



**Local Jobs
Program**

Local Jobs Plan

North Western Melbourne Victoria

October 2020

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The Department of Education, Skills and Employment acknowledges the traditional owners and custodians of the lands where we work and travel through. We pay our respects to their people, cultures and their Elders past, present and emerging.

Preface

The Local Jobs Program (LJP) brings together expertise, resources and access to funding at the local level to focus on the reskilling, upskilling and employment pathways for job seekers in 25 Employment Regions, as part of supporting Australia's economic recovery from the COVID-19 pandemic.

This interim plan identifies the key priorities for the North Western Melbourne region, with a focus on **creating employment opportunities**, meeting local **employer demands** and **better skilling** local job seekers. The plan identifies the direction, strategies and actions of the interim Employment Facilitator.

This plan will be reviewed when the Employment Facilitator and the North Western Melbourne Local Jobs and Skills **Taskforce** is in place, and whenever the priorities change (or every six months).

Local Jobs Program Key Priorities: North Western Melbourne Region

1. Maximising the benefits of existing Australian, Victorian and local Government programs, to create **pathways into growth industries**, particularly for the Construction, Food and Fibre, Health and Community Services, Retail Trade and Transport, Postal and Warehousing sectors.
2. Generating opportunities for **skill development** which align with the local labour market needs, including through **apprenticeships, traineeships and skills training**
3. Maximising the extent to which local positions are filled by **local job seekers**.
4. Reducing the labour market disadvantage of local people, including **youth, people from culturally and linguistically diverse and refugee backgrounds** and **Indigenous Australians** in the region.
5. Facilitating and supporting the transition to **self-employment**, for people whose roles have ceased due to the pandemic.

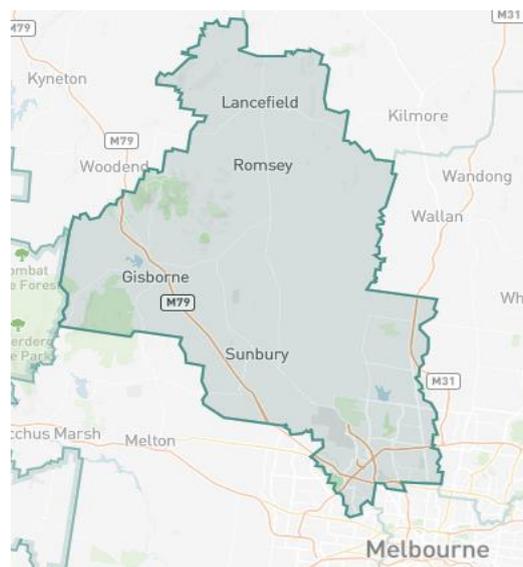
North Western Melbourne Region Overview

The North Western Melbourne Employment Region covers an area of 1620 square kilometres commencing 15 kilometres from Melbourne CBD.

The Region is comprised of five local government areas (LGAs) including the Cities of Hume, Brimbank, Moreland, Moonee Valley and the Shire of Macedon Ranges.

The region is diverse, covering suburban and industrial precincts, townships and rural communities. The region has and continues to experience substantial housing and industrial growth in the northern corridor.

The region is well serviced by the network of main arterial roads to the East, South and West. Public transport systems across the region service the more populated areas, however lack adequate east-west connections between the two major train lines. Access to new residential and industrial precincts to the North are limited as are the options for rural and semi-rural communities.



Key challenges in the North Western Melbourne Employment Region

North Western Melbourne's diverse labour market across a broad range of industry sectors presents opportunities for strong recovery, however, a large section of the region has a history of social, economic and labour market disadvantage which will require innovative and collaborative solutions.

The overall unemployment rate for North Western Melbourne is the highest of any region in Victoria and is the third highest nationally for all Statistical Areas 4 (SA4). In August 2020, the region's unemployment rate was 11.5 per cent, a rise of 4.2 per cent since March 2020.

Between March and August 2020, the North Western Melbourne Labour Force Participation Rate fell by 5.8 percentage points to 58.9 per cent, making it the lowest participation rate of the five Melbourne metropolitan Employment Regions.

The jobactive caseload for North Western Melbourne Employment Region increased from 10,148 in March 2020 to 20,070 in September 2020, a rise of 196 per cent. This is well above the average of 179 per cent for Victoria and 97 per cent for Australia.

There is a notable disparity in unemployment across the region where the unemployment rate for the Statistical Area 2 (SA2) of Macedon and Strathmore is 1.7 per cent, compared to 20 per cent for the SA2 of Broadmeadows.

Youth

The youth unemployment rate for North Western Melbourne was 14.4 per cent in August 2020, an increase of 4.5 percentage points compared to March 2020. While this is below the overall Victorian average of 16.2 per cent, there are pockets of substantially higher youth unemployment in the region, such as for Broadmeadows, Meadow Heights and Campbellfield.

In 2017, the regions youth unemployment rate was over 18 per cent, well above the Victorian average of approximately 12 per cent. Since 2017 and prior to COVID-19, the region's youth unemployment rate has been trending down to below the Victorian average. This indicates that services in the region have capacity to build on and use labour market strategies for youth and should be leveraged.

The youth disengagement rate for the North Western Melbourne region is 14.6 per cent, higher than the average of 11.2 per cent for Victoria and 13.3 per cent nationally. The disengagement rate for North Western Melbourne is the highest for all five metropolitan regions. Along with employment, the COVID-19 pandemic has significantly interrupted the delivery and outcomes for education and training. Restrictions on face-to-face learning has disadvantaged those with learning challenges, as has the postponement of practical placements for VET students. Through the Government's services we are hearing that students are feeling disconnected with education and training and they are struggling to remain engaged for a range of reasons.

