

North Coast NSW Employment Strategy and Action Plan

An invitation to participate
in generational change in
challenging times

July 2020



North Coast NSW Employment Strategy and Action Plan Project Stages

01

Concepts
Conceptual
design of the
project

02

Engagement
Stakeholder
engagement

03

Consultation
Survey,
discussion and
one on one
consultation

04

Action
Implementation
of strategy

Acknowledgment of Country

We acknowledge the traditional owners of the land and Elders past, present and emerging.

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List of Acronyms

RDA	Regional Development Australia
MNC	Mid North Coast
NR	Northern Rivers
RDAMNC	Regional Development Australia Mid North Coast
RDANR	Regional Development Australia Northern Rivers

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Introduction

The employment eco-system in the North Coast of New South Wales is typical of many regional areas across Australia. These areas are characterised by many agencies, organisations, and individuals all working towards the reduction of unemployment figures which are higher than metro areas.

This pursuit of reducing unemployment figures often negates the many and varied opportunities to work collectively and collaboratively to build opportunity in the marketplace for both employers and jobseekers. Initiatives are too often replicated and repeated over time, as funding expires for one focus group and ultimately replaced to be directed towards another.

Importantly, there has not been a collective strategy to address employment opportunities in the North Coast to date.

Recent impacts of bushfires, flood and COVID-19 during 2019/20 have highlighted the need to work together as a region to address the challenges impacting both businesses and jobseekers. While there is agreement on the main goal of reducing unemployment, there is a vastly under-coordinated effort to achieve it.

The broader North Coast Workforce Strategy project incorporating a discussion paper, a series of consultations and finally the strategy itself, will set out a roadmap to coordinate efforts in a collective way. A collective strategy for change is essential if we are to draw together the disparate elements described above. The authors suggest that the implementation of ONE strategy is the most important tool required to help solve the difficult issue of reducing unemployment in any region. This strategy would place the key parties, jobseekers, long-term unemployed, carers etc. in the centre of the model with all other actors working in a symbiotic, collective and collaborative way for the good of the job seeker

and their support networks.

The strategy will draw together the 'employment ecosystem' including all levels of government and endeavour to break down silos that exist between employment services, education, social services and employers. It will focus on industry and identified opportunities as opposed to starting at the other end (the jobseeker) which is typical of the current eco-system. And finally, the strategy will consider the many and varied steps required for a jobseeker to identify, access and sustain an employment pathway.

While the model may be place-based it will include elements that can be replicated nationally. Exploring ideas for projects that will be able to easily (and cost effectively) be implemented by locally based service providers. Perhaps most importantly it will have a measurement system at its core which will clearly show the drivers of regional employment (as relevant to the North Coast) and measures which drive change.

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Purpose

This North Coast Workforce Action Plan is a bold plan. It sets out to guide systemic change within the North Coast that will support industry-led initiatives focused on building a vibrant future employment marketplace.

There has been no shortage of previous strategies, reports, implementation plans and meetings about regional employment, particularly for more marginalised groups such as youth, Indigenous Australians and the ageing population. However, their actions are usually based around solving the presenting issues, rather than root causes of unemployment. Strategies focus on fixing problems rather than proactively seeking out cultural and systematic change. Rarely is there engagement with the entities that have the ultimate say in turning around unemployment – our employers.

The greatest problem brought about by these many, disparate strategies is that they don't always 'speak'

to one another. Stakeholder fatigue is a recurring problem, as issue after issue is addressed with varying results. Current funding models limit the sustainability of programs that are continuously rolled out with different names but ultimately seek to solve the same problems.

Sustainable and ultimately meaningful change will take longer; however, it will enable all entities to understand their roles and to work together to support lasting solutions. This paper seeks to understand the failings of our current and past systems, and provide real direction and commitment to a sustainable future-focused strategy.

With Bushfire and COVID-19 recovery currently in play the North Coast does not have time for strategies to connect, particularly when it comes to important employment initiatives. The time to act is now and our actions must be collaborative.



Methodology

The North Coast Employment Strategy project has been informed by numerous projects conducted by RDAMNC and RDA Northern Rivers between 2016-2020 (Attachment 1), as well as other strategies that exist in the marketplace and impact employment within the North Coast (Attachment 2).

Primary research conducted for this strategy included;

- An online survey which generated - 110 responses and
- Online submissions discussion paper – 8 responses collated

The discussion paper asked for feedback around the following regional employment challenges:

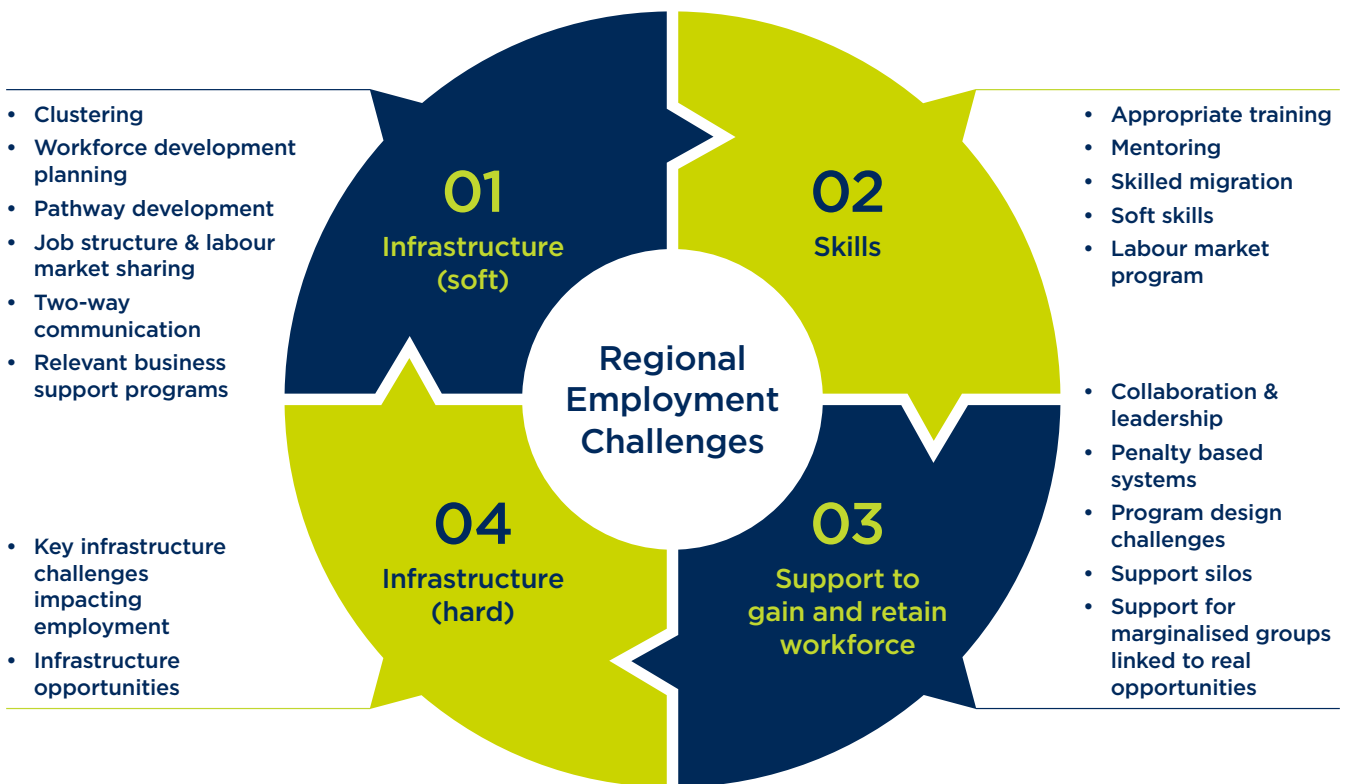


Figure 1: Regional Employment Challenges

Section 1: Living and working in the North Coast



Geography: An attractive lifestyle region

The North Coast's two Regional Development Australia (RDA) regions span Tweed Heads in the North to Taree in the South. The region incorporates major regional cities including: Tweed Heads, Lismore, Grafton, Coffs Harbour and Port Macquarie. Distinguished by a pristine coastline nestled within a clean, green mountain range the North Coast is a popular destination for both tree and sea changers. 'Relocaters' often have years of experience from running their own businesses and skills from previous employment. Some relocate their existing enterprises or establish new businesses while others are happy to take on lower level positions and responsibilities than in previous roles. The North Coast's natural attraction as a lifestyle region can make it difficult for marginalised jobseekers to enter the workforce.



