



Government of **Western Australia**  
Department of **Training**  
and **Workforce Development**

# 2017 Goldfields Labour Market Review

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## 1. BACKGROUND

In its *Plan for Jobs*, the State Government committed to ensuring that “the *State Priority Occupation List* will be more responsive to the employment needs of the regions and ensure regional TAFEs are delivering training that aligns with future job growth in the regions.”<sup>1</sup>

While the *State Priority Occupation List* (SPOL) is based on a robust methodology which provides the necessary evidence to guide training and workforce planning priorities at a whole-of-State level, it is not fit for purpose to identify occupational priorities at a regional level. This is due to a lack of available regional level occupational demand and supply data.

In order to implement the Government’s commitment, the Department of Training and Workforce Development (DTWD) is undertaking an annual labour market review of each region to provide a basis for the development of a regional list of occupations that are difficult to fill. This list is aimed at providing information to the DTWD and regional TAFE colleges which will inform training delivery that aligns with the region’s labour market.

In addition, the labour market reviews aim to inform the DTWD, TAFE colleges and industry and community stakeholders on current and future labour market trends, attraction and retention issues being experienced by employers, and education and training issues identified in each region. Other stakeholders such as the Jobs and Skill Centres, Australian Apprenticeship Support Network and other Commonwealth agencies may find the report relevant to their work.

The labour market review covered by this report relates to the Goldfields region, which was the first to be undertaken and was undertaken in the form of a pilot. The Goldfields regional area, for the purpose of this pilot labour market review (the Review), incorporated the City of Kalgoorlie-Boulder and the Shires of Coolgardie; Dundas; Laverton; Leonora; and Menzies.

The learnings from this pilot are being incorporated into future labour market reviews, and the next Goldfields labour review is scheduled for early 2019.

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<sup>1</sup> *WA Labor Plan for Jobs*, p97

## 2. EXECUTIVE SUMMARY – REVIEW FINDINGS

Due to positive signs that the Goldfields economy was rebounding, all stakeholders consulted during the Review expressed concerns that the region was again facing the prospect of skill shortages.

During the *2017 Annual Diggers and Dealers Mining Forum*, AngloGold Ashanti, said that Western Australia had “come off the bottom” and that “the pool of available people was thinner” than it had been in recent times.

The Kalgoorlie Boulder Chamber of Commerce and Industry (KBCCI) stated that “the biggest issue for [*employers were*] ...recruiting and retaining the people they need. Effectively, the region has a major skills shortage.”<sup>2</sup>

This issue has also received some local media attention recently and the KBCCI arranged a Jobs Expo in Perth on the 28 March 2018 to “... address the labour shortage crisis the Goldfields region is currently experiencing by matching employers with qualified, motivated job seekers in a one stop, all day event ...”.<sup>3</sup>

The number of jobs advertised has been increasing, particularly in the resources sector, with 334 or 51% of all jobs listed on SEEK for the Goldfields–Esperance region as at 9 October 2017 being mining related (out of a total of 648). The number of job advertisements on SEEK for the region was the second highest in regional Western Australia behind the Pilbara<sup>4</sup>.

While the number of job applicants has grown, employers advised that many of the local applicants did not have the required experience and skills. Further, concerns were expressed about the attitude and job readiness of candidates, including their inability to pass drug and alcohol testing<sup>5</sup>.

### **Occupations difficult to recruit into**

The review revealed that many employers were looking to recruit workers from outside the region. This was reflected in the composition of the 2017 list of difficult to fill occupations (see Section 4 of this report), where nearly 64% of all occupations identified were designated either highly difficult to fill or difficult to fill locally.

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<sup>2</sup> Kalgoorlie Boulder Chamber of Commerce and Industry, *2017 Goldfields Business Report*, p1

<sup>3</sup> <https://kalgoorliecci.asn.au/events/jobs-expo/>

<sup>4</sup> <https://www.seek.com.au/jobs/in-Kalgoorlie,-Goldfields-&-Esperance-WA>. Note: CME Goldfields Esperance estimates SEEK comprises about 30 per cent of all mining recruitment in the region

<sup>5</sup> These issues will be further explored in the section on *Attraction and retention of workers*

The 2017 list of Goldfields occupations that were considered difficult to fill had 135 occupations made up of:

- 1 seven occupations which were highly difficult to fill<sup>6</sup>;
- 2 79 occupations which were difficult to fill locally<sup>7</sup>;
- 3 35 occupations which were currently filled, but where employers raised concerns about recruiting into any future; and
- 4 14 occupations on a watch list where there was insufficient or conflicting evidence to confirm those occupations were difficult to recruit into.

Of these, 39.3% were professionals, 21.5% technician and trades workers and 11.9% were machinery operators and drivers.

Further detail on the occupational groupings is contained in Table 1 below, including a comparison with the 2017 *State Priority Occupation List (SPOL)*.

**Table 1: Difficult to fill occupational groupings**

<b>ANZSCO 1 digit</b>	<b>Goldfields difficult to fill occupations</b>	<b>2017 SPOL</b>
Managers	14	25
Professionals	53	139
Technicians and Trade Workers	29	58
Community and Personal Services Workers	8	20
Clerical and Administrative Workers	6	2
Sales Workers	2	0
Machinery Operators and Drivers	16	2
Labourers	7	0
<b>Total</b>	<b>135</b>	<b>246</b>

Source: Department of Training and Workforce Development, 2017

The Goldfields list of difficult to fill occupations contained a greater proportion of lower skilled occupations compared to the SPOL, such as Machinery Operators and Drivers, Community and Personal Services Workers, Clerical and Administrative Workers and Labourers. This could reflect the composition of the region's labour market and also the difficulties employers experienced because of the remoteness and low population base of the region.

It should also be noted that only 79 of the occupations on the 2017 list of Goldfields occupations (or 58.5%) were on the 2017 SPOL as a Priority for the State.

The most common reasons cited by employers about why it was difficult to recruit people into certain occupations included:

- lack of relevant skills and experience; and
- remoteness (location).

