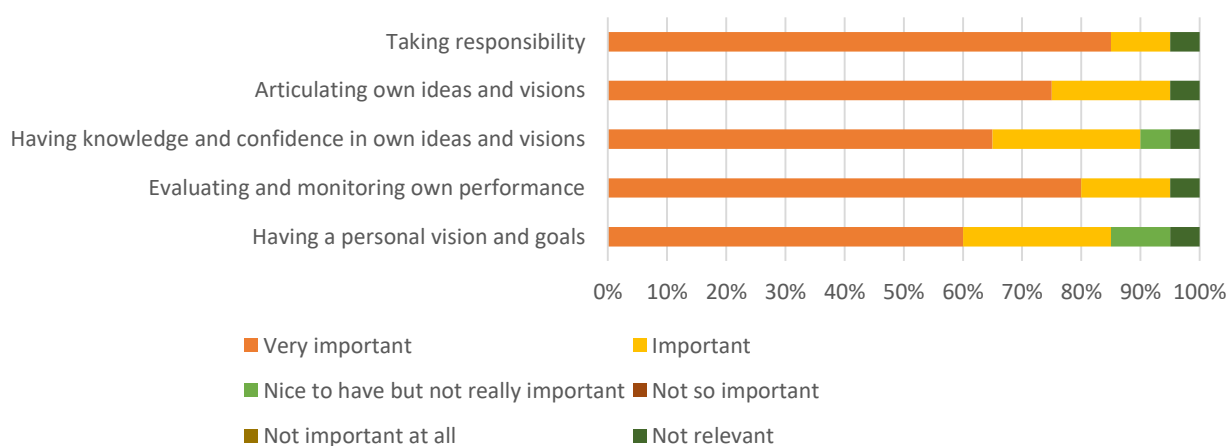
Figure 55: Self-management that contributes to employee satisfaction and growth

4.12.8 Learning that contributes to ongoing improvement and expansion in employee and company operations

Referring to the ability to manage one's own learning and contribute to ongoing improvement and expansion of knowledge and skill sets. This also refers to one's ability to learn workplace skills and expectations specific to the organisation.
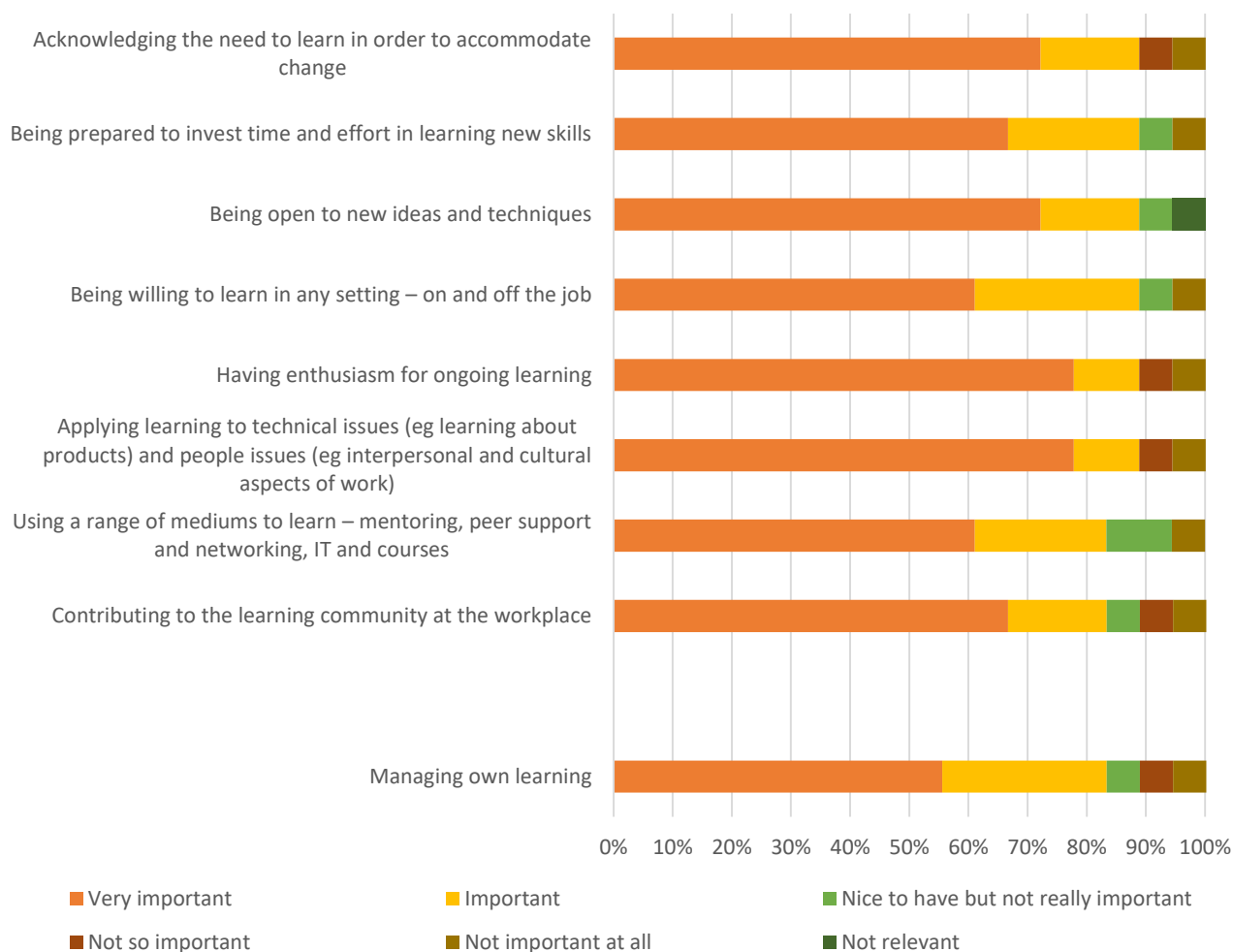
Figure 56: Learning that contributes to ongoing improvement and expansion in employee and company operations

