



Regional
Development
Australia
O R A N A N S W

Bracing for Change

REPORT 2018

EXECUTIVE SUMMARY



An Australian Government Initiative



May 2018

Report prepared by Regional Development Australia – Orana, with funding from the NSW Government.

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An Australian Government Initiative



Executive Summary

The Orana Region Bracing for Change represents a concerted effort by RDA Orana to gain a detailed understanding of the innovation, skills, labour and training needs required by businesses in order to secure the prosperity of the Orana region. The report builds on the existing body of rural and regional business knowledge and aims to develop and support the skills of the future - not just for employees, but also for business owners.

Through focus groups, interviews and an online survey, more than 190 business owners and managers across 12 Local Government Areas (LGAs) in the region took part in the project during 2017. Respondents included government-funded entities and educational institutions.

The survey instrument was developed by RDA Orana and consisted of 69 questions (Annexure – copy survey). Its purpose was to develop a comprehensive picture of businesses currently and into the future, including business processes, innovation, infrastructure and human resources (i.e. recruitment, retention and training).

A steering committee helped drive the project and determine its direction. All 190 business and organisations that took part identified as having employees. The majority had one to 10 employees (51.32%), followed by 20 to 99 employees (29.63%). More than half (54.74%) the businesses were privately-owned companies, established for profit.

The goal of the research, coupled with a desktop literature review was to build a detailed understand of the region's:

- export and innovation capacity of businesses
- current and future workforce demand
- capacity to meet that demand
- skill gaps and shortages, now and in five years
- strategies for recruitment and retention of workers
- training needs and impediments
- work-readiness skills among job seekers.

Setting the scene for this report is the view that the basic needs for business to develop and grow in regional communities include:

- the ability to attract and retain suitably qualified and experienced staff
- space to develop and grow
- high speed, reliable internet access



- available housing
- community support services, including health, child care and education
- affordable access to training
- incentives to choose employment over ongoing dependence on welfare.

The extensive literature review that formed part of this project assessed the available data and statistics relevant to the skills areas of the region. It reflected on the fact that the NSW Government's forecast is that 40% of today's jobs will not exist in 10 to 15 years, and 60% of the best jobs in the next 10 years are yet to be invented. The World Economic Forum predicts jobs growth in industries such as arts, engineering, artificial intelligence, robotics, nanotechnology, 3D printing, genetics and biotechnology. Australia also has competitive strengths in quantum computing, big robotics, fintech and agtech.

It is the region's challenge to work with industry, education providers, communities and the Australian Government to actively build the skills needed for future diverse high-value jobs; by growing and re-skilling talent, encouraging business opportunities and attracting the best and brightest talent available. However, the survey data and research show that the Orana region is already faced with challenges in recruiting and retaining staff across our communities and in the lack of training close to home in many areas of study.

The literature review provides background to some of the issues facing employers and young people in the Orana region. It found that the region is experiencing significant shortages in trades areas and hospitality, as well as secondary teaching, aged care and other health services. The mining industry is also putting a strain on other businesses competing for staff and on community resources in some parts of the region. Meanwhile, there are barriers to bringing skilled migrants to the region and general migration continues to flow to the major metropolitan areas.

Key skills and jobs challenges facing the Orana region include:

- closing the gap for Indigenous people (14.9% of Orana population, compared to 2.7% of NSW population at the 2016 Census)
- access to early childhood education and care places
- meaningful education pathways to Year 12 or equivalent
- local options for pathways and tertiary education
- labour market opportunities with high youth unemployment, skill shortage areas and an ageing workforce.

While technology is improving and the NBN Rollout aims to connect 90% to high speed internet, many in the region will continue to be connected to wireless and satellite services. This disparity is a major problem for education and innovation of small businesses in regional areas. As well as gaps in accessing technology, there is a significant gap in educational results, as shown by NAPLAN results. The review undertaken also uncovered a disparity in the provision of medical services in smaller communities.

Government research has suggested that innovation may be one answer to growing regional economies.



Drivers of innovation include:

- profitability
- skills shortages
- cost of capital vs cost of labour
- changing market demands
- environmental pressures, such as water, chemical use, accreditation and effectiveness
- evolving consumer tastes
- growth of house brands sold by supermarkets
- new markets with different states and religious requirements, such as Asia and the Middle East.

Some of the barriers to address when focusing on innovation include:

- innovators employing staff from outside the industry and from outside the region
- availability of information and consultants to provide specialist information
- willingness of innovators to share market sensitive information.

The literature review set the scene for the data provided through the survey process, which found that skills and labour are the key issues impacting on profitability. While the challenges associated with recruiting and retaining staff to fill gaps in the region are having a big impact now, the businesses and organisations interviewed anticipate that they will have an even bigger impact on businesses in five years, particularly as the region adapts to the needs of new and emerging developments and infrastructure projects.

Employers across 10 of the 12 LGAs in the Orana region identified the ability to attract and retain staff as one of their critical issues. In six LGAs, employers expressed concern about a declining population. Most have raised issues surrounding the needs of the ageing population across the region and the ability of the current population and workforce to meet those growing needs.

Data analysis also show that there are less people in the region available to work. The workforce population in the region is 42%, which is 11% lower than the national average of 53%. There has been a growing reduction of those in the workforce over the past 10 years, as shown in Census data.

LABOUR FORCE STATUS (2016 CENSUS - PLACE OF USUAL RESIDENCE - PEOPLE)

The total number of people usually resident in Orana RDA zones in all Labour Force Status cohorts on Census Night 2016 was 118,590.

| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|-------------------------|--------------|--------------|--------------|--------------|
| Not in the labour force | 33,205 | 32,671 | 31,371 | 33,441 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|----------------------------|--------------|--------------|--------------|--------------|
| Employed, worked full-time | 31,904 | 32,691 | 31,191 | 32,169 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|----------------------------|--------------|--------------|--------------|--------------|
| Employed, worked part-time | 14,501 | 14,222 | 13,804 | 14,928 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|--------------------------|--------------|--------------|--------------|--------------|
| Employed, away from work | 2,967 | 3,232 | 3,350 | 1,658 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|--|--------------|--------------|--------------|--------------|
| Unemployed, looking for full-time work | 2,288 | 2,110 | 2,362 | 3,090 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|--|--------------|--------------|--------------|--------------|
| Unemployed, looking for part-time work | 1,203 | 1,002 | 1,096 | 1,108 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|------------|--------------|--------------|--------------|--------------|
| Not stated | 9,748 | 5,870 | 5,989 | 3,950 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|------------------|--------------|--------------|--------------|--------------|
| Overseas visitor | 392 | 343 | 292 | 0 |



| | 2016 Persons | 2011 Persons | 2006 Persons | 2001 Persons |
|----------------|--------------|--------------|--------------|--------------|
| Not applicable | 24,295 | 24,876 | 26,194 | 0 |






















Source: REMPLAN Community, ABS Census of Population and Housing 2016, 2011, 2006, 2001

"What became clear during the survey is that there is a looming critical labour supply shortage."



























While mining is the key sector across the region, representing 18.3% of output, its success is impacting on the workforce in regional centres such as Cobar and Mudgee, while also drawing tradespeople away from other communities in search of higher incomes.

There is more than \$7.2 billion in major projects being developed in the region. This significant level of activity clearly shows confidence in the viability of regional and rural NSW. These projects will have a significant impact on the region's labour force. The projects are:

| PROJECT | DATE | TYPE | INDUSTRY | VALUE \$M | BUILD JOBS | ONGOING JOBS | STAGE |
|--|-----------|---------|---|------------|------------|--------------|-----------|
| Dubbo Regional Council | | | | | | | |
| New Dubbo Bridge | 2018 - 22 | State |  | \$140.00 | 783 | - | Announced |
| Newell Highway Mitchell Highway Intersection Upgrade | 2018 - 20 | State |  | \$20.00 | 112 | - | Planning |
| Newell Highway Upgrade - West Dubbo | 2017 - 19 | State |  | \$11.00 | 62 | - | Underway |
| Mitchell Highway Et Fitzroy St Upgrade | 2018 -20 | State |  | \$14.00 | 79 | - | Planning |
| Wellington Pool Revamp | 2018 | LG |  | \$7.50 | 25 | - | Underway |
| Wellington Caves Visitor Experience | 2017- 19 | LG |  | \$3.80 | 17 | - | Proposed |
| Victoria Park upgrade | 2017 | LG |  | \$8.00 | 45 | - | Announced |
| SES Upgrade | 2017 | State |  | \$2.30 | 13 | | Announced |
| Dubbo Solar Hub | 2017 | Private |  | \$55.60 | 312 | 4 | Underway |
| Regional Rail Project | 2018 | State |  | \$50.00 | 280 | 100 | Announced |
| Taronga Western Plains Zoo Redevelopment | 2017-18 | State |  | \$25.80 | 144 | 15 | Underway |
| Dubbo Base Hospital Upgrade | 2017-18 | State |  | \$43.50 | 272 | 155 | Underway |
| Wellington Solar Farm | 2018-19 | Private |  | \$400.00 | 2,161 | 5 | Planning |
| Suntops Solar Farm | 2019 | Private |  | \$286.00 | 100 | 10 | Planning |
| Fletchers Expansion | 2018-20 | Private |  | \$30.00 | 168 | 130 | Planning |
| Alkane - Dubbo Project | 2018-19 | Private |  | \$1,290.00 | 3,000 | 250 | Funding |
| MAAS Macquarie St - Mixed Use | 2018-19 | Private |  | \$115.00 | 643 | 100 | Planning |
| RSL Lifecare "Horizons" | | Private |  | \$12.00 | 67 | 78 | Planning |
| NSW Rural Fire Services | 2018-20 | State |  | \$16.20 | 91 | ? | Planning |