Figure 2: Mid North Coast & Northern Rivers

Who lives in the North Coast?

Key Demographics

The estimated resident population of the region was 579,748 in 2019 - comprising of 304,325 in the Northern Rivers (Tweed to Grafton) and a further 275,423 in the Mid North Coast (Coffs Harbour to Taree) .

The median age of people in the Northern Rivers is 46 and 47 in the Mid North Coast, which is much older than the state median age of 38 years. The ageing population (people aged 65 years +) across the North Coast is of some concern recording 25.2% in the Mid North Coast and 23.5% of the population in the Northern Rivers when compared to the NSW State average of just 16.1%.

The single largest age cohort in RDA Northern Rivers Region is '55-59 years' representing 7.83% of the population. In the RDA Mid North Coast region, the largest age cohort is slightly older at 65-69yrs (7.85%) compared to NSW as whole where the single largest age cohort in New South Wales (State) is "30-34 years" representing 7.23% of the population. The youth cohorts (15-19 and 15-24 year old) for Northern Rivers total 10.19% and 10.02% in the MNC while NSW as a whole is slightly higher at 12.70%

Annualised population growth for the period 2011-16 was in the Northern Rivers is 0.8% and in the Mid North Coast it is 1.1%, both below the NSW 1.6%.

Population

North Coast

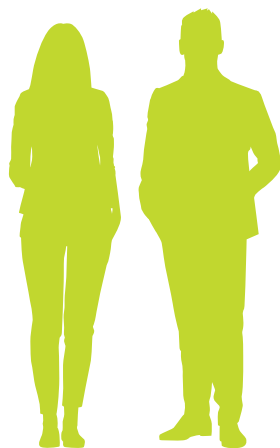
579,748

Mid North Coast

275,423

Northern Rivers

304,325



Education levels

Education levels across the community are a key indicator of the propensity of residents to be engaged in the work force and are also an important factor influencing levels of relative social wellbeing in the region. In the North Coast 40% of people have a Certificate level qualification and a further 17.23% have an undergraduate or Bachelor degree.

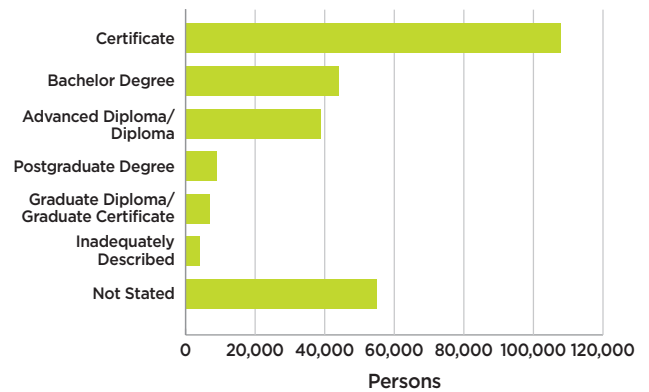


Figure 3: Education Level - RDA MNC & NR + Taree (2016)

Disadvantage

The North Coast region has distinct pockets of disadvantage. As defined by the Social-Economic Indexes for Areas (SEIFA), the region’s classification follows:

Selected Geography

The SEIFA index of disadvantage scores (lower scores and ranks are more disadvantaged) for the 22 selected areas are:

RDA MNC & NR + Taree	Score	National Rank
Lord Howe Island	1,060	1,660 / 2,184
Port Macquarie - East	1006	1,058 / 2,184
Ballina	1003	384 / 544
Byron	1003	385 / 544
Old Bar - Manning Point - Red Head	993	921 / 2,184
Port Macquarie Region	991	897 / 2,184
Tweed	973	258 / 544
Coffs Harbour	967	238 / 544
Bellingen	966	236 / 544
Laurieton - Bonny Hills	965	628 / 2,184
Wauchope	956	553 / 2,184
RDA MNC & NR + Taree	955	
Lismore	954	194 / 544
Port Macquarie - West	946	474 / 2,184
Taree Region	943	461 / 2,184
Clarence Valley	926	113 / 544
Kyogle	910	78 / 544
Nambucca	907	75 / 544
Richmond Valley	902	69 / 544
Wingham	896	191 / 2,184
Kempsey	888	56 / 544
Taree	876	136 / 2,184

Average income and rental affordability

The median weekly income (individual) in the Northern Rivers is \$534 and in the Mid North Coast it is \$512. Median weekly household rent is around \$325-350 which compares to NSW median of \$400-\$424 per week average \$380. In some parts of the region, particularly in and around the Northern Coastal area with a median weekly household rent of \$450, it has gained the unwelcome mantle as one of the least affordable regions in Australia for renting.

Unemployment

In December 2019, the unemployment rate was 4.7% in the Northern Rivers and 5.8% in Mid North Coast. For the total North Coast 5.8% unemployment represents a drop of around 30% from the high rate of 8.0% recorded in 2015. Strong employment growth was recorded just prior to the restrictions enforced by COVID-19.

It is also worth mentioning that the 2020 participation rates are hovering just under the 50% range for people aged 15 years and over in the Mid North Coast. This is a concerning statistic that drives much of the recommendations throughout this strategy.

Figure 4: SEIFA Index of Disadvantage

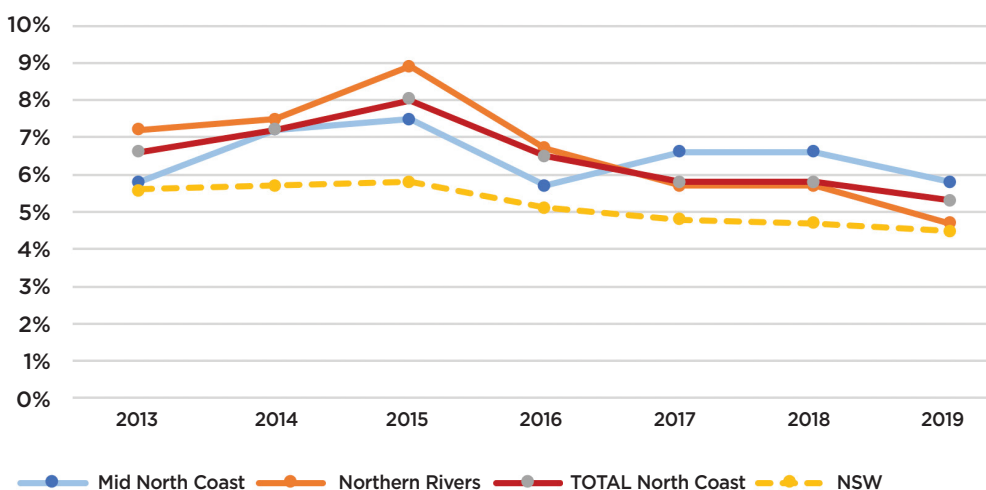


Figure 5: North Coast Unemployment 2013-19

Employers in the North Coast

Business composition

There are 27,175 businesses in the Northern Rivers and a further 23,955 in the Mid North Coast. Of these businesses only 453 employ more than 20 people in the Northern Rivers, and 426 in the Mid North Coast. It is notable that of the 51,000 businesses, a substantial percentage of businesses across the region do not employ at all (64% in the Northern Rivers and 59% in the Mid North Coast). While a large percentage of these non-employing businesses will be happy to continue to trade in this manner, it is clear that there is also remarkable opportunity to encourage the large numbers of non-employing businesses to take on just one employee, trainee or apprentice.