4.12.9 Technology that contributes to effective carrying out of tasks

Describes the ability to keep abreast of current technology and apply it to problems, as well as the ability to embrace life-long learning in the field of technology.
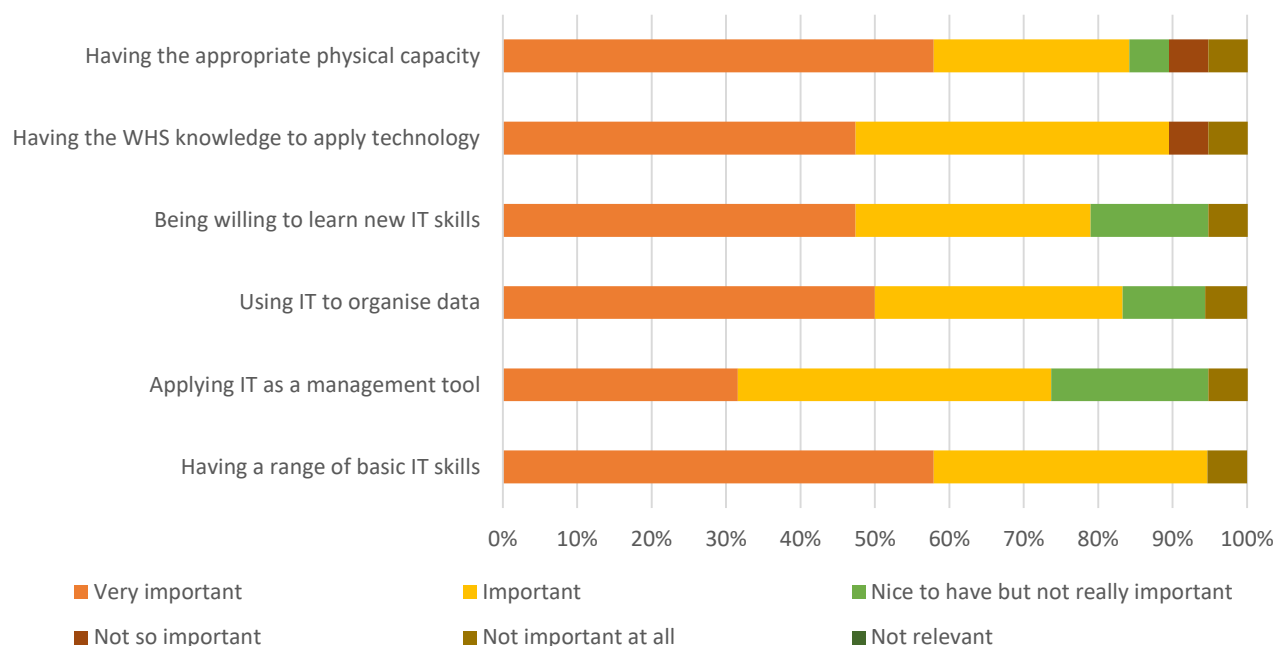
Figure 57: Technology that contributes to effective carrying out of tasks

4.12.10 Generic employability skills satisfaction

Employability skills are generic and appear to be valued by most employers. Respondents were asked if they were generally satisfied with the employability skills of the majority of employees and new job seekers. More than half (58%) reported being happy with the generic employability skills of their current workforce, yet no respondents reported being happy with the employability skills of the unemployed.
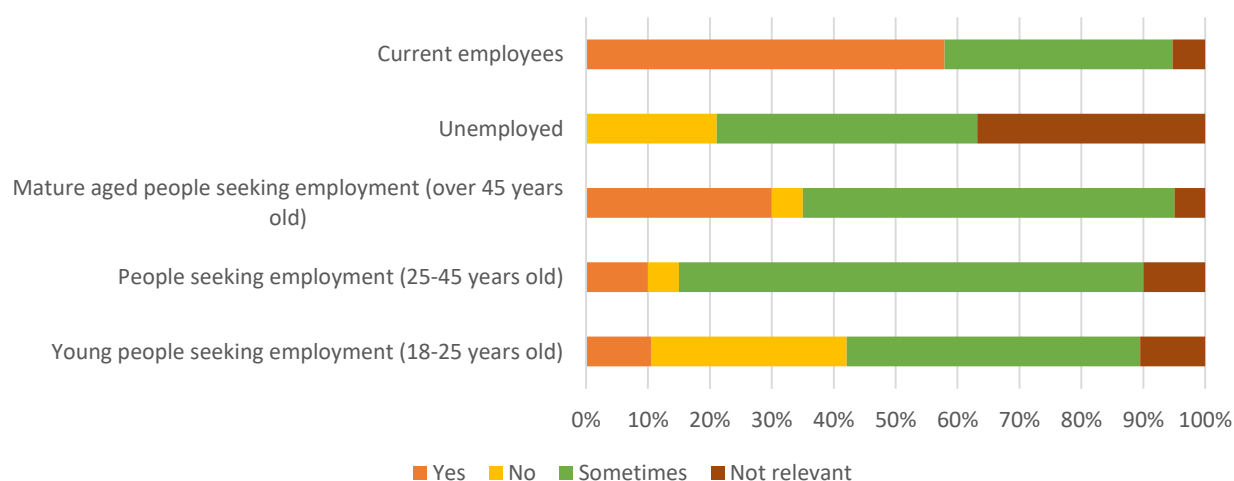
Figure 58: Thinking of the employability skills above are you satisfied the majority of your employees and new job seekers have these skills?

4.13   Employer expectations and advice

To allow for the development of strategies to address employment issues in the region and ensure job seekers are meeting the expectations of potential employers and positioning themselves to obtain suitable employment respondents were asked about the satisfaction with the quality and relevance of resumes. Only 5% of respondents reported being very satisfied with the quality and relevance of resumes they receive, however, 10% reported not being satisfied at all.
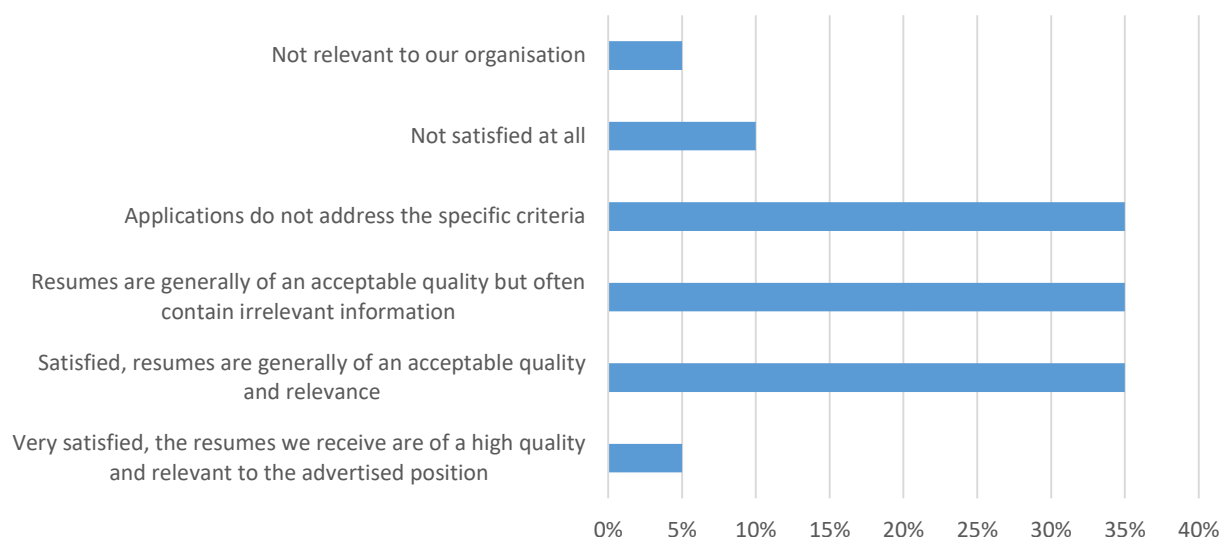
Figure 59: As a general rule, how satisfied are you with the quality and relevance of resumes and applications you receive?

To provide job seekers with an understanding of the requirements and expectations of regional employers with regards to resumes, respondents were asked about the advice they would provide potential job seekers regarding their resumes and job applications. An outline of the advice is listed below, however, it is worth noting a recurring theme with respondents regarding addressing criteria.

- Address all concerns in the position description. Want to work and add to the business.
- Answer the questions and address the criteria
- Answer the selection criteria! And too much information is better than not enough. Make sure there are no spelling mistakes.
- Be sure to start with a cover letter introducing themselves to prospective employers. Don't take it for granted that employers know who you are.
- Continue to update regularly to ensure all relevant information is included. Seek help in putting a resume together.
- Deliver them in person and call back later to talk to the potential employer.
- Ensure the resume covers the tasks and responsibilities referred to in the position description, instead of using a generic resume for each different position application.
- Ensure your skills/experience are aligned with the role you are applying for. Research the organisation you are seeking employment with and understand what they do.

- Follow guidelines for applications - address all selection criteria - research the position and know what it does - give examples and not just state you have experience - sound keen in your application - submit on time.
- Keep it concise and relevant to the role being applied for.
- Follow instructions on how to address selection criteria and if you are not sure research options.
- Make sure it is up-to-date and does not contain information older than 10 years.
- Particularly for any job not requiring formal qualifications, relate any experience to required skill set. Do not just list paid work but also volunteer work or experience gained in other fields e.g. part time job during school, babysitting, coaching a sporting team
- Personalise your resume so employers get a sense of who you are and it stands out from the masses.
- Request a job description for the vacant role. Understand the role and follow all the instructions provided by the employer relating to the application. Provide an updated resume relevant to the role.
- Spelling, grammar and punctuation need improvement.
- A cover letter appropriate to the position, current referees.
- Address the specific criteria and make sure it is typed neatly.

4.14   Drug and alcohol testing

With compliance and drug and alcohol issues impacting workplaces across the globe, respondents were asked about the extent of the issue locally in their experience. The survey also asked respondents about their experience with pre-employment medical testing and pre-employment aptitude testing. Whilst pre-employment medical testing appears to not be an issue for most respondents, pre-employment aptitude testing and drug and alcohol testing posed a slightly greater issue with 19% of respondents reporting drug and alcohol testing as a major problem and another 19% reporting pre-employment aptitude testing a moderate problem.
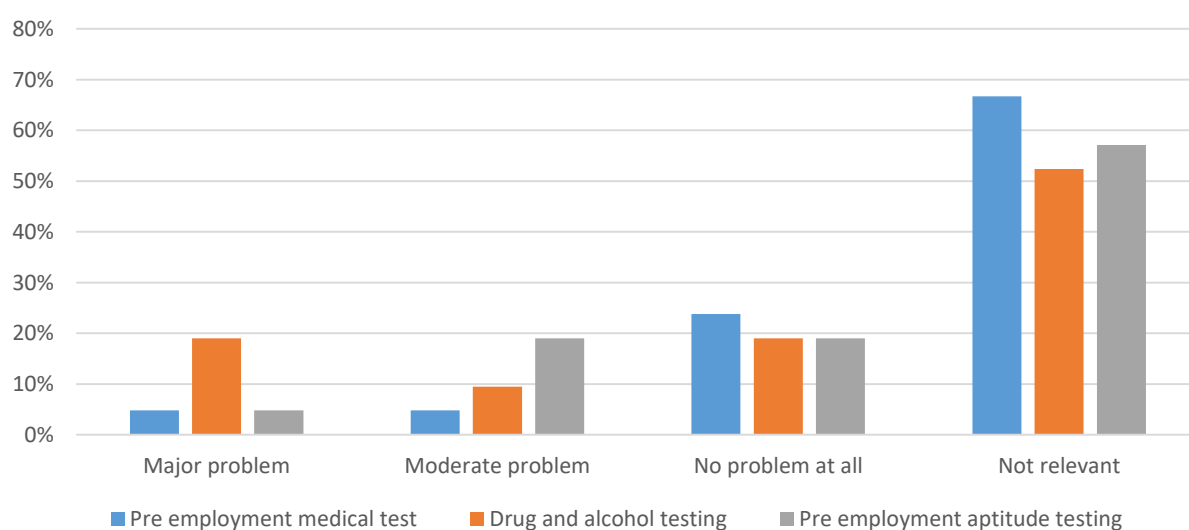
Figure 60: To what extent have the following been an issue for you with attracting or retaining employees?

4.15   Transferability of skills

The Far West has diversity across a number of industry sectors, as outlined throughout this report, however, many of the region's industries are cyclic. To better understand the transferability of skills across industry sectors and employers understanding of transferable skills respondents were asked about how the region could best ensure recognition of transferable skills across sectors. Better education has been highlighted by respondents as the most suitable method of better understanding transferable skills.
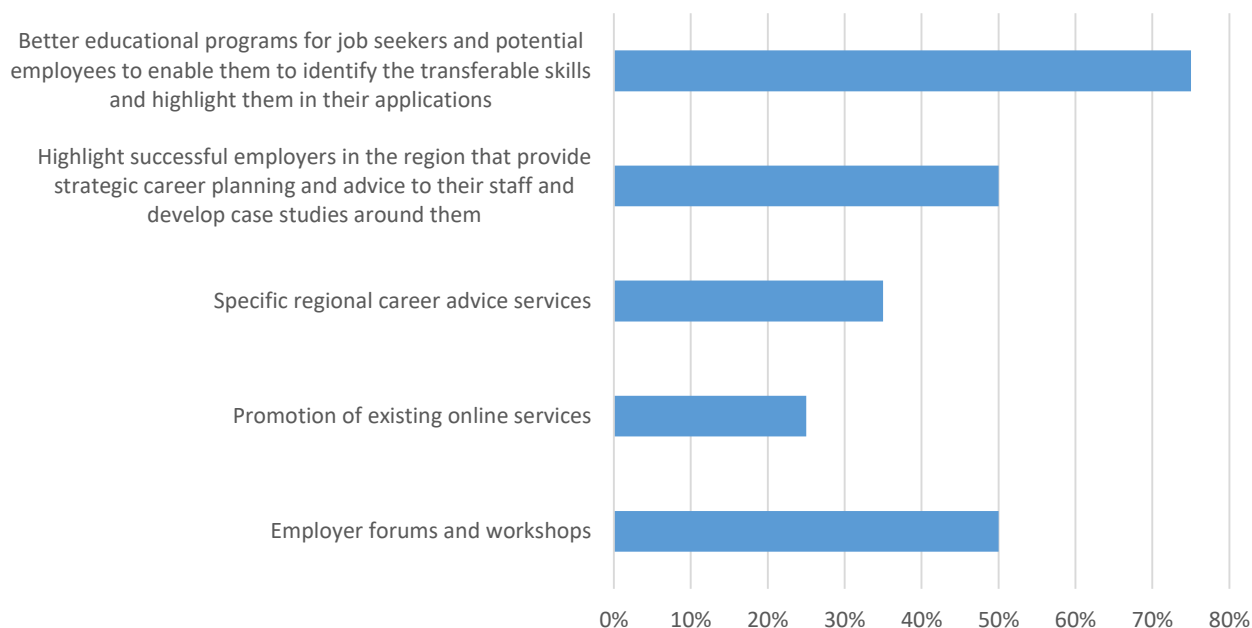
Figure 61: Given the cyclic nature of many of the region's industries how could the region best ensure the recognition of transferable skills for employers?

