



# **Local Jobs Plan**

## **Gippsland**

### **Victoria**

**December 2021**

# Contents

The Local Jobs Program .....	3
Key employment and training priorities.....	3
Employment Region overview .....	4
Key challenges in the Gippsland Employment Region .....	4
Impacts of bushfires.....	6
Impacts of COVID-19 .....	6
Existing regional plans, strategic instruments and policy platforms, programs and funding .....	7
Large employers .....	8
Selected Major Projects .....	8
Local Stakeholders and Opportunities .....	8
Key labour market indicators .....	9
Attachment A – Labour Market Data Dashboard (December 2021).....	13

The Department of Education, Skills and Employment acknowledges the traditional owners and custodians of country throughout Australia and acknowledges their continuing connection to land, water, and community. We pay our respects to the people, the cultures and the elders past, present and emerging.

## The Local Jobs Program

As part of supporting Australia's economic recovery from the COVID-19 pandemic, the Australian Government's Local Jobs Program (LJP) brings together expertise, resources and access to funding at the local level to accelerate reskilling, upskilling and employment pathways in 51 Employment Regions.

Recognising the importance of local knowledge in getting people back into jobs quickly, the LJP includes the following key elements in each region:

- a local Employment Facilitator
- a Local Jobs and Skills Taskforce
- a Local Jobs Plan
- a Local Recovery Fund to support small scale activities
- access to the National Priority Funding Pool.

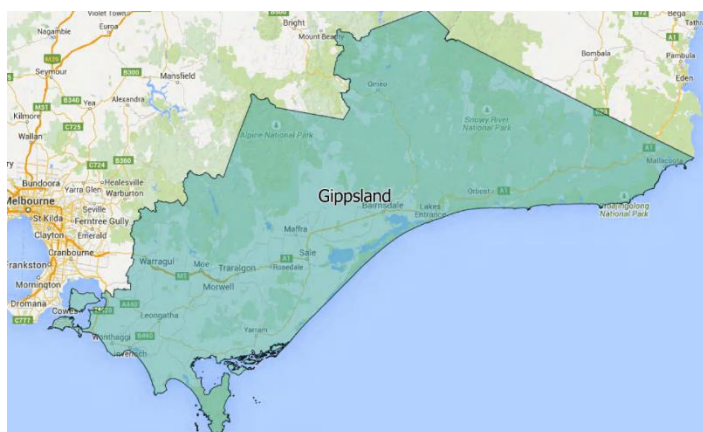
The Taskforces, each chaired by the respective region's Employment Facilitator, develop and update a Local Jobs Plan for their region that identifies key employment and training priorities and provides a framework for driving employment outcomes in the context of the local labour market.

This Local Jobs Plan for the Gippsland Employment Region identifies the key LJP priorities with a focus on creating employment opportunities, actively upskilling or reskilling local job seekers and meeting local employer demands.

## Key employment and training priorities

1. Maximising the benefits of existing Australian, Victorian and local government programs, to create pathways into major industries, particularly Health Care and Social Assistance, Construction and Food and Fibre.
2. Maximising the extent to which local job seekers are skilled to meet the needs of major projects, including energy and resources projects.
3. Generating opportunities for skill development aligned to local employer and industry needs, including manufacturing and the re-invigoration of the visitor economy, hospitality and tourism.
4. Brokering opportunities for youth skill development and employment, across all sectors, including apprenticeships and traineeships.
5. Boosting employment and training in priority areas among the Aboriginal and Torres Strait Islander population in collaboration with local Indigenous organisations.
6. Engaging with, supporting and skilling disadvantaged job seekers and reskilling transitioning workers aligned to local skill needs, particularly in bushfire affected communities.
7. Provide support and upskilling opportunities to Mature Age jobseekers aged 45+ in the region to create transition and career pathways into secure employment.

# Employment Region overview



The Gippsland Employment Region (the region) is located in the south-eastern corner of Victoria and covers a major part of eastern Victoria with an area of 41,600 square kilometres.

The region is comprised of 6 local government areas (LGAs) including Latrobe City, Bass Coast Shire, Baw Baw Shire, East Gippsland Shire, South Gippsland Shire, and the Wellington Shire.

The main towns include Moe, Morwell, Traralgon, Churchill, Bairnsdale, Sale, Leongatha, Warragul/Drouin and Wonthaggi. The Princes Highway connects the Latrobe Valley to Sale, Bairnsdale and to the New South Wales (NSW) border, while the Bass and South Gippsland highways connect the southern townships of the region.

## Key challenges in the Gippsland Employment Region

Labour force participation rates in the region are amongst the lowest in Victoria. This may be due to a combination of economic and social factors, some of which are described below.

The region has a comparatively low socio-economic profile, with 24.8% of the working age population on income support, compared with 15.2% for Victoria and 16.3% nationally<sup>1</sup>. There are significant pockets of disadvantage within the region in localities such as Moe and Morwell in the Latrobe City LGA, Yarram in the Wellington LGA, and Orbst and Lakes Entrance in the East Gippsland LGA.

The region has high early school leaver rates and lower levels of higher education attainment than those recorded for Victoria and Australia. National Skills Commission skill level reporting for the region shows that 18.0% of young job seekers (aged 17-24) registered in DESE employment services have a skill level of Year 12 or below, with 4.0% holding a Trade Qualification and 8.0% holding a Bachelor degree or higher<sup>2</sup>.

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<sup>1</sup> National Skills Commission, Gippsland Labour Market Update, September 2020

<sup>2</sup> National Skills Commission, – Gippsland, March 2021

The youth unemployment rate in the region has increased from 11.2% in August 2020 to 17.2% in November 2021<sup>3</sup>. Young people are more likely to be engaged in insecure work in the tourism, retail, and hospitality industries which continue to experience the impacts of the 2020 bushfires and the COVID-19 pandemic, despite emerging indications of recovery for these sectors.

According to Australian Bureau of Statistics (ABS) 2016 Census results, Aboriginal and Torres Strait Islander people in the region have higher rates of unemployment and lower levels of higher education attainment than non-Indigenous people in the region. Engaging with local Indigenous organisations will be key to developing strategies that increase engagement in training and employment in alignment with local job opportunities.

Limited availability and access to tertiary education and vocational training opportunities in the region presents challenge for the alignment of training availability with workforce demands, as a key contributing factor to a mismatch between the skills employers are seeking and the skills local job seekers have. Some sectors, including construction, meat processing, IT, aged care and disability services, report ongoing difficulties in finding suitably skilled local staff.

An ageing population in the region is affecting demand in the healthcare and social assistance industry, particularly in disability, aged care, and community services. While the region is experiencing continuous population growth, the 65 and over age group represent over one third of the total population<sup>4</sup>. It will be essential to plan for the growth in demand for these services and to prepare the workforce with the required skills and attributes sought by employers.

The region's energy sector continues to undergo structural change, with a shift away from brown coal power as energy generation infrastructure approaches the end of operational lifespans. Following on from the Hazelwood mine and power station closure in 2017, the Yallourn power station is due to close in June 2028 and the Loy Yang coal mines are due to close in 2048, with associated flow-on impacts for supply chains. It is also anticipated there will also be impacts arising from the forestry industry transition throughout the region.

Experience from the Hazelwood closure demonstrated that effective intervention and support for impacted workers requires the early implementation of re-skilling, training, and transition assistance to support the transferability of skills and successful transition to new sectors. It is, however, expected that a number of solar, wind and hydrogen energy projects that are currently planned for the region in the near future will create large scale labour demands, requiring workