

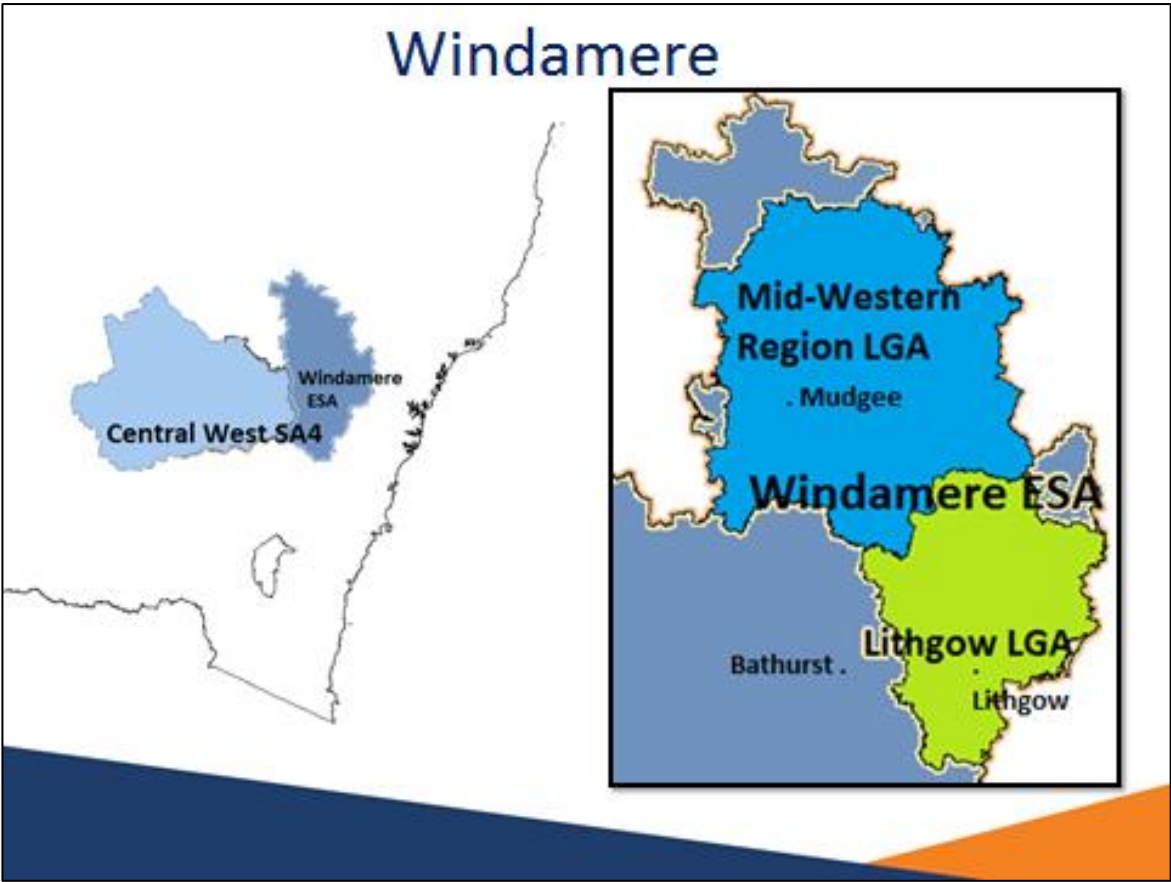


Australian Government  
Department of Employment

## **Slide 1 Overview of Lithgow Labour Market**

This is a presentation given by Ivan Neville, Branch Manager Labour Market Research and Analysis Branch on 13 April 2015 to the Local Council.

Slide 2 Windamere



### Slide 3 Lithgow snapshot

|   |               |
|---|---------------|
| Lithgow Unemployment Rate                       | 9.0%          |
| Lithgow Participation Rate (15 to 64 year olds) | 68.9%         |
| Total Employment Lithgow                        | 7,900         |
| Employment in Mining (Central West)             | 5,700         |
| - Annual change in Mining (Central West)        | -26% (-2,000) |
| Job Vacancies (Central West)                    | -8%           |

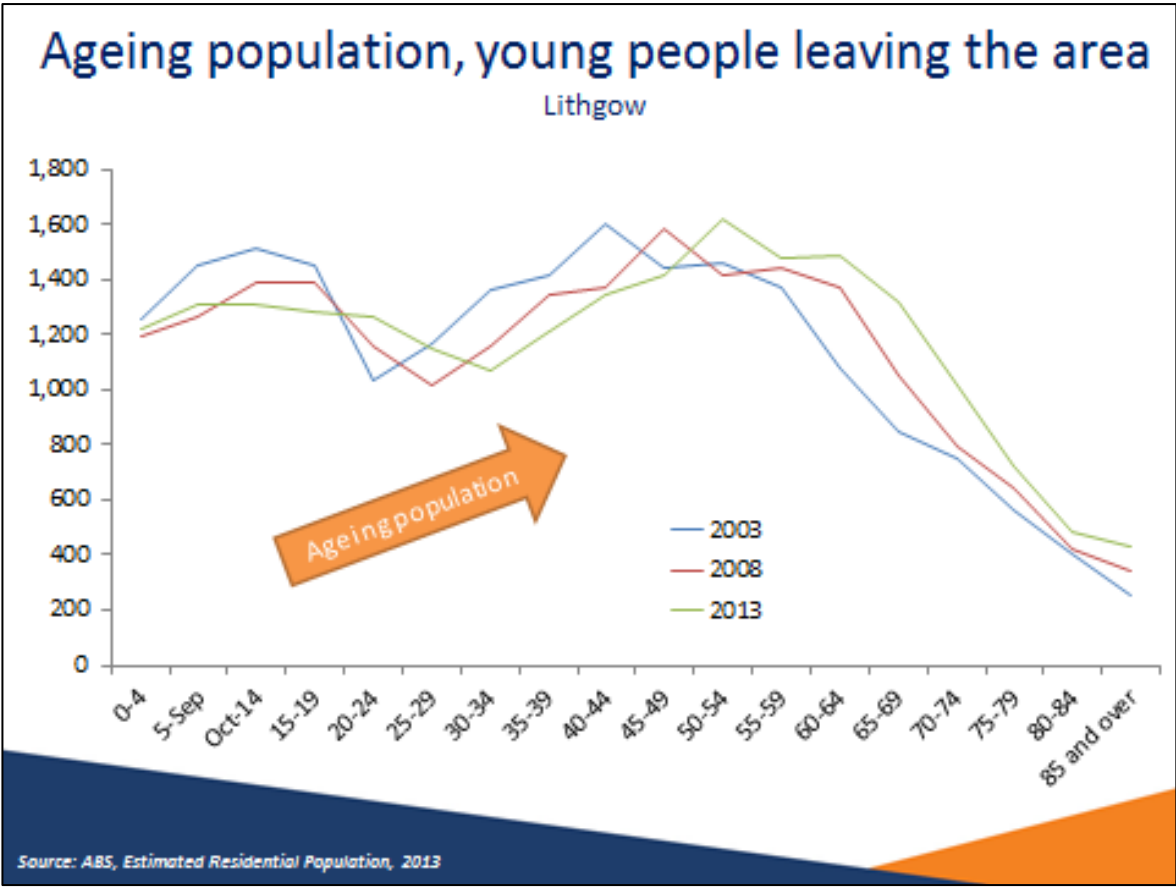
*Sources: Department of Employment, Small Area Labour Market, December 2014, ABS Census of Population and Housing, 2011, ABS, Labour Force Survey, February 2015, Department of Employment, IVI, February 2015*

## Slide 4 Population

|                                   | Adult Population | Growth in adult population | 15 to 24 year olds (as % adult population) | 65 years plus (as % adult population) | Median age |
|-----------------------------------|------------------|----------------------------|--|---------------------------------------|------------|
| Lithgow LGA                       | 17,300           | 5%                         | 15%<br>(2,600)                             | 23%<br>(4,000)                        | 42         |
| Mid-Western Regional LGA (Mudgee) | 20,200           | 7%                         | 14%<br>(2,900)                             | 24%<br>(4,800)                        | 41         |
| New South Wales                   | 6,011,500        | 9%                         | 16%<br>(971,200)                           | 19%<br>(1,124,100)                    | 38         |

Source: ABS, Estimated Residential Population, 2013; ABS, Census of Population and Housing, 2011

**Slide 5 Ageing population, young people leaving the area**



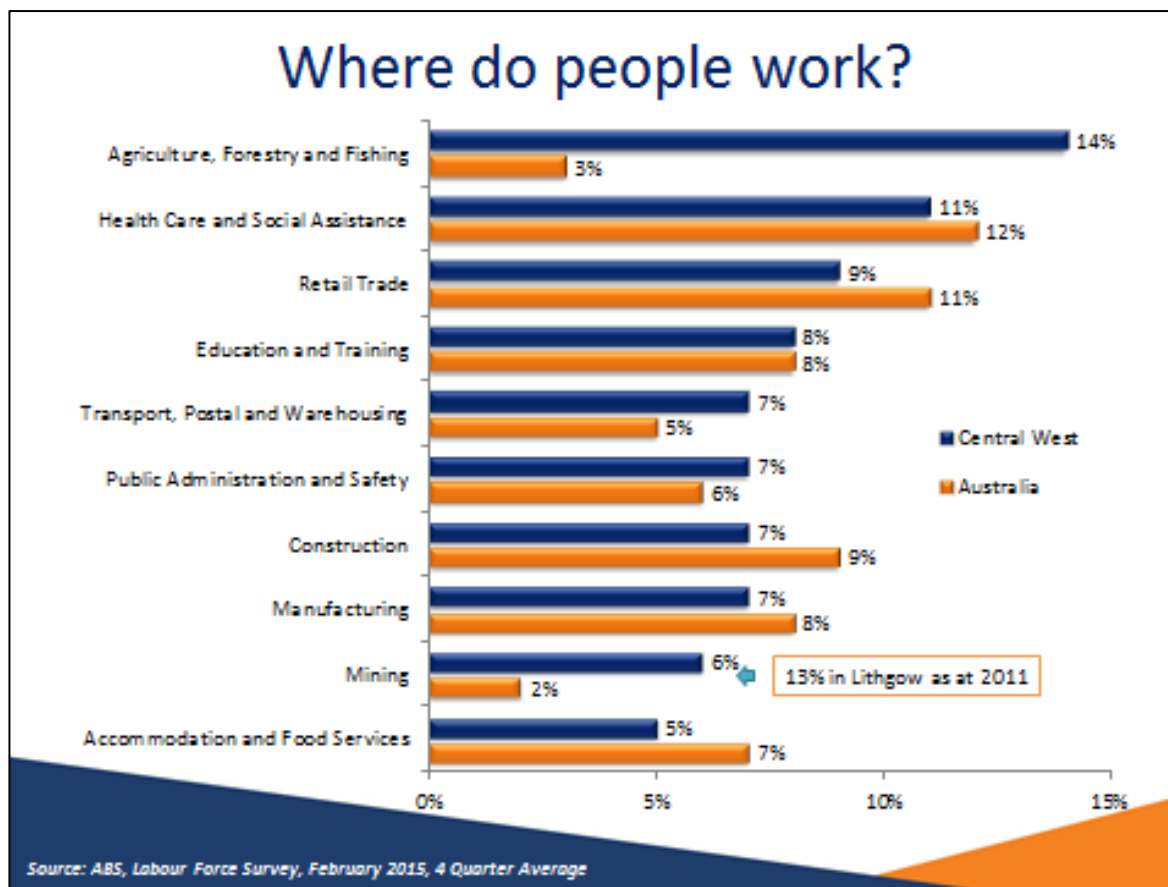
Source: ABS, Estimated Residential Population, 2013

## Slide 6 Unemployment remains high

| Region   | Unemployment rate |               |
|--|-------------------|---------------|
|  | December 2013     | December 2014 |
| Lithgow (township only)                                | 11.6%             | 10.2%         |
| Lithgow Region (excl township)                         | 7.2%              | 7.3%          |
| Lithgow LGA  | 9.8%              | 9.0%          |
| New South Wales<br>(February 2015 seasonally adjusted) | 5.9%              | 6.0%          |

Source: Department of Employment, Small Area Labour Markets, December 2014

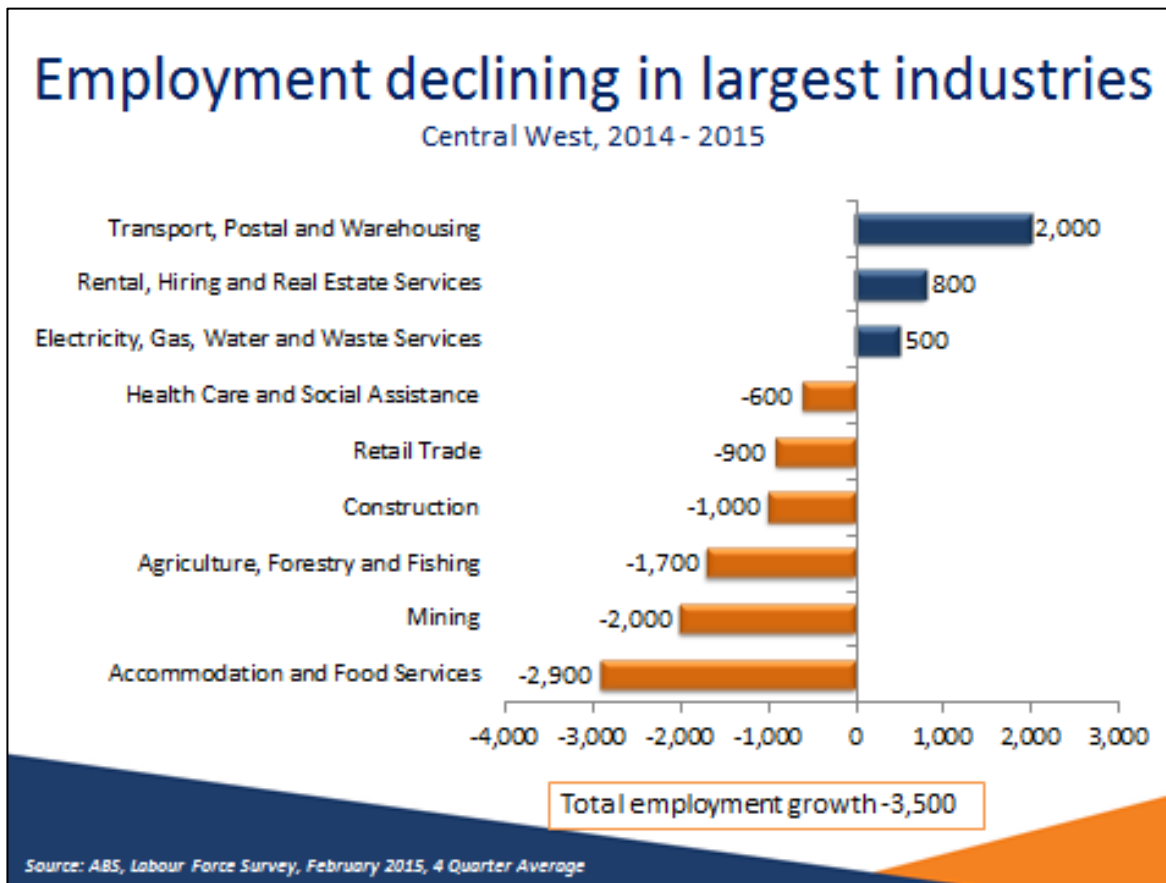
## Slide 7 Where do people work?



Source: ABS, Labour Force Survey, November Quarter 2014, 4 Quarter Average

The largest employing industry in the Central West region was Agriculture, Forestry and Fishing, which employs 14 per cent of the adult population. This was followed by the Health Care and Social Assistance industry (11 per cent) and the Retail Trade industry (9 per cent).

## Slide 8 Employment growth for largest industries Central West 2004-2014



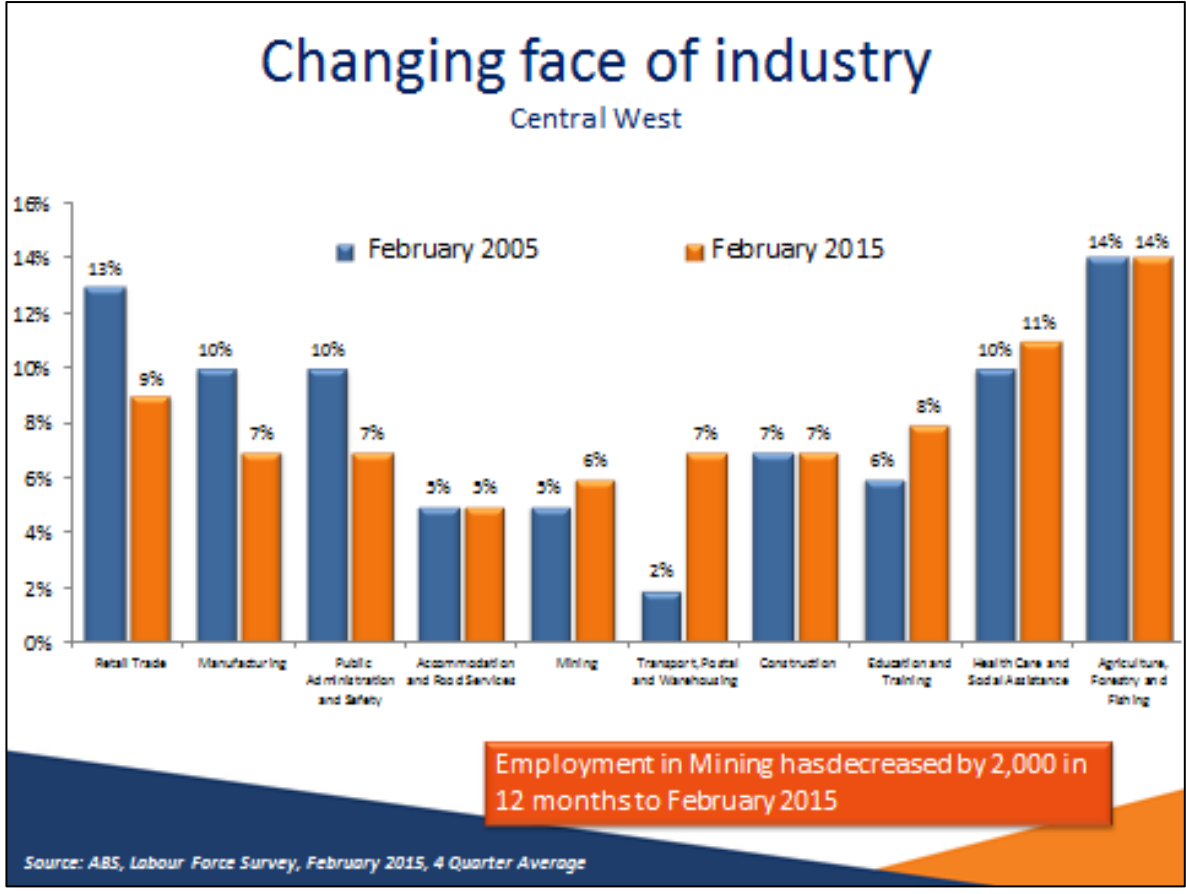
Source: ABS, Labour Force Survey, February Quarter 2015, 4 Quarter Average

Employment in Transport, Postal and Warehousing increased by 2,000 in the 12 months to February 2015, this was followed by Rental, Hiring and Real Estate Services (800) and Electricity, Gas, Water and Waste Services (500).

It should be noted that since February 2014 the Mining industry in the Central West SA4 now employs 2,000 fewer people.

