Wimmera Southern Mallee Regional Skills Demand Profile

Snapshot 2023





Jobs, Skills, Industry and Regions



Acknowledgements

Acknowledgement of Country

The Victorian Skills Authority (VSA) acknowledges and recognises the Traditional Owners of the land within the regional area of the Wotjobaluk People, being the Jaadwa, Jadawadjali, Wergaia and the Jupagalk alongside the Dja Dja Wurung People, as well as other Traditional Owner groups who are not formally recognised, their connections to land, sea, and community. We pay our respect to their Elders past, present, and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples.

Wimmera Southern Mallee Regional Skills Taskforce

The VSA acknowledges the time, contribution, and insights of the Wimmera Southern Mallee Regional Skills Taskforce (and additional representatives from industry, local government, training providers, and related agencies) who contributed to the development of this profile.

The findings in this profile would not be possible without their openness, generosity, expertise, and commitment to the Wimmera Southern Mallee regional economy and community.

| Member | Organisation |
|-----------------|--|
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| Christine Brown | Federation University |
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About the Victorian Skills Authority

The Victorian Skills Authority (VSA) was established by the Victorian Government in July 2021 in response to the recommendations of the Skills for Victoria's Growing Economy Review.

The VSA brings together the key stakeholders of the skills sector – industry, employers, providers, unions, communities, and learners – to provide skills-led solutions, drive reform and work together to build a better Victoria.

The VSA has a critical role to play in understanding and communicating the skills needed to ensure Victoria can meet the current, emerging, and future skills and industry demands that enable inclusive growth and prosperity for all Victorians.

Regional Skills Demand Profiles

Regional Victoria is at the forefront of key priorities for the Victorian Government. This includes the establishment of the State Electricity Commission (SEC), which will help deliver more than 59,000 new jobs. These new opportunities, along with increasing regional populations, and existing and emerging industries, highlight the critical need to grow and advance skills in the regions so that the people, businesses, and communities of regional Victoria can thrive.

The VSA worked with Regional Skills Taskforces and industry roundtables during 2022 and early 2023 to develop Regional Skills Demand Profiles that identify current and future skills needs across Victoria's regions. The profiles have been prepared with support from Regional Development Victoria (RDV) in the Department of Jobs, Skills, Industry and Regions. The profiles are a valuable resource for regional Victoria and the Victorian Government. The VSA is working closely with stakeholders to address the opportunities and issues identified in the Profiles.

This document is a summary of key findings. The profiles are available on the VSA website at: <u>skillsauthority.vic.gov.au</u>

To access the latest data, readers are directed to the VSA employment forecast dashboard at: <u>www.vic.gov.</u> <u>au/victorian-skills-plan</u> and the Regional Economic Development Strategies (REDS) interactive data dashboards at: <u>https://www.rdv.vic.gov.au/resources/regional-economicdevelopment-strategies</u>



About the Wimmera Southern Mallee region

This profile provides a 3-year outlook for Wimmera Southern Mallee, and the education and training opportunities that can help develop the workforce required for the region. The Wimmera Southern Mallee covers a large area in the west of Victoria and has more than 48,400 residents. It encompasses the local government areas of Horsham Rural City and the Shires of Hindmarsh, Northern Grampians, West Wimmera, and Yarriambiack. The region is home to Wotjobaluk People, being the Jaadwa, Jadawadjali, Wergaia and the Jupagalk alongside the Dja Dja Wurung People, as well as other Traditional Owner groups who are not formally recognised, who have lived, worked, and cared for their Country and resources for many thousands of years.

The region has historically encountered a gradual decline in population, but has the potential to grow in coming years. People seeking a regional lifestyle following the pandemic, an increase in jobs available in the region and a lower tendency of young people leaving the region to pursue education or employment are likely to contribute to population growth.