| Bogan Shire | | | | | | | |
|---|-----------|----------|--|----------|-----|-----|-----------------|
| Nyngan Medical Centre | 2017 | LG | | \$1.30 | 3 | 5 | Completed |
| Cobar-Nyngan twin pipelines | 2017/18 | State | | \$2.50 | 8 | - | Announced |
| Road maintenance | 2017/18 | LG | | \$1.65 | 3 | - | Funded |
| Plant | 2017/18 | LG | | \$1.30 | 3 | - | Funded |
| Capital roadworks | 2017/18 | LG | | \$1.40 | 3 | - | Funded |
| Road gravel resheeting | 2017/18 | LG | | \$1.01 | 2 | - | Funded |
| Water supply and sewerage assets | 2017/18 | State/LG | | \$0.94 | 2 | - | Funded |
| Water storage | 2017/18 | State/LG | | \$7.87 | 26 | - | Funded |
| Nyngan Scadium Project | 2019 | Private | | \$110.00 | 60 | 75 | Approved |
| Lawlab | 2018/19 | Private | | - | - | 30 | Planning |
| Bourke Shire | | | | | | | |
| Abattoir | 2017-18 | Private | | \$61.00 | 226 | 200 | Underway |
| Reconstruction/resealing roads | 2018 | LG | | \$11.00 | 41 | | Announced |
| Indigenous anti-DV program | 2010-2022 | State/LG | | \$1.50 | - | | Announced |
| Water treatment plant | 2018 | State/LG | | \$8.50 | 32 | - | Approved |
| Main St makeover | 2017 | State/LG | | \$1.50 | 6 | | Approved |
| Brewarrina Shire | | | | | | | |
| Goodooga Rd upgrade/sealing | 2018/19 | State | | \$21.30 | 86 | - | Announced |
| Cobar Shire | | | | | | | |
| Copper City motel extensions | 2017/18 | Private | | \$1.00 | 3 | 7 | Scheduled |
| Cobar Water Board - Pipeline Replacement and Pumping System Upgrade | 2017/18 | State/LG | | \$10.70 | 14 | | Announced |
| New water treatment plant | 2017/19 | State/LG | | \$8.00 | 42 | | Announced |
| Sewer treatment plant upgrade | 2017/18 | State/LG | | \$2.10 | 5 | | Announced |
| Cobar Airport - Lighting and Pavement Upgrade | 2017/18 | State/LG | | \$2.50 | 3 | | Announced |
| Cobar-Nyngan twin pipelines | 2017/18 | State/LG | | \$51.50 | 137 | | Underway |
| IGA development | 2017/18 | Private | | \$1.00 | 3 | | Planning |
| CSA Mining - concentrate filter replacement | 2017 | Private | | \$2.00 | 5 | | Underway |
| Sealing the Wool Track | 2018 | State/LG | | \$52.00 | 138 | | Seeking funding |
| Heritage Centre extensions | 2018 | Fed/LG | | \$31.00 | 82 | | Seeking funding |
| Mobile preschool relocation | 2018 | State/LG | | \$1.40 | 4 | | Planning |