Number of businesses

North Coast

51,130

Mid North Coast

23,955

Northern Rivers

27,175



Industry output

The industries with the largest total output (also known as total sales or total income) are not necessarily the biggest employers. In the North Coast contributions, industry output is as follows:

Industry	Mid North Coast \$M	Northern Rivers	Combined	% of jobs in North Coast
Construction	\$4,952 (16.7%)	\$4,653 (14.3%)	\$9,605 (15.5%)	9.2%
Rental, Hiring & Real Estate	\$3,534 (11.9%)	\$4,009 (12.3%)	\$7,543 (12.1%)	1.7%
Manufacturing	\$3,094 (10.4%)	\$4,239 (13.0%)	\$7,334 (11.8%)	5.3%
Health Care & Social Assistance	\$2,458 (8.3%)	\$2,577 (7.9%)	\$5,036 (8.1%)	17.9%
Agriculture, Forestry & Fishing	\$1,975 (6.7%)	\$2,519 (7.5%)	\$4,494 (7.2%)	5.3%

Figure 6: Major industries, their contribution to GRP and percentage of jobs (source: REMPLAN 2020)

COVID-19 Scenarios

Given the size and scale of COVID-19 on the economy, RDA NR and MNC engaged PPM Consulting to provide a level of understanding on what different levels of impact (minor to major impact) would look like across the key 19 industry sectors. These are not forecasts, but a way for the region to conceptualise how industries and the economy is affected under certain circumstances. The below is the outcome of the balanced (middle impact) scenario which recorded a loss in most sectors.

Industry	Mid North Coast (Output)	Northern Rivers (Output)
Construction	-17.2	-8.7
Rental, Hiring & Real Estate	-9.7	-47.1
Manufacturing	-34.8	-11
Health Care & Social Assistance	-25.5	0
Agriculture, Forestry & Fishing	-2.6	-7.9
Other industries more vulnerable to the COVID-19 restrictions are:		
Accommodation & Food Services	-42.1	-57.3
Retail Trade	-45.2	-45
Wholesale Trade	-45	-45
Arts & Recreation Services	-48.4	-45.4

Figure 7: COVID-19 Impact on industry sectors

Jobs by Industry

In May 2020, over 255,000 people were employed in either full-time or part time work, or regarded as employed but away from work.

Industry	Mid North Coast	Northern Rivers	TOTAL
Health Care & Social Assistance	17,755	18,632	36,387
Retail Trade	12,000	13,455	24,255
Construction	9,375	9,365	18,740

Figure 8: Jobs by industry

Across the region the top five industries employing around 120,000 workers or about 59% of the workforce are:

- health care and social assistance,
- retail trade,
- education and training
- accommodation and food services and
- the construction industry

However, these industries aren't necessarily creating more positions which would have the capacity to employ workers displaced due to COVID-19. While data is still emerging about which industries will be the most active in employing into the future, there is no doubt the nature of jobs in the North Coast is changing.

	Mid North Coast			Northern Rivers		
	Dec-19	Dec 20 Balanced	Dec 20 Optimistic	Dec-19	Dec 20 Balanced	Dec 20 Optimistic
Labour Force Participation	130,885	90,823	123,191	144,083	105,357	141,820
Employed	123,365	82,898	114,816	137,418	96,802	135,104
Unemployed	7,520	7,925	8,375	6,602	8,555	6,716

Figure 9: Outcomes of from the effect of COVID-19 on employment and participation.

As of April 2020, there were 18,838 Jobkeeper applications in the North Coast. (Source Treasury). This represents a significant percentage of the North Coast workforce. We will not understand the full impacts of this until the fourth quarter of 2020 or beyond.

The Australian Bureau of Statistics (May 2020) estimated a 19% drop in jobs in accommodation and food services due to COVID-19 and a further drop of 14% in retail (Australia average). The next highest hit industry is construction (7%). How this will change post Jobkeeper subsidies (approx. September 2020) is yet to be felt.

RDAMNC and RDA Northern Rivers commissioned scenario planning which outlined a range of ways COVID-19 may impact the workforce. The scenarios balanced and optimistic reflect the following labour market outcomes.

Pre and Post COVID-19 implications

The period from May quarter 2019 to February 2020 saw an increase in numbers of employed in 10 of the 19 industry sectors with an overall increase of 2000 people employed. Since then, COVID-19 restrictions have placed a substantial brake on certain industries and year on year numbers (May 2019- May 2020) have decreased by 4,500 people. While retail and tourism related services were expected to maintain the highest level of losses, the region has also seen worrying falls in construction and manufacturing. High levels of public investment in construction work may see a pickup of employment but at time of writing there is still the uncertainty of the government's winding down of the JobKeeper program.

Industry	North Coast May Qtr 2019	North Coast Feb PRE COVID 2020	North Coast May POST COVID 2020	TOTAL North Coast CHANGE YoY	TOTAL North Coast PRE to POST COVID
Agriculture, Forestry & Fishing	11000	11500	12600	1600	1100
Mining	1770	720	540	-1230	-180
Manufacturing	15600	19200	17700	2100	-1500
Electricity, Gas, Water	3510	4080	3720	210	-360
Construction	32500	29500	30700	-1800	1200
Wholesale Trade	5300	4410	4600	-700	190
Retail Trade	30700	31200	29600	-1100	-1600
Accommodation & Food Services	24000	25000	23500	-500	-1500
Transport, Postal & Warehousing	9100	9700	9100	0	-600
Information Media & Telecoms	1830	2370	2330	500	-40
Financial & Insurance Services	4300	2690	2910	1390	220
Rental Hiring & Real Estate Services	4280	3320	2590	-1690	-730
Professional, Scientific & Tech Services	14800	12300	12600	-2200	300
Administrative & Support Services	9000	8400	7270	-1730	-1130
Public Administration & Safety	15800	11700	11400	-4400	-300
Education and Training	18500	20700	20800	2300	100
Health Care & Social Assistance	42100	50100	50300	8200	200
Arts & Recreation Services	4350	4590	3570	-780	-1020
Other Services	11100	9500	9700	-1400	200
Total (industry)	259800	261400	255300	-4500	-6500

Figure 10: Numbers employed by industry sector pre-COVID and post restrictions (Source: REMPLAN 2020)

Participation

229,661 people from the total population of around 580,000 in the North Coast participate in the labour market. The North Coast labour market has a relatively diversified industry base to choose from and is trending toward being characterised as a more modern economic mix of professional services and service-related industries. However traditional sectors such as Agriculture, Fishery and Forestry are still significant drivers of the economy and value adding such as food and beverage manufacturing is becoming valuable to the local job seekers.

As noted in earlier sections, the participation in the region is of particular concern and LMIP data (May 2020) suggest that Mid North Coast participation rate is just under 50%.