Furthermore, respondents were asked about the skills they believe could transfer across industry sectors. Respondents reported many skills as transferable, however, customer service skills and leadership/management skills were also highlighted.
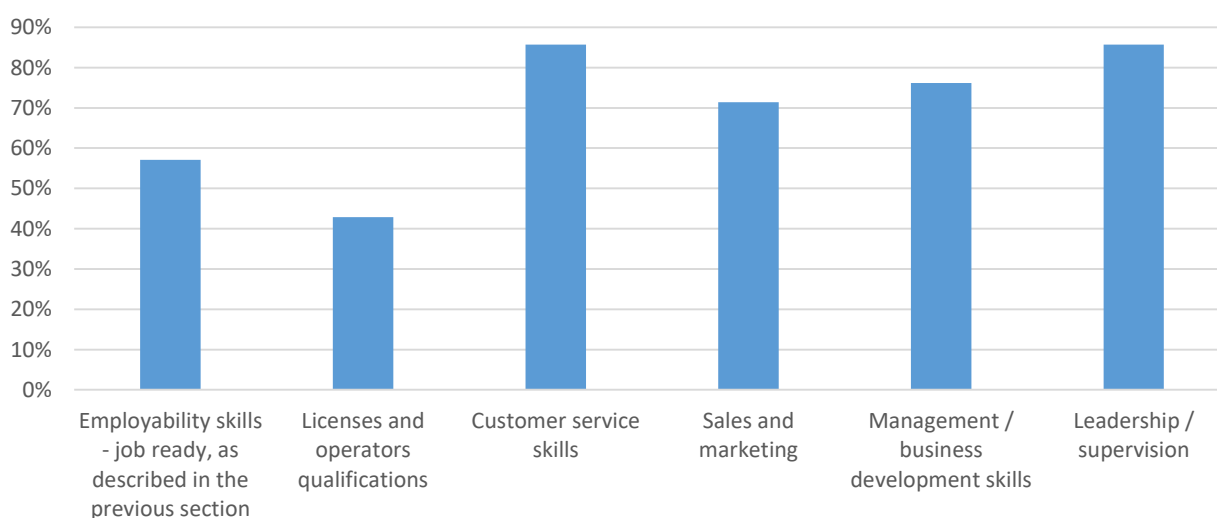
Figure 62: Thinking about the transferability of skills what do you believe are the valuable transferable skills that could cross over industry and economic sectors?

5.0   Development of Far West workforce planning strategies

The Far West Workforce Development Study has provided useful insights into the growth aspirations, barriers to growth, training requirements and expectations of the region's businesses.

To fully explore possible strategies to address some of the issues raised in the survey further consultation may be required.

This section draws together the key findings from the survey to identify key focus areas and action items that may be considered in the development of any Far West Workforce Planning and Development Strategies. These action items provide a starting point but are by no means the only points that should be considered as the region embraces change and prepares for the future workforce requirements.

This research indicates a range of opportunities for the far west. It demonstrates there is an aspiration for business growth with over 80% of respondents planning for growth over the next 10 years. Plans for growth are relatively consistent, however, larger employers in the region are more likely to have concrete plans to grow indicating an underlying strength in the region's economy. Evidence suggests, however, that skills gaps and difficulty in attracting and retaining suitable staff are hampering plans for growth and impacting negatively on business performance with 38% of respondents advertising positions in the past 12 months they were unable to fill and another 42% settling for staff that didn't really meet their expectations.

The study identifies specific occupations that employers find difficult to fill currently and anticipate difficulty filling in the future and there is some consistency with occupations that are difficult to fill. Coordinated strategies across the region to increase the regions skill base in these areas will assist in making it easier for employers to recruit and grow their businesses both now and in the medium term. It should also assist job seekers being trained in these areas.

The survey identified a number of characteristics of the region which have the potential to impact on the labour market. These characteristics either cannot be changed or cannot easily be changed. Notwithstanding this, these characteristic provide important context for any Far West Workforce Planning and Development Strategies. These characteristics are summarised as:

- Isolation and Location: The Far West is a large, sparsely populated area covering a hefty percentage of the State's land mass but accounting for only a small percentage of the State's population. The distance between centres in the region is substantial and public transport options are limited. Options for air travel in the region are even more limited and the costs prohibitive.
- Water: Access to quality water has been a major issue across the region over the past couple of years. In a recent survey by RDA Far West of over 150 primary producers water access was raised as the biggest barrier to growth. Drought and water access can have substantial impacts on the region's agriculture sector, flow on effects of the water access issues, places downward pressure on demand from other sectors. It should, however, be noted that whilst the region has suffered from the effects of water access and water quality the NSW Government have recognised this issue and committed up to $500 million to secure the region's long term water access and guarantee not only access but

quality as well. Water access may have hindered the region in the past but a guaranteed supply should have the reverse effect and contribute positively to the region's appeal and competitive advantages.

- Education and training options: The Far West has 2 major higher education facilities, including TAFE Western which has major campuses in Broken Hill and smaller delivery facilities in outlying centres, and Robinson College, a Community College providing Vocational training across a number of industry sectors.