**Table 2: Reasons for difficulty in filling occupations**

<b>Reason</b>	<b>Number</b>	<b>Percentage</b>
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<sup>6</sup> Could not recruit anyone from Western Australia

<sup>7</sup> Could not recruit anyone from the region, however could recruit from Perth or another region

Lack of relevant skills and experience	45	34%
Issues with qualifications and training	20	15%
Remoteness (location)	34	25%
Wages and conditions	26	20%
Other barriers to employment	8	6%
<b>Total</b>	<b>133</b>	<b>100%</b>

Source: Department of Training and Workforce Development

The most common reasons for difficulty in filling occupations, in order of prevalence, included:

- Professional occupations
  - remoteness (location)
  - lack of relevant skills and experience
  - issues associated with levels of salary and employment conditions
- Technicians and trade workers
  - lack of relevant skills and experience
  - remoteness (location)

The situation for Machinery Operators and Drivers was somewhat different, with “other barriers to employment”, such as the failure to pass drug and alcohol testing, being the reason raised, closely followed by a lack of relevant skills and experience.

The feedback above correlates with the Commonwealth Department of Employment’s survey of Employers’ Recruitment Experiences (2016), which showed for Kalgoorlie<sup>8</sup> that the most significant difficulties experienced related to location (over 50% of respondents) and the skills needed for the job (almost 20%).

For issues relating to qualifications and training raised by employers, those occupations (having a predominantly Vocational Education and Training pathway) identified as needing attention included:

- Welder First Class;
- Telecommunications Technician;
- Enrolled Nurse;
- Childcare Worker;
- Aboriginal and Torres Strait Islander Education Worker;
- Clinical Coder;
- Specialist consultant / Examination Supervisor;
- Truck Driver (General); and
- Commercial Cleaner.

It should be noted, feedback from stakeholders indicated that the State Government’s work in undertaking the development of a regional difficult to fill occupation list will be important in informing future education and training in the region, especially if it is done on a regular basis and kept up-to-date.

### **Attraction and retention of workers**

Most employers interviewed expressed a preference to employ locals. This was seen as a means of reducing staff turnover and contributing to the regional economy. Even

<sup>8</sup> Survey didn’t include the whole Goldfields region

with this approach, many employers advised that they were experiencing barriers to employing local people. Employers said they were getting a high number of local applicants, but for a variety of reasons many were deemed not suitable.

The key reasons cited by employers for not employing local people included:

- local applicants often did not have the required experience or the right attitude;
- young people in particular did not have the necessary literacy, numeracy or employability (job readiness) skills;
- lack of relevant industry experience; and
- inability of candidates to pass a drug and alcohol test.

The Commonwealth Department of Employment's survey of Employers Recruitment Experiences (2016) also highlighted that while Kalgoorlie<sup>9</sup> had one of the highest rates of job applicant numbers in regional Western Australia, it also had the lowest fill rate compared to other regions.

Other workforce issues identified during the stakeholder interviews included:

- high turnover rates of workers;
- reluctance of people to move to the region, including perceptions about the social issues in the region stemming from recent media coverage;
- availability of housing and childcare;
- inability of some sectors to compete with the wages and conditions of the mining industry;
- availability of local education and training for the more specialised higher skilled technical and professional roles;
- inability of local job candidates to pass drug and alcohol tests (also raised in the media during October 2017); and
- concerns about difficulty in recruiting appropriately trained staff in disability and aged care roles (particularly with the planned rollout of the national disability insurance scheme).

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<sup>9</sup> Ibid

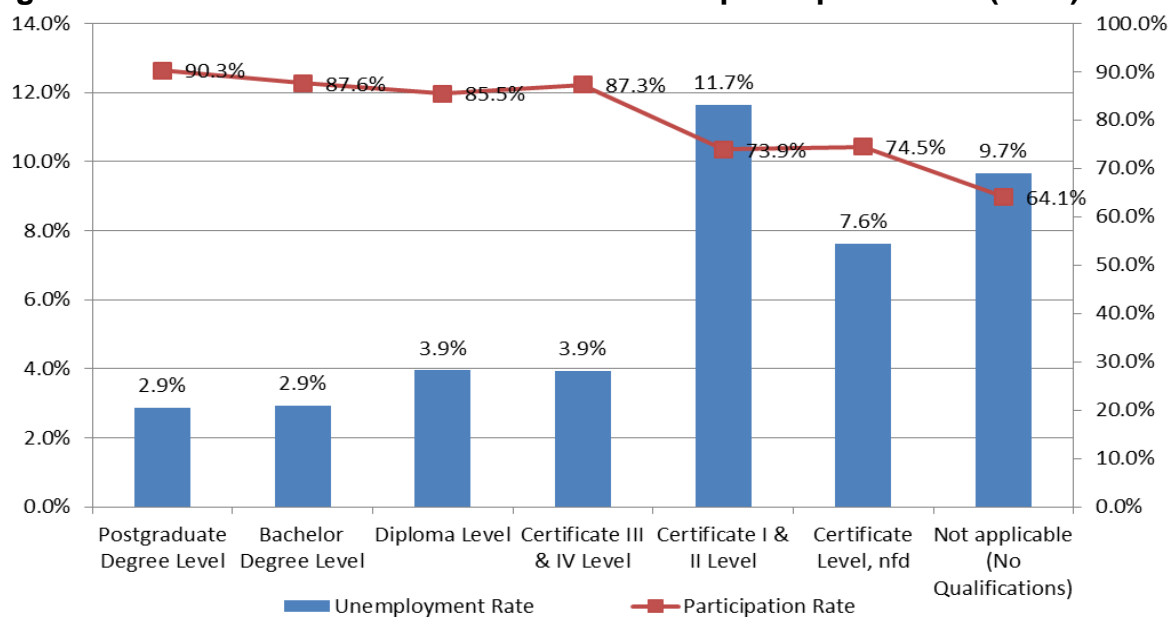
### 3. TRAINING

As raised earlier in this report, concern was expressed by a number of employers that young local people did not always have the educational standards or requisite literacy and numeracy skills to be considered for vacancies.

According to the 2016 Census, the Goldfields had a lower level of year 12 completions at 35.3% compared to the State average of 51.7%.