Culturally and Linguistically Diverse (CALD) and Refugees

The North Western Melbourne Employment Region is a culturally diverse community with cultural backgrounds from over 200 countries. Combined, CALD and Refugees make up 52 per cent of the jobactive caseload in the region. Just under half of its residents' report that both parents were born overseas, with the main cultural backgrounds from India, Iraq, Italy and Turkey. The Hume LGA is ranked in the top three LGAs in Victoria for its intake of humanitarian refugees, which is reflected by settlement services and transition support services provided in the area. The availability and affordability of housing, including public housing, established settlement programs, cultural connections and community clusters have contributed to the high CALD populations in the Hume LGA.

The SEIFA Index of Education and Occupation shows that the SA2 areas of Broadmeadows, Campbellfield, Meadow Heights and Craigieburn Central have a relatively high socio-economic disadvantage in the region. The scores indicate that residents in these areas have lower education and occupation status relative to other SA2 areas in the region. Low SEIFA scores are strong indicators of people's limited access to material and social resources to achieve full participation in society. The Local Jobs Program will need to consider strategies, including leveraging already established approaches that are designed to assist those with low education and literacy levels and limited labour market experience.

Aboriginal and Torres Strait Islander people

While the unemployment rate of 11.9 per cent for Aboriginal and Torres Strait Islander people in North Western Melbourne is comparable to the general population, 2016 ABS Census data indicates lower levels of education attainment than non-Indigenous people in the region.

Impacts of COVID-19

The COVID-19 pandemic has had a significant impact on North Western Melbourne Region's local economy and employment. Some areas in the region have had high COVID-19 contraction rates and have been subject to strict lockdown conditions. Restrictions have also been imposed on some local businesses where COVID-19 clusters have formed, further affecting the local economy and jobs.

The jobactive caseload by Local Government Area (LGA) in Table 1 shows the growth in job seeker numbers since March 2020. While the largest increase is noted for Hume LGA, proportional increases are higher for the remaining LGAs.

Table 1: jobactive caseload by LGA (where known)

LGA	22 March 2020 Caseload	18 October 2020 Caseload	Count Change	Percentage Change
Brimbank (c)	112	405	293	261.60%
Hume (c)	7,228	20,130	12,902	178.50%
Macedon ranges (s)	388	1,178	790	203.60%
Moonee valley (c)	804	2,504	1,700	211.40%
Moreland (c)	1,746	5,532	3,786	216.80%
Total	10,278	29,749	19,471	189.44%

The manufacturing and warehousing and distribution sectors in the region have been affected by the broader economic downturn across Victoria and Australia, as well as the capacity to distribute goods and services due to mobility restrictions for regional and interstate freight services.

The COVID-19 pandemic has altered the established and traditional methods of delivering services across education and training and health and social assistance sectors. While these sectors have invested heavily in innovative ways to deliver services digitally, there has been some reluctance to engage in non-face to face services.

Melbourne's North West is familiar with structural change of its labour market and economy. The contraction of the manufacturing sector over the last decade had a significant impact on the regions traditional labour market. The economic impacts of the COVID-19 pandemic, however, have been widespread across industry sectors and the extent of recovery is unknown.

Melbourne Airport is one of the largest employers in the region and its activities contribute substantially to the local economy and labour market. In the 2018-2019 financial year the Melbourne Airport serviced approximately 37.4 million passengers, and these rates have substantially declined due to COVID-19 related restrictions on domestic and international travel. The reduction of economic activity has had a direct impact on the local and State economies, including supply-chain and service businesses who depend on the economic activity generated by the airport. Economic recovery and the re-opening of travel routes serviced by the Melbourne Airport will be a key element in ensuring displaced workers are re-engaged at the airport and related businesses.

Large employers

Melbourne's North West has a diverse economy represented through the breadth of industrial, commercial and service-based businesses located in the area. Its geographical location, transport

routes, land availability and labour market means that it is well-positioned to recover and grow its economy.

Some of the major employers in the North Western Melbourne Employment Region include:

- Melbourne Airport,
- LINFOX,
- Toll Logistics,
- Hume City Council,
- SCALZO Foods,
- CSL Laboratories,
- Bendigo Kangan Institute,
- NESTLE, Stockland,
- Lend Lease,
- Northern Health and
- Broadmeadows and Craigieburn Shopping Centres.

Selected Major Projects

North West Melbourne has a pipeline of infrastructure and construction projects which have commenced or are in the planning or approval stages. These projects attract public and private investment and provide economic, employment and skill development opportunities for the region. Skills development and labour supply initiatives will be important to ensure that skills and labour needs are met and that local people will be beneficiaries of local job creation and investment.

Projects commenced or planned for the region include:

- Melbourne Airport Redevelopment – as part of the Melbourne Airport Redevelopment Masterplan 2018, a range of projects are either planned for, or have commenced. The 20-year plan lists key development priorities up until 2038 to ensure that the Melbourne Airport has the capacity to service the projected doubling of passengers.
- Melbourne Airport Rail Link – construction to begin in 2022 and is expected to take up to nine years to complete.
- Craigieburn Road and Sunbury Road Upgrades – contracts were awarded in late 2019 for these projects to commence in mid to late 2020.
- Sunbury line upgrade – a Victorian rail project which commenced in 2019 and is scheduled for completion by the end of 2023.
- Broadmeadows Revitalisation – projects in scope include commercial, civic, retail, road, parking and residential development projects for the Hume Central site.
- The Beveridge Intermodal Freight Terminal – planning is underway for a freight and logistics industrial area covering 1000 hectares at Beveridge. The terminal will take freight from Victoria's two largest ports – Melbourne and Geelong. The facility is expected to support significant jobs growth in Melbourne's North and North West during and following the construction phase.
- The Suburban Rail Loop – a 90-kilometre rail project linking all of Melbourne's major arterial train lines, including the Craigieburn and Sunbury lines, and three super hubs servicing regional rail including Broadmeadows. The staged project is expected to be completed over several decades and is anticipated it will create more than 20,000 jobs with up to 2,000 apprenticeships.

