



**Local Jobs
Program**

Local Jobs Plan

South West Western Australia

October 2020

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The Department of Education, Skills and Employment acknowledges the traditional owners and custodians of the Noongar Nation 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 South West Employment Region of Western Australia 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 Employment Facilitator.

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

Local Jobs Program Key Priorities: South West Region

1. Maximise positions filled by local job seekers including apprenticeship and traineeship positions and that locals are skilled to meet the need of upcoming and current infrastructure projects in line with Industry requirements.
2. Maximising the benefits of existing Australian and WA Government programs, to create pathways into growth industries, particularly Civil/Mining Construction, Horticulture/Viticulture, Hospitality/Tourism and Health and Care Services for jobseekers with a focus on Indigenous jobseekers.
3. Optimise communication and engagement to Youth on education, training and entry pathways into key Industries with a focus on Indigenous Youth.

A full description of these key priorities, the strategies to address these and a list of key stakeholders can be found at Attachment A.

South West WA Region Overview



The South West is located in the south-western corner of Australia and covers an area of nearly 24,000 square kilometres. It is the most populated region outside Perth.

The South West is Western Australia's most popular tourist destination. The towns of Augusta, Margaret River and Dunsborough are among the top destinations to experience award-winning wineries, restaurants, world famous beaches, national parks, tall timber forests and ancient caves in the region.

The South West is made up of 12 local government authorities: Augusta-Margaret River, Boyup Brook, Bridgetown-Greenbushes, Bunbury, Busselton, Capel, Collie, Dardanup, Donnybrook-Balingup, Harvey, Manjimup and Nannup.

The South WA region is divided into three sub regions; Bunbury Geographe, Capes and Southern Forests.

Bunbury is the commercial and administrative hub of the region, with access to major road, rail and port facilities making it the main distribution centre, servicing industry and community needs.

Key challenges in the South West WA region

The South West region is a diverse economic region with the largest employing industries being Retail (declining) Mining, Construction, followed by the Health Care and Social Assistance sector.

The region is experiencing workforce demands in other Industry sectors despite COVID-19 impacts. These employing industries are Horticulture and Viticulture, Food Manufacturing, Civil Construction and the Health Care sector.

The current available workforce is mismatched to the skills requirements for the available jobs. There is large scale civil construction investment over the next three years that will provide employment opportunities. In addition, work in Horticulture and Viticulture can be short term and seasonal and not provide long term job security. These roles have been traditionally filled with a largely imported flexible and mobile workforce.

Youth have been affected disproportionately by COVID-19 as they held jobs in highly affected sectors such as Hospitality and Retail. It remains difficult to return into these sectors that are yet to meaningfully recover from COVID-19 impacts, meaning effort is required to transition the labour pool towards employing sectors.

The South West has a strong reputation of training their workforce to a high standard within the region. Local industries have experienced some recent loss of their trained workforce to other locations such as the Pilbara and Goldfields Mining communities (FIFO) or to larger centres such as Perth. With the immediate and upcoming civil works and harvest season there is a high priority on establishing a stable workforce trained and skilled to meet immediate and future demands.

Given the growth in unemployment for recently employed people, and the limitations on importing skills from interstate and offshore, this is an optimal environment to target local people to enter vacancies in the workforce.

Impacts of COVID-19

The South West WA employment region has felt the effects of COVID-19 heavily in its Tourism, Retail and Hospitality industries with the second biggest effect on the Horticulture, Viticulture and Food Manufacturing such as abattoirs and the wine manufacturing business. These impacts are seen through workforce shortages at critical time in production and harvest.

WA border closures impact the workforce that is seasonal and mobile in meeting the needs of the growers within this region.

Tourism has shifted from an international and interstate market to a local tourist market. Entering 2020, WA was experiencing record visitor numbers from both overseas and interstate. The flow-on effect of COVID-19 on the supplier chain runs deep through this region and will have ongoing impacts going forward if issues such as a suitable workforce do not get resolved.

Pressures created by skills shortages in the Health sector that were occurring prior to COVID-19 are still in play and there is a need to maintain focus to provide a workforce. The demand for this sector is expected to increase.

South West WA Employment Region Jobs Plan: labour market update October 2020¹

Labour market data for the South West WA region have been volatile, which has made discerning underlying labour market conditions difficult. It is worth noting, however, that employment in the region has fallen significantly in recent years, by 8,900 (or 8.6 per cent) between August 2018 and August 2020.

ABS Labour Force Survey regional estimates also show that labour market conditions have deteriorated in the South West WA region since March 2020, when Australia recorded its 100th case of COVID-19.

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)
South West WA	94.6	-2.9	-2.9	7.1	3.8	116.9	6.9	3.7	67.8	0.4
Western Australia	1350.3	-21.9	-1.6	102.0	23.6	30.1	7.0	1.6	67.9	-0.1
Australia	12,583.4	-413.6	-3.2	921.8	206.0	28.8	6.8	1.6	64.8	-1.1

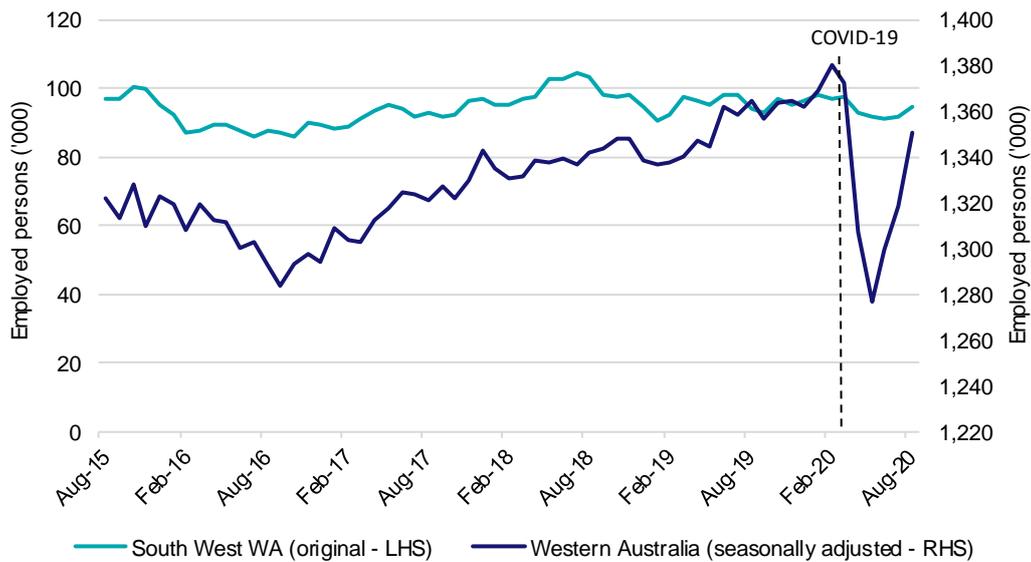
Source: Data for South West WA are from ABS, Labour Force, Australia, Detailed, August 2020 original estimates. Data for Western Australia and Australia are from ABS, Labour Force, Australia, August 2020, seasonally adjusted estimates.

Employment

- There were 94,600 employed people in the South West WA region in August 2020.
- The number of employed people has decreased by 2,900 between March and August 2020.
- Over the last five years, employment in South West WA has fallen at an annual average rate of 0.5 per cent, well below the 0.4 per cent rise recorded for Western Australia.

¹ Throughout this labour market update, unless otherwise stated, data are for the SA4 of Bunbury which is a good proxy for the South West WA Employment Region. Data are the latest available at the time of writing. Regional monthly ABS Labour Force Survey estimates are highly volatile and should be viewed with extreme caution.

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



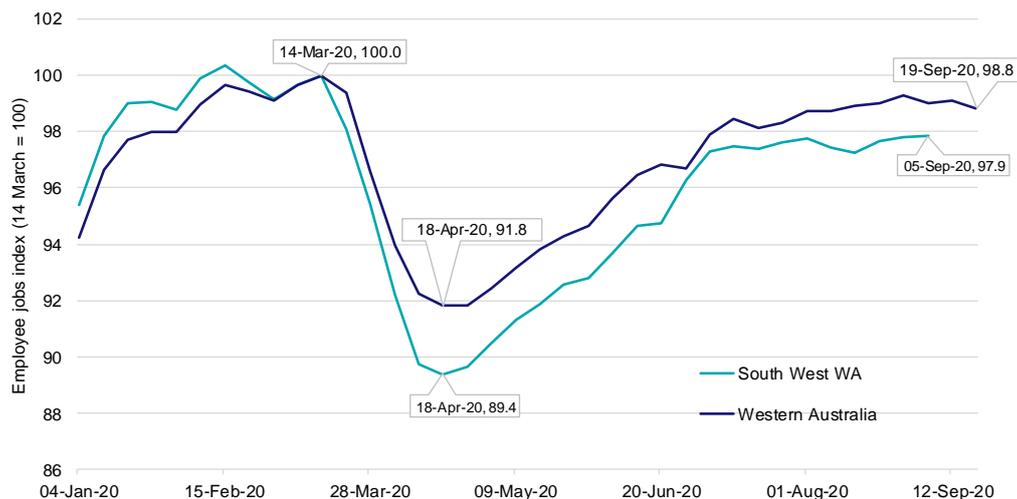
Source: ABS, Labour Force, Australia, Detailed, August 2020

ABS weekly payroll data

Following a steady rise at the beginning of the year, the ABS weekly payroll data show that between 14 March 2020 and 5 September 2020:

- the number of employee jobs in South West WA fell by 2.2 per cent, compared with a 1.0 per cent decline for Western Australia
- over the four weeks to 5 September, employee jobs have increased by 0.4 per cent in South West WA, compared with a 0.3 per cent increase in Western Australia. However, payroll jobs remain below pre-COVID-19 levels.

Employee jobs 4 January to 19 September (14 March 2020 = 100)



Source: ABS, Weekly Payroll Jobs and Wages, Week ending 19 September 2020. Latest available data at the SA4 level are for the week ending 5 September 2020.

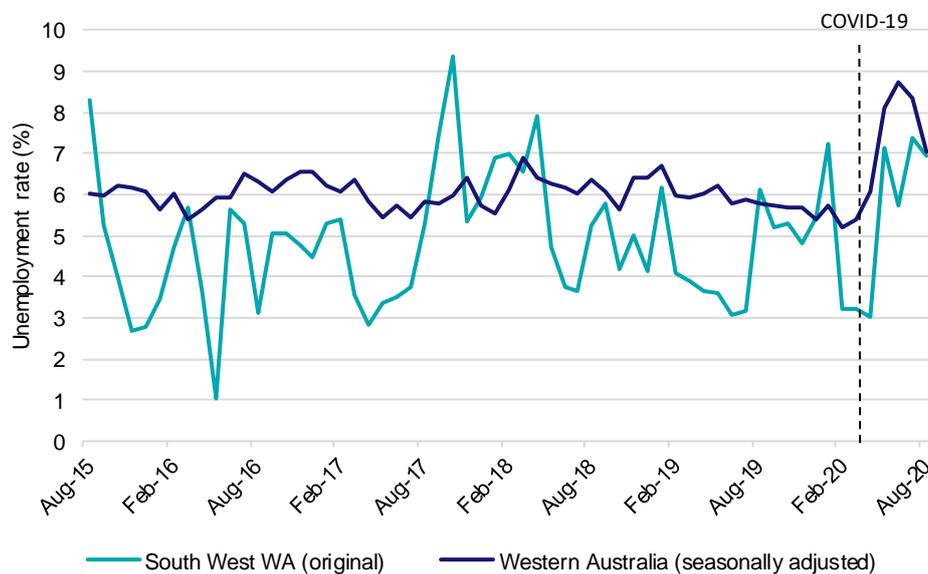
Participation rate

- The South West WA participation rate increased by 0.4 percentage point between March and August 2020, to stand at 67.8 per cent, similar to the 67.9 per cent recorded for Western Australia.
- The adult population in the region is comparatively older, with 35.2 per cent of the population aged 55 and over, compared with 33.2 per cent for Western Australia and 34.4 per cent nationally.

Unemployment

- The South West WA unemployment rate was 6.9 per cent in August 2020, up by 3.7 percentage points since March 2020, in line with the 7.0 per cent recorded for Western Australia.

Unemployment rate time series (five years to August 2020)



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

Considerable labour market disparity exists within the South West WA Employment Region. Latest available *Small Area Labour Markets* data show that, in the March quarter 2020, the unemployment rate in South West WA ranged from just 1.6 per cent in the Statistical Area Level 2 (SA2) of Gelorup - Stratham, to 14.6 per cent in the SA2 of Withers – Usher.²

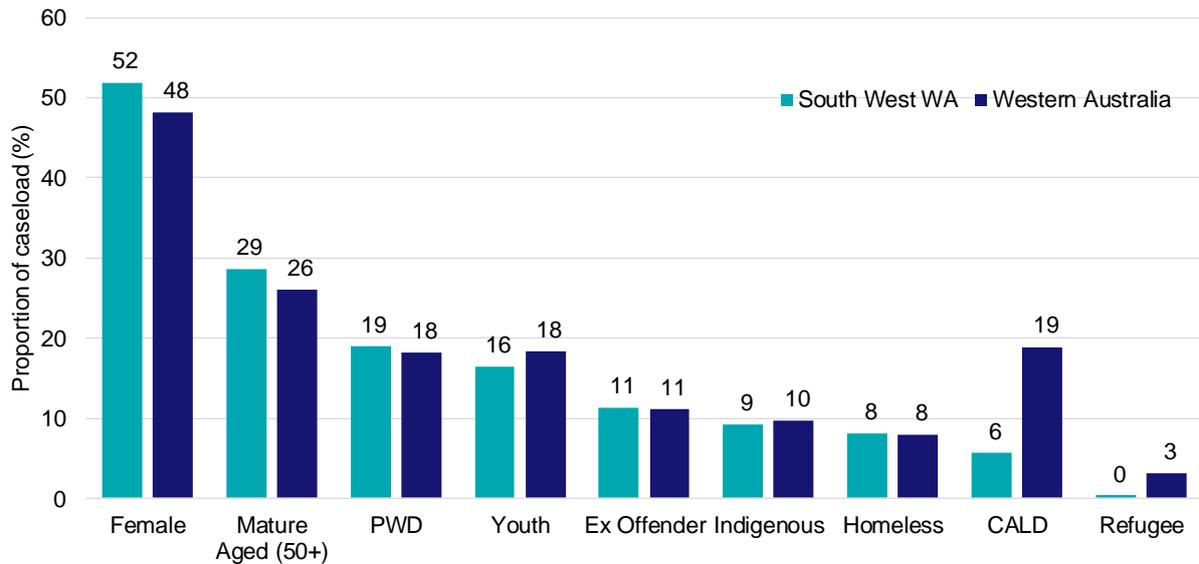
² Data for SA2s are sourced from the National Skills Commission, Small Area Labour Markets, March quarter 2020, smoothed estimates. Labour market data at the regional level can display significant variability and should be viewed with caution.