The Census also showed that those who did complete school and achieve a qualification at Certificate III or higher had a much better participation rate in the workforce, highlighting the importance of education and training.

**Figure 1: Goldfields educational attainment and participation rate (2016)**

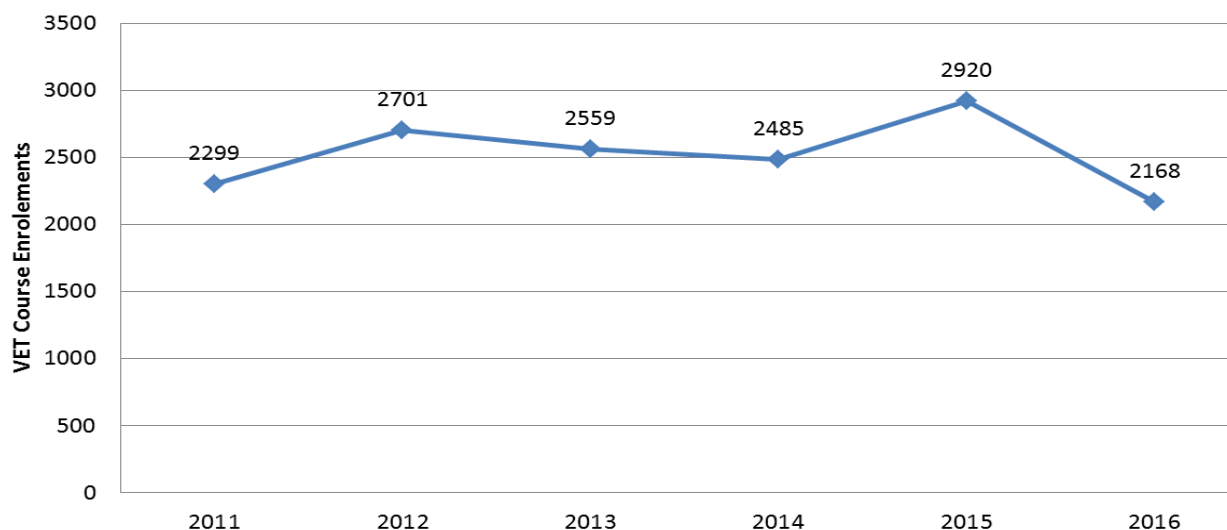


Source: ABS, Census 2016

Figure 2 shows a general decline of total enrolments in the Goldfields since 2015. Unvalidated enrolment data for 2017 indicates this decline is continuing.



**Figure 2: Goldfields VET enrolment trends, 2011- September 2017<sup>10</sup>**



Source: Department of Training and Workforce Development, Enrolment Statistics, 2018

This downward trend in total enrolments within the Goldfields was not dissimilar to the pattern of decline across all of Western Australia. CRT and a local private registered training organisation (RTO) stated the downturn in the resources sector, increases in VET fees and the general exodus of young people from the region (as mentioned above in the snapshot section) were all contributors to this downward trend.

Curtin’s Western Australian School of Mines (WASM) also affirmed that the gold price and resource sector activity had a significant bearing on enrolment numbers for their organisations.

According to the WASM, the number of students at WASM had dropped every year for five years, with enrolments reducing from 536 in 2013 to 294 in 2017 (a 14% annual decline). WASM Director Sam Spearing stated in the media “I think it is the negative publicity you hear about mining that is turning people away. People are very quick to write off the mining industry but this perception isn’t founded on much”<sup>11</sup>.

Anecdotal feedback indicates that this decline in enrolments has been compounded by the partners of workers also leaving the region during the mining downturn. According to CRT, partners of workers who move into the region are an important source of enrolments, particularly for health and community services related courses.

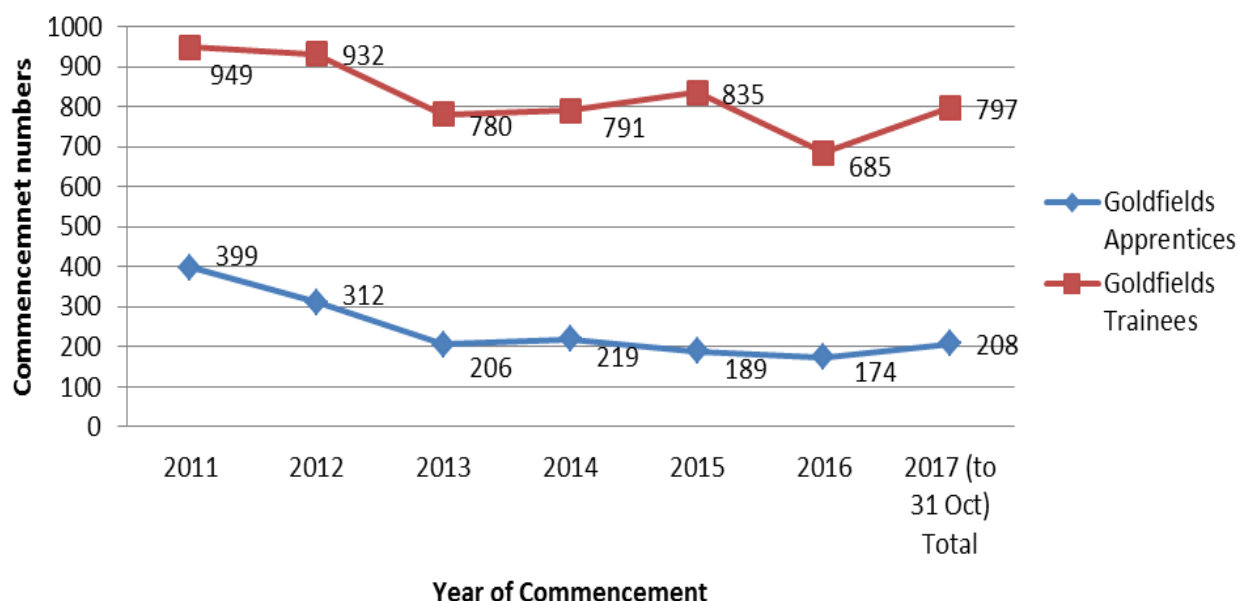
The trend for the take-up of apprenticeships and traineeships in the region has been similar to overall enrolments although there has been a recent upward swing in commencements (see Figure 3).