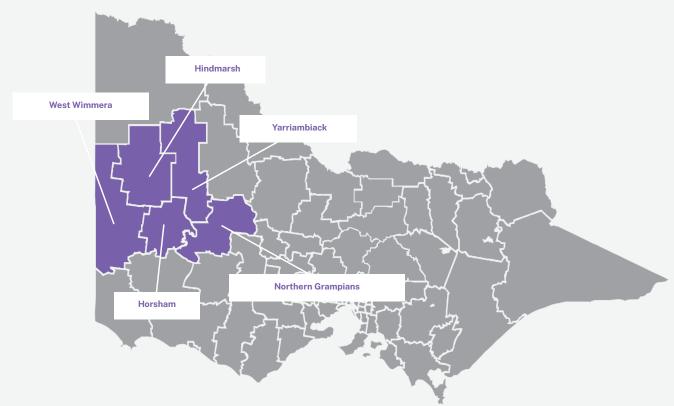


Figure 1 | Local Government Areas (LGAs) in the Wimmera Southern Mallee Region



Industries in the region

Comprising a range of natural assets and critical industries, the region contributes considerably to Victoria's economy and has the potential to extend its influence and impact through growth in a number of areas.

A strong agricultural presence creates opportunities for growth, as technological advancements push businesses to become more efficient. The increasing uptake of technology will create demand for higher skilled workers who can work alongside advanced technology.

The region's natural-based tourism experiences are set to attract visitors to the region as tourism increases post the pandemic, creating flow-on demand for the retail trade, accommodation, and food service sectors.

Natural endowments also present opportunity for the mining industry, with the region's mineral sands deposits in high global demand and the development of wind farms highlighting the region's clean energy production potential. These industries hold the potential for long-term, large-scale growth, but will require a large-scale workforce, likely with an augmented skill mix.

This diversification of industry has changed the nature of skills and training required in the region.

Outlook on jobs growth

The VSA 3-year employment projections show significant demand for workers in the region – with 1,700–2,400 additional new workers required in the 3 years between 2022 and 2025.

At least 1,210 workers will also be needed to replace retirements. The type of skills required by industry are becoming more complex. This highlights the need to ensure workers have the skills to meet industry's evolving needs.

Estimates of total new workers for 2022–25 across the 6 key industries in Wimmera Southern Mallee are as follows:

- agriculture 230 to 290
- food product manufacturing 300 to 360
- construction 230 to 260
- health and community services 610 to 820
- mineral sands mining 170 to 210
- visitor economy 560 to 830



Wimmera Southern Mallee challenges and opportunities

Challenges

Like other parts of Victoria, the Wimmera Southern Mallee is affected by cost-of-living pressures, labour shortages, and continued recovery from the pandemic.

These are exacerbated by underlying challenges in the region such as housing accessibility, access to childcare, and teacher and trainer shortages.

The Wimmera Southern Mallee has very low unemployment rates whilst experiencing high participation rates, which presents challenges for industry and is resulting in significant labour supply issues across many sectors. Wimmera Southern Mallee is also experiencing some challenges that are resulting in barriers to education, training and workforce participation, attraction, and retention.

Feedback from the Regional Skills Taskforce indicates that the education and skills system and industry will need to transform to meet the changing needs of students, workers, industry, and community.

The Wimmera Southern Mallee Regional Skills Taskforce and industry roundtables raised a number of common challenges related to workforce skills and training in the region along with opportunities to address cross-cutting workforce and skills needs.

Current worker shortages in the Wimmera Southern Mallee region highlight a need to engage and upskill the existing population, while looking to grow the emerging and future workforce.



Opportunities

The Wimmera Southern Mallee region has unique strengths and future opportunities.

The Wimmera Southern Mallee region comprises a range of natural assets and critical industries, and its strengths mean it is well-positioned to actively plan for, address challenges, and take up opportunities. A strong agricultural presence creates opportunities for growth, as technological advancements push businesses to become more efficient.

The Wimmera Southern Mallee Regional Skills Taskforce identified 6 industries of focus within the Wimmera Southern Mallee region:

- agriculture
- food product manufacturing
- construction
- health and community services
- mineral sands mining
- visitor economy

The Wimmera Southern Mallee's economy is diverse, with a range of industries contributing to the region's economic prosperity and employment prospects. Agriculture, forestry and fishing was a significant contributor to Gross Value Added in 2021, followed by health care and social assistance and construction.