- The Broken Hill University Department of Rural Health (BH UDRH) aims to improve health care in far western NSW by providing high quality support, education and training for rural and remote health workers. Its focus is to establish relevant teaching and support environments, promote opportunities for student placements in the region, and deliver a successful rural attachment program for medical, nursing and allied health students. High and Central schools in the region offer extensive Vocational pathways, however training for many professions is not available in the region and the lack of Tertiary Education pathways in the far west has been raised as a barrier for not only the young but many members of the current workforce looking to change careers or further their education.

- Ageing population: The Far West region is confronted with an ageing population, as is most of Australia. Over the 10 years (2001 – 2011) the population of under 45 year olds decreased by 19.4%, whilst the population of over 45 year olds has increased by almost 7%. Coupled with an ageing population the region's overall population has decreased over the same period, whilst the region's Aboriginal population increased.

6.0   Key Focus Areas

There are always characteristics a regional Workforce Planning and Development Strategy cannot influence, this research has identified a number of areas in which practical and achievable action might be taken to increase the region's skill base and position the region to take advantage of current and emerging growth opportunities. Some actions could be taken at a regional level whilst others could be at both regional and local levels.

The key focus areas are below.

6.1   Job readiness

- Raised as an issue by many respondents
- Critically important to employers
- Critically important to job seekers

More than 1/3 of employers surveyed who had tried to recruit in the past 12 months had experienced difficulty in doing so and in fact, were not able to fill positions, another 42% had settled for an employee that didn't fully meet their requirements. When asked why this was the case a majority felt it was due to a lack of skills/experience.

Despite concerns about job readiness the survey results suggest if the unemployed, or those wishing to change careers can become work ready with appropriate skills, employers are very willing to take them on. In fact, the survey suggests that employers are very willing to give young people a go and provide opportunities for training with over 60% of respondents stating they would employ trainees, 35% would employ school based trainees, 35% would employ apprentices and more than 80% would employ young people (up to 25 years old). Another 35% stated they would consider people who had been out of work for more than 6 months.

6.1.1   Options for consideration

- Develop strategies to ensure employers are more aware of options within the region.
- Encourage businesses in the region to work with education and training providers and employment service providers to enhance and reinforce job readiness programs.
- Develop strategies to ensure unemployed people and those wishing to change careers understand job readiness and the expectations of employers.

6.2   Generic employability skills

Whilst the survey only briefly asked respondents about their satisfaction with current job readiness through generic employability skills it did seek to understand how important employers believe these skills to be.

The vast majority of respondents reported communication skills, i.e. listening and understanding, speaking clearly, writing to an audience, reading and using numeracy effectively to be very

important. Likewise, teamwork – being able to work as part of a team and an individual was also identified as very important or important by the majority of respondents, as was planning and self-management skills. Problem solving, personal and social responsibilities were also ranked as very important or important, whilst initiative and enterprise ranked slightly lower.

When asked about their satisfaction with employability skills respondents have indicated they are not at all satisfied with the employability skills of the unemployed with 21% unsatisfied with these skills in the unemployed group, worryingly, not one respondent stated they were satisfied with the employability skills of this group and another 42% stated they were sometimes satisfied.

Mature aged people, those aged over 45, faired considerably better with 30% of respondents satisfied, whilst the groups categorised as under 45 averaged at about 10% satisfaction.

A key question is: whose responsibility is it to make young people and the long term unemployed job ready? Families, schools, training providers and employment service providers all play a role, despite this, the research suggests many people are still missing out on acquiring these skills.

Families can play a role in introducing young people to the world of work and role modelling good work ethic, however not all families have the capacity to do this and it would realistically only address part of the issue. Schools also play a role in teaching students and introducing them to the world of work and potential career options, school work experience programs play a significant role to develop these skills, however, much of this learning comes in the later years of school when some behaviour is entrenched, some students attend intermittently or not at all and many students are focused on achieving outcomes they consider more important to their school/university/career pathways. Employment service providers also play a role in helping their clients become work ready, although the efficiency and effectiveness of this support by some providers has been questioned by some respondents.

The Vocational Education and Training (VET) pathways offered through High and Central Schools in the far west could be effective in giving young people exposure to various industries and supporting the development of job ready skills.

It may be the real solution to addressing this issue is through policy intervention to increase job readiness.

6.2.1   Options for consideration

- Encourage larger business in the region to consider extended vacation work experience programmes to further expose young people to the workplace.
- Explore the option of supporting schools to achieve greater outcomes delivering the concept of work and employability skills.
- Introduce young people to the world of work much earlier in their school careers. Current work experience programmes begin in year 10, whilst work education may begin much earlier in their school careers, the benefits of exposing students to career education and the world of work in Primary Schools may be worth exploring.
- Industry supporting schools to develop and facilitate work ready programmes, including developing job applications to address criteria, mock interviews to support development and practice of skills and the development of appropriate resumes. This strategy could be explored in a consortium model which may allow all participants to contribute a small

amount, be it time, funds or expertise and reduce the burden and expectations on one player. Given employers are not satisfied with current outcomes it makes sense to have employers, who have the expertise and the knowledge of what they expect to contribute to the education and training of young people in this area.