CRT has pointed to the recent increase in mining related activity in the region as a key reason for this upswing.

<sup>10</sup> Publicly funded training for both public and private training providers

<sup>11</sup> Kalgoorlie Miner, *Mining’s ‘negative publicity’ scaring off students: WASM*, 9 August 2017

**Figure 3: Goldfields apprentice and trainee commencements, 2011 – Up to 31 Oct 2017**



Source: Department of Training and Workforce Development, Training Records System, 2018

As at 31 October 2017, there were 1,454 apprentices and trainees in-training working in the Goldfields region, of which 912 of were in Kalgoorlie. The top three apprenticeships being undertaken are:

- 1 Certificate III in Engineering - Mechanical Trade;
- 2 Certificate III in Electrotechnology Electrician; and
- 3 Certificate III in Engineering - Fabrication Trade.

The top three traineeships being undertaken are:

- 1 Certificate II in Drilling Operations;
- 2 Certificate II in Underground Metalliferous Mining; and
- 3 Certificate III in Drilling Operations.

Based on 2017 enrolments (up to September), around 55% of publicly funded training delivery for students living in Kalgoorlie and in the broader Goldfields region was at Certificate III level or higher, with the most popular fields of study being:

- 1 Primary Metal and Metal Product Manufacturing;
- 2 Metal Ore Mining;
- 3 Machinery and Equipment Manufacturing;
- 4 Professional, Scientific and Technical Services (Except Computer System Design and Related Services);
- 5 Preschool and School Education; and
- 6 Social Assistance Services.

The Review found that employers deemed training an important part of developing and retaining their workforce. It was noted during the Review that reasonably high levels of in-house training was undertaken by employers, specifically around company and industry-specific training.

Many also accessed their local TAFE (CRT) and private RTOs. Feedback during the Review about the services provided by both CRT and private RTOs was generally positive, but it did flag industry's desire for the range of courses (particularly specialist and higher level training) to be expanded locally.

While the Goldfields campus of CRT located in Kalgoorlie offers a range of training courses from Certificate I to Advanced Diploma in a variety of industry areas, as well as short, flexible and online course options, it was acknowledged by CRT that they do not have access to the lecturers and/or equipment and technology to deliver some of the more specialised and higher level courses. Further, there was not the number of students to make the running of certain courses viable (called 'thin markets').

Those courses highlighted during the Review as highly desirable but not being delivered locally included enrolled nursing, childcare, truck driving and coded welding.

CRT has advised that it is now running enrolled nursing and childcare at its Kalgoorlie campus in 2018 due to the recruitment of appropriate lecturing staff.

It was understood that two private RTOs deliver truck driving in the region and therefore any issues about access need to be explored with those providers.

In relation to coded welding, CRT indicates that this was a 'thin market' issue, but planned to explore partnering with a metropolitan TAFE to address this need.

Emerging gaps in training within the Goldfields identified by CRT related to new technologies including automation, robotics and cyber security. In response, CRT planned to explore the opportunity to partner with metropolitan TAFEs who are developing courses in this space.

Plumbing and gas fitting, tiling and cabinet making were deemed as 'thin markets' and therefore were not being delivered in the region. No feedback was received during the interviews about current difficulties in recruitment for these occupations.

Another issue raised by stakeholders and employers in the region was the high cost of training for community services related courses. For example, fee increases in past years has seen the Diploma level qualification in early childhood education and childcare worker cost approximately \$10,000. This was seen by many prospective students as cost prohibitive, particularly considering the industry's low wages.

While the incoming State Government has frozen TAFE fees, which has been seen as a positive step, stakeholders suggested that the cost was still acting as a barrier to entry for this training. A further concern raised by a number of stakeholders was that young people and careers advisors in schools were not aware of the diverse range of careers, training and employment opportunities available within the region. Some employers commented that high school graduates lacked experience in relation to applying for a job (ie preparing a job application and managing the interview process).

#### 4. 2017 LIST OF DIFFICULT TO FILL GOLDFIELDS OCCUPATIONS

Based on the findings of the Review, a list of those occupations that were considered difficult to fill in the region is included below.

##### **Highest difficulty to recruit**

(Could not recruit anyone from Western Australia)

##### **ANZSCO ANZSCO Description**

134311	School Principals [in remote schools]
234413	Hydrogeologist
253111	General Practitioner
253411	Psychiatrist
253913	Obstetrician/Gynaecologist
254422	Registered Nurse (Mental Health Services)
312113	Building Inspector

##### **Difficult to fill locally**

(Could not recruit anyone from the region, however could recruit from Perth or another region)

##### **ANZSCO ANZSCO Description**

111111	Chief Executive or Managing Director [Local government]
132211	Finance Manager
133512	Production Manager (Manufacturing)
133513	Production Manager (Mining)
149999	Hospitality, Retail and Service managers [Pest control sector]
231119	Air Transport Professional nec
232212	Surveyor
232214	Other Spatial Scientist
233211	Civil Engineer
233212	Geotechnical Engineer
233611	Mining Engineer (Excluding Petroleum)
234411	Geologist
241111	Early Childhood Teacher
241411	Secondary School Teacher [only for science, maths, design and technology, languages]
241511	Special Needs Teacher
242211	Vocational Education Teacher [mining, nursing and disabilities]
251111	Dietitian
251214	Sonographer
251312	Occupational Health and Safety Adviser
252411	Occupational Therapist