Employment services caseload characteristics

New data for jobactive regions has been released. As at 30 September 2020:

- the caseload in the South West WA Employment Region increased from 6,813 people in March 2020 to 12,315 in September 2020, a rise of 81 per cent
- this compares with increases of 89 per cent for Western Australia and 97 per cent for Australia
- compared with Western Australia, the caseload in the region has higher proportions of females, and a substantially lower share of culturally and linguistically diverse people.

Employment services caseload for selected cohorts (September 2020)



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

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

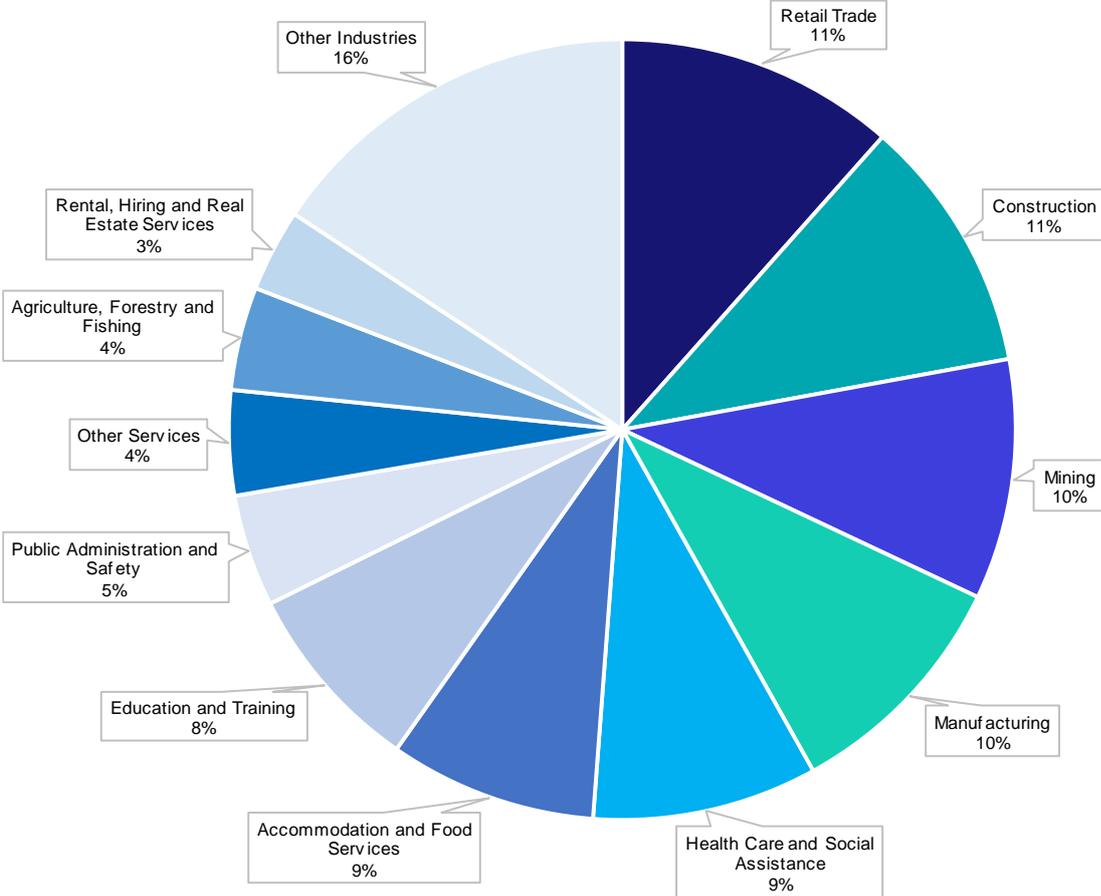
Income Support

In August 2020, the proportion of the working age (15-64 years) population on income support in South West WA stood at 16.7 per cent, on par with the 16.8 per cent recorded in Western Australia and the 16.3 per cent recorded nationally.

Industry profile³

As at August 2020, the largest employing industries in South West WA were Retail Trade; Construction; Mining; and Manufacturing.

Share of employment by industry in South West WA, August quarter 2020



Source: ABS Labour Force, Australia, Detailed, August 2020. "Other industries" includes: Transport, Postal and Warehousing; Professional, Scientific and Technical Services; Administrative and Support Services; Wholesale Trade; Electricity, Gas, Water and Waste Services; Arts and Recreation Services; Financial and Insurance Services; and Information Media and Telecommunications.