- Epping Innovation and Food Export Hub – adjacent to Melbourne Wholesale Fruit, Vegetable and Flower Market is a 51-hectare site targeted for development of a food manufacturing, distribution and as a research hub to support the growing food and beverage manufacturing and supply industry.

A strength across Melbourne’s North and West has been the establishment of local and regional partnerships, such as the Northern Councils Alliance (NCA), West of Melbourne Economic Development Alliance (WoMEDA), Lead West and NORTHLink. The North and West City Deal Plan, established in 2020, is a collaborative initiative involving 13 Councils and other key stakeholders across Melbourne’s North and West. It aims to link all levels of Government, universities and business to unlock employment and economic development initiatives that will maximise benefits for the current and future community in the region. There are opportunities for the Taskforce to link in with this initiative, which aims to create 300,000 new jobs in Melbourne’s North and West.

Local Stakeholders and Opportunities

There are five local government areas (LGAs) including the Cities of Hume, Brimbank, Moreland, Moonee Valley and the Shire of Macedon Ranges.

Significant stakeholders within the North Western Melbourne Employment Region include Hume City Council, Northern Councils Alliance, Hume Jobs and Skills Taskforce, , Hume Employment and Learning Committee, Bendigo Kangan Institute, NORTHLink, Melbourne North Food Group and Caravan Industry of Victoria.

There is a strong community service sector delivering a range of programs and services across the Hume, Moreland, Moonee Valley and Brimbank LGAs, including opportunity to link in with the Hume Employment and Learning Committee and other established networks. However further work is required to establish stronger stakeholder connections in the outer communities of across the Shire of Macedon Ranges.

The diversity of the North Western Melbourne economy provides opportunities to connect with key industries and broker labour market solutions designed to support growth and recovery. In doing this the Taskforce will benefit from leveraging existing programs and initiatives successfully delivered in the region including Youth Jobs PaTH Program, National Work Experience Program and Regional Employment Trials.

Apprenticeships and traineeships will be a priority to ensure that industry is supported and skill development opportunities are available.

The Local Jobs Taskforce will collaborate with employment services providers in this region to support job seekers into work. There are seven Australian Government employment programs delivered by 23 employment services providers across the region. There are five providers delivering jobactive services in the region; Jobfind, Workskil Australia, Sarina Russo Job Access, Job Prospects and AMES Australia.

Other Australian Government employment services in the region include ParentsNext, Transition to Work (TtW), New Enterprise Incentive Scheme (NEIS), Australian Apprenticeship Support Network (ASSN), Career Transition Assistance (CTA) Employability Skills Training (EST), Disability Employment Services (DES – DMS and DES-ESS), and Vocational Training and Employment Centres (VTEC)

There will be opportunities to work with the Victorian Government who deliver employment programs including the Jobs Victoria Employment Network (JVEN) program and the Working for Victoria initiative.

North Western Melbourne Employment Region Jobs Plan: labour market update October 2020¹

The North Western Melbourne region has a history of labour market and social disadvantage, with its unemployment rate averaging 7.2 per cent over the last five years (compared with 5.5 per cent for Victoria).

ABS Labour Force Survey regional estimates also show that labour market conditions have deteriorated further in the North Western Melbourne region since March 2020, when Australia recorded its 100th case of COVID-19. This is not surprising, given the ongoing COVID-19 cases in Victoria and the subsequent implementation of restrictions in the State.

Selected ABS Labour Force Survey indicators, August 2020

	Employment			Unemployment			Unemployment rate		Participation rate	
	Aug-20	Change since Mar-20		Aug-20	Change since Mar-20		Aug-20	Change since Mar-20	Aug-20	Change since Mar-20
	('000)	('000)	(%)	('000)	('000)	(%)	(%)	(% pts)	(%)	(% pts)
North Western Melbourne	177.1	-25.6	-12.6	23.1	7.1	44.4	11.5	4.2	58.9	-5.8
Victoria	3,255.1	-188.4	-5.5	249.9	62.3	33.2	7.1	2.0	63.9	-2.5
Australia	12,583.4	-413.6	-3.2	921.8	206.0	28.8	6.8	1.6	64.8	-1.1

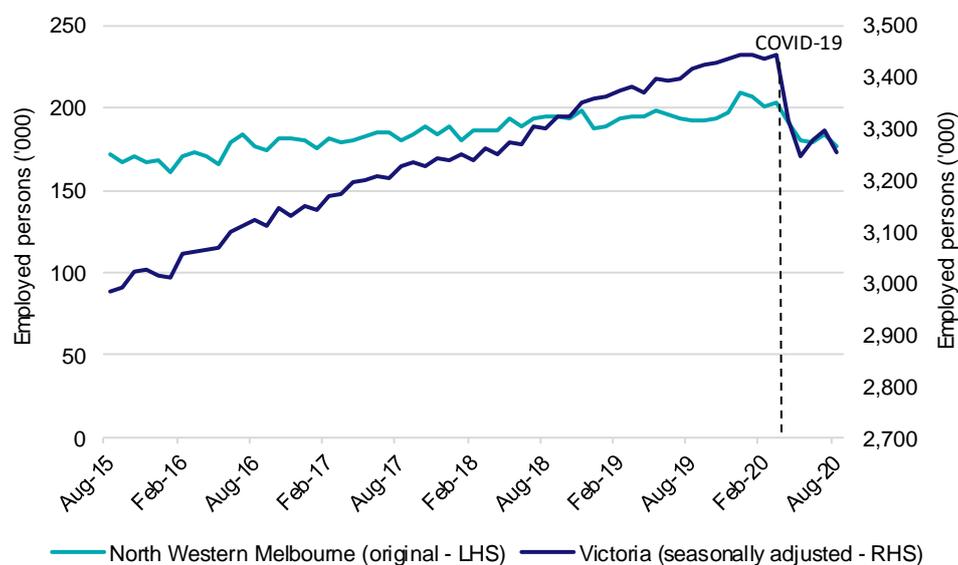
Source: Data for North Western Melbourne are from ABS, Labour Force, Australia, Detailed, August 2020, original estimates. Data for Victoria and Australia are from ABS, Labour Force, Australia, August 2020, seasonally adjusted estimates.