252511 Physiotherapist  
252711 Audiologist  
252712 Speech Pathologist  
253211 Anaesthetist  
253312 Cardiologist  
253321 Paediatrician  
253511 Surgeon (General)  
253515 Otorhinolaryngologist  
254111 Midwifery  
254400 Registered Nurse (not further defined)  
254412 Registered Nurse (Aged care)  
254414 Registered Nurse (Community Health)  
254418 Registered Nurse (Medical)  
254421 Registered Nurse (Medical Practice)  
254423 Registered Nurse (Perioperative)  
254424 Registered nurse (Surgical)  
272111 Careers Counsellor  
272199 Counsellor  
272311 Clinical Psychologist  
272399 Psychologist  
272511 Social Worker  
312412 Electronic Engineering Technician  
312611 Safety Inspector  
312913 Mine Deputy  
313112 ICT Customer Support Officer  
321111 Auto Electrician  
321211 Motor Mechanic  
321212 Diesel Mechanic  
322311 Metal Fabricator  
322313 Welder First Class  
323211 Fitter (General)  
323212 Fitter and Turner  
323214 Metal Machinist (First Class)  
324111 Panel Beater  
332211 Painting Trades Worker  
334111 Plumber (General)  
334114 Gas Fitter (Distribution / Maintenance)  
341111 Electrician  
341112 Electrician (special class)

342211	Electrical Linesworker
351311	Chef
411411	Enrolled Nurse
421111	Childcare Worker
599915	Clinical Coder
599999	Specialist consultant / Examination Supervisor
711199	Machine Operator n.e.c
711913	Sandblaster
712111	Crane Operator
712211	Driller
712212	Miner
731211	Bus Driver
732111	Delivery Driver
733111	Truck Driver (General)
733113	Furniture Removalist
811211	Commercial Cleaner
821211	Concreteer
821712	Scaffholder
821914	Mining Support Worker
839313	Product Tester

### **Currently filled – Future concerns**

(Occupations which are currently filled, but where employers raised concerns about recruiting into any future)

#### **ANZSCO ANZSCO Description**

134214	Welfare Centre Manager
134299	Health and Welfare Services Manager not elsewhere classified
139911	Arts Administrator / Manager
141311	Hotel or Motel Manager
142114	Hair or Beauty Salon Manager
224213	Health Information Manager
224511	Land Economist
225111	Advertising Specialist
233513	Production or Plant Engineer
234912	Metallurgist
251211	Medical Diagnostic Radiographer
251311	Environmental Health Officer
253917	Diagnostic and Interventional Radiologist
254413	Registered Nurse (Child and Family Health)
312911	Maintenance Planner / Scheduler

342414	Telecommunications Technician
351411	Cook
362311	Greenkeeper
391111	Hairdresser
411712	Disability Services Officer
422111	Aboriginal and Torres Strait Islander Education Worker
423111	Aged or Disabled Carer
423313	Personal Care Assistant
512111	Office Manager
521211	Secretary (General)
612114	Real Estate Agent
712213	Shot Firer
712999	Stationary Plant Operator
721211	Earthmoving Plant Operator
721214	Excavator Operator
721215	Grader Operator
721999	Mobile Plant Operator nec
731311	Train Driver
851311	Kitchen Hand
899415	Tyre Fitter

### **Watch list**

(Further evidence required.)

### **ANZSCO ANZSCO Description**

133611	Supply and Distribution Manager
141111	Cafe or Restaurant Manager
142111	Retail Manager
223112	Recruitment Consultant
225113	Marketing Specialist
263312	Telecommunications Network Engineer
312912	Metallurgical or Materials Technician
331111	Bricklayer
331212	Carpenter
411716	Youth Worker
431511	Waiter
451111	Beauty Therapist
542113	Hotel or Motel Receptionist
612112	Property Manager

## 5. GOLDFIELDS ECONOMY AND LABOUR MARKET - A SNAPSHOT

This snapshot should be read in conjunction with the *2017 Goldfields labour market profile*<sup>12</sup>.

### Economy

The major economic driver in the Goldfields region is the mining industry, comprising mainly of gold and nickel. The main business activity of many other industry sectors is to provide services to support the mining sector. These include manufacturing, construction and transport.

A feature of the region's mining industry has been its ability to remain relatively buoyant despite recent volatility in the global economy and the reduction of investment in Western Australia's resources industry. According to stakeholders, the price of gold tended to act in a countercyclical manner which has enabled the regional economy to remain relatively stable in recent years.

While there has been a pause in mining investment in the Goldfields in recent years, the *2017 Annual Diggers and Dealers Mining Forum* held in Kalgoorlie indicated a renewed interest in mining exploration and possible new mine start-ups in the Goldfields region, with particular attention to gold.

The Deloitte Access Economics *Investment Monitor – September 2017* reported that the region had around \$3.6 billion worth of major investment projects, however all but one were deemed to be "under consideration" or "possible". Feedback from stakeholders during the Review indicated there were no new major projects likely to proceed in the near future.

According to the ABS, the total number of dwelling approvals in the Goldfields has seen a decline over the last five years from 109 in 2012-13 to 36 in 2016-17<sup>13</sup>. Further, following the recent completion of some large government funded projects<sup>14</sup>, non-residential building construction in the region is also subdued (value of building approvals down from \$227m in 2013-14 to \$22m in 2016-17)<sup>15</sup>. This moderation in building activity within the region is consistent with the anecdotal feedback received from stakeholders during the Review and is unlikely to change in the near term.

Stakeholders also flagged during the Review that despite the recent pickup in resources related activity giving a boost to local business confidence, the retail sector has continued to struggle.

It should be noted that a comprehensive range of support services industries including health, education and government administration collectively make an important contribution to the region's economy. This was reinforced by stakeholder feedback

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<sup>12</sup> Ibid

<sup>13</sup> ABS, 8731.0 - Building Approvals, Australia

<sup>14</sup> Examples include the construction of the Eastern Goldfields Regional Prison, along with upgrades to the Kalgoorlie Health Campus and Kalgoorlie-Boulder Community High School.

<sup>15</sup> REMPLAN Source via Goldfields Development Commission, 2018



during the Review. It was also highlighted that there will be strong growth in the Health Care and Social Assistance sectors into the future as the National Disability Insurance Scheme is rolled out in regional Western Australia, and the demand for services associated with an aging population grows.

## Population

The 2016 ABS Census data indicates that the Goldfields region has a residential population of 39,094 people with the following age distribution:

- 25 to 44 years 33%
- 45 to 64 years 25%
- 0 to 14 years 22%
- 15 – 24 years 12%
- 65 years and above 7%.

When compared to the State overall, the Goldfields region has a relatively young population, particularly for the 0–14 years and 25–44 years cohorts.

