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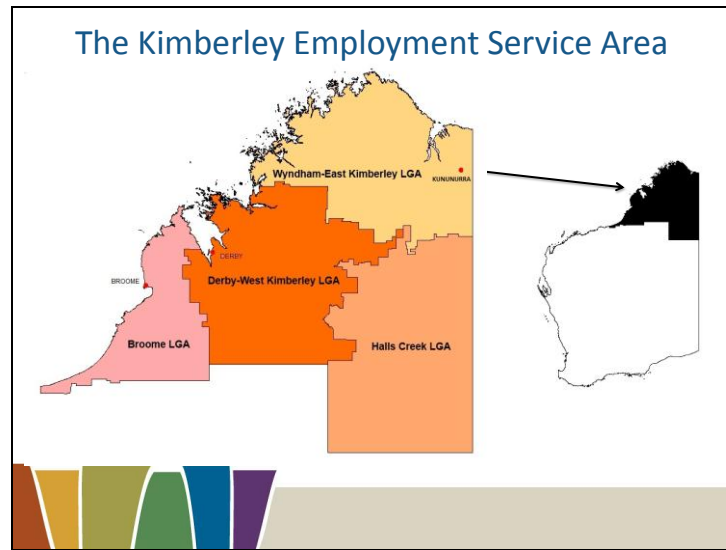
Australian Government
Department of Education, Employment and Workplace Relations

Labour Market Conditions & Challenges - Kimberley Employment Service Area



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Labour Market Research and Analysis Branch

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The Kimberley Employment Service Area

The Kimberley Employment Service Area (ESA) comprises the four Local Government Areas (LGA) of Broome, Derby-West Kimberley, Halls Creek and Wyndham-East Kimberley.

In November 2012 a *Survey of Employers' Recruitment Experiences* was carried out in the Kimberley ESA. The survey collected responses from 263 employers.

Demographic profile

Region	Median Age (2011)	Working Age Population		
		2011	Growth (2006 to 2011)	% Indigenous
Broome	32	11,390	12%	28%
Derby-West Kimberley	29	6,670	38%	44%
Halls Creek	26	2,610	27%	73%
Wyndham-East Kimberley	31	5,940	18%	32%
Kimberley ESA	30	26,610	20%	38%
Western Australia	36	1,616,110	15%	3%
Australia	37	15,034,920	8%	2%

Source: ABS, Estimated Residential Population, 2006 and 2011; ABS, Census of Population and Housing, Place of Usual Residence, 2011

Demographic profile

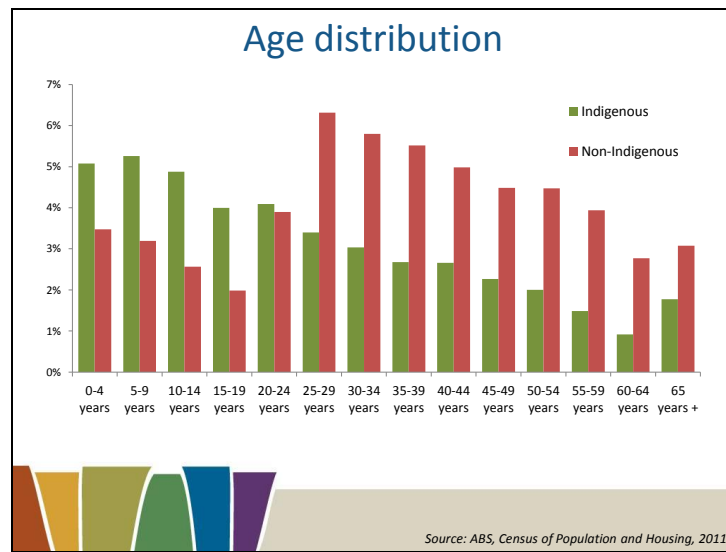
Source: ABS, Estimated Residential Population, 2006 and 2011; ABS, Census of Population and Housing, Place of Usual Residence, 2011

In 2011, the working age population (15 -64) in the Kimberley ESA was 26,610, an increase of 20 per cent from 2006. Working age population growth for Western Australia was 15 per cent over the same period. The Derby-West Kimberley LGA experienced the highest growth (38 per cent), followed by the Halls Creek LGA (27 per cent).