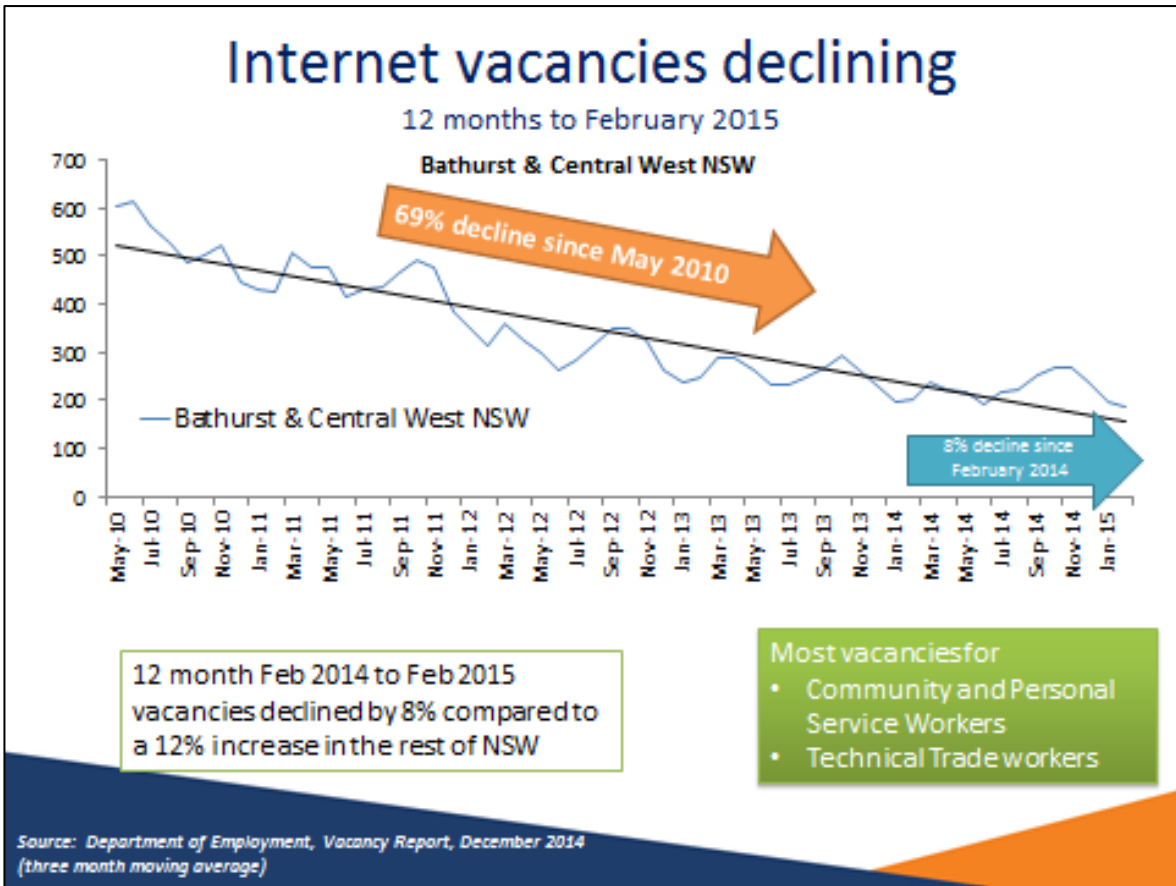


# Slide 9 Changing face of industry



Source: ABS, Labour Force Survey, February Quarter 2015, 4 Quarter Average

**Slide 10 Internet vacancies declining**



Source: Department of Employment, Vacancy Report, December 2014 (three month moving average)

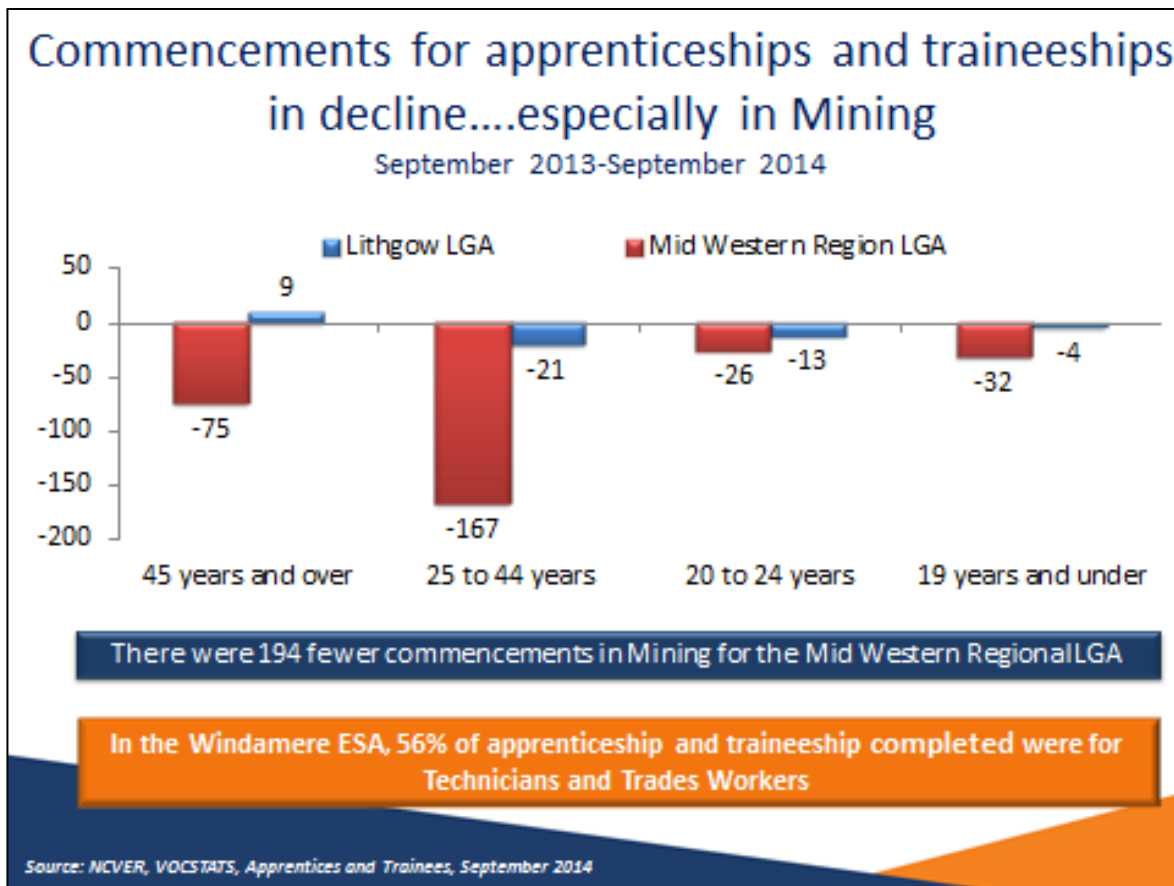
## Slide 11 Although employment is expected to pick up, mining will only have modest growth



Source: Department of Employment, Projections to November 2018

The Health Care and Social Assistance industry is projected to create 1,800 jobs in the Central West Regional in the next five years to November 2018. This is followed by Education and Training (1,200) and Accommodation and Food Services (1,000).

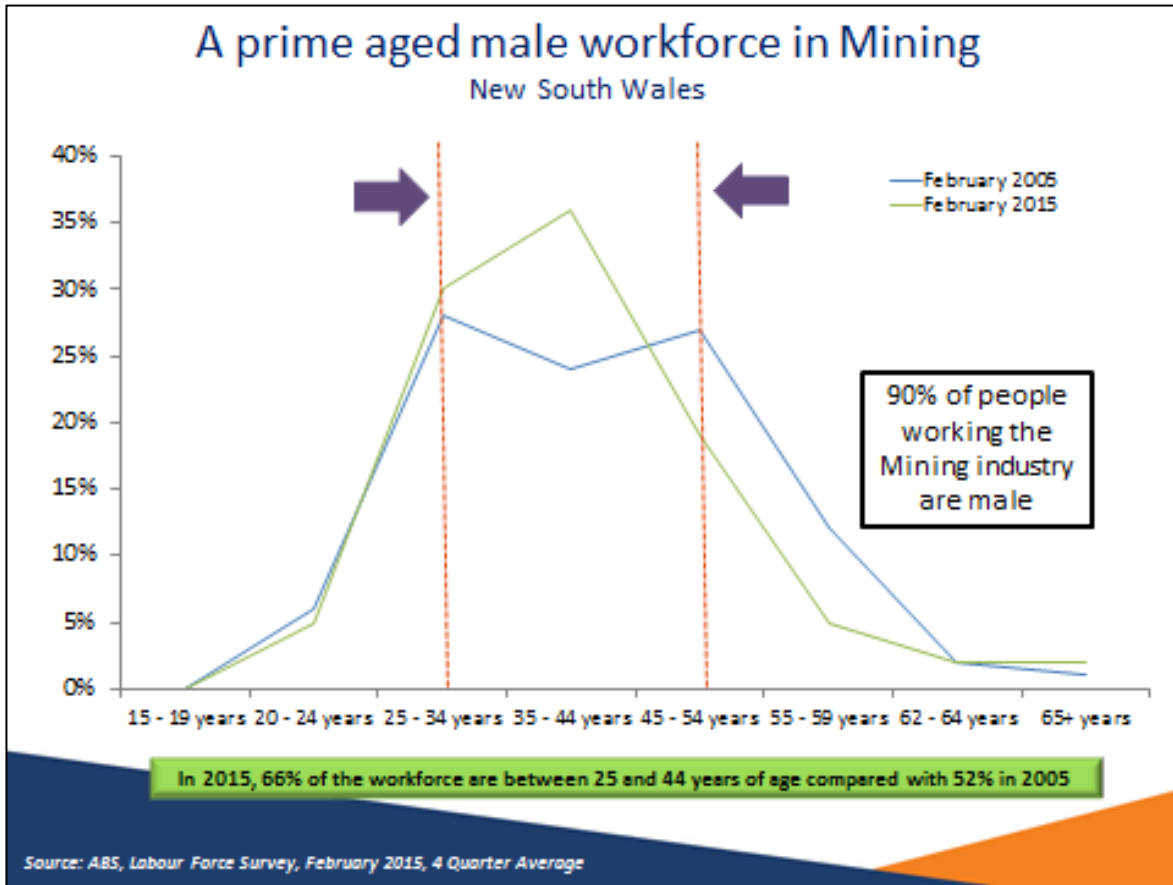
## Slide 12 Commencements for apprenticeships and traineeships in decline ....especially in Mining industry