The 2016 Census data shows the resident population of the Goldfields has declined by 2,716 people since the 2011 Census period. The greatest decline was in working age groups for males aged 25 to 44 years (1,009 persons), followed by males aged 15 to 24 years (724 persons). Although smaller, there was also a decline in the female working age groups including females aged 25 to 44 years (389 persons) and females aged 15 to 24 years (484 persons). The general exodus of young people from the region was a consistent theme coming from stakeholder consultations during the Review.

Twelve percent of the region's population identify as being Aboriginal, which is almost four times the State average of 3.1%. The actual Aboriginal population in the region is likely to be higher than stated, especially in the more remote Local Government Authorities, due to issues associated with under reporting by the Aboriginal population.

The 2016 Census showed that 24.9% (8,585 persons) of the usual resident Goldfields population was born outside of Australia. Despite this figure being similar to the 2011 Census and lower than the overall State proportion, the Kalgoorlie Boulder Chamber of Commerce and Industry's *2017 Goldfields Business Report* indicates that "Multicultural change in the workplace and community stood out for all the right reasons. The multicultural composition of this community is now a primary strength."<sup>16</sup>

## Employment

During the Review stakeholders raised concerns about the exodus of workers from the region in recent years. This is supported by the ABS usual place of residence Census figures which show that between 2011 and 2016 the number of employed Goldfields residents declined from 20,663 to 18,450 persons, representing a reduction of 10.7%.<sup>17</sup>

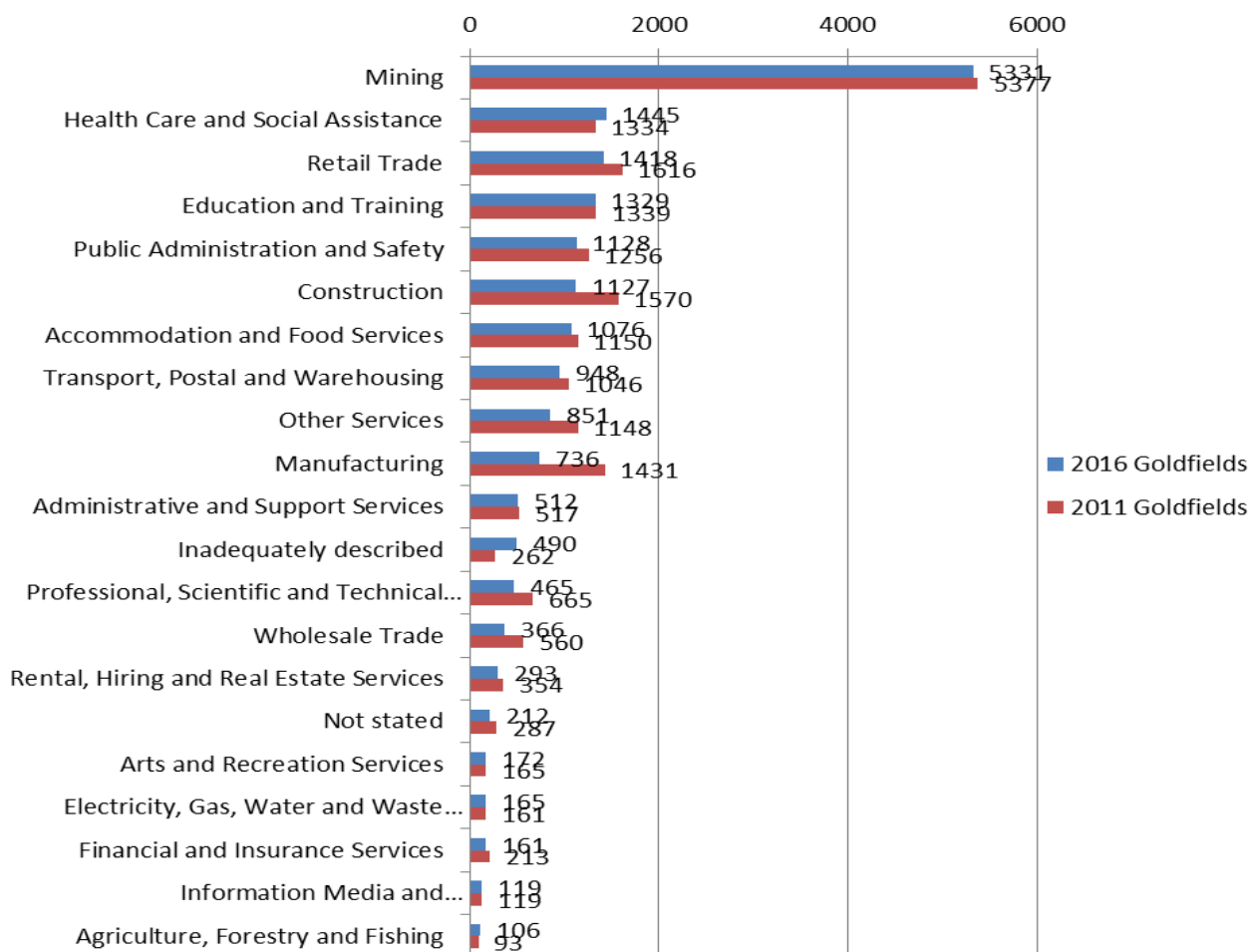
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<sup>16</sup> Kalgoorlie Boulder Chamber of Commerce and Industry, *2017 Goldfields Business Report*, p1

<sup>17</sup> ABS Census 2011 and 2016

Employment numbers decreased in the manufacturing (695), construction (443), professional, scientific and technical (200), retail (198) and wholesale (194) industries over this period. Feedback from stakeholders and employers during the Review indicated this stemmed from the pause in mining development since the global financial crisis.