| | | | | | | | |
|---|---------|----------|---|----------|-------|-----|-----------|
| Cobar Biohub and Solar Thermal Plant | 2019 | Private |  | \$250.00 | 665 | | Planning |
| Coonamble Shire | | | | | | | |
| Coonamble to Warren Rd upgrade | 2017 | LG |  | \$1.90 | | | Planning |
| Gilgandra Shire | | | | | | | |
| Federation Street Upgrade | 2018 | State/LG |  | \$1.40 | | | Underway |
| CBD Upgrade – Stage 2 | 2018/19 | State/LG |  | \$2.00 | | - | Underway |
| Inland Rail | 2024-25 | Federal |  | | | | Announced |
| Gilgandra Solar Farm | 2018 | Private |  | \$61.62 | 110 | 2 | Scheduled |
| Mid Western Regional Council | | | | | | | |
| Bylong Coal Project | | Private |  | | 800 | 470 | Planning |
| Bowdens Silver Project | 2020? | Private |  | \$150.00 | 200 | 150 | Planning |
| Bylong East Duplication | | State |  | \$106.30 | 464 | - | Planning |
| Wollar Solar Farm | | Private |  | \$450.00 | 300 | 5 | Planning |
| Beryl Solar Farm | | Private |  | \$171.00 | 150 | 3 | Approved |
| Water and sewer infrastructure | 2017-18 | State/LG |  | \$12.80 | 55 | - | Scheduled |
| Unsealed rural roads | 2017-18 | LG |  | \$11.10 | 49 | - | Scheduled |
| Wilpinjong Mine Extension | 2018/19 | Private |  | \$101.00 | 135 | 75 | Approved |
| Mudgee Hospital Upgrade | 2017-18 | State |  | \$70.00 | 275 | 6 | Announced |
| Crudine Ridge Wind Farm | 2018 | Private |  | \$300.00 | 75 | 15 | Approved |
| Sewer augmentation | 2019/20 | State/LG |  | \$15.90 | 69 | - | Budgeted |
| Narromine Shire | | | | | | | |
| Inland Rail – Parkes to Narromine | 2019-20 | Federal |  | \$300.00 | 1,138 | - | Planning |
| Narromine Airport Industrial Park | 2017-18 | State/LG |  | \$1.50 | 6 | 35 | Announced |
| Agricultural value-added manufacturing[1] | 2018-20 | Private |  | \$23.50 | 125 | 50 | Planning |
| Walgett Shire | | | | | | | |
| Walgett Solar Project | | Private |  | \$51.00 | 42 | 1 | Approved |
| Walgett Levee | 2018/19 | LG |  | \$2.40 | 9 | - | Funded |
| Bugilbore Rd upgrade | 2017 | LG |  | \$3.50 | 13 | - | Underway |
| Goangra Bridge Replacement | 2018 | LG |  | \$1.20 | 4 | - | Underway |
| Lightning Ridge VIC Construction | 2018/19 | LG |  | \$1.30 | 6 | - | Funded |
| Australian Opal Centre | 2019/21 | Private |  | \$30.00 | 112 | 5 | Approved |



| Warren Shire | | | | | | | |
|--|---------|----------|--|-------------------|---------------|--------------|-----------|
| Nevertire Solar Project | 2018 | Private | | \$178.50 | 300 | 5 | Approved |
| Regional Rd maintenance | 2017 | LG | | \$1.00 | 3 | - | Scheduled |
| Sewerage Treatment Plant | 2018 | LG | | \$6.00 | 18 | - | Funded |
| Reconstruction of Ellengerah Rd | 2017 | LG | | \$1.06 | 3 | - | Underway |
| Flood damaged road repairs | 2017 | LG | | \$1.17 | 3 | - | Underway |
| Warrambungle Shire | | | | | | | |
| Dunedoo Solar Project | | Private | | \$90.00 | 100 | 2 | Planning |
| Liverpool Range Windfarm | 2018 | Private | | \$643.00 | 395 | 20 | Approved |
| Three Rivers Regional Retirement Community | 2017/18 | LG/State | | \$7.20 | 30 | 10 | Underway |
| NSW Rural Fire Service Control Centre | 2017/18 | State | | \$3.00 | 13 | ? | Underway |
| Regional projects | | | | | | | |
| Western Slopes (Gas) Pipeline | 2018/19 | Private | | \$450.00 | 350 | 5 | Planning |
| Inland Rail - Narromine to Narrabri | 2020/22 | Federal | | \$1,500.00 | | | Planning |
| TOTAL | | | | \$7,927.02 | 15,328 | 2,023 | |

However, the strength of this combined public and private investment in this region adds an additional layer to the labour force issue. For example, in Bourke, where 220 jobs will be created through the development of the new small livestock meatworks, the impact on the community of only 2,633 people will be significant. The total output from this development, including all direct, industrial and consumption effects is estimated to increase the local economy by up to \$242 million. While the development dollars are coming in, the region risks being unable to fulfil this investment potential without a suitable labour force and without housing and other support structures.