Section 2: Key factors impacting the North Coast Workforce



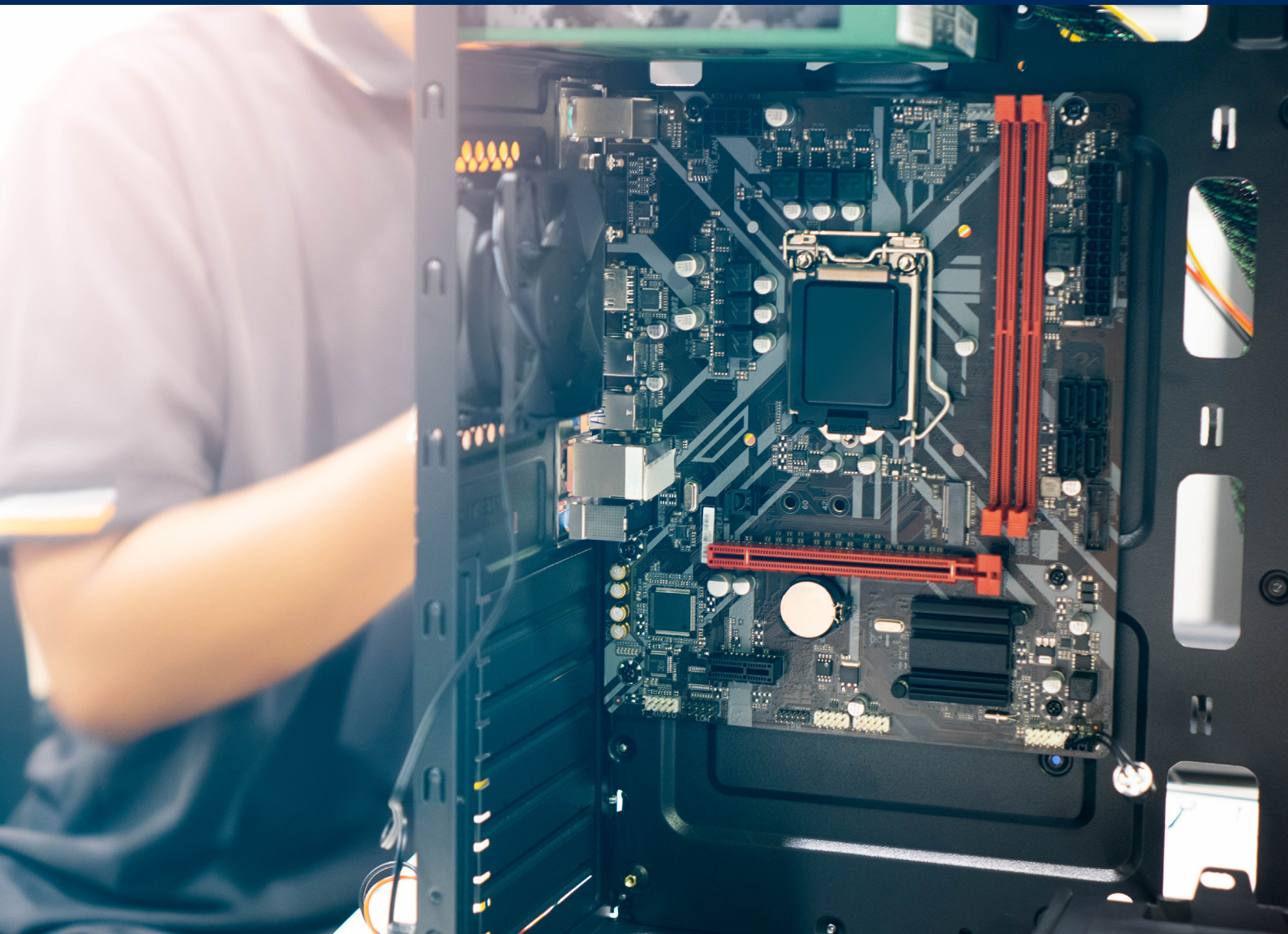
Structure

Supply

Demand

Support

The following analysis focusses on the key areas of concern that the business and industry have reported to the RDA offices over the years of being active across the region. Our intention is to highlight some of the major factors which could improve employment opportunities in the North Coast Workforce and to build strategies by working in collaboration with all stakeholders to address change.



Structure

A “messy” eco-system

The current employment eco-system does not naturally lend itself to a collaborative framework. With unclear governance structures, competing performance indicators for services and barriers in accessing various facets of support (for example linking welfare services with employment services) getting support across a career pathway can be very difficult for a jobseeker.

Government policy further impacts eco-system challenges as numerous proponents of the system overlap (for example education is delivered by the State of NSW, however School Based Traineeships have both State and Commonwealth policy influences).

Yet, successful bridging strategies such as interagency networks and working parties have been demonstrated to provide solutions to pressing challenges from time to time (with particular reference to specific target group interventions and industry interventions).

Despite some of the region’s employment challenges now reaching a crisis point post COVID-19, most of the challenges experienced with in the employment eco-system are not new.

Duplication

Duplication is one of the key challenges in the development of a cohesive employment eco-system. With overlapping Commonwealth, State and local initiatives and reporting mechanisms information can easily be lost or not shared resulting in duplication.

Each local government throughout the entire region has its own team working on industry relocation. This service is also replicated by the State Government (via Regional NSW) and to some degree by the Regional Development Australia and Business Australia programs.

Duplication also leads to the problem of multiple small data sets and missing data. Because job vacancies are more likely to be reported by individual businesses, and there is a lack of large businesses in the North

Coast Region, collating job vacancies by type and by industry is difficult. While software is available to do this, the software collates jobs advertised within online platforms and not via word of mouth and other community-oriented modes, therefore it is missed in the counts.

Attachment 1 identifies the documents that were assessed in the development of this strategy. One of the biggest issues for the cohesive regional workforce development is that strategies are developed at a local, Commonwealth, State and then industry level. Impacting on this issue is that the employment intermediaries are funded in a similarly haphazard fashion and rarely link effectively with the actual employer in developing initiatives.

The results of this approach can mean:

- Employment strategies are developed from a generic, rather than regionally specific or placed based manner.
- Employers are not engaged in the process
- Service gaps are created for students and jobseekers and they aren’t linked all the way through to a job
- Strategies can be created to address immediate, not future needs
- Students align with jobs that will not exist when they finish studies

Missing stakeholders

Ironically, the stakeholder often missing in consultation about employment programs (particularly in the development of programs for marginalised groups) is industry. Because businesses in the North Coast are more often small there is limited time for the manager or owner to get involved in lengthy conversations about speculative activities that may not appear to be relevant in the short term.

Recommendations

Our recommendation is that a set of bridging structures and processes are formed to guide workforce planning in the north Coast so that the support needs of any stakeholder is met throughout the entire employment pathway. The bridging strategies would include governance, planning, process.

Governance

It is proposed the action plan will be guided by the Constellation Model of Social Change which is “a complexity-inspired framework designed to ‘hold’ collaborations within dynamic systems. Balancing chaos and order, energy and structure, the governance model supports multi-organization partnerships and networks within complex systems” (Centre for Social Innovation)

The model is “designed to bring together multiple groups or sectors working toward a joint outcome. The focus is on action rather than dialogue. Public education, service delivery, research and other tangible social change activities are handled by small, self-organizing teams called constellations”. (Technology Innovation Management Review). The model and proposed application is demonstrated on the following page (Figure 11).

Planning

Starting with workforce development planning, we recommend a planned approach to address workforce development which is led by industry and incorporates all stakeholders.

Process

We recommend the implementation of processes encompassed within the principles that have been influenced by the Constellation Model which are; collaborative, transparent and address a shared goal.