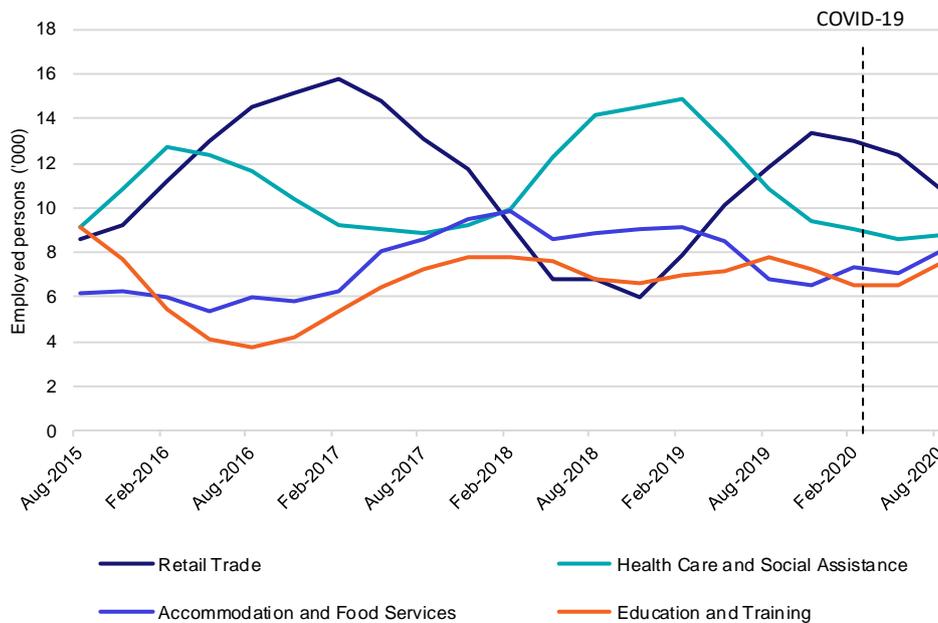
³ Regional industry employment data is in four quarter averaged terms, which means it is not responsive enough to pick up the impact of COVID-19. This section is intended to present the more medium-term trends in industry employment for the region.

Employment trends (for selected industries)

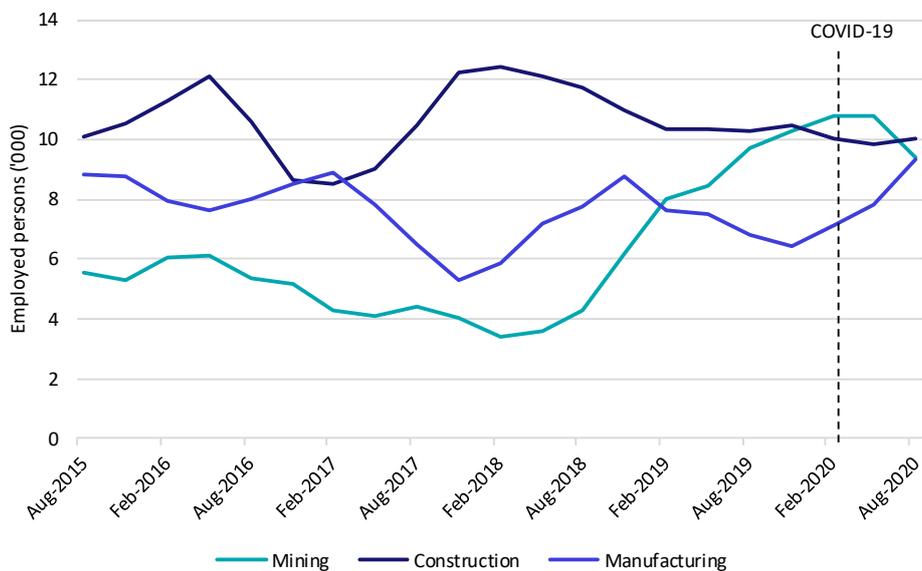
Although COVID-19 has affected some industries more than others, it is important to consider longer term employment trends to understand where current and emerging opportunities may be in this region. In recent years, employment in the South West WA region has:

- more than tripled in Mining over the two years to February 2020
- remained largely steady in Accommodation and Food Services; Education and Training; Construction; and Manufacturing.