Both skilled and semi-skilled labour rate highly as areas of need across the region and these represent areas where migration or relocation solutions might be an option. The biggest shortages appear to be in these areas:

- Education, particularly secondary teachers and child care
- Health
- Drivers
- Hospitality, especially chefs and cooks
- Accounting and finance
- Meat processing (slaughtermen)
- Agriculture.

The following table shows the percentage of the 190 businesses surveyed that were experiencing recruitment difficulties by role and by industry in 2017.

INDUSTRY

ROLE

| | Agriculture/Forestry | Arts/Recreation | Building/Construction/ Mining | Education/Training | Financial | Government | Healthcare/Social | Manufacturing | Other Services | Retail | Technology/ITC | Tourism/Hospitality | Transport/Postal |
|---|----------------------|-----------------|----------------------------------|--------------------|-----------|------------|-------------------|---------------|----------------|--------|----------------|---------------------|------------------|
| Research staff | 2.4% | 0.0% | 0.0% | 0.0% | 0.0% | 20.0% | 0.0% | 0.0% | 0.0% | 5.0% | 0.0% | 4.5% | 0.0% |
| Solicitors | 2.4% | 0.0% | 0.0% | 0.0% | 0.0% | 10.0% | 0.0% | 0.0% | 12.5% | 5.0% | 0.0% | 0.0% | 11.1% |
| Care workers | 0.0% | 0.0% | 0.0% | 12.5% | 0.0% | 30.0% | 8.3% | 0.0% | 0.0% | 5.0% | 0.0% | 0.0% | 0.0% |
| Mining specific | 0.0% | 0.0% | 31.3% | 0.0% | 0.0% | 10.0% | 0.0% | 0.0% | 12.5% | 0.0% | 0.0% | 0.0% | 11.1% |
| Construction project manager | 0.0% | 0.0% | 25.0% | 0.0% | 0.0% | 40.0% | 0.0% | 0.0% | 12.5% | 5.0% | 0.0% | 0.0% | 0.0% |
| Retail assistant | 4.9% | 0.0% | 0.0% | 0.0% | 0.0% | 10.0% | 8.3% | 0.0% | 0.0% | 35.0% | 0.0% | 4.5% | 0.0% |
| Education workers, teachers assistants, etc | 0.0% | 0.0% | 0.0% | 68.8% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 4.5% | 0.0% |
| Information technology | 0.0% | 0.0% | 0.0% | 6.3% | 33.3% | 40.0% | 8.3% | 0.0% | 0.0% | 10.0% | 50.0% | 4.5% | 22.2% |
| Hospitality skills | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 20.0% | 0.0% | 11.1% | 0.0% | 15.0% | 0.0% | 31.8% | 0.0% |
| Health professionals | 0.0% | 0.0% | 6.3% | 6.3% | 0.0% | 30.0% | 75.0% | 0.0% | 0.0% | 5.0% | 0.0% | 0.0% | 0.0% |
| Sales and marketing | 9.8% | 0.0% | 0.0% | 0.0% | 0.0% | 10.0% | 0.0% | 11.1% | 12.5% | 25.0% | 0.0% | 9.1% | 22.2% |
| Labourers | 19.5% | 0.0% | 6.3% | 0.0% | 0.0% | 0.0% | 0.0% | 22.2% | 0.0% | 10.0% | 0.0% | 9.1% | 22.2% |
| Customer service | 7.3% | 0.0% | 0.0% | 0.0% | 0.0% | 10.0% | 8.3% | 22.2% | 12.5% | 30.0% | 0.0% | 13.6% | 11.1% |
| Engineering | 0.0% | 0.0% | 43.8% | 0.0% | 0.0% | 60.0% | 0.0% | 22.2% | 12.5% | 0.0% | 50.0% | 0.0% | 22.2% |
| Chefs/cooks | 0.0% | 0.0% | 0.0% | 12.5% | 0.0% | 30.0% | 8.3% | 0.0% | 0.0% | 5.0% | 0.0% | 59.1% | 11.1% |
| Apprentices and trainees | 9.8% | 0.0% | 18.8% | 0.0% | 33.3% | 20.0% | 25.0% | 22.2% | 12.5% | 10.0% | 0.0% | 18.2% | 22.2% |
| Mechanical | 22.0% | 0.0% | 37.5% | 0.0% | 0.0% | 30.0% | 0.0% | 11.1% | 25.0% | 5.0% | 0.0% | 0.0% | 33.3% |
| Drivers | 17.1% | 0.0% | 12.5% | 0.0% | 0.0% | 20.0% | 0.0% | 0.0% | 12.5% | 25.0% | 0.0% | 0.0% | 88.9% |
| Office administration | 14.6% | 0.0% | 0.0% | 6.3% | 33.3% | 10.0% | 8.3% | 11.1% | 12.5% | 15.0% | 0.0% | 27.3% | 55.6% |
| Accounting and finance | 7.3% | 0.0% | 12.5% | 12.5% | 66.7% | 30.0% | 8.3% | 11.1% | 25.0% | 5.0% | 50.0% | 18.2% | 44.4% |
| Agricultural specific | 61.0% | 0.0% | 0.0% | 0.0% | 0.0% | 10.0% | 0.0% | 22.2% | 12.5% | 10.0% | 0.0% | 0.0% | 0.0% |
| Machinery operators | 31.7% | 0.0% | 37.5% | 0.0% | 0.0% | 20.0% | 0.0% | 33.3% | 25.0% | 10.0% | 0.0% | 4.5% | 33.3% |
| Trades | 22.0% | 0.0% | 37.5% | 0.0% | 0.0% | 40.0% | 0.0% | 22.2% | 25.0% | 15.0% | 0.0% | 13.6% | 33.3% |
| Managers | 19.5% | 0.0% | 25.0% | 18.8% | 0.0% | 50.0% | 16.7% | 11.1% | 12.5% | 10.0% | 0.0% | 13.6% | 55.6% |
| Professional/degree qualified | 12.2% | 40.0% | 25.0% | 62.5% | 66.7% | 60.0% | 58.3% | 33.3% | 50.0% | 10.0% | 50.0% | 9.1% | 33.3% |