**Figure 4: Goldfields industries of employment, 2011 and 2016**



Source: ABS Census 2011 and 2016

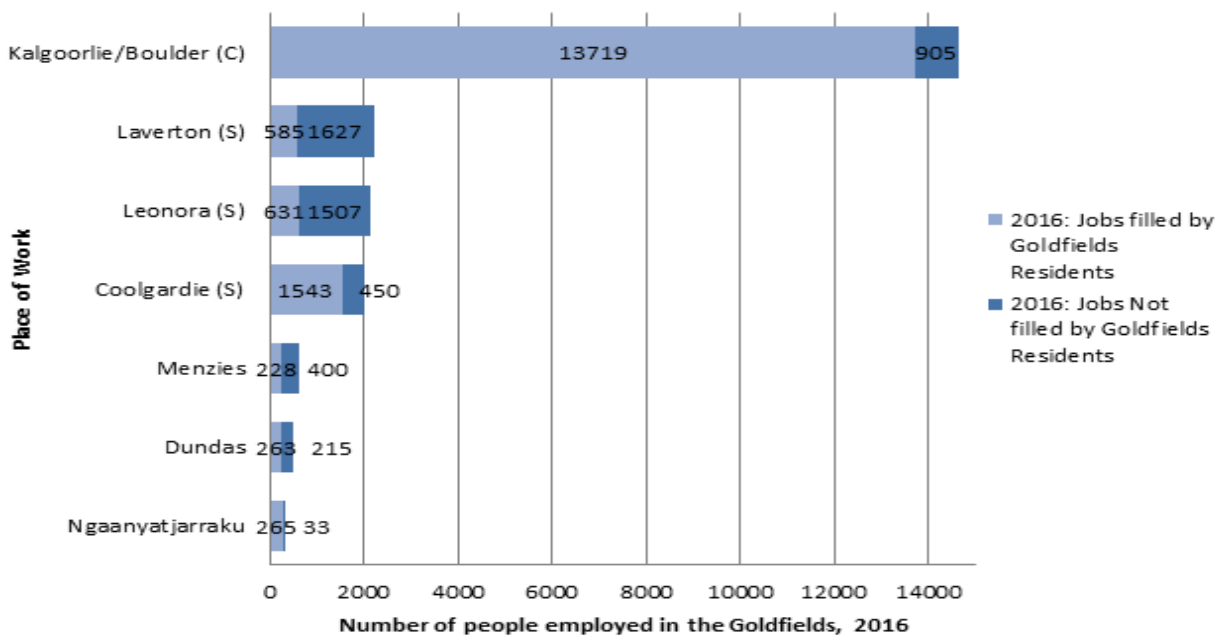
Most of the other industry employment numbers including mining remained relatively stable, with health care and social assistance (now the second highest employer in the region) showing a small increase (from 1,334 to 1,445).

Kalgoorlie Chamber of Minerals and Energy mentioned that the workforce in the Goldfields has a relatively high annual turnover rate (perhaps in the vicinity of 30%), with many people moving to Perth when their children reach high school age. Mining companies reported that people who come to work in the Goldfields stay for around three years, while the companies prefer they stayed between five and seven years.

Employers and stakeholders in the region commented during the interviews that many Goldfields locals who had moved out of the region during the 'boom' (some for employment in the Pilbara) have since purchased homes in Perth and are not prepared to return to the Goldfields to live and work.

While it has been difficult to quantify the quantum of fly-in fly-out workers in the region, anecdotal feedback during the Review indicated there is a number of workers employed through this mode of employment in the mining industry, particularly at remote mine sites. At the time of the 2016 Census there were 22,371 people employed in jobs located within the Goldfields, with 5,137 people (or 23%) residing outside the region. The following graph provides an overview of people working in the Goldfields but residing out of the region, with Laverton (1,627) and Leonora (1,507) having the largest number of people working out of the region.

**Figure 5: Goldfields workforce – by place of residence, 2016**



Source: ABS Census 2016

During the interviews it was also stated there are some health specialists who fly-in fly-out on a regular basis.

The flow of overseas skilled workers to the Goldfields has tended to follow the level of mining activity in the region, with spikes in temporary 457 visa grants for that industry reaching about 200 in 2007–08 and 2011–12<sup>18</sup>. The recent downturn in the State’s economic conditions has led to a decline in the number of 457 visas issued for positions located in the Goldfields, with a total of 68 visas granted in 2016–17 including 24 for the mining sector<sup>19</sup>.

During the Review, a number of stakeholders and employers expressed a concern about the negative impact the changes to the Australian Government’s skilled migration occupation lists will have on the ability of employers to source skilled labour. These changes are narrowing the range of occupations available under both the temporary and permanent streams of the skilled migration program. However, most employers interviewed indicated a preference for local workers if they could get them.

<sup>18</sup> Department of Immigration and Border Protection, Subclass 457 Visa Grants Quarterly, September 2017

<sup>19</sup> Ibid

According to the 2016 Census, the top ten occupational categories (4 digit ANZSCO) in the Goldfields were as follows.

- 7122 - Drillers, Miners and Shot Firers (1,413 workers)
- 3232 - Metal Fitters and Machinists (1,020 workers)
- 7331 - Truck Drivers (770 workers)
- 6211 - Sales Assistants (General) (656 workers)
- 3129 - Other Building and Engineering Technicians (428 workers)
- 3411 – Electricians (408 workers)
- 3223 - Structural Steel and Welding Trades Workers (391 workers)
- 5311 - General Clerks (367 workers)
- 1421 - Retail Managers (302 workers)
- 8112 - Commercial Cleaners (293 workers)

When examining the age distribution of those employed in the Goldfields, 8,700 people, or 47.4% of the workforce, were aged 25 to 44 years. This is marginally higher than the State average of 45.2%.

Of particular significance is the large cohort of young Aboriginal people moving into the working age group within the Goldfields. The 2016 Census indicated that approximately 51% of the region's total Aboriginal population was aged 24 years or younger. This will present both opportunities and challenges for these young people to gain employment in the region.

The mining industry is the largest employer in the Goldfields and is also the largest employer of Aboriginal people in the Goldfields, providing employment to 165 Aboriginal people in 2016, up from 149 in 2011. However this only represents 3.1% of the 5,331 people employed in this industry. The industry areas of health care and social assistance (141 persons), public administration and safety (110 persons), and education and training (78 persons) also feature prominently as employers of Aboriginal people.

The most recently available Small Area Labour Market (SALM) data<sup>20</sup> indicates that the unemployment rate for the Goldfields decreased from 5.6% to 4.5% over a 12 month period to December 2017 (below the State average of 5.9%). In Kalgoorlie-Boulder, the unemployment rate decreased from 4.5% in September 2016 to 3.3% in December 2017.

During the Review, employers and stakeholders suggested that the low unemployment rate was contributing to the difficulties in recruiting local people into vacant positions. This was over and above other issues raised by employers which are outlined further in this report.

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<sup>20</sup> Caution should be used when examining LGA level Small Area Labour Market (SALM) data due to small population variability in the data

According to the 2016 ABS Census the unemployment rate of Aboriginal people in the Goldfields is 28.3%. This is greater than the unemployment rate of Aboriginal people in Western Australia (22.2%). The number of employed Goldfields-based Aboriginal residents declined from 1,071 in 2011 to 868 in 2016.

## 6. METHODOLOGY

The methodology for the Goldfields labour market review (the Review) was developed by DTWD in consultation with Central Regional TAFE (CRT), the Goldfields-Esperance Development Commission (GEDC) and the Kalgoorlie Boulder Chamber of Commerce and Industry (KBCCI). The methodology involved the following stages.

- Undertake desktop research (including DTWD's 2016 Goldfields-Esperance Labour Market Profile)
- Develop a structured interview questionnaire
- Undertake targeted interviews with employers and key stakeholders – the list of employers was compiled using recommendations from CRT, GEDC, KBCCI, DTWD's regional stakeholder list, plus interrogating the SEEK website for employers currently recruiting for the Goldfields region
- Document and analyse interview responses
- Prepare draft findings and occupation list
- Validate findings during a visit to Kalgoorlie
- Prepare a report with findings and update the *Goldfields labour market profile*<sup>21</sup>

The Review was undertaken between July and November 2017 and gathered information on:

- current and future labour market trends;
- occupations that employers and stakeholders considered to be difficult to recruit into; and
- issues relating to training and the attraction, recruitment and retention of workers in the region.

A total of 155 employers from a variety of business sizes and across the 19 industry areas as classified by the Australia Bureau of Statistics (ABS) were targeted and invited by email and/or phone to be interviewed as part of the Review. Of these, 51 private sector employers agreed to participate in a telephone or face-to-face interview. In addition, nine industry peak bodies, twelve government agencies and local governments, one university and two training organisations were interviewed or consulted. A list of those organisations is at Attachment 1.

DTWD, accompanied by the manager of the Goldfields campus of CRT and two representatives from Department of Primary Industries and Regional Development (DPIRD), met with a range of stakeholders over two days in Kalgoorlie mid-October to seek their feedback in relation to the veracity of the draft list of occupations that are difficult to fill and labour market findings from the interviews.

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<sup>21</sup> Insert website link of profile

## 7. CONCLUDING REMARKS

A primary purpose of the Goldfields Labour Market Review was to develop a regional list of occupations that are difficult to fill which will guide the training priorities of the local TAFE, so that its delivery aligns with the needs of the region's labour market. This is an election commitment of the State Government.

The difficult to fill occupation list has been developed in consultation with CRT, with CRT confirming that it has already been useful in its planning for training delivery in 2018.

Further, CRT has indicated that future reviews and updates to the difficult to fill occupation list will provide a useful basis for the annual Delivery and Performance Agreement discussions between DTWD and the TAFE on funding and training priorities in the Goldfields.

DTWD will continue to work with CRT on implementing the training related findings within this Review.

DTWD will also provide copies of this report to stakeholders and continue its engagement with relevant stakeholders including the Goldfields-Esperance Development Commission in respect to those findings that are not directly related to training.

## ATTACHMENT 1 - CONSULTATION LIST FOR GOLDFIELDS REVIEW

Consultations were held with 75 stakeholders as part of the Goldfields labour market review. These included face to face and telephone discussions in Kalgoorlie and Perth.

Aboriginal Workforce Development Centre	Goldfields Women's Health Centre
Ahead of Time	Greenhill Electrical
Albany Worklink (Career Centre - Goldfields-Esperance)	Hahn Electrical Contracting
Albion Hotel	Harlsan Industries
Amana Living	Holcim
Anglicare WA	Industry Training and Workplace Services
Auscub Service	John Matthews and Sons Real Estate
Ausdrill Limited	JTMEC
Barminco	Kalgoorlie-Boulder Chamber of Commerce and Industry
Bega Garnbirringu Health Service	Kalgoorlie Early Learning Centre
BHP Billiton Nickel West	Kalgoorlie Hotel
Blue Monkey	Kalgoorlie Chamber of Minerals and Energy
Boyes Equipment	KEC Electrical Contractors - Kambalda
ByrneCut Australia Pty Ltd / Murray Engineering	Kids on Carrington Child Care
Cecilia's on Hay	Logistics Training Council
Central Regional TAFE	Mangelsdorf Engineering
CME-Goldfields Esperance	Curtin University (WA School of Mines)
Community Services, Health and Education Training Council	Goldfields Toyota
CPC Engineering	Monadelphous Engineering Associates

Delron Cleaning	Northern Star Resources (Millenium)
Department of Agriculture	Quest Yelverton Kalgoorlie
Department of Community Services	RAG Auto Electrical
Department of Corrective Services	Rapallo Group
Department of Education	Regional Chamber of Commerce
Evolution Mining	Resources Industry Training Council
GBF Underground Mining Company	Seeley Auto Electrical
GEMIA & AngloGold Ashanti	Shire of Coolgardie
Gold Rush Tours	City of Kalgoorlie-Boulder
Golden City Motors	Shire of Menzies
Goldenhind Homes	Skill hire - Kalgoorlie
Goldfields Centrecare	Stawest Group
Goldfields Child Care Centre	Utilities, Engineering, Electrical, And Automotive Training Council
Goldfields-Esperance Development Commission	WA Country Health Service
Goldfields Individual Family Support Association	Westland Autos
Goldfields Masonic Homes	Westpac Commercial Banking
Goldfields Pest Control	YMCAWA KAL
Shire of Leonora	Shire of Laverton
Shire of Dundas	