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



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



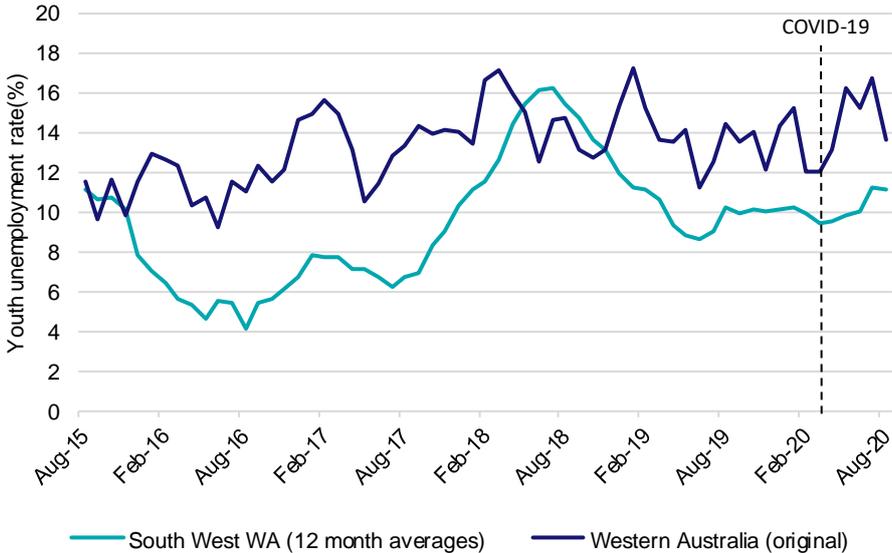
Source: ABS Labour Force, Australia, Detailed, August 2020

Youth aged 15-24

Youth unemployment

- The youth unemployment rate in South West WA was 11.1 per cent in August 2020, compared with 13.6 per cent for the state
- The youth unemployment rate has increased by 1.7 percentage points since March 2020.

Youth unemployment (five years to August 2020)



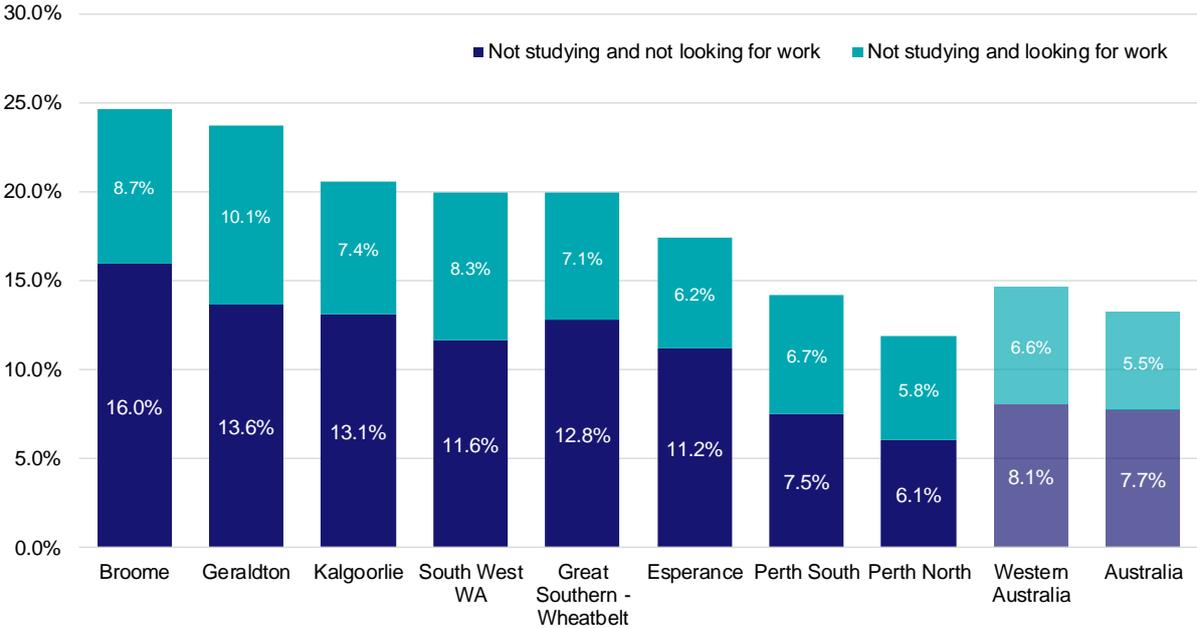
Source: ABS, Labour Force, Australia, Detailed, August 2020

Youth disengagement

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

- South West WA has a moderate rate of youth disengagement compared with the other Western Australian Employment Regions.
- Around 19.9 per cent of young people aged 18-24 in South West WA were disengaged, compared with 14.6 per cent for Western Australia and 13.2 per cent for Australia.