In the semi-skilled area, agriculture represents a key area of need and is the second largest contributor to the region after mining contributing \$1.982 million, or 12.3% to the regional economy and employing 6,711 people in 2017. However, regional Australia is experiencing what the National Farmers Federation (NFF) describes as a chronic labour shortage, with farmers from all sectors struggling to fulfil their staffing needs.

Despite a national unemployment rate of 5.6% and a low of 3.7% in the Orana region, there are jobs in western NSW that cannot be filled. As well as the myriad of new developments coming to the region, the needs of the agriculture workforce can surge by up to 500% in peak seasonal periods.

Incentives for migration and to make it easier for employers to engage both skilled and unskilled labour became an area of apparent need through the survey process, as did the need to review the list of semi-skilled workers identified as suitable for supported migration. The flipside of this is the need to support greater acceptance of migrants to regional and remote areas in a way that allows families to better integrate and communities to grow in diversity and take on unskilled as well as skilled and experienced migrant family members. The barrier created by costs associated with supported migration and other tax barriers also need to be reviewed if small regional businesses are to continue.

While the areas of shortage became clear, so too did the barriers facing businesses, including training issues and the capacity of the workforce, as well as the lack of young people entering trades. Where young people were concerned, the survey uncovered gaps in the awareness of trades areas through the school system, as well as communication issues that hamper young people being prepared for the workforce and create barriers between employers and young staff.

The region's facilities and reputation add another layer of complexity. The research spells out clearly the education gap shown in NAPLAN results. Coupled with a poor educational reputation, the region is losing young people and families to boarding schools and to family drift. While some families leave the region entirely once their children reach high school, others are opting for one parent and the children to move to a larger centre during school time. The departure of this population base from small communities, even temporarily, is causing further difficulty.

RECOMMENDATIONS:

This report makes recommendations in nine key areas:

1. Workforce readiness
2. Awareness of trades
3. Family drift (out of the region)
4. Labour market expansion through skilled migration
5. Appreciating the role of migrants in rural communities
6. Issues holding regional communities back
7. Semi-skilled migration
8. The role of innovation in alleviating labour shortages
9. The role of entrepreneurship in regional areas.