Source: NCVET, VOCSTATS, Apprentices and Trainees, September 2014

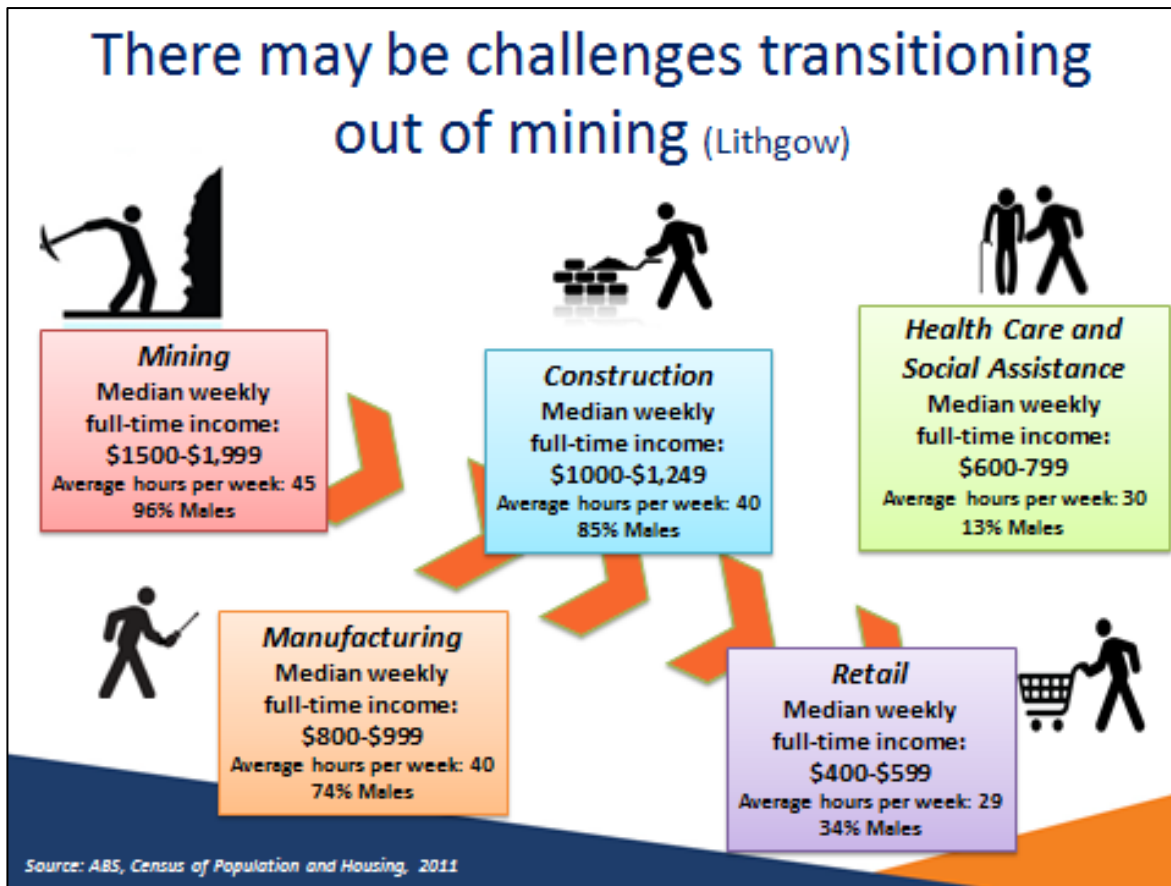
# Helping workers transition from one job to another

## Slide 14 A prime aged male workforce in Mining



Source: ABS, Labour Force Survey, February 2015 (4 quarter averages)

## Slide 15 There may be challenges transitioning out of mining



Source: ABS, Census of Population and Housing, 2011

This slide highlights some of the challenges ex-mining workers in Lithgow may face when attempting to transition to new employment. Although Hospitality Workers and Personal Carers and Assistants are among the occupations which have grown the most from 2006 to 2011, they will generally offer a lower salary and fewer hours per week than occupations in the mining industry.