Of the working age population who lived in the ESA in 2011, 33 per of those reporting their residential status for 2006 stated that they lived elsewhere in 2006.

The overall median age for the ESA (30 years) was well below that for the state (36 years) and Australia (37 years). The median age varied across the ESA, with the Hall Creek LGA having the lowest at 26 years.

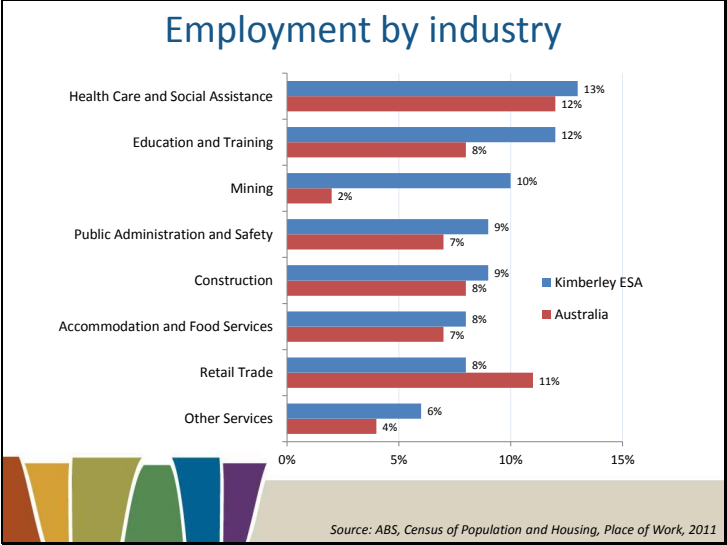
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Age distribution

Source: ABS, Census of Population and Housing, 2011

The age distribution of people living in the Kimberley ESA shows that the majority of people aged 0-24 years identified as Indigenous. Importantly, Indigenous residents also accounted for the majority of people in age groups where people typically enter the workforce (15-24 years of age). By contrast, the population of people in their prime working age (25 to 54 years of age) was predominantly made up of people from a non-Indigenous background.



Employment by industry

Source: ABS, Census of Population and Housing, Place of Work, 2011

At the time of the 2011 Census, the Health Care and Social Assistance industry was the largest employing industry in the Kimberley ESA, accounting for 13 per cent of total employment. Education and Training was another large employer (12 per cent of employment). The Mining industry, the third largest employer, accounted for a far greater proportion of employment in the ESA (10 per cent) when compared with Australia overall (2 per cent).

Strong employment growth

Region	Jobs (place of work)	Jobs Growth (2006-2011)
Broome	6,570	18%
Derby-West Kimberley	3,220	2%
Halls Creek	1,300	22%
Wyndham-East Kimberley	4,150	18%
Kimberley ESA	15,240	14%

Source: ABS, Census of Population and Housing, Place of Work, 2006 and 2011

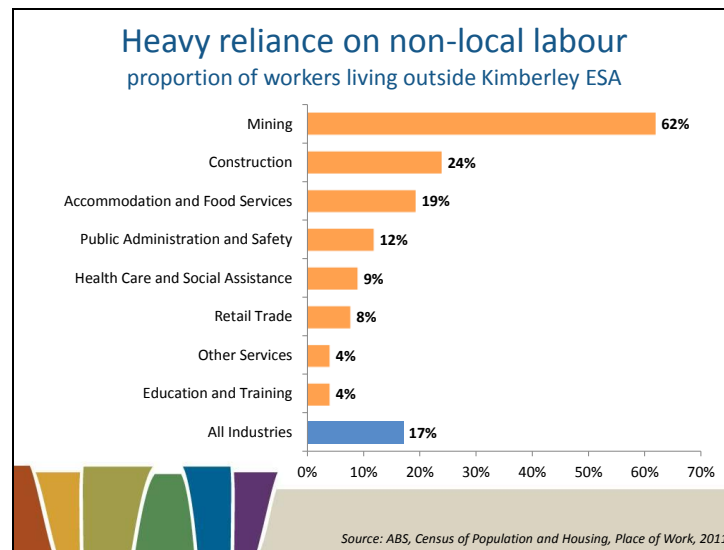
Strong employment growth

Source: ABS, Census of Population and Housing, Place of Work, 2006 and 2011

Employment growth has been strong (and these figures understate the actual growth)* but local labour market outcomes have not been improving.