¹ Throughout this labour market update, unless otherwise stated, data are for the Melbourne – North West SA4, which is a good proxy for the Employment Region. Data are the latest available at the time of writing. Note that regional monthly ABS Labour Force Survey (LFS) estimates are highly volatile and should be viewed with extreme caution.

Employment

- There were 177,100 employed people in the North Western Melbourne region in August 2020
- The number of employed people has decreased by 25,600 (or 12.6 per cent) between March and August 2020.

Employed persons aged 15 and over (five years to August 2020)



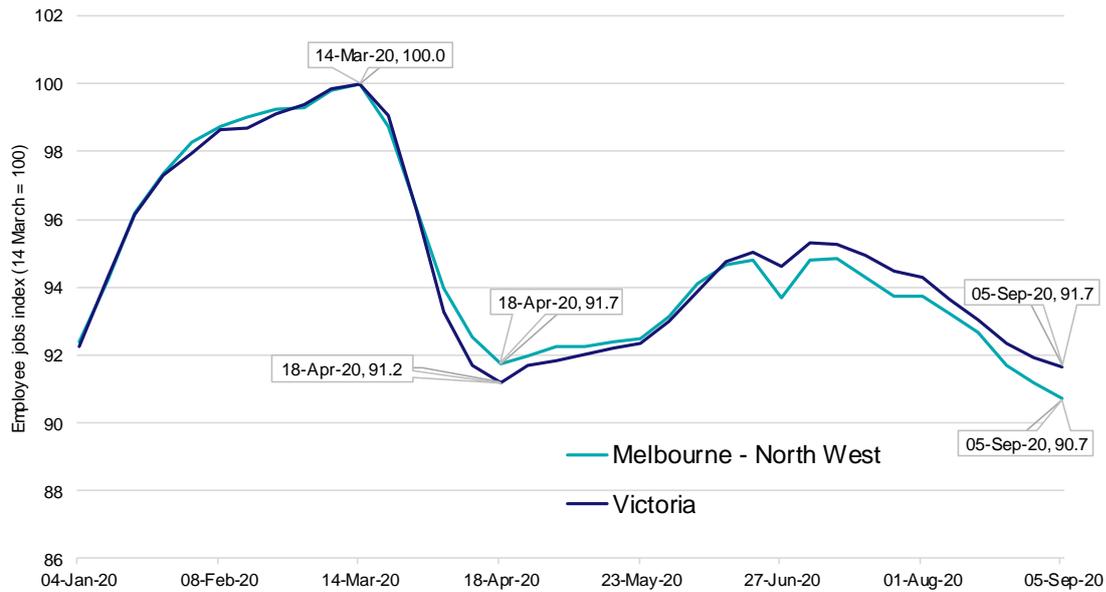
Source: ABS, Labour Force, Australia, Detailed, August 2020

ABS weekly payroll data

The ABS weekly payroll data show that between 14 March 2020 and 5 September 2020:

- The number of employee jobs in the Melbourne – North West SA4 fell by 9.3 per cent, compared with an 8.3 per cent decline in Victoria and a 4.5 per cent decrease for Australia
- Over the four weeks to 5 September, employee jobs in the Melbourne – North West SA4 have fallen 2.7 per cent, compared with a 2.1 per cent decrease for Victoria and a 0.7 per cent decline nationally.

Employee jobs 4 January to 5 September (14 March 2020 = 100)



Source:

ABS, Weekly Payroll Jobs and Wages, Week ending 5 September 2020.

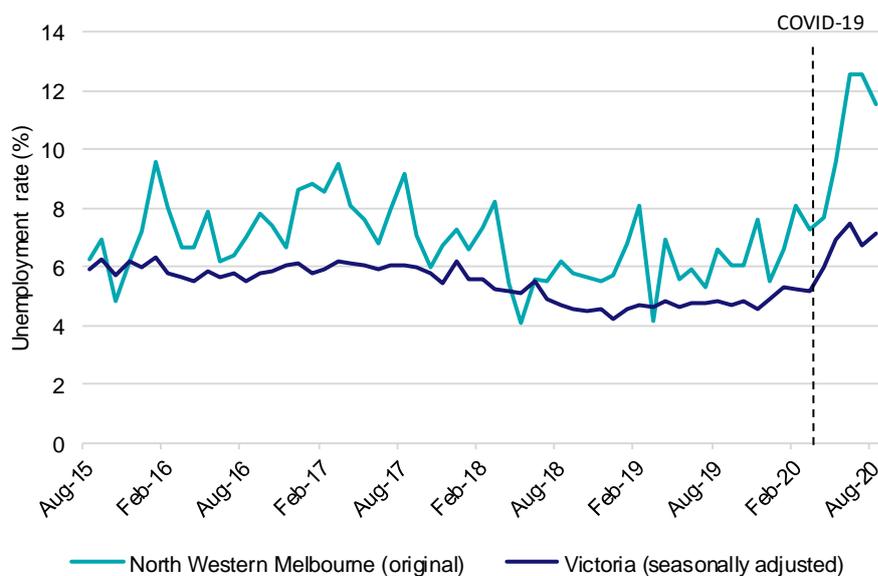
Participation rate

- The North Western Melbourne participation rate fell by 5.8 percentage points between March and August 2020, to stand at 58.9 per cent, and is below the 63.9 per cent recorded for Victoria.
- At 31.2 per cent, the share of the adult population that is mature aged (aged 55 and over) in the region is lower than that for Victoria (32.7 per cent).