## Slide 16 Workers may need to think about jobs outside of their local area

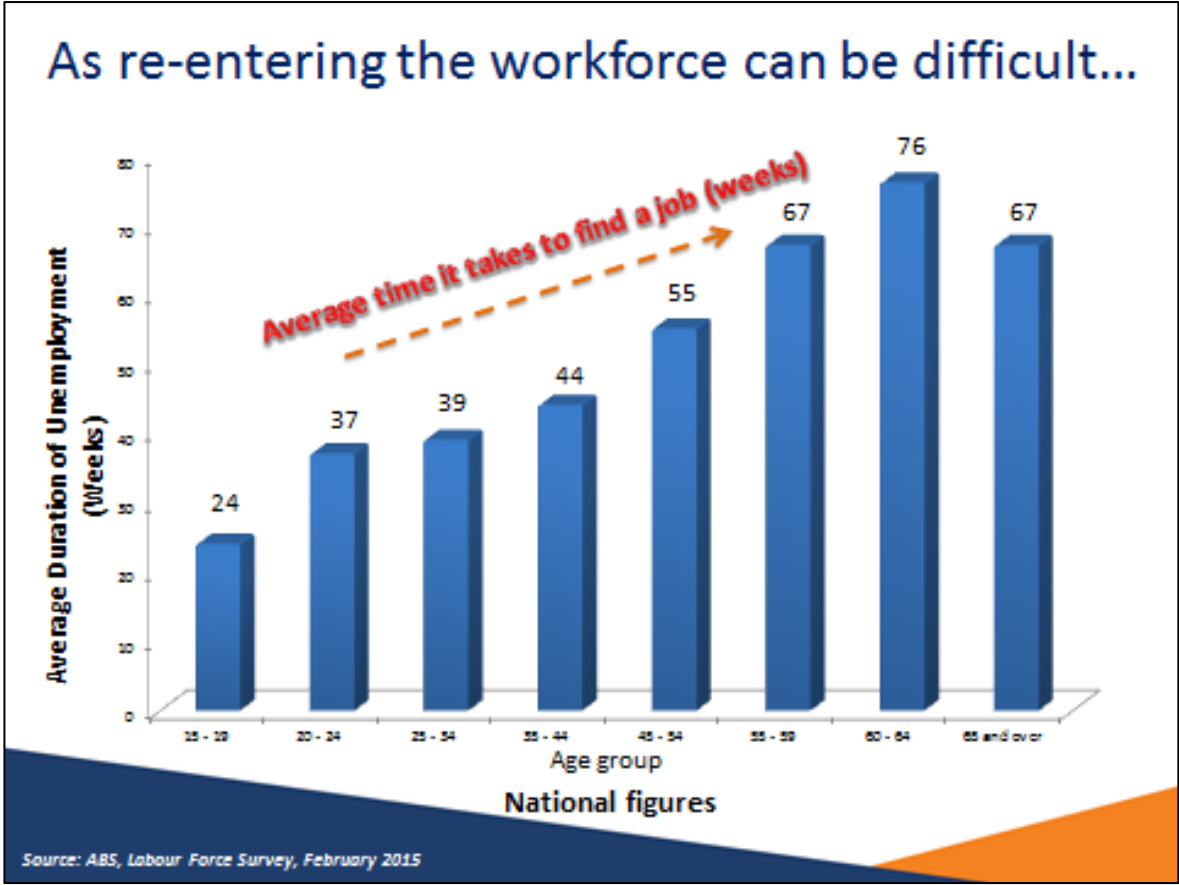


Source: ABS, Census of Population and Housing, 2011

According to the 2011 Census, only 10 per cent of the people who live in Windamere travel outside the region for employment.

Residents of The Windamere ESA may need to consider opportunities in surrounding large labour markets. For example in the Bathurst Regional LGA (15,200 employed people) and Orange LGA (17,300 employed people).

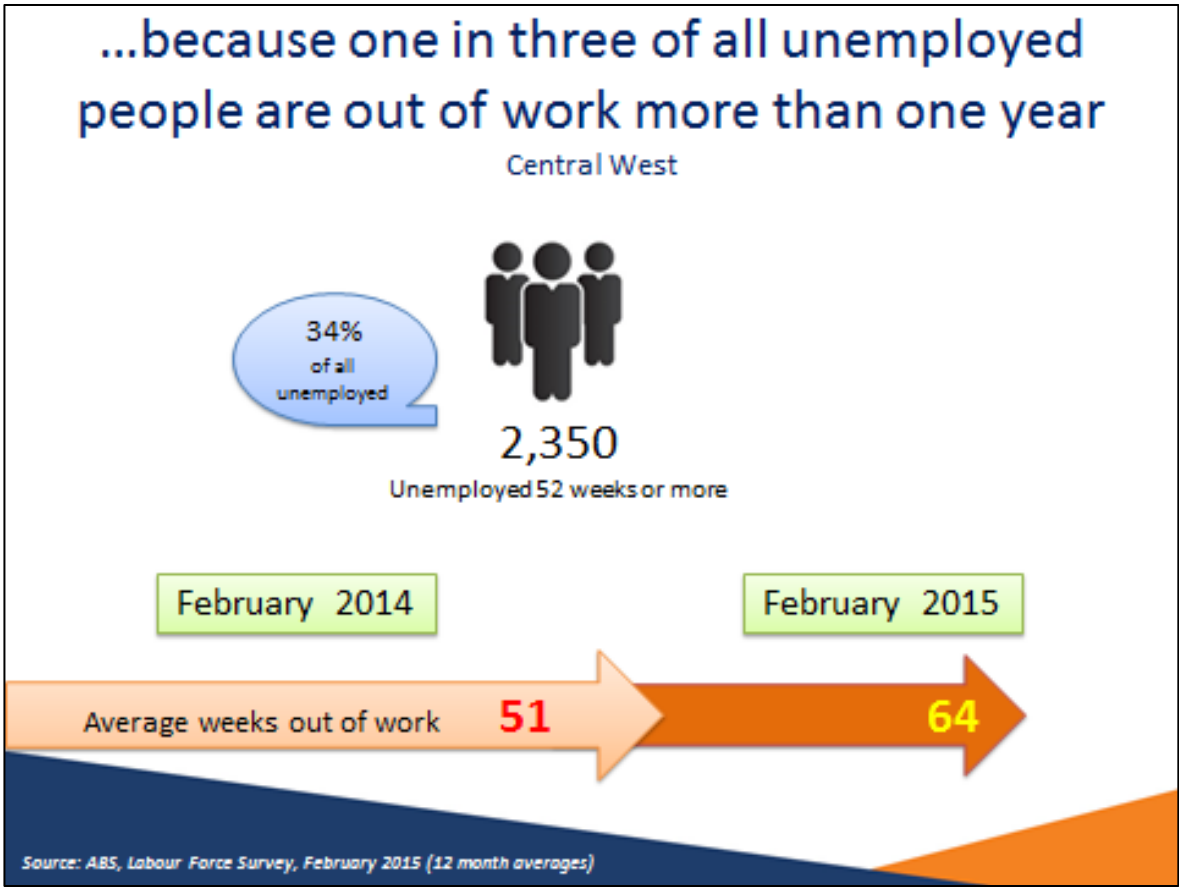
**Slide 17 As re-entering the workforce can be difficult**



Source: ABS, Labour Force Survey, February 2015



**Slide 18    ...because one in three of all unemployed people are out of work more than one year**



Source: ABS, Labour Force Survey, February 2015 (12 month averages)

**Slide 19 ...and because most people do not complete year 12...**

| Region                            | Completed Year 12(2011) | Highest non-school qualification                  |                                    |
|-----------------------------------|-------------------------|---|------------------------------------|
|                                   |                         | Advanced Diploma, Diploma or Certificate III & IV | Attained Bachelor Degree or Higher |
| Lithgow LGA                       | 45%                     | 42%   | 12%                                |
| Mid-Western Regional LGA (Mudgee) | 56%                     | 42%   | 17%                                |
| New South Wales                   | 75%                     | 29%   | 37%                                |