- Industry supporting schools to develop more comprehensive and inclusive work experience programmes.
- Employment Service Providers working in partnership with industry, schools and training providers to support the development of comprehensive work experience programmes for young people.
- Employment Service providers working with industry to develop and facilitate programmes that provide comprehensive training of soft skills for the unemployed.
- Developing a comprehensive understanding of the training and guidance young people and the unemployed receive and mapping the gaps in that guidance to ensure greater efficiencies and use of resources.
- Disseminate this report to schools and students to ensure young people are aware of employer expectations.

6.3   Aligning training to the needs of the region

Current and future strategies to grow the economy of the far west will need to be underpinned by affordable and accessible high quality training that is aligned to the needs of the region. As noted almost 45% of respondents were not satisfied with the current training options available to them, which considering 55% reported having an existing relationship with a training provider suggests a communication breakdown.

As highlighted in figure 40, less than 18% of respondents believe current training in the region aligns to the needs of the region and more than half (51%) are not confident the region can meet their training requirements in the next 5 years.

Respondents have been very clear about their requirements, more than 75% have stated they require face to face training and 57% have stated they are willing to pay. A number of employers stated they were currently very unsatisfied with training in specific areas that required significant travel for their apprentices and cited this as a major barrier to growth and an obstacle to employing apprentices. Whilst the survey didn't investigate price and employer expectations about the cost of training it appears many are willing to enter the conversation and not many are happy with the current situation.

Of the employers that reported difficulties in recruiting staff in the past 12 months, an incredible 64% stated a shortage of qualified applicants as a major reason and 68% cited a lack of technical and specific skills. It must be noted it is not clear from the survey if training for these specific skills is not offered, offered and not taken up or not offered in the locations in the region that require it.

It is not clear from the survey if the cost of training is prohibitive, however, when asked about the type of applicants employers would consider when seeking staff unskilled workers and people that required a significant investment in training and development scored very low.

Considering 57% of employers are willing to pay for the training they require this may indicate a need for a broker or improved communication and consultation between employers and training providers.

There may also be scope to make employers more aware of the training that is available locally and broader consultation to ensure training providers are aware of the training requirements of local employers.

6.3.1   Options for consideration

- Appointment of a regional broker or a regional steering group to facilitate communication and collaboration between industry and training providers in order to align training to the needs of employers; communication needs to be regular and ongoing to ensure the training sector is aware of and responsive to emerging opportunities and needs.
- Disseminate this research to training providers so they are aware of the occupations that are difficult to fill and the expectations and requirements of employers.
- Encourage training organisations to undertake research with, and track former students to assess the extent to which specialised skills training has led to employment outcomes in the region.
- Encourage training providers to consider how training might become more accessible, including through mixed mode delivery while recognising that the majority of employers prefer face to face training.
- Consider options to provide tertiary education and training in the local market to reduce travel and associated expenses, increase participation and accessibility and retain young people within the community.
- Explore collaborative models that provide additional training that suits a number of employers at a reduced cost and with reduced travel requirements.

6.4   Workforce attraction and retention

Over 38% of the respondents reported experiencing difficulties in attracting suitable staff over the past 12 months, yet over 80% stated they were planning for growth over the next 10 years – 50% in the next 2 years. Confidence in business growth in the region appears solid with over 63% planning moderate growth and more than 13% planning for significant growth – that is more than double.

A declining population coupled with a desire for business growth and difficulties in attracting suitable staff from many employers suggests the region must focus on both upskilling, or reskilling the existing workforce and attracting new workers to the region.

Given 32% of respondents stated they believed the perception of the region to be an issue when attracting staff and when specifically asked about attracting staff from outside of the region 50% believed the perception of the region was an issue. This research suggests strategies to inform potential employees of all the region has to offer is critical in changing the perception of the region, whilst over 60% of respondents stated the region's isolation and location were a barrier.

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Not much can be done to move the region, however much could be done to change perceptions of the region's isolation. The location of the region could be promoted as a positive aspect given the central location, availability and price of land/housing, climate, lifestyle and easy access to capital cities and major centres.

Critical questions for the region to consider are, who to target from outside the region and how to attract them to the region. The first question largely depends on the skill shortages and gaps at any given time, this research suggests a range of occupations that may be difficult to fill over the next 5 years. It would therefore make sense to consider which of these occupations are unlikely to be filled in the short to medium term by upskilling the local workforce and then focus on attracting people from outside the region to fill these roles, however if perception of the region is a barrier as reported developing strategies to change the perception would be a critical first step in attracting the required workforce.

The implementation of a coordinated strategy that involves all key stakeholders will be needed to effectively change perception and attract people to the region. Strategies to promote the region should be multi-faceted and identify various channels to target skilled workers, including through general marketing campaigns, promoting the region to educational institutions and encouraging past residents to return.

Given a high percentage of respondents that made comment about a lack of technical skills and qualified applicants, closer alignment of the training options and pathways and the required skills now and in the future should be considered. Consultation with training providers and employers in the region may provide suitable training options to upskill the regions existing workforce.

This research suggests a small percentage of employers currently employing apprentices, trainees and school based trainees, with 11%, 22% and 8% respectively. With higher than the State average unemployment and reported difficulties in attracting and retaining staff a greater commitment to developing career pathways and employing and training apprentices and trainees to develop a workforce should be considered. Respondents have reported 34% would consider employing apprentices, 61% would employ trainees, 73% would consider employing Indigenous employees and more than 80% would employ young people. This suggests employers are interested in these options and developing their own workforce but have not converted this interest into reality. Given the number of employers that identified they would like support and information around employment and retention strategies, further information and support should be considered.