Unemployment

- In August 2020, the unemployment rate in North Western Melbourne was the highest of any region in Victoria (and the third highest of all SA4s in the country)
- The unemployment rate in the North Western Melbourne region stood at 11.5 per cent in August 2020, up by 4.2 percentage points since March 2020, and is well above the 7.1 per cent recorded for Victoria
- Over the last five years, the unemployment rate in North Western Melbourne has averaged 7.2 per cent, significantly above the 5.5 per cent recorded for Victoria

Unemployment rate time series (5 years to August 2020)



Source: ABS, Labour Force, Australia, Detailed, August 2020

Considerable labour market disparity exists within the North Western Melbourne Employment Region. Latest available *Small Area Labour Markets* data show that, in the March quarter 2020, the unemployment rate in the North Western Melbourne region ranged from just 1.7 per cent in the Statistical Area Level 2s (SA2s) of Strathmore and Macedon, to 20.0 per cent in the SA2 of Broadmeadows.²

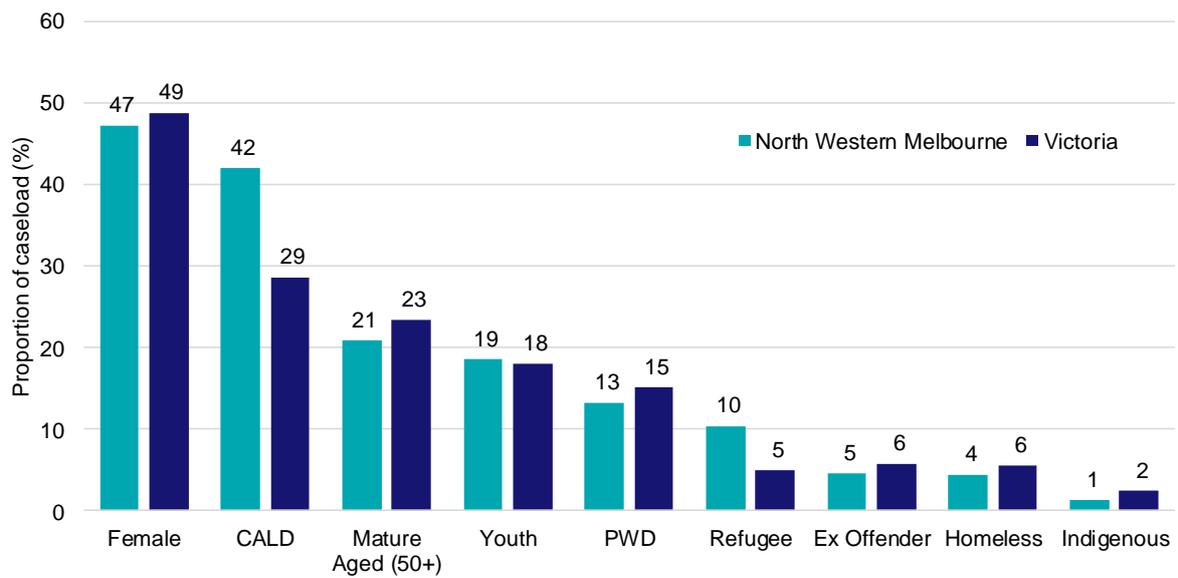
Employment services caseload characteristics

As at 30 September 2020:

- The jobactive caseload in North Western Melbourne increased from 10,148 people in March 2020 to 30,070 in September 2020, a rise of 196 per cent
- This compares with an increase of 179 per cent for Victoria and 97 per cent for Australia
- The caseload in the region has substantially higher proportions of Culturally and Linguistically Diverse (CALD) people and refugees, compared with Victoria.

² Data for SA2s are sourced from the National Skills Commission, *Small Area Labour Markets*, March quarter 2020, smoothed estimates. Labour market data at the regional level can display significant variability and should be viewed with caution.

Employment services caseload for selected cohorts (September 2020)



Source: Department of Education, Skills and Employment, administrative data, August 2020.

PWD = Persons with disability. CALD = Culturally and Linguistically Diverse.