Source: ABS, Census of Population and Housing, 2011

## Slide 20 ...the right training is vital

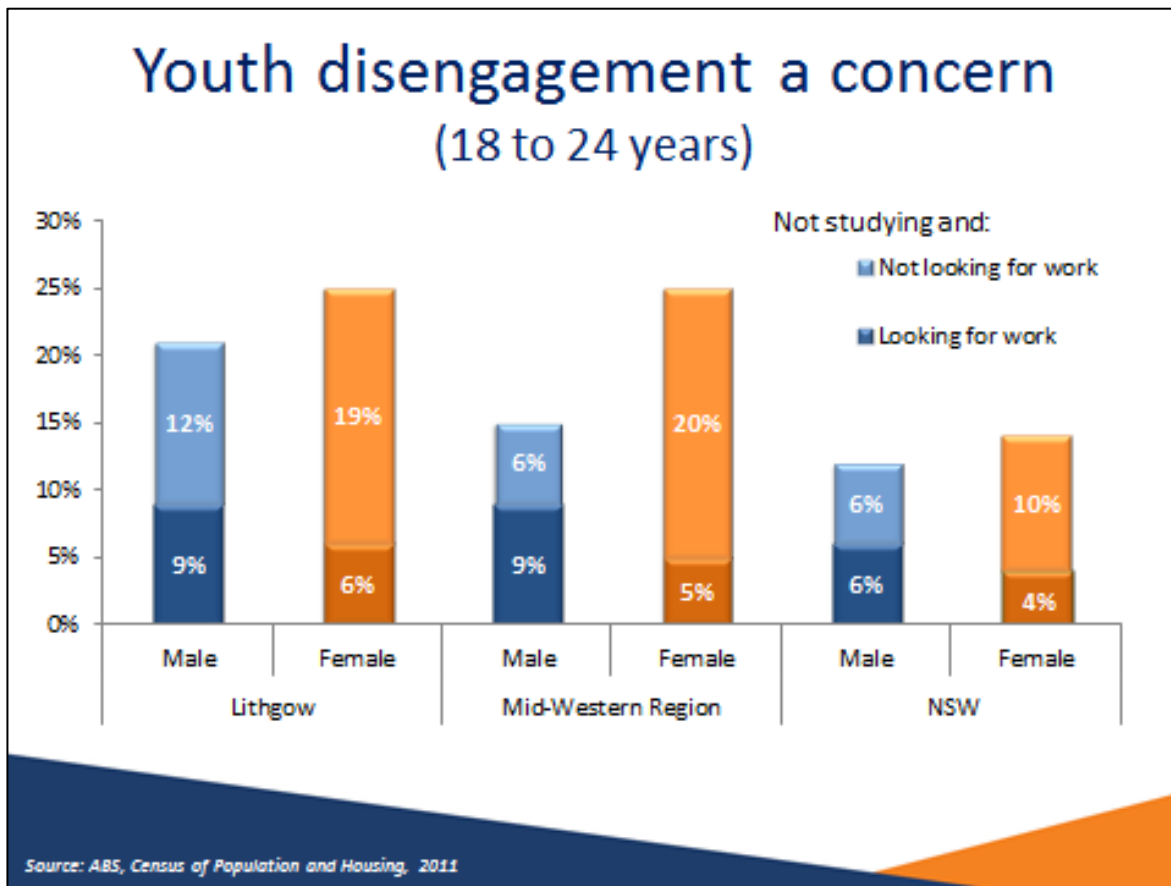


Source: ABS, Census of Population and Housing, 2011

There is a strong relationship between educational attainment and employment outcomes. For those aged 25 to 34 years in the Lithgow region, there were high unemployment rates for those who had completed Certificate I & II but had not completed Year 12 (19.2 per cent) and those who had not completed Year 12 or a post school qualification (19.0 per cent).

Unemployment rates are considerably lower for those who have completed a tertiary education at the Bachelor Degree, Advanced Diploma and Diploma Level. It should also be noted that employment outcomes are better for those who have attained Certificate Levels III or IV. This emphasises the importance of the right post school education in gaining employment.

## Slide 21 Youth disengagement is a concern



Source: ABS, Census of Population and Housing, 2011

## Slide 22 Indigenous labour market outcomes are poor

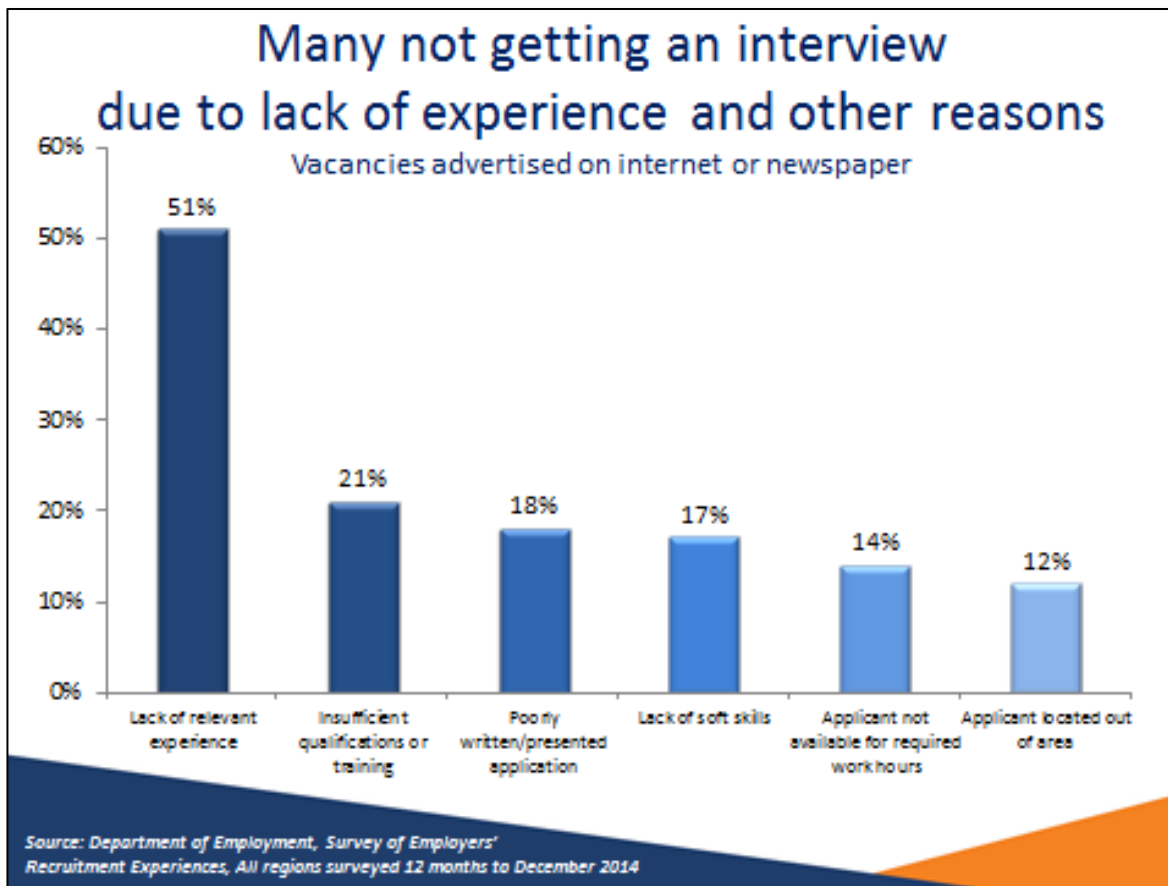
| Region                   | % of Working Age Population (WAP) Indigenous | Unemployment Rate (WAP) |                | Participation Rate (WAP) |                |
|--------------------------|--|-------------------------|----------------|--------------------------|----------------|
|                          |  | Indigenous              | Non-Indigenous | Indigenous               | Non-Indigenous |
| Lithgow LGA              | 4%   | 18.9%                   | 7.0%           | 50.4%                    | 69.9%          |
| Mid-Western Regional LGA | 4%   | 15.6%                   | 5.5%           | 63.7%                    | 72.5%          |
| New South Wales          | 2%   | 17.0%                   | 5.8%           | 56.4%                    | 75.0%          |

Source: ABS, Census of Population and Housing, 2011

In 2011, the proportion of the working age population who identify as being Indigenous in both the Lithgow LGA and Mid-Western Regional LGA was 4 per cent; this is above the New South Wales average of 2 per cent.