*NOTE: According to Census figures, at least 1,500 jobs were lost due to a decline in Community Development Employment Projects (CDEP). If these jobs had not been lost then employment growth would have been around 26 per cent.

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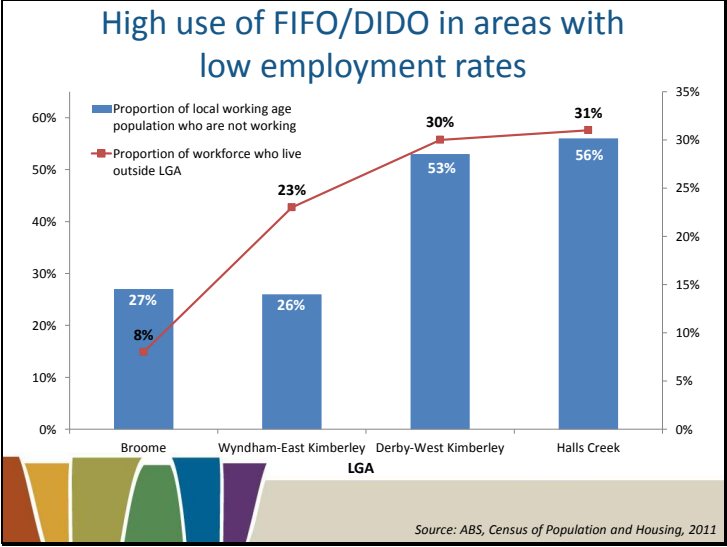


Heavy reliance on non-local labour

Source: ABS, Census of Population and Housing, Place of Work, 2011

There is a considerable reliance on non-local labour by employers in the Kimberley ESA. At the time of the 2011 Census, 17 per cent of those who reported their workplace as being inside the Kimberley ESA actually resided outside the ESA, an increase of 2 percentage points from 2006. Some 8 per cent of the Kimberley ESA's workforce came from Perth.

The Mining industry was most reliant on non-local labour with the majority of its workforce (62 per cent) sourced from outside the ESA. Mining workers who lived outside of the Kimberley ESA accounted for 6 per cent of total employment in the ESA. The Construction industry and Accommodation and Food Services industry also had large non-local workforces.



High use of FIFO/DIDO in areas with low employment rates


Source: ABS, Census of Population and Housing, 2011

Within the Kimberley ESA it is common for a large part of the workforce to live outside the LGA in which they work. This is most apparent for the Derby-West Kimberley, and Halls Creek LGAs.

Where there is a proportionately large non-local workforce this is typically accompanied by low levels of employment for the local working age population. This indicates that the sourcing of non-local labour is likely to have had some negative effects on local labour market outcomes.

Many long-term residents missing out

Living in Kimberley in 2011 and...	% of Population	Unemployment Rate	Participation Rate
...lived in Kimberley ESA 2006	67%	7.1%	64.4%
...lived elsewhere in 2006	33%	2.8%	89.2%



Source: ABS, Census of Population and Housing, 2011

Many long-term residents missing out

Source: ABS, Census of Population and Housing, 2011

Some 33 per cent of the working age population in the Kimberley ESA in 2011 lived elsewhere in 2006. Compared with long-term residents, recent arrivals have taken greater advantage of the employment opportunities that have arisen in the region.

Regional variance

Region	Unemployment Rate (Dec 2012)
Broome	4.2%
Derby-West Kimberley	6.5%
Halls Creek	16.3%
Wyndham-East Kimberley	5.9%
Kimberley ESA	6.1%
Western Australia	4.0%

Source: DEEWR, Small Area Labour Markets, December 2012

Regional variance

Source: DEEWR, Small Area Labour Markets, December 2012

Despite strong employment growth, labour market outcomes are well below that for Western Australia overall. Within the Kimberley ESA there is considerable variance in the unemployment rate. The Broome LGA has an unemployment rate close to that for the state, while the Halls Creek LGA has an unemployment rate four times that for the state.