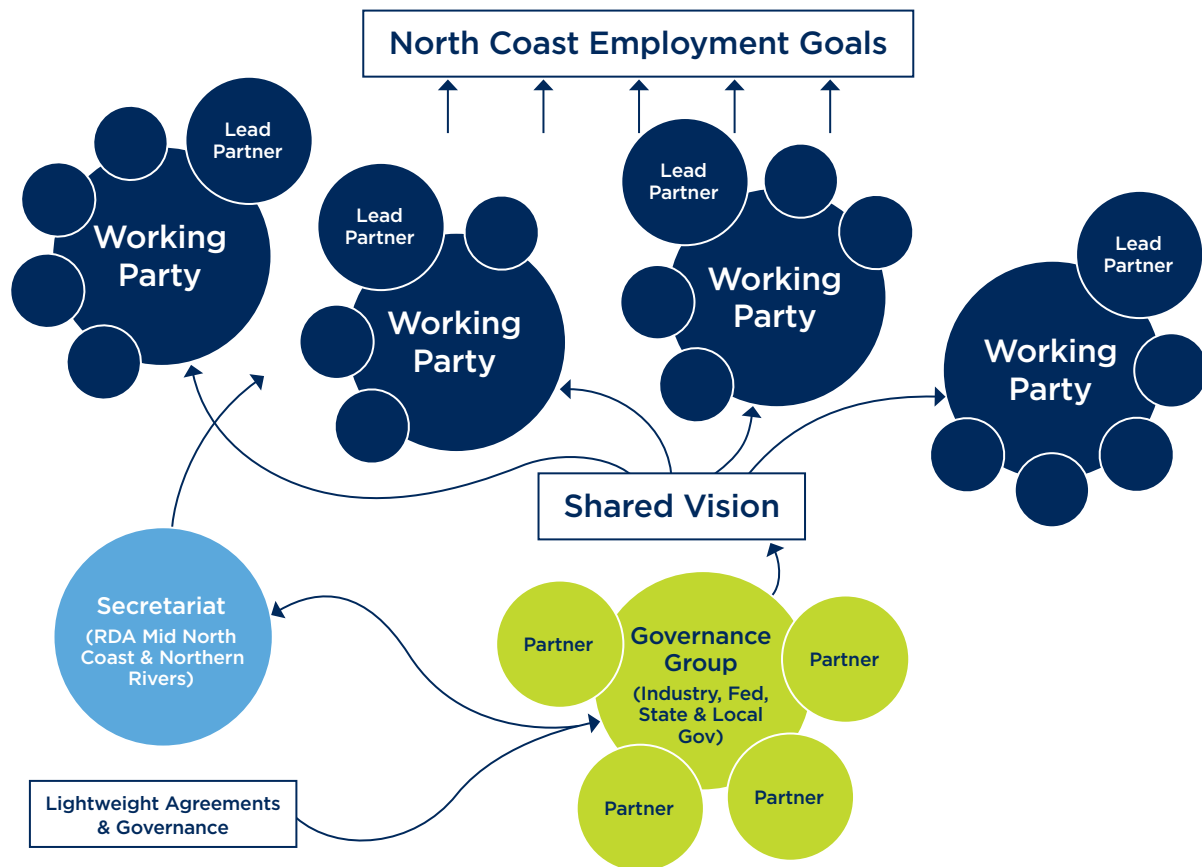


Figure 11: Adaptation of Constellation Model of Social Change

Toward a Proposed Model:

The proposed governance model could reflect the Constellation model in the following manner:

Develop a shared vision	The shared vision is about meeting skill shortages and creating employment opportunities
Collective goals	While these will emerge over time, initial efforts will be put into identifying challenges which emerge from industry workforce development plans and plans to address persistent employment infrastructure challenges (such as transport).
Involving the broader eco-system	Working parties would be established as willing industries / stakeholders are identified (starting by targeting industries most impacted by COVID-19)
Establish a Secretariat	RDAMNC and RDANR will share secretariat duties
Establish a governance group	RDAMNC and RDANR will identify a founding stewardship group
Establish working parties	RDAMNC and RDANR will work with industry to identify leaders who are willing to establish a working party to create an industry workforce development plan and recommend initiatives to fill workforce gaps

Supply

Employers tell us that jobseekers are not 'work ready'. But what does that mean, and how do we solve this?

The need for a joined-up approach (between employers, jobseekers, service providers, trainers etc) can be clearly seen when we consider how well the multitude of programs are performing. Are they:

- Serving the populations most in need and providing demonstrable outcomes
- Providing reliable data for use in planning and program design
- Increasing access to employment opportunities for all job seekers equitably
- Including, rather than operating in isolation from, the business and industry sectors

The support mechanisms, providers, programs are numerous and complex to navigate. For the consumer there is no logical approach to accessing support and even though the pathways as dictated by Centrelink and National Jobseeker services may appear clear, these disregard jobseekers who (a) do not meet eligibility criteria for support programs and (b) require a higher level of support.

A jobseeker only needs to work for 1 hour in a week to be classified by Commonwealth metrics as 'employed'. National employment data can be misleading and not reveal the true story of unemployment and underemployment and thereby unreliable as a basis to generate appropriate interventions.

The current employment eco-system is designed to support and incentivise job seekers to find work, but there is generally less incentives for employers to create and sustain work. The JobKeeper program was introduced as an important measure to maintain employment levels for eligible businesses and is a very good example of government intervention in times of crisis. However, during 'normal' economic cycles more can be done in this area to encourage and grow employment, particularly in regional areas. The traditional approach of encouraging behaviours on the supply side will always mean the supply outweighs true demand.

Slipping through the gaps - Unemployment among vulnerable groups

The issues of unemployment and underemployment presents challenges to the whole community due to the resulting social factors such as; poverty, crime, lack of educational attainment and dysfunctional family lives. A coordinated, well designed strategy has the potential to bring all of these groups up together, instead of leaving the bottom at the bottom and thereby widening the divide.

Youth (15-24yrs)

Always a vulnerable cohort in the employment landscape, young people are more likely to have unskilled jobs in lower paid industries such as hospitality. The levels of job casualisation also makes this cohort somewhat disposable in the labour market and the recent COVID-19 job losses highlighted this. At August 2019 the unemployment rate among young people in the Coffs/Grafton employment area was 16.8%, the second highest in the State of NSW. This has remained the highest youth unemployment rate in Australia peaking at 24.3% in January 2019.

Indigenous population

26,910 people (5%) of North Coast residents identify as Aboriginal or Torres Strait Islander much higher than the NSW State average of 2.9%. In 2016, over 7,800 were employed in capacities of either full time, part time or away from work. Much hard work is being done in this sector and would benefit from working within, or being included in an overarching strategy to ensure stretched resources are maximized for delivering outcomes on the ground.

Ageing workforce

In the North Coast there are 126,214 people aged between 50-65. These people are more vulnerable to being employed as shift workers. There is a concern at time of writing that superannuation levels will decrease substantially because of the impact of COVID-19 on sharemarket, property market and other investments and many of this aged cohort may have to defer their retirement plans (thus potentially decreasing promotional opportunities or replacement by younger employees).

Women

Women were most heavily impacted by COVID-19 with the number of employed women in the Mid North Coast falling by 4,400 (-10.4%) between March and April 2020 while male employment was down 1,700 (-4%). While many workplaces have become more flexible in their approach to needs of women in the workforce more needs to be done. More research is required in the region to examine the opportunities and benefits to the broader community (not just economy) by increasing job sharing and other relevant policies.

Access to employment supporting infrastructure

Access to the infrastructure that sustains employment is essential for all jobseekers and investment in key infrastructure areas will often have positive spillover effects for the community. The priority areas that need to be addressed includes;

Education

Education levels across the community are a key indicator of the propensity of residents to be engaged in the work force and are also an important factor influencing levels of relative social wellbeing in the region. The region is well catered for all levels of education, for example; traditional and non-traditional schooling modes can be accessed, TAFE, community colleges and private providers abound to fulfil VET needs and at least three universities have campuses across the North Coast. In 2017 RDAMNC conducted an economic analysis of the university sector in the Mid North Coast. This report indicated the Mid North Coast has the highest density of universities of any regional centre in Australia.

Importantly, there has been an increased recognition in developing school to industry pathways and the NSW Government has invested in welcome initiatives such as the Regional Industry Education Partnerships program.

Transport

Some public transport options exist across the region but most services are scheduled around the popular school hours. Negotiating any sort of transport, particularly intra-regional (from Casino to Coffs Harbour, for example) is particularly fraught.

“TAFE going online has been good so my employee (son) can undertake his training locally to get a plumbing licence - he hasn't been able to do it for the past couple of years as he would have had to travel to Coffs Harbour (we live in Kyogle).”