Consultation identified a range of potential education and training responses to address the current and emerging challenges facing major industries.

There are also specific opportunities for growth in the region.

| Challenge | Opportunity |
|---|---|
| Labour attraction, retention, and participation | Develop and improve visibility of career pathways and encourage collaboration between education providers, local government, and industry |
| Engagement of underrepresented cohorts | Develop targeted recruitment and support activities to support regional employers and underrepresented cohorts |
| Lack of qualified trainers and local provision of training | Incentivise trainers to gain accreditation and enter the education system and expand local or nearby training provision |
| Training not meeting the requirements of contemporary practices | Ensure TAFE, university, ACFE, Learn Local and Registered Training Organisations training is relevant to industry needs |
| Lack of foundational skills that apply to regional industries | Develop a trade-based, foundational 'job' for the region |

Table 1 | Workforce challenges and opportunities in Wimmera Southern Mallee

Opportunities for growth

State Electricity Commission

The Victorian Government is bringing back the State Electricity Commission (SEC) to help drive down power bills and create thousands of jobs to enhance use of renewable energy like wind, hydro and solar, and to store it, such as with batteries. An SEC Centre of Training Excellence will be established to coordinate and accredit courses in clean energy, connecting with TAFEs, Registered Training Organisations, unions, and the industry, supporting 6,000 positions for trainees and apprentices.

Agriculture

The agriculture industry utilises the region's natural assets to support large-scale cropping of grains, cereals, oilseeds, and mixed-farming systems, including wool, sheep meat, pig, and poultry production. The industry is also supported by the region's road and freight rail network, world-class research, and development capabilities at Horsham's Grains Innovation Park with recent investment of \$12 million to support innovation, technological and advanced manufacturing capability, and a strong agriculture training presence.

Mineral sands mining

The region is home to 75% of Victoria's mineral sand deposits, concentrated in the western and northern areas. Businesses and entities in the region have not previously extracted mineral sands, but are actively exploring opportunities to produce rare earth metals in high demand for use in global clean energy technology.

Visitor economy

The Wimmera Southern Mallee's Silo Art Trail is Australia's largest outdoor gallery and is expected to draw thousands of tourists to the region. Significant water assets, including Wimmera River, Lake Fyans and Lake Wallace, and art facilities including Horsham Regional Art Gallery also support recreational activity. These assets attract visitors to the region, with tourist spend extending to local accommodation, food, beverage, and recreation services.

Construction

Residential construction activity has grown considerably in the last 2 years, with the number of residential building approvals increasing by 29% per annum and recently announced investment of \$15 million to support the construction of social housing in the region will address some, but not all, of the current housing demand.

The agriculture industry utilises the region's natural assets to support largescale cropping of grains, cereals, oilseeds, and mixedfarming systems.

Next steps

The Wimmera Southern Mallee Regional Skills Taskforce identified next steps to address regional skills and workforce needs.

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The VSA will seek to address some of these over the coming year, while others require coordinated action by industry, government, and the education sector. An action plan will be developed in collaboration with the community.

- 1. The profile complements the inaugural Victorian Skills Plan, which sets out Victoria's skills needs and opportunities. Actions should dovetail with those in the Victorian Skills Plan.
- 2. The Wimmera Southern Mallee senior skills adviser should convene working groups to address opportunities identified in this profile. This includes implementation of 'quick wins' that can benefit the region in the next year, and longer-term advocacy work to support the skills need of emerging industries in the region.
- 3. The Wimmera Southern Mallee Regional Skills Taskforce should continue to advocate for the Wimmera Southern Mallee region at all levels of government, to help ensure that the region's unique workforce challenges and education and training requirements are understood and supported.
- 4. The VSA should help to convene a cross-departmental response to broader workforce challenges, in addition to support for education and training responses. It is recommended further work explores the needs, perspectives and behaviours of young people, workers, and learners.



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