1. RDA Position: Workforce Readiness

RDA Orana is committed to helping employers with skills gaps.

RDA Orana will work with the community to encourage school leavers to take on apprenticeships and traineeships that keep them employed within the region.

RDA Orana recognises there is a need to:

- develop an appreciation among school students for the expectations of the workforce and acceptable behaviour in the workplace
- build the skills of employers to effectively communicate with young employees.

RECOMMENDATIONS

- 1.1 Seek funding to develop a job readiness training program for 14-17 year olds to address:
 - interview techniques
 - preparing job applications
 - the expectations of the workforce
 - appropriate workplace behaviour
 - communication skills for the workplace to build positive and effective relationships with employers, colleagues and customers
 - career planning to develop long-term thinking.
- 1.2 Develop a short course for employers to address the communication skills and styles needed for dealing with school leavers.



2. RDA Position: Awareness of Trades

RDA Orana is committed to building an awareness of the trade-related career pathways, including apprenticeship and traineeship opportunities, and to supporting small businesses to find suitable employees when they lack the dedicated human resources expertise.

RECOMMENDATION

- 2.1 Seek funding to develop a Jump into Jobs career exploration day, with pilot programs at Dubbo, Mudgee and Cobar, to promote trade-related careers and help match employers with interested students.



3. RDA Position: Family Drift

RDA Orana is committed to finding ways to overcome family drift and to making it easier for families with school-aged children to remain in our regional and rural communities.

RECOMMENDATIONS

- 3.1 Work with the Department of Education and private schools to build a strong public relations campaign in support of the quality of the educational experience available within the region.
- 3.2 Advocate for tax incentives or other relief for families who chose to relocate to remote communities within the Orana region or remain within their local community.
- 3.3 Advocate to have HECS tax relief:
 - reinstated for graduates who gain employment in their field of study in remote and rural areas
 - extended to apply to all professions, across both undergraduate and post-graduate studies.
- 3.4 Advocate for incentives to ease the financial burden of studying and training on apprentices and trainees.



4. RDA Position: Skilled Migration

RDA Orana is committed to supporting and enhancing skilled migration to build the regional economy and fill current skills gaps. It is opposed to small businesses being charged excessive fees to develop long-term training pathways when short-term migration can help boost struggling rural communities.

RECOMMENDATIONS

- 4.1 Advocate for an extension of the existing skilled migration limits to fill existing skills gaps in our communities.
- 4.2 Advocate for the abolition of the \$3,000 and \$5,000 Skilling Australians Fund contribution for small businesses (those with annual turnover of less than \$10 million) nominating a worker for a Regional Sponsored Migration Scheme visa (subclass 187), in areas where there is a genuine skill and labour shortage, as indicated by the unemployment figures.
- 4.3 Advocate for a change to the requirements for skilled migrants coming into a region on either a 187 or 489 visa so they stay in regional Australia for a minimum of five years.
- 4.4 Advocate for a review of the method used to determine the Short-Term Skilled Occupations List to better reflect the needs of rural communities with low unemployment that cannot attract skilled workers.
- 4.5 Advocate for tax incentives for small businesses to recruit skilled migrants to fill skills gaps that hamper the services on offer to small rural communities.



5. RDA Position: Appreciating Migrants

Migrants are important for the growth and ongoing viability of regional and rural communities. RDA Orana believes that immigrants can help grow rural and regional communities and is committed building a greater appreciation of the economic value and cultural benefits they bring to our region.

RECOMMENDATIONS

- 5.1 Develop a program to encourage the acceptance of cultural difference within our communities.
- 5.2 Encourage businesses to understand how best to use migrant labour effectively to grow and sustain their operations.
- 5.3 Advocate for visa incentives that encourage regional settlement by skilled and unskilled migrants.
- 5.4 Investigate the feasibility of establishing an English language school in the Orana region.



6. RDA Position:

What's Holding Regional Communities back?

The Orana region is home to a number of very productive regional and rural centres that play an important role in sustaining our nation's agricultural industry. These centres have a proud history and are a significant part of the fabric of our society. RDA Orana is committed to promoting the Orana region as a place to live and work and supporting employers to attract staff.