Indigenous labour market outcomes
(working age population)

Region	% Indigenous	Unemployment Rate		Participation Rate	
		Indigenous	Non-Indigenous	Indigenous	Non-Indigenous
Broome	28%	16.5%	2.3%	48.2%	87.4%
Derby-West Kimberley	44%	9.3%	1.9%	48.2%	49.7%
Halls Creek	73%	24.2%	1.8%	35.3%	92.3%
Wyndham-East Kimberley	32%	16.4%	2.0%	49.2%	90.7%
Kimberley ESA	38%	15.5%	2.2%	45.8%	80.0%
Western Australia	3%	17.9%	4.5%	51.7%	78.9%

Source: ABS, Census of Population and Housing, 2011

Indigenous labour market outcomes

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, Indigenous persons accounted for 38 per cent of the working age population (aged 15-64) in the Kimberley ESA, a figure far higher than that for Western Australia overall (3 per cent).

The unemployment rate for the Indigenous working age residents in the Kimberley ESA was 15.5 per cent, more than 7 times the unemployment rate for non-Indigenous residents (2.2 per cent). The participation rate for the Indigenous population was also well below that for the non-Indigenous population.

In some areas within the Kimberley ESA the disparity was even more marked. In particular, the Indigenous population of Halls Creek LGA had a very high unemployment rate (24.2 per cent) and low participation rate (35.3 per cent), while the non-Indigenous population in Halls Creek LGA had better labour market outcomes than the non-Indigenous population at the state level.

Centrelink beneficiaries

Region	% of WAP on a benefit	% Indigenous	% of WAP on an unemployment benefit	% Indigenous
Broome	23%	75%	7%	75%
Derby-West Kimberley	32%	93%	12%	94%
Halls Creek	48%	97%	20%	97%
Wyndham-East Kimberley	25%	87%	10%	88%
Kimberley ESA	28%	86%	10%	88%
Western Australia	12%	14%	4%	20%

Source: DEEWR administrative data, December 2012; ABS, Estimated Residential Population, 2011

Centrelink beneficiaries

Source: DEEWR administrative data, December 2012; ABS, Estimated Residential Population 2011

In December 2012, over a quarter (28 per cent) of the working age population in the Kimberley ESA were in receipt of a Centrelink benefit. This was a far larger figure than that for the state (12 per cent).

Some 10 per cent of the working age population in the Kimberley ESA were in receipt of an unemployment benefit, also well above the state figure (4 per cent). Of these, 88 per cent were Indigenous.

The working age populations of the Halls Creek and Derby-West Kimberley LGAs had the highest level of income support. In the Halls Creek LGA, 48 per cent of the working age population were in receipt of a Centrelink benefit, four times the figure for the state overall (12 per cent). Of these recipients, 97 per cent were Indigenous.

Some 10 per cent of the working age population in the Kimberley ESA were on Disability Support Pension (DSP) compared with 4 per cent for the state overall.

Many jobless families
with children aged under 15 years

Region	Number of jobless families	Proportion of all families that are jobless	Proportion of couple families that are jobless	Proportion of lone parent families that are jobless
Broome	340	22%	10%	49%
Derby-West Kimberley	250	35%	17%	63%
Halls Creek	240	60%	54%	67%
Wyndham-East Kimberley	190	26%	8%	61%
Kimberley ESA	1,020	30%	16%	58%
Western Australia	26,010	12%	4%	42%

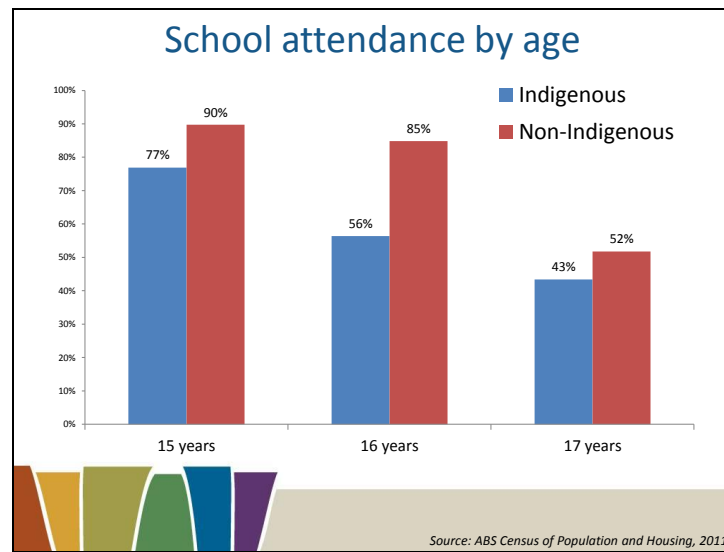
Source: ABS, Census of Population and Housing, 2011