A number of responses included specific comments around the lack of training options for apprentices in the region, as such consultation and negotiation with training providers to provide high quality face to face training options will be required.

When asked if respondents would be interested in receiving information about recruitment and retention of young people, people with disabilities and Aboriginal people, over 74% of respondents stated they were interested in receiving information and advice about employing young people straight from school and Aboriginal people, another 28% were interested in information about employing people with disabilities. With reported difficulties in attracting and retaining employees and the interest in information and advice of these groups it would suggest a

greater commitment to developing training and employment pathways for people already living in the region is being considered.

6.4.1 Options for consideration

- Ensure employers are aware of options and benefits of employing apprentices, trainees and school based trainees to develop pathways for local people and retain the youth of the region.
- Develop promotional campaigns to inform the region of the long/medium term benefits of employing apprentices/trainees, for example, much work has been done to investigate the Return on Investment for organisations that have developed extensive work readiness and professional development programs.
- Ensure employers are aware of options for employing people with disabilities.
- Consider strategies to improve communication between employers to increase opportunities for critical mass of training delivery.
- Develop strategies to better inform young people of career pathways
- Consider the development of a working group comprising LGA's, industry bodies and key employers to develop, implement and oversee coordinated and public strategies to recruit employees to the region, to:
  - o Identify who wants/needs to attract and the strategies employed to attract
  - o Be comprehensive in the approach to attracting people to the region
  - o Identify and reduce the barriers to relocation into the far west
  - o Develop strategies to ensure new residents feel supported
  - o Be informed of other successful models for attracting people into a region
  - o Consider strategies to attract past residents to return to the region, including regular communication of the region's progress, affordability and job opportunities
- Develop strategies to work with higher education institutions to promote the region to people studying in areas where there are skill shortages
- Consider options to make relocating or starting a business in the region more attractive, including comprehensive support, advice, guidance, reduced rates or other expenses for a 'honeymoon' period.
- Consider how people moving to the region for work and their families might be better supported after arrival.
- Consider alternate models of employment and training as a whole of region approach. This could include consortium models to establish pathways for apprentices and trainees.

6.5 Guidance and support for employers

Informal recruitment methods appear popular within the region with 42% of respondents reporting they use word of mouth to promote positions within their organisation and another 11% that rely on cold call applications. Whilst this approach may have tangible benefits with retention as employees are already living within the region it may also limit the number and

quality of applications received. Greater awareness and use of other recruitment strategies may reduce some of the recruitment challenges employers currently face.

Employers surveyed were asked about information and advice that may assist them in their businesses. Most respondents reported they would like information/advice or guidance in a variety of business areas including; workforce management and change management, promotion of vacancies, succession planning, recruitment and retention strategies, working with employment providers and business leadership.

Whilst assistance to employers may be within the remit of service providers within the region, it may also fall within the business of any working groups established out of this research. How much assistance and how the assistance is provided should be carefully considered. Businesses are commercial entities that seek to make a profit, thus where assistance provided includes more than the dissemination of information or promotion of existing resources it would be appropriate to ensure strategies are transparent, considered and inclusive.

The survey findings suggest there may be scope for greater engagement with Employment Service Providers with only 19.2% of respondents stating they use these services for the *main* recruitment strategies and high numbers of employers interested in further information/support and advice.

6.5.1   Options for consideration

- Promote all business training options available within the region, including online training to ensure all stakeholders are aware of training opportunities
- Collaborate to involve all stakeholders to consider who and how training and information sessions may be developed in each of the areas employers expressed an interest in (as listed earlier in this report)
- Explore opportunities to develop employer networks to enable an environment where employers can share experiences and learn from each other.

6.6   Transferability of Skills

The far west has flourished for more than 130 years and given the cyclical nature of some of the region's key industries; mining and agriculture, the transferability of skills has obviously been recognised and utilized in the past, however given the declining population and reported difficulties in attracting and retaining staff it appears more critical now than ever that individuals and industry in the region recognise and maximise the use of transferable skills.

It is widely recognised that career advice and guidance is important at every stage of an individual's working life. It has been suggested that individuals that are retrenched or leave employment may not be aware of the skills they have obtained that are transferable to other industries. Career advice and guidance is particularly helpful to support individuals identify their skillsets and the transferability of skills. The same advice could also be helpful for employers that may not have a full understanding of the transferable skills that may be useful in their own industries.

Whilst career advice for people in schools and TAFE may be available the same level of guidance is not readily available for the rest of the community. Some guidance is available from various institutions, however, the level of resources required to ensure comprehensive support for all people at all stages of life is extensive, thus not readily available in all communities of the region. The only other option is for individuals to seek and pay for advice from private career practitioners, this option may be unaffordable for many, particularly the most disadvantaged. This option also doesn't address the question of ensuring employers are also aware of and understand the transferability of skills and how they could best employ these skills.

6.6.1 Options for Consideration

- Investigate the services available within the region to provide career advice and guidance to the general community and promote the options available.
- Consider how information and advice may be provided to employers to help them understand transferability of skills.
- Consider information and advice to employers about how they can support staff with career planning.
- Consider a coalition of RDA's to jointly lobby Government to provide funds for career advisory services in regional and remote areas.
- Develop strategies to provide assistance with job applications to highlight existing skill sets vs the job requirements of the position being applied for.