Survey respondent

While various programs and initiatives have been implemented to assist vulnerable people to access transport, it is still a large inhibiting factor for regional Australians in accessing employment. Respondents to the North Coast Employment Survey overwhelmingly suggested that more frequent scheduling of public transport services are needed with a secondary concern over the parlous state of many local roads.

Housing

Affordable accommodation and housing shortages are an issue across the region. A range of not for profit organisations are focused on what could be a silent looming crisis, but again, the young people could be at most risk. Innovative programs which seek to create entry level construction opportunities linked to affordable housing developments have been suggested and may warrant further investigation.

Internet and connectivity

The COVID-19 situation has highlighted disadvantage among people who do not have access to fast broadband services be it due to lack of access, or lack of affordability. While becoming less of an issue as NBN finishes its national roll out, a lack of reliable NBN connection is still a concern for many North Coast residents, particularly for those residing in more rural locations. This is also an opportunity to consider whether there is scope to “leap frog” NBN technologies to introduce new, better, cheaper technologies as implemented around the world. Otherwise develop innovative solutions to narrow the seemingly intractable digital divide, particularly for those who can't afford to participate.

Recommendations

Engage

We recommend engaging vulnerable groups in developing programs to influence change. The recommended governance structure can include representatives of vulnerable groups.

Strategic approach

Rather than waiting for unemployment spikes among vulnerable groups, or media to highlight issues to this end as 'news' rather than the persistence of the problem, we recommend a strategic framework is built to understand the programs, interventions and support available for these groups and this it is digitally mapped to ease access to programs for individuals. We also recommend working collaboratively to ensure smart investment is placed in soft and hard infrastructure areas.

Marketing campaigns

Finally, we recommend a series of marketing activities are undertaken to showcase the benefits of employing particular groups of people.

“More incentives to open small business from the council like the hold on charges for outdoor dining fees.”

Survey respondent



Demand

Sourcing skilled labour

The 2019 North Coast Skills Snapshot highlighted skill shortages across management, marketing, technology as well as industry specific skills. Respondents to the survey suggested that looking to their future workforce, the skillsets required would be more specific to the industry. Due to the rapid changes in technology employees would need to have an increased digital literacy and an ability to understand, manage and use new technologies. A range of soft skills were also valued by employers who responded to the above survey, stating that an ability to work in teams, problem solving, and good communication skills were priority skillsets for the future.

Businesses that participated in the 2019 North Coast Skills Snapshot reported a range of issues finding skilled staff. This survey targeted businesses located in the North Coast of NSW and more than half of the respondents cited difficulty in finding available skillsets with just under half reporting that finding local skills was a challenge due to the small population base and the remoteness of the businesses location (48% and 45% respectively). While a smaller percentage (34%) thought that competition for skills from outside the region was an issue, this could be related to workers increasingly having the ability to telecommute taking up wages based on a higher metro salary, than those offered by local regional employers.

A coordinated approach to addressing skill and workforce gaps in the marketplace is essential. While there are numerous approaches to address skill gaps, it is certain the best place to start is with industry (see 4. Soft Infrastructure). The following approaches to addressing skill gaps as a component of a broader employment eco-system could be considered.

Understanding support networks

Even the best programs would be of little use to employers without adequate access to support networks. When employers are too small to consider working beyond 'in' the business, they will not have enough time to source support until they face an emergency.

Challenges to get skilled staff

Of all survey respondents, the following challenges were experienced in seeking skilled staff:



54% lack of available skills in the region

48% Small population base

45% location (remoteness)

41% attitude towards employment from employees / prospective employees

34% competition from out of the region

Figure 12: North Coast Skills Snapshot (2019)

Business advice and support

While there is a plethora of supporting services for start-ups there are limited services available to enable established businesses to grow. These growth businesses are typically seeking to employ new skills, are expanding into new markets or new products. The demands on the business owner's time however, means that they have little time to seek out and engage with services and without a determined and supported approach to growth, it is likely the North Coast trend of smaller business size will continue well into the future.

Employment stimulus

There is no shortage of strategic economic planning advising employment generation. This information can be sourced at a State level (NSW REDs, Jobs for the Future Report, the 20-Year Economic Vision for Regional NSW, NSW Net Zero Plan), Commonwealth (RDA plans), local government level (LG Regional Economic Development plans), through to various COVID-19 and Bushfire Committees, planning and reporting. It is also reflected in the rollout of various government led funding initiatives designed to drive employment (for example the Commonwealth Building Better Regions Fund, the State Stronger Regions Fund as a few examples).

The greatest challenges for industry lie in (a) knowing where to connect to such initiatives and (b) writing sometimes complex funding applications. Where the funding is steered towards local government there are further challenges in enforcing (a) local procurement policies (b) ensuring external contractors have a local workforce component and (c) project management. Additionally, many Council teams are now facing burn-out from applying for, administering and managing, the sheer amount of funding opportunities in the NSW marketplace over the past two years. This situation could lead to contracts being awarded to known out of region contractors, rather than exploring new in-region opportunities.

Procurement incentives

With major infrastructure projects and other government funded activities remaining in the public landscape for some years there is an excellent opportunity to incorporate major project procurement terms which require employment components to stimulate opportunities for more marginalised candidates. This will become particularly necessary following recent economic downturn.

Red tape

Running a business and employing people in Australia is not always easy. With complex taxation, employment law, insurance and licencing obligations (which are now exacerbated by COVID-19 rules and social distancing measures) it is difficult for business owners to just 'get the job done'.

“Everyone, every business needs less restrictions, less red tape and less green tape. The industrial relations system is way to complex and restrictive for any business to grow or expand. Even the award system is to complicated and difficult to navigate. (Eg. Even Big business (Coles, ABC, etc), with their teams of accountants, experts can’t get it right - how much more difficult is it for small or family business.”

Survey respondent

“COVID has changed the way we work and has probably initiated sustainable changes in regards to how businesses will operate well into the future. What does this mean for employers, employees and job seekers? Could the ability for remote working impact job vacancies for local residents e.g. job seekers from cities applying for rural jobs. How can we ensure we support our community in gaining and retaining jobs”

Survey respondent

While the NSW Government has been forward thinking in the mechanisms supporting Service NSW and Business NSW has provided a wealth of information for business owners through COVID-19 we must continue to consider time and cost saving measures to assist business owners to run their businesses.

Industry clustering

Successful industry clusters have the capacity to support workforce planning and development, share resources, share training and labour pools. Geographic clustering is most common in the North Coast, however there are examples of industry clustering across the geography including Marine industry manufacturing and Macadamia nut processing. Cross-industry research and development, closer marketing programs and shared back of house services could lead to more robust industries and higher value job creation.

Case Study

Nambucca Valley's Vehicle Manufacturing Industry cluster has worked together to share labour pools, training opportunities and even capital equipment to grow their supply chain. Geographic clustering of this nature has great capacity to attract skilled staff, create pathways for employment and even contribute to industry attraction. Competition and lack of time among management teams are two factors that can detract from industry clustering and so strong facilitation is needed to support its successful implementation. The local Council's Business Development Officer has supported growth and development over the past 20 years. Although there are pockets of industry clusters and some large co-operatives in the North Coast, only a relatively low number of businesses identify that they belong to a cluster but they are keen to work with other businesses given the opportunity.

Workforce planning

Two recent surveys of North Coast businesses revealed that 70 – 80% of respondents do not have or do not know if they have a workforce development plan. Without a cohesive plan these businesses have very limited opportunity to identify skilled staff (or grow the skills of existing staff) within logical timeframes and many will experience issues as they begin to expand. In particular, at time of writing during COVID-19 restrictions, many businesses have had to pivot or reassess their business plans which will mean that a Workforce development plan would be even more essential.

Pathway development

Businesses based in regional NSW could be better placed to directly influence job pathways from school to industry than if they were based in larger centres. Businesses can work directly with organisations such as Training NSW and Regional Development Australia, to influence and establish direct pathways for the required skill sets through the programs and networks described above.