Many jobless families

Source: ABS, Census of Population and Housing, 2011

Jobless families (with children under 15 years of age) are families where no parent is employed. At the time of the 2011 Census, some 30 per cent of families in the Kimberley ESA did not have an employed parent, more than double the figure for Western Australia overall (12 per cent). The rate of joblessness for couple families in the Kimberley ESA (16 per cent) was particularly high when compared with the state figure (4 per cent).

Joblessness was most prevalent for families living in the Halls Creek LGA, with 60 per cent of all families having no employed parent.



School attendance by age

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, there were lower levels of school attendance for Indigenous teenagers (aged 15 to 17 years) in the Kimberley ESA (59 per cent) when compared with non-Indigenous teenagers of the same age (76 per cent). The greatest disparity in school attendance was between Indigenous and non-Indigenous teenagers at 16 years of age.

Overall, the Halls Creek LGA had the lowest level of attendance for teenagers aged 15-18 years (51 per cent).

The rate of attendance was similar for male and female Indigenous teenagers (59 per cent and 60 per cent respectively).

Lower levels of educational attainment
persons aged 25-34 years

Region	Year 12	Diploma or Cert III/IV	Bachelor Degree
Derby-West Kimberley	46%	25%	17%
Halls Creek	36%	20%	11%
Kimberley ESA	55%	30%	21%
Western Australia	70%	33%	31%

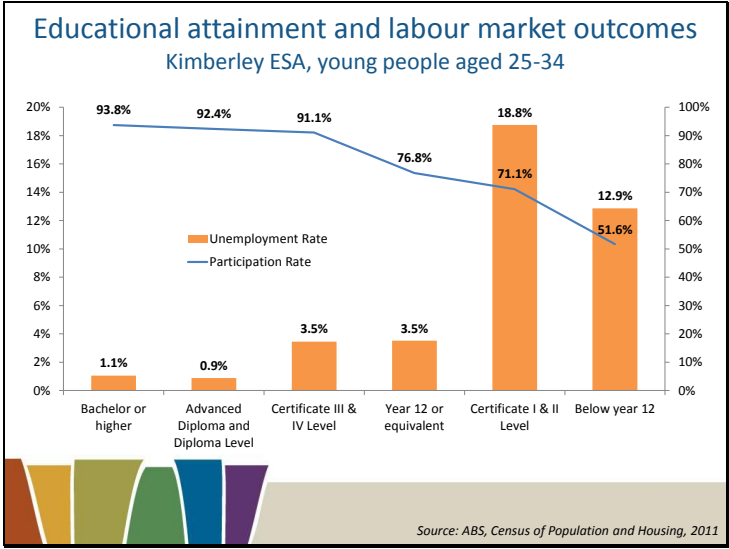
Source: ABS, Census of Population and Housing, 2011

Lower levels of educational attainment

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, 55 per cent of 25 to 34 year olds in the Kimberley ESA had completed Year 12. This was considerably lower than Western Australia overall (70 per cent). The Broome LGA had the highest level of Year 12 attainment in the Kimberley ESA (62 per cent). The lowest rates of Year 12 attainment were in the Halls Creek LGA (36 per cent) and the Derby-West Kimberley LGA (46 per cent).

The proportion of 25 to 34 year olds in the Kimberley ESA who had attained a Bachelor Degree or higher (21 per cent) was significantly smaller compared with Western Australia overall (31 per cent).