The Indigenous unemployment rate in Lithgow LGA is more than double the unemployment rate of the Non-Indigenous population in the area (18.9 per cent compared with 7.0 per cent). This figure is higher than that for New South Wales where the indigenous unemployment rate was 17.0%. Additionally, the Indigenous participation rate for Lithgow is 50.4 per cent which is lower than the non-indigenous portion of the population (69.9 per cent). This is also lower than the New South Wales figure of 56.4 per cent.

## Slide 23 Many not getting an interview due to lack of experience and other reasons



Source: Department of Employment, Survey of Employers' Recruitment Experiences, All regions surveyed to December 2014

The most common reason given by employers as to why they didn't give an applicant an interview was lack of relevant work experience (51 per cent). This was followed by insufficient qualifications or training (21 per cent).

Slide 24 ...So help will be needed transitioning from one job to another

...so help will be needed transitioning from one job to another...

- Relevant work experience
- Qualifications or re-training
- Availability for required work hours
- Well written/presented application
- Soft skills

**Slide 25    And workers also need these skills - Skills employers view as essential**

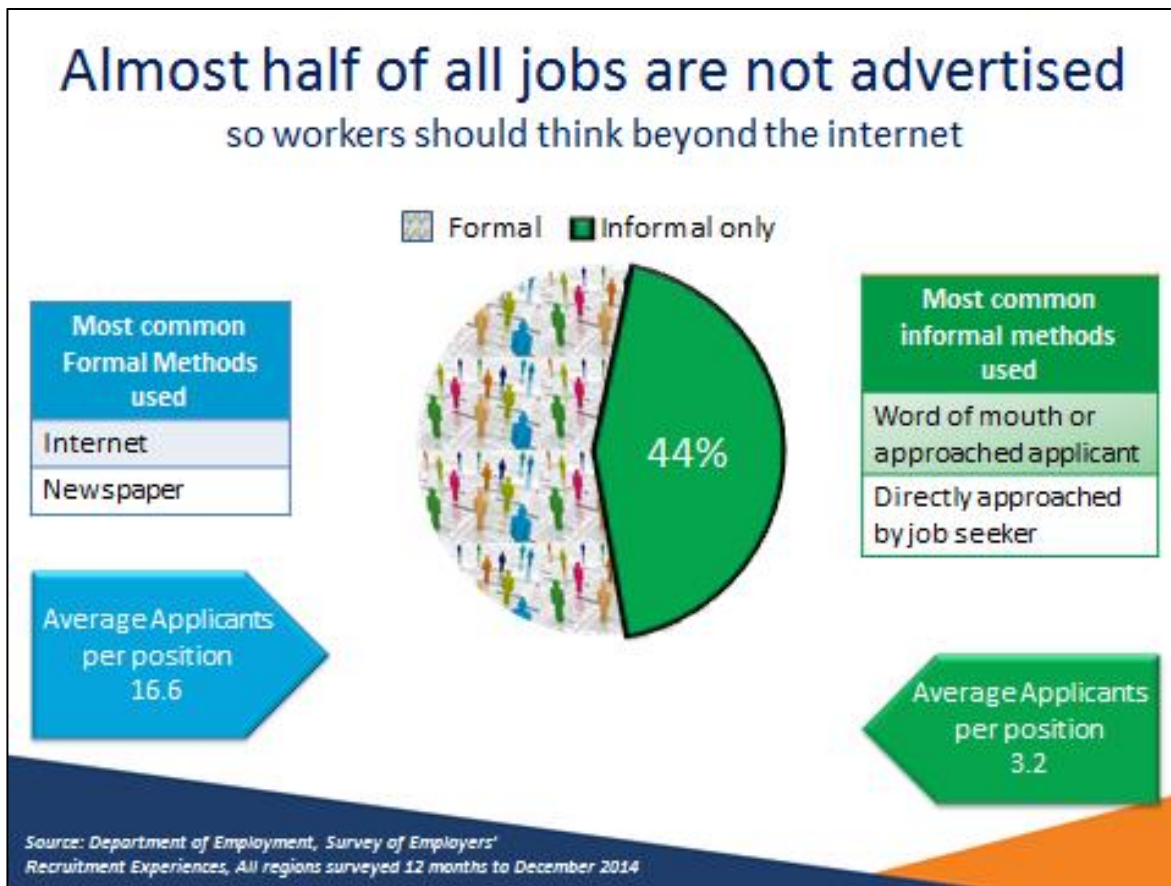


*Source: Department of Employment, Survey of Employers' Recruitment Experiences, all regions surveyed 12 months to December 2014*

There were was range of general employability skills and personality traits that employers commonly viewed as essential for the position they recently recruited for.



## Slide 26 Almost half of all jobs are not advertised so workers should think beyond the internet



Source: Department of Employment, Survey of Employers' Recruitment Experiences, all regions surveyed 12 months to December 2014

Employers Surveyed in the 12 months to December 2014 relied slightly more on formal methods of recruitment rather than informal.

The most commonly used formal method of recruitment was the internet and newspapers and the most commonly used informal method was word of mouth, being approached by job seekers, and internal recruitment.

Additionally, vacancies for which employers used informal recruitment methods attracted far less number of applicants (4 applicants) than when the employers used formal methods (17 applicants). This highlights the value of job seekers actively approaching employers when looking for work.

**Slide 27 Final recap - What workers need to do in order to move on?**



## **Slide 28 Conclusion**

### **Challenges facing the region and Lithgow Council**

- Rising unemployment
- Length of time searching for work between jobs getting longer
- High reliance on mining for jobs – redundancies
- High youth unemployment and many young people not finishing Year 12
- Many young people leaving the area

### **Opportunities**

- Projected jobs growth in industries that employ lower to medium skilled occupations
- Less competition for vacancies if approach employer directly

### **Council may need to consider how the region can help workers facing retrenchment**

- Retraining needs to match areas of employment growth
- Is the Mining industry a long term option? Decreasing labour force and short careers
- Other industries as a career choice, such as Health as a strong growth industry
- Workers expecting to be made redundant need to prepare themselves early
- Retrenched workers may need to look outside of local area for employment

### **Ongoing collaboration amongst key stakeholders and Council**

## Slide 29 Tools to assist job seekers

# Tools to assist with job search

**Websites**



**Publication**



**Phone App**



The image displays four categories of tools for job seekers. Under 'Websites', there are logos for LMIP, myfuture, Australian JobSearch, and JOB OUTLOOK. Under 'Publication', there is a cover for 'AUSTRALIAN JOBS 2014' with a green map of Australia. Under 'Phone App', there are two screenshots of the Australian JobSearch app, one showing the main screen and the other showing a list of job listings.

The Department of Employment has many tools to assist people with transitioning into the work force or into another job.

Slide 30

If you have any questions about the presentation please contact the Employer Surveys Section or Recruitment Analysis Section on:

Tel: [1800 059 439](tel:1800059439) or

Email: [recruitmentsurveys@employment.gov.au](mailto:recruitmentsurveys@employment.gov.au)



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