RECOMMENDATIONS

- 6.1 Advocate for immigration and tax incentives that encourage people to live and work in rural communities and businesses to invest in housing to support increased employment.
- 6.2 Advocate for additional support for students from rural areas to attend university, in a bid to bring skilled and educated workers back to rural centres.
- 6.3 Work with local government, the social sector and housing providers to accelerate the provision of affordable housing across the Orana region.
- 6.4 Work with local and state government to ensure that growth targets and land planning targets are adequate to meet anticipated growth within the region.
- 6.5 Develop work on the concept of liveability—and what that means in terms of attracting, supporting and retaining residents—to build a common understanding across local government.
- 6.6 Develop a position that discourages the establishment of workers camps during construction of major developments and advocate in support of that position to the NSW Government.
- 6.7 Advocate for continued participation in the Evocities program by Dubbo Regional Council and coordinate the development of a regional recruitment marketing program for regional and rural employers.
- 6.8 Campaign for accelerated investment in essential infrastructure to support economic growth and that recognises Dubbo, Mudgee and the Orana region as a NSW growth area.



7. RDA Position: Semi-skilled Migration

RDA Orana is committed to ensuring the region's employers have access to a workforce of semi-skilled labour through a focus on migration and relocation and changes to the visa system to boost the agricultural industry.

RECOMMENDATIONS

- 7.1 Advocate for amendments to the recommended guidelines for allowing semi-skilled migration to encourage more migration to rural communities to fill existing skills gaps.
- 7.2 Support the efforts of the National Farmers Federation to have a dedicated agriculture visa introduced.
- 7.3 Advocate for tax incentives for small businesses to recruit semi-skilled migrants to fill current gaps in the labour market and support new developments coming into the region.
- 7.4 Advocate for the Regional Skilled Migration Scheme be expanded to include semi-skilled occupations such as
 - meat process worker
 - meat boner and slicer
 - machine operators
 - mobile plan operators
 - truck drivers (including heavy trucks).



8. RDA Position:

The Role of Innovation in Alleviating Labour Shortages

RDA Orana is committed to ensuring that innovation plays a role in developing the region's economy through greater productivity and to growing its workforce by offering more attractive roles.

RECOMMENDATIONS

- 8.1 Develop a regional innovation strategy.
- 8.2 Advocate for tax breaks and incentives to support the implementation of innovation—beyond research and innovation—that grow adoption over creation.



9. RDA Position:

The Role of Entrepreneurship in Regional Areas

RDA Orana is committed to encouraging entrepreneurship and educational partnerships that will help bridge skills gaps and broaden the opportunities to boost the regional economy.

RECOMMENDATIONS

- 9.1 Advocate for tax breaks and incentives to support the implementation of innovation—beyond research and innovation—that grow adoption over creation.
- 9.2 Advocate for the establishment of a school of entrepreneurship and innovation centre to be established in the Orana region.
- 9.3 Encourage the development of an entrepreneurs' hub within the Orana region that would allow people to float ideas confidentially, gain mentoring support, collaborate and be inspired.
- 9.4 Advocate for partnerships that encourage the expansion of tertiary education opportunities in primary health and aged care within the Orana region.
- 9.5 Advocate for the expansion of agricultural education opportunities within the region's high schools and the possible development of a specialist agricultural secondary school.



About RDA Orana

Regional Development Australia – Orana is part of a national network of 55 locally managed, not-for-profit incorporated associations and is funded by the Australian Government.

RDA Orana has existed for some 12 years, being guided by a regional Committee drawn from business and government representatives from across the region.

The organisation has evolved, and today the primary purpose of RDA Orana is to support the development of the Orana Region by facilitating industry collaboration, encouraging public and private investment and supporting cooperation between all stakeholders.

Our a major focus is on early stage project development and research; as well as supporting the attraction of public and private investment into the region. The organisation also supports workforce development in the region, playing a major role in skills research and facilitating of skilled migration.

Our region extends from Mudgee in the east to Bourke in the west and comprises the local government areas of Bogan, Bourke, Brewarina, Cobar, Coonamble, Dubbo Region, Gilgandra, Mid-Western Region, Narromine, Walgett, Warren and Warrumbungle.

OUR VISION

A regional powerhouse recognised for production, value-adding, linkages and entrepreneurship

OUR MISSION

Provision of regional intelligence to:

1. Create connections and growth
2. Grow industry and infrastructure investment
3. Grow our workforce

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