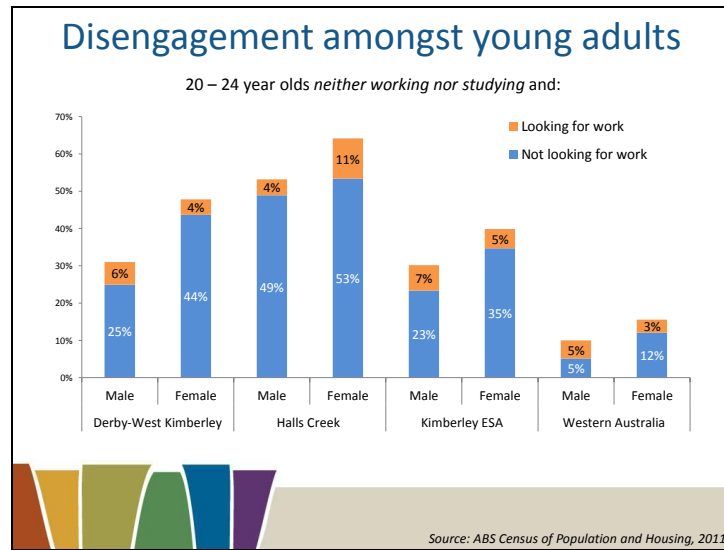


Educational attainment and labour market outcomes

Source: ABS, Census of Population and Housing, 2011

There is a strong relationship between educational attainment and employment outcomes. For those aged 25 to 34 years in the Kimberley ESA who had not completed Year 12 there was a low participation rate (51.6 per cent) and a high unemployment rate (12.9 per cent). Although the participation rate was higher for those who had not completed year 12 but had attained a Certificate Levels I or II qualification, the unemployment rate was even higher (18.8 per cent).

Unemployment rates are considerably lower for those who have completed Year 12 and those who have gone on to attain Certificate Levels III or IV. They are even better for those who have completed tertiary education at the Advanced Diploma and Diploma Level or Bachelor Degree or higher level. This emphasises the importance of post-school education in gaining employment.



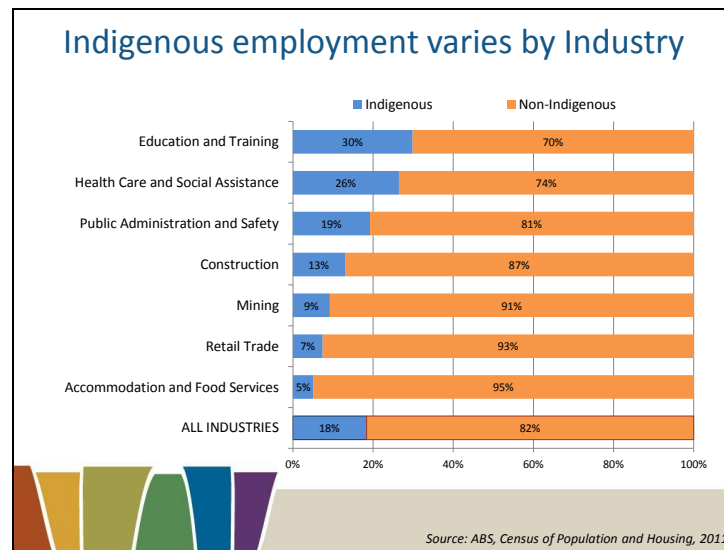
Disengagement amongst young adults

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, 35 per cent of young adults (persons aged 20 to 24 years) in the Kimberley ESA were neither working nor studying (59 per cent in the Halls Creek LGA). This figure was notably higher when compared with Western Australia (13 per cent).

For young adult males in the Kimberley ESA, 23 per cent were not in the labour force and not studying, and a further 7 per cent were unemployed and not studying.

For young adult females, 35 per cent were not in the labour force and not studying and a further 5 per cent were unemployed and not studying.



Indigenous employment varies by industry

Source: ABS, Census of Population and Housing, 2011

At the time of the 2011 Census, some 38 per cent of the working age population living in the Kimberley ESA identified as Indigenous. In general, this population is under represented in the workforce.

There is considerable variability in the extent to which Indigenous workers are represented across the major industries in the Kimberley ESA.

- The Education and Training and Health Care and Social Assistance industries both have a relatively large proportion of workers who are Indigenous.
- Conversely, the Indigenous population is notably under represented in the Accommodation and Food Services, Retail Trade, and Mining industries.