While the situation is currently fluid, there is broad recognition by all parties that new and innovative pathways can be and need to be developed that differ from the traditional methods. Pathway opportunities have great capacity to reduce workforce leakages, particularly among skilled staff who may feel the need to relocate for career growth.

Job structure and labour market sharing

Both the gig economy and workforce casualisation contribute to under-employment. Over the last decade or so, the business environment has been disrupted, prior to COVID-19 the local environment was characterised by high levels of casualisation, under-employment, with people simultaneously working multiple short-term contracted jobs, often with physical separation from the main employer and other staff. Business models, technologies, globalisation are all creating waves of disruption at an alarming rate and the future is anything but certain. Jobs young people will be moving into aren't invented yet and they will be expected to work across many different sectors during their working lifetime. A 'job for life' is a rarity, if not already an extinct concept. At the other end of the demographic, baby boomers who have been made redundant because of these disruptions face difficult challenges when attempting to re-enter the workforce.

Perhaps one of the most important issue facing employees will be a further increase in the casualisation of the workforce. New entrants, if they can get jobs will be required to work multiple roles in multiple industries, and perhaps running their own business or 'side hack'. While this flexibility might suit some personalities and situations, it is already resulting in many young people having 'Gen Y burnout'.

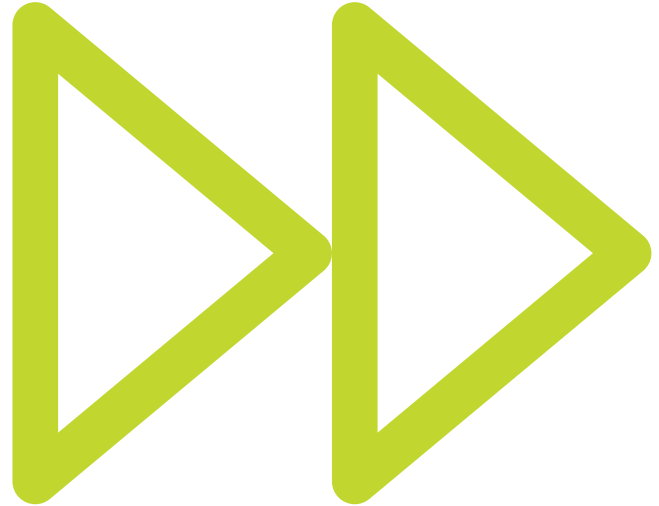
Recommendations

Connect

Businesses to relevant and timely advice and support delivered by experienced facilitators.

Engage

Businesses in workforce planning and support them at an industry wide level to do so.



Support

There are many types of employment intermediaries in the current landscape. These include:

- Job Services Australia providers
- Disability Employment Services
- Private recruitment and labour hire companies
- Group Training Organisations
- Interagencies and collaborative networks designed to support employment
- Schools
- Universities
- Vocational Education Providers
- Other entities – e.g. providing mentoring and support for young people
- NGOs – Welfare and Health Support

These entities are engaged under government contracts to manage a range of programs which have been designed to stimulate and sustain employment. Unfortunately, funding is often competitive, and this can be reflected in service delivery levels.

While education and employment support agencies are more likely to interact with industry, the NGO sector and welfare services have less need to do so. However, linking NGOs to industry can create better and more supported outcomes for the whole employment eco-system.

Case Study

Pathways to the Pilbara encourages Indigenous people who live in the Macleay Valley to apply for mining jobs in Western Australia. As health can be a barrier to entry the NGO provides a wrap around service which not only links the candidate to the employment opportunity, it also partners with health and wellbeing services to ensure the candidates health is monitored, and has a range of supports in place. The program even provides domestic support for the candidate's family when they travel for work.

“Reciprocal partnerships between education institutions and businesses are essential in bringing theory and practice together. Businesses should talk to education institutions about the skills they are after (to) Inform program development.”

Survey respondent

Appropriate training

Training must be accessible (in terms of location and time) and relevant to the needs of an industry. Disruptions across many areas of business and society, particularly business model, technological, political and now pandemic mean that businesses now prefer their employees to take on short courses, micro-courses and on the job training in preference to longer certified courses or even qualifications. Business owners report that with the pace and size of changes, training courses and institutions are falling out of date, finding it difficult to keep up with industry standards and technologies. While marginalised groups have been more exposed to “training for trainings sake” via mutual obligation and other Centrelink required systems, much can be done to ensure training opportunities are shaped more closely to the needs of employers (e.g. skill sets as opposed to qualifications).

Mentoring

There is opportunity in harnessing the skills (and time) of available industry mentors, particularly within the retired population. Not only does this build valuable community connection, it provides a relevant platform for intergenerational skill sharing (particularly useful for the development of soft skills). With larger (than the metropolitan norm) retired populations, skilled retired volunteers are often in abundance in regional areas and are in many ways an unexploited regional resource.

Skilled Migration

Skilled Migration programs (such as the Regional Skilled Migration Scheme) offer businesses to fill skilled workforce gaps. While this area is sometimes seen as problematic by local communities who believe

that migrant workers “are taking the jobs”; the truth is that many businesses, even those in regions with high unemployment, just cannot attract Australian citizens to work in their industry, business or location.

Soft Skills gaps

A range of soft skills were also valued by employers who responded to the above survey, stating that an ability to work in teams, problem solving, and good communication skills were priority skillsets for the future.

Labour market programs

There are numerous programs currently in the marketplace with many designed to incorporate training and work experience. The success rate of these programs is limited often by the ability of the employer to create a job outcome at the end of the program. Responses to government labour programs noted issues with a number of these programs. More research into the outcomes, suitability of program design and user experience with a range of programs is warranted.

Support to gain and retain workforce

There is a lost opportunity to provide support for employers in order to gain and sustain employees and job opportunities (as opposed to purely growing the business in order to afford more job opportunities). Red tape alone can discourage employers from creating job opportunities, in fact in the North Coast over 50% of businesses do not employ anyone.

The next tranche of employers, those who employ 4-20 people are most in need of support, usually without in-house HR services these businesses face the greatest challenges in gaining and retaining staff. The success of these businesses is largely influenced by the strengths of their staff with many people often performing multiple roles. Many businesses reported that they require health and mental health support for workers. Interestingly, 50% of those surveyed suggested that they preferred social media and marketing training more than technical or job-related skills training. (Q17)

The Job Keeper stimulus package has had a positive response across the region. Nearly 50% of respondents to the REMPLAN’s COVID-19: Australian Business Economic Impact Survey in the Northern Rivers region commented that they were, or would take up job keeper or other wage subsidy programs.

While this is a good short term outcome as businesses have not been forced to close, it presents a longer term issue as businesses are requiring government subsidies to remain afloat.

Case Study

In the past decade TURSA has been involved in many collective strategies across the North Coast ranging from the Disability Employment Drive, Sugar and Macadamia Nut employment opportunities, various Youth and Indigenous Australian opportunities as well as the North Coast and Mid North Coast Employment Awards.

SbAT Program design challenges

The School Based Apprenticeships and Traineeship program (SbAT) enables employment pathways for young people from year 10 onwards. The program has strong potential to provide supported, cohesive linkages between services, young people and employers. Unfortunately, the red tape surrounding the program requiring up to 9 entities in the system and 56 steps to sign up alienates stakeholders (particularly employers) from the system.

Support silos

Young people can become trapped within service silos that do not lead to pathways, rather the services focus on solving a particular issue or (even worse) completing tasks which link directly to a service led key performance indicator. The silos which exist between employment services, training and education, employers and schools and community and welfare services further reinforce the cycle of disadvantage among young people.

In theory, all stakeholders are working towards a positive pathway for the young person, however where language, communication, ideological, and at times, financial barriers exist between service silos it is the young person who will fall between the gaps.