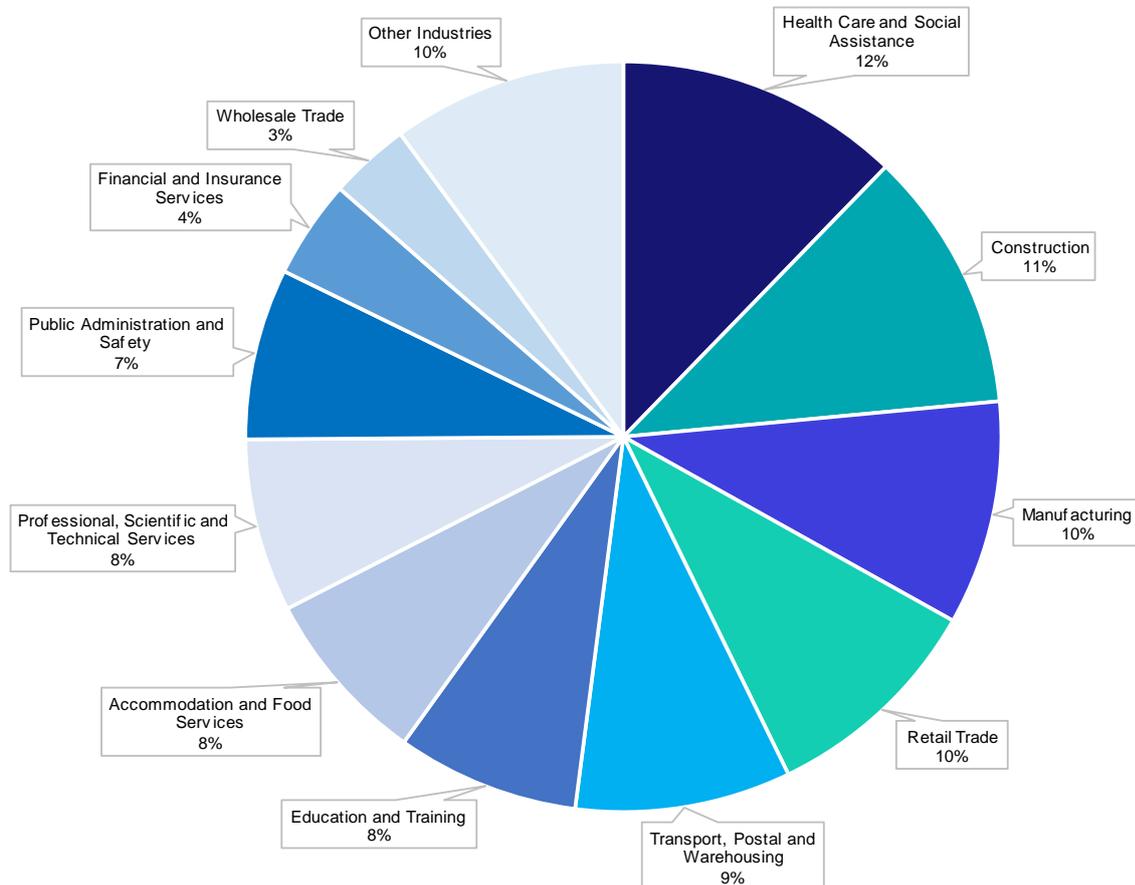
Income support

In August 2020, the proportion of the working age (15-64 years) population on income support in North Western Melbourne stood at 18.8 per cent, well above the 15.2 per cent recorded in Victoria and the 16.3 per cent recorded nationally.

Industry profile³

As at August 2020, the largest employing industries in North Western Melbourne were Health Care and Social Assistance; Construction; Manufacturing; and Retail Trade. Transport, Postal and Warehousing was also a large industry, with an employment share of 9 per cent in the region.

Share of employment by industry in North Western Melbourne, August quarter 2020



Source: ABS Labour Force, Australia, Detailed, August 2020. "Other industries" includes: Other Services; Administrative and Support Services; Arts and Recreation Services; Electricity, Gas, Water and Waste Services; Information Media and Telecommunications; and Rental, Hiring and Real Estate Services.

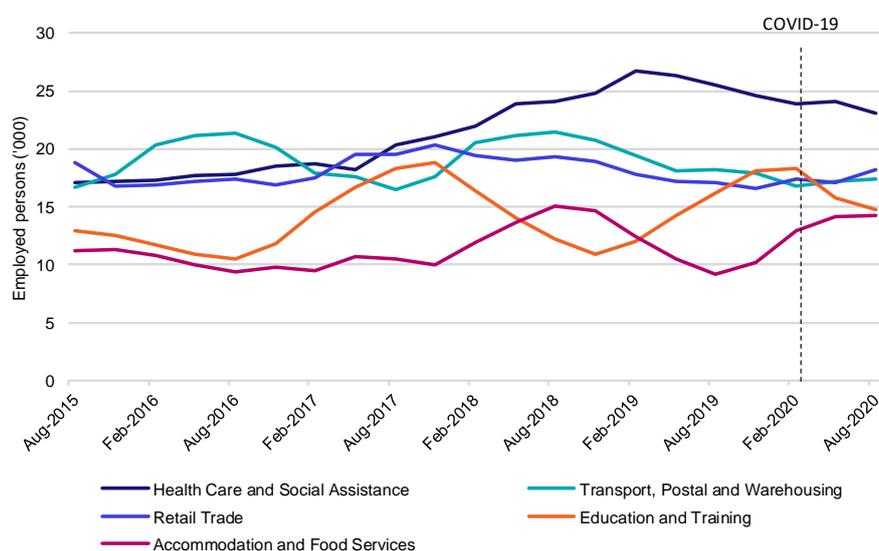
³ Regional industry employment data is in four quarter averaged terms, which means it is not responsive enough to pick up the impact of COVID-19. This section is intended to present the more medium-term trends in industry employment for the region.