Employer survey
high levels of recruitment activity

Job opportunities across much of the region

- High levels of recruitment activity
- Retaining workers is difficult for many employers
- Low numbers of job applicants

Employers commonly experiencing recruitment difficulty

- Job location
- tight labour markets

Strong future recruitment expectations



Source: DEEWR, Survey of Employers' Recruitment Experiences, Kimberley Employment Service Area, November 2012

High levels of recruitment activity

Source: DEEWR, Survey of Employers' Recruitment Experiences, Kimberley Employment Service Area, November 2012

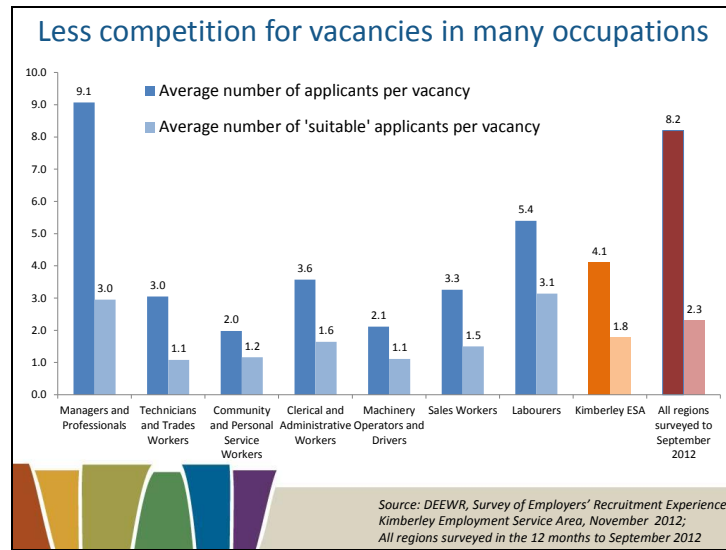
Job opportunities across much of the region

- High levels of recruitment activity
 - 74 per cent of employers recruited in the 12 months preceding the survey
 - Annual Vacancies per 100 staff = 66 compared with an average of 18 across other regions
- Retaining workers is difficult for many employers
 - Staff retention a problem for 24 per cent of employers compared with an average of 11 per cent across other regions.
- Low numbers of job applicants

Employers commonly experiencing recruitment difficulty

- Job location
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Strong future recruitment expectations

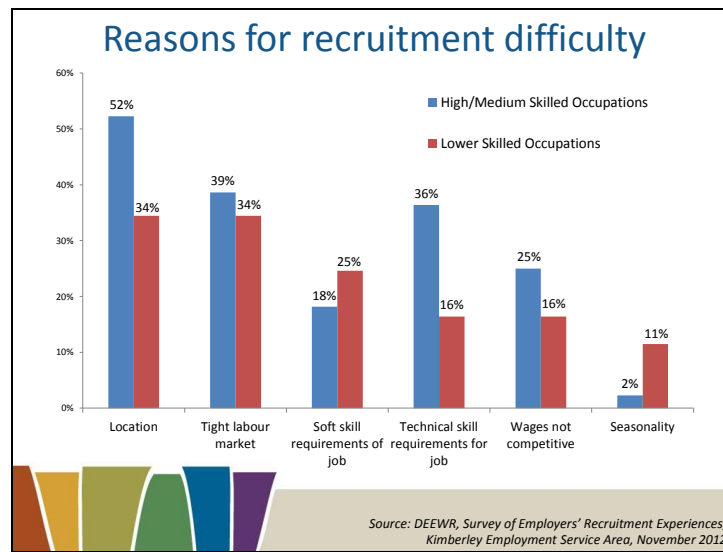


Less competition for vacancies in many occupations

Source: DEEWR, Survey of Employers' Recruitment Experiences, Kimberley Employment Service Area, November 2012, All regions surveyed in the 12 months to September 2012

On average, in the Kimberley ESA, there were 4.1 applicants per vacancy with 1.8 applicants being considered suitable by employers. This was much lower than the average level of competition across all regions surveyed in the 12 months to September 2012.