Recommendations

Engage

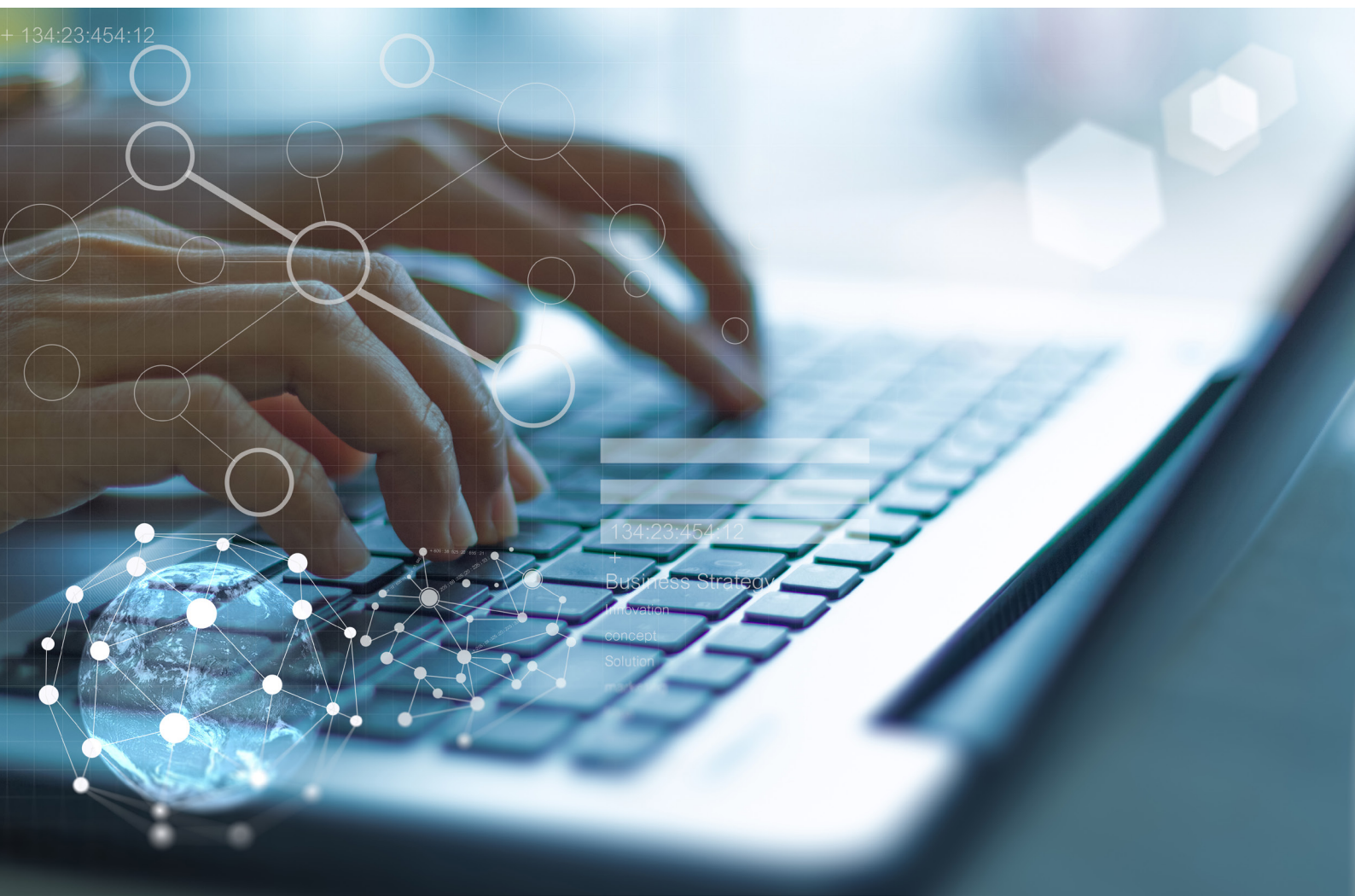
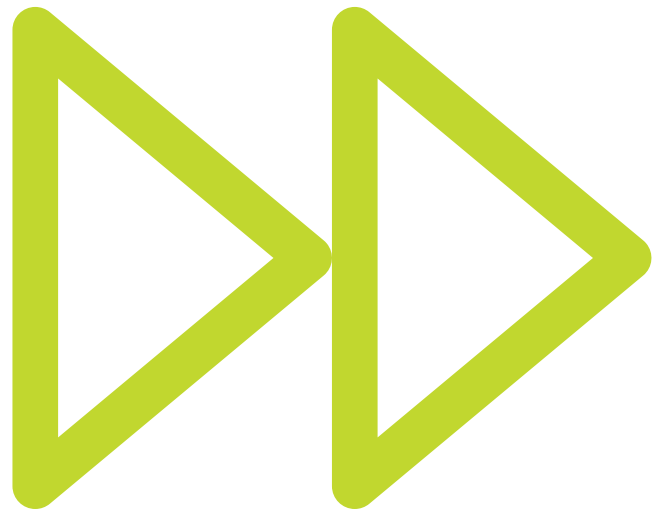
Supporting organisations in holistic interactions with the employment eco-system, understanding the benefits of pathways to employment.

Encourage

Supporting services to network and build collaborative working partnerships (for example, lobbying for funding bodies to include collaboration in program key performance indicators).

Facilitate linkages

Facilitate linkages among the eco-system using a digital system, networking opportunities and awareness generating activities.



Key Strategies

Structure

Build a structure which can collaboratively drive workforce development throughout the North Coast ensuring businesses and jobseekers are supported and the future of work is constantly in the frame.

Supply

Create authentic opportunities to support and engage our workforce on an employment pathway that is well connected to the support mechanisms that enable timely career pivots.

Demand

Frame employers at the centre of workforce conversations. Support employers to connect with well designed support services to assist them to grow, and employ people. Advocate for appropriate support.

Support

Enable a trusting and collaborative environment for service providers to work together and deliver to their strengths. Create pathways for support services to more easily link to jobseekers and employers.



Strategic Theme	Short Term	Medium Term	Long Term
Structural Reform	<ul style="list-style-type: none"> Establish a regional governance group Establish “Future of Work” working party Adopt 2020-2025 goals and measurements Establish working parties for key employment infrastructure challenges (or partner with existing working parties) 	<ul style="list-style-type: none"> Develop strategic plan for addressing infrastructure challenges Form a collaborative framework for industry and service providers to support employment outcomes in the North Coast Lobby all levels of government for joined up policies 	<ul style="list-style-type: none"> Recognition by all levels of government as the ‘go to’ governance group for decisions/policy making and program implementation related to employment in the North Coast
Supply	<ul style="list-style-type: none"> Establish youth reference groups Establish indigenous or specific needs groups 	<ul style="list-style-type: none"> Map regional skills needs and shortages 	<ul style="list-style-type: none"> Ongoing long-term marketing strategy to promote the employment of all workers
Demand	<ul style="list-style-type: none"> Establish industry specific working parties starting with key employing industries most impacted by COVID-19 (eg. Tourism, construction) Identify existing industry clusters and facilitate new ones 	<ul style="list-style-type: none"> Establish industry specific working parties among future facing industries Map regional skill shortages Develop methodology to map current and future skills among key industries Develop industry specific workforce development plans Form industry specific clusters 	<ul style="list-style-type: none"> Map current and future skills among key industries Resource workforce development plans Establish industry specific working parties among secondary industries
Support	<ul style="list-style-type: none"> Promote a digital tool to connect supply, demand and support Promote the formation of collaborative opportunities for a range of supporting entities 	<ul style="list-style-type: none"> Deliver a range of employment information activities introducing service providers to employers and jobseekers 	<ul style="list-style-type: none"> Work with government to reduce competitiveness among funding applications for service providers

Figure 13: Proposed actions 2020-2025 North Coast Employment Strategy

References

Collaboration Constellation Model of Governance

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