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

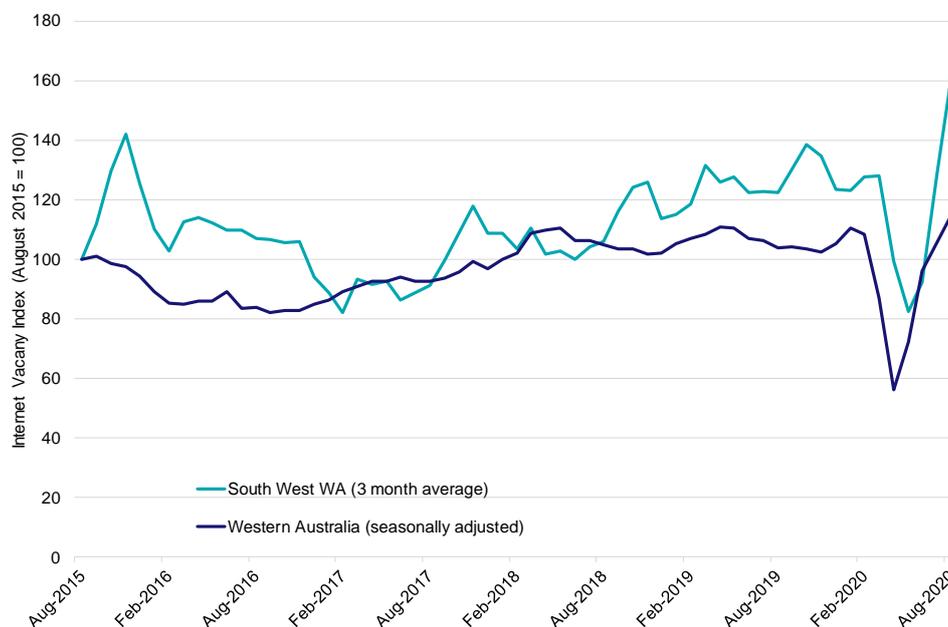


Source: ABS, Census of Population and Housing, 2016

Vacancies and job advertisements

The level of vacancies in the Internet Vacancy Index South West WA region declined by just over a third over the two months to May 2020, before increasing again to August 2020 (up by 97 per cent from the lowest point).

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



Source: National Skills Commission, Internet Vacancy Index, August 2020. Data for South West WA is a three-month moving average, and data for Western Australia is seasonally adjusted; both have been indexed to August 2015. Note the South West WA region is the best fit from the regions available from the contributing job boards and does not precisely correspond to the South West WA Employment Region.

Top 10 advertised occupations (August 2020)

ANZSCO Occupation
Sales Assistants (General)
General Clerks
Other Miscellaneous Labourers
Motor Mechanics
Chefs
Commercial Cleaners
Retail Managers
Aged and Disabled Carers
Electricians
Metal Fitters and Machinists

Source: National Skills Commission, Internet Vacancy Index, August 2020. Raw data are used for analysis. Note: the South West WA region is the best fit from the regions available from the contributing job boards and does not precisely correspond to the South West WA Employment Region.

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.

Large Industries

The South West region has a number of small mineral deposits, fertile soils for agriculture, and relatively strong manufacturing, retail and tourism industries.

Selected Major Projects

Bunbury Outer Ring Road

- Funding to flow immediately from this financial year over the next four financial years to enable the commencement of works in early 2021 after the majority of funding previously being allocated beyond 2022-23.
- Australian Government contribution to the project is \$681.6 million (\$283.6 million brought forward) Western Australian Government contribution to the project is \$170.4 million.
- Timeline:
 - Project planning study commenced: April 2018
 - Environmental referral (Northern section): June 2019
 - Environmental referral (Southern section): September 2019
 - Project planning study completed: February 2020
 - Construction contract award: Late-2020
 - Construction commences: 2021 (once all approvals in place)
 - Construction complete: Early-2024
- The Contract has been awarded to the South West Gateway Alliance comprising of a consortia made up by Acciona, NRW Contracting, MACA Civil, AECOM and Aurecon <https://www.mediastatements.wa.gov.au/Pages/McGowan/2020/10/Joint-media-statement-Bunbury-Outer-Ring-Road-contract-to-create-thousands-of-local-jobs.aspx>

Collie Futures Fund (State Government)

- \$20 million over five years to drive economic diversification and create jobs in the Collie region.
- The Collie Futures Fund is being delivered through two key programs:
 - Collie Futures Small Grants Program - Up to \$100,000 available per initiative
 - Collie Futures Industry Development Fund - Up to \$2 million in matched funding available
- The first autonomous truck training facility in the southern hemisphere in Collie (Coolangatta Industrial Estate).
 - <http://www.swdc.wa.gov.au/funding/collie-futures-fund.aspx>
 - <https://www.perthnow.com.au/business/mining/caterpillar-westrac-to-build-autonomous-truck-training-centre-in-collie-as-town-shifts-away-from-reliance-on-coal-ng-b881441350z>

Transforming Bunbury's Waterfront

- Transforming Bunbury's Waterfront is facilitated by the State Government's Bunbury Development Committee. The project is being delivered by multiple agencies.
- The project is currently at Stage 2 and consists of the Jerry road Causeway Upgrade and Casuarina Drive enhancements
- Stage 3 will consist of the development of a marina, mixed use area and marine industry hub at Casuarina boat Harbour
- <http://www.transformingbunburyswaterfront.com.au/>

Shotts strategic industrial area

- Located 7.5km east of Collie, the industrial area has been created to attract and support large scale industries which will grow Collie and the region.
- The South West Development Commission is part of the steering committee for the industrial park, and will continue to work towards its development.
- <http://www.swdc.wa.gov.au/investment/shotts-industrial-park.aspx>

Response to COVID-19

The 130 local Councils in WA will receive approximately \$73.5 million worth of roads and infrastructure funding from the \$500 million package announced by the Federal Government in May 2020. The funding is to go towards capital works as part of the current budget drafting process.