Applicant numbers varied across occupation groups with competition particularly low for Community and Personal Service Workers, Machinery Operators and Drivers and Technicians and Trades Workers vacancies.



Reasons for recruitment difficulty

Source: DEEWR, Survey of Employers' Recruitment Experiences, Kimberley Employment Service Area, November 2012

More than half of employers (54 per cent) reported recruitment difficulty for their most recent recruitment round. Recruitment difficulty was common for all occupation groups, including lower skilled occupations. Employers recruiting Community and Personal Service Workers most commonly experienced recruitment difficulty (67 per cent), while those recruiting labourers were least likely to experience difficulty (39 per cent).

Employers gave a number of reasons for recruitment difficulty, the most common were location of job/applicants (42 per cent) and a tight labour market (36 per cent). For medium and higher skilled occupations the technical skill requirements of the position was the other most commonly mentioned reason for difficulty. For lower skilled occupations the soft skill requirements of the position was also a major cause of recruitment difficulty.

Additional Information

Many employers reported hiring Indigenous workers.

Less than half of these reported that employing an Indigenous worker was 'challenging'.

The most commonly reported challenges were:

- Absences and the need for time away from the workplace
- Indigenous cultural commitments
- Lacked basic work readiness skills
- Limited interest in the job
- Poor literacy and numeracy

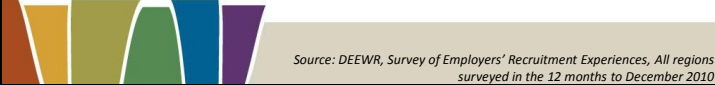
Basic employability skills

Most importance placed on:

- 30% personal traits and qualities only
- 28% technical skills only
- 41% both equally important

Personal traits and qualities applicants lacked:

- Enthusiasm
- Motivation
- Communication
- Confidence
- Teamwork



Source: DEEWR, Survey of Employers' Recruitment Experiences, All regions surveyed in the 12 months to December 2010

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Apprentices and Trainees

- Almost one in five employers had an apprentice or trainee when the survey was undertaken.
- 40% of employers reported experiencing challenges employing apprentices or trainees.
 - Almost half of these reported apprentices and trainees lacked general work readiness
 - The non-completion of apprenticeships/ traineeships was another common challenge for employers.



Source: DEEWR, Survey of Employers' Recruitment Experiences, Kimberley Employment Service Area, November 2012

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Higher skilled occupations with strong growth
Kimberley ESA

Bachelor Degree or higher qualification	
Registered Nurses	Primary School Teachers
Construction Managers	Secondary School Teachers
Associate Degree, Advanced Diploma or Diploma	
Office Managers	Welfare Support Workers
Architectural, Building and Surveying Technicians	
Certificate III/IV level	
Metal Fitters and Machinists	Electricians
Carpenters and Joiners	




Source: ABS, Census of Population and Housing, Place of Work, 2006 and 2011

Higher and medium skilled occupations with strong growth

Source: ABS, Census of Population and Housing, Place of Work, 2006 and 2011

**Lower skilled occupations with strong growth
Kimberley ESA**

Certificate II/III level	
Education Aides	Truck Drivers
General Clerks	Receptionists
Drillers, Miners and Shot Firers	Aged and Disabled Carers
Child Carers	
Entry Level	
Security Officers and Guards	Building and Plumbing Labourers
Handypersons	Commercial Cleaners
Sales Assistants	



Source: ABS, Census of Population and Housing, Place of Work, 2006 and 2011

Lower skilled occupations with strong growth

Source: ABS, Census of Population and Housing, Place of Work, 2006 and 2011

Conclusion

- **Diverse labour market outcomes**
- **Employment opportunities across much of the region**
 - Strong employment growth
 - high levels of recruitment activity
 - High use of FIFO/DIDO to meet labour shortfalls
- **But many local job seekers missing out**
 - High numbers of Centrelink beneficiaries.
 - Many barriers: lower educational attainment levels, intergenerational unemployment, location issues, youth disengagement
- **Job seekers need to be job ready**
 - Work experience, apprenticeships and traineeships
 - Young population suggests potential for improved outcomes in the future
 - Employability skills are essential
- **Complex issues require stakeholder collaboration across a range of services**



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