Employment trends (for the selected industries)

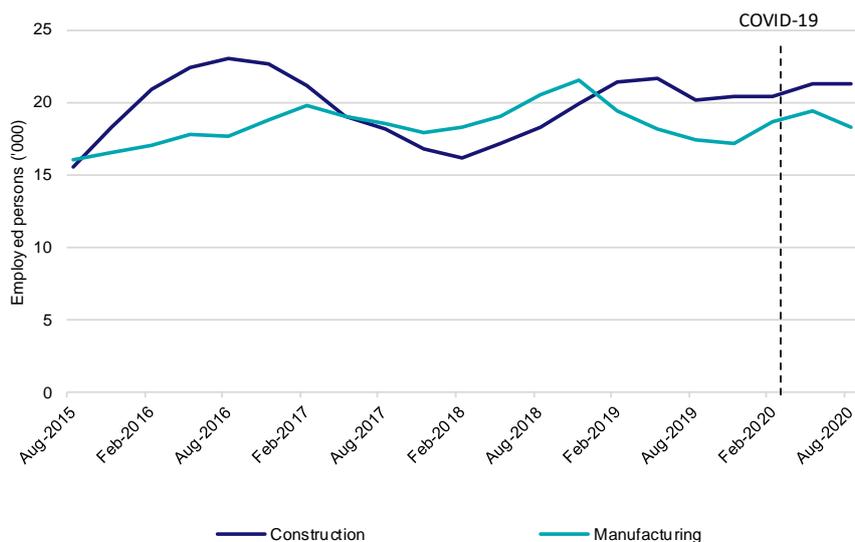
Although COVID-19 has affected some industries more than others, it is important to consider longer term employment trends to understand where current and emerging opportunities may be in this region:

- Despite some swings in the data over the last five years, employment is at higher levels in August 2020 in Construction, Manufacturing, and Education and Training
- Retail Trade and Transport, Postal and Warehousing have been relatively flat
- Employment increased strongly in Health Care and Social Assistance before commencing a downward trend in early 2019
- Accommodation and Food Services has not declined substantially post-COVID-19, as might have been expected; this is likely a product of the averaging of data (raw data is not published by the ABS – see footnote 3).

Employed persons in select 'services' industries, five years to August 2020 ('000)



Employed persons in select 'producing' industries, five years to August 2020 ('000)



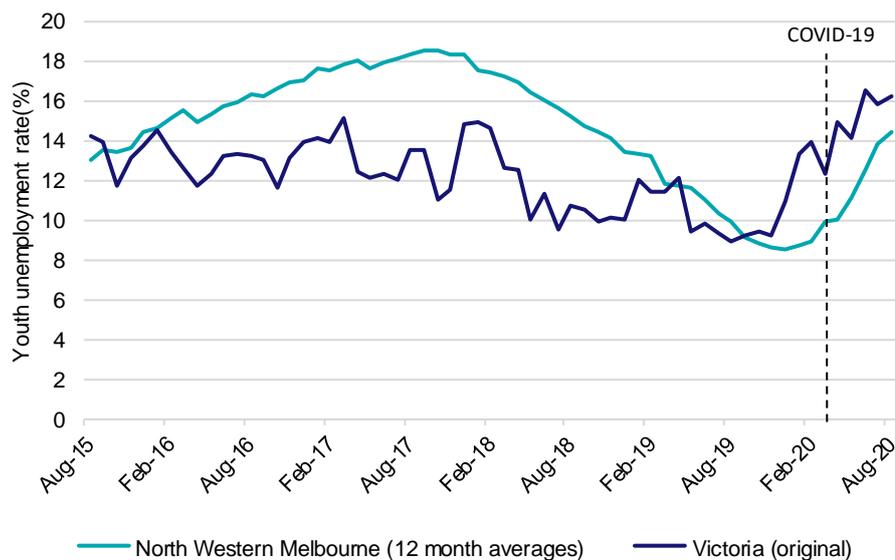
Source: ABS Labour Force, Australia, Detailed, August 2020

Youth aged 15-24

Youth unemployment

- The youth unemployment rate in the North Western Melbourne region stood at 14.4 per cent in August 2020, below the 16.2 per cent recorded for Victoria but above the 14.3 per cent recorded for Australia
- The youth unemployment rate has increased by 4.5 percentage points since March 2020

Youth unemployment (5 years to August 2020)



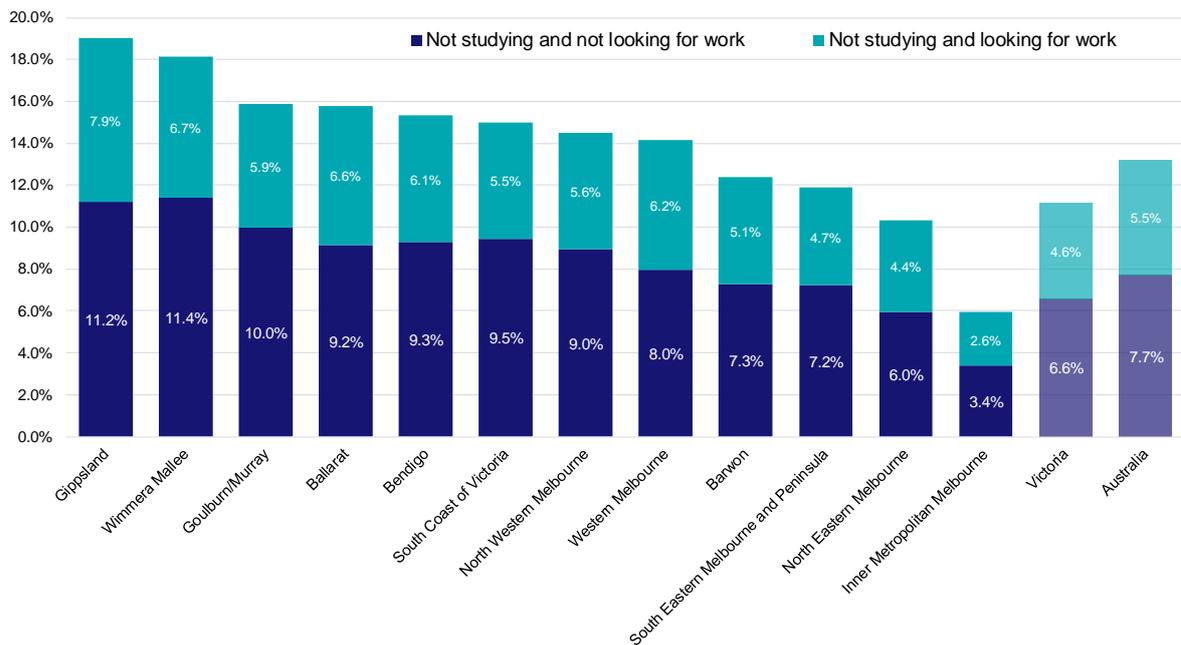
Source: ABS, Labour Force, Australia, Detailed, August 2020

Youth disengagement

Data below are based on 2016 Census for Employment Regions, which is the latest available source for this information.