A breakdown of the funding for the South-West Employment region:

City of Bunbury - \$595,130

City of Busselton - \$961,870

Shire of Augusta-Margaret River - \$685,838

Shire of Boyup Brook - \$457,531

Shire of Bridgetown- Greenbushes - \$460,521

Shire of Capel - \$429,394

Shire of Collie - \$339,254

Shire of Dardanup - \$352,834

Shire of Donnybrook-Balingup - \$460,254

Shire of Harvey - \$668,755

Shire of Manjimup - \$912,987

Shire of Nannup - \$343,617

This funding is separate from the \$155 million worth of annual Financial Assistance Grants which have also be given to councils in advance.

Local Stakeholders and Opportunities

The South West WA Employment region extends from its northern boundary of Harvey, South to Walpole and East to Manjimup covering twelve local government areas.

The Chamber of Commerce and industry is a strong stakeholder in the region with eight stand-alone chambers in operation over the South West. <http://www.rdasouthwest.com.au/chambers-of-commerce.html>

Commonwealth jobactive Employment Programs delivered by four providers in the region. APM, Salvation Army Employment Plus, Max Employment and Skillhire. The region also has programs ParentsNext, Vocational Training and Education Centres, Disability Employment Services, Transition to Work, New Enterprise Incentive Scheme, Career Transition Assistance, Harvest Trail and Employability Skills Training.

Government agencies within the region include Regional Development Australia, South West Development Commission, Business Advisory Services and Jobs and Skills Centre South West.

Education

Schools in the region

Completing Year 12 is often important first step to further education or gaining employment. Engaging with schools and students about post-school education options and employment options could be very beneficial to the future labour market of the region.

There are many options for Government and Non-Government schools in the South West (Education Region) that provide secondary education to 18448 students. Many of these schools offer vocational education and training (VET) in Schools as part of the school program.

University

South West WA has campuses for Edith Cowen University (Bunbury) and Curtin University of Technology (Margaret River)

Attachment A: Key Priorities for the South West WA Region

Priority One: Maximise positions filled by local job seekers including apprenticeship and traineeship positions and that locals are skilled to meet the need of upcoming and current infrastructure projects in line with Industry requirements

With large investment into the South West WA region in civil infrastructure, local job opportunities need to be maximised to take advantage of these large-scale projects. The life of the programs will extend over four years which is ample time to engage trainees and apprentices. These skills will then stay in the region and benefit local businesses. Current skills may not be available in the region to reach requirements. Due to border closures, other builds in regions the transferable workforce is not available to use.

Working closely with the lead contractors and other stakeholders, early identification of skill sets can be gathered and used to target training needs. A skill set will be developed to inform training requirements required to work as part of these projects.

Strategies	Stakeholders
<ul style="list-style-type: none"> • Develop skill sets to inform training gaps • Create a gap analysis of skills and share with local training organisations • Use industry intel to predictive model of workforce needs • Commonwealth Employment Services will remain informed ahead of demand to skill ready their jobseekers through network meetings held monthly by the SDREF 	<ul style="list-style-type: none"> • South West Gateway Alliance • Commonwealth Service Providers • Jobs and Skills Centre • Australian Apprenticeship Support Network (AASN) • Bunbury Geographe Chamber of Commerce

Priority Two: Maximising the benefits of existing Australian and WA Government programs, to create pathways into growth industries, particularly Civil/Mining Construction, Horticulture/Viticulture and Health, Hospitality/Tourism and Care Services for jobseekers with a focus on Indigenous jobseekers.

Targeted and focused industry engagement will inform the scale of opportunities and create roadmaps to these pathways in easy to follow and attainable ways. Utilising the available workforce accessible through the Commonwealth employment services, targeted training and skills attainment can meet the needs of Industries identified in need.

Strategies	Stakeholders
<ul style="list-style-type: none"> • Skills gaps analysis targeted to industry specific requirements • Targeted events to promote industries and the specific career paths and build aspiration to work within these industries • Identify transferable skills across industries to open alternate pathways 	<ul style="list-style-type: none"> • Australian Apprenticeship Support Network (AASN) • Commonwealth employment Services • Jobs and Skills Centre • Aged and Community Services Australia (ACSA) • Rural Enterprises • South West Gateway Alliance

Priority Three: Optimise communication and engagement to Youth on education, training and entry pathways into key industries with a focus on Indigenous Youth.

Clear pathways maps required for no wrong door approach. Introductions to industries to build aspiration to work in those industry with clear career pathways in the region.

Strategies	Stakeholders
<ul style="list-style-type: none"> • In school campaigns • Resources to VET coordinators and career advisors • Industry days • Mentoring programs 	<ul style="list-style-type: none"> • Australian Apprenticeship Support Network (AASN) • Commonwealth employment Services • Jobs and Skills Centre • Rural Enterprises • South West Gateway Alliance