- North Western Melbourne has a higher rate of youth disengagement than the average for Victorian Employment Regions.
- The rate of disengagement for young people (18-24 years) in North Western Melbourne was 14.6 per cent, compared with 11.2 per cent for Victoria and 13.3 per cent for Australia.

Young people not studying nor working (18-24 years old)

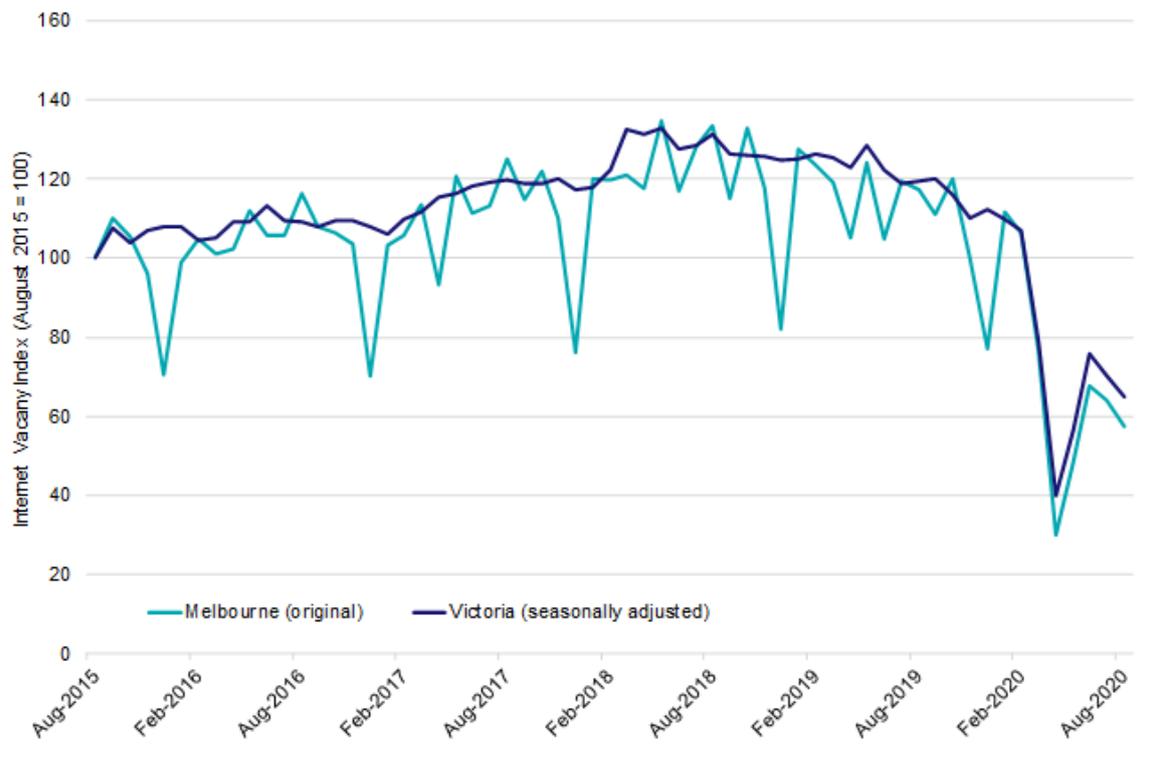


Source: ABS, Census of Population and Housing, 2016

Vacancies and job advertisements

The level of vacancies in the Internet Vacancy Index Melbourne region declined by 51 per cent over the two months to June 2020, before increasing again to August 2020 (up by 5 per cent from the lowest point). Despite this recent increase, vacancies in the region are 36 per cent below pre-COVID levels.

Online job advertisement time series (Five years to August 2020)



Source: National Skills Commission, Internet Vacancy Index, August 2020. Data for Melbourne is original data, instead of a 3-month moving average, which displays more seasonal variability but more accurately reflects very recent changes; data for Victoria is seasonally adjusted; both have been indexed to July 2015.

Top 10 advertised occupations (August 2020)

ANZSCO Occupation
Software and Applications Programmers
Registered Nurses
General Clerks
Advertising and Sales Managers
Sales Assistants (General)
Aged and Disability Carers
Primary School Teachers
Construction Managers
Accountants
Education Aides

Source: National Skills Commission, Internet Vacancy Index, August 2020. Raw data are used for analysis. Note: the Melbourne region is the most disaggregated region available from the contributing job boards, within which the North Western Melbourne Employment Region is situated.

A note on comparing data

It is important to note that unemployment statistics collected as part of the Labour Force Survey can vary considerably from income support statistics and jobactive caseload numbers.

A person is considered employed by the ABS if they are aged 15 years and over and work for an hour or more during the Labour Force Survey reference week. The ABS also classify someone as employed if they have taken any kind of leave or were paid for some or all of the previous four weeks (including via the JobKeeper Payment). In addition, employees who were away from their jobs for less than four weeks without pay but still believed they had a job (i.e. were temporarily stood down) would also be classified as employed.

A person is considered unemployed by the ABS if they are not employed, have actively looked for work at some time in the last four weeks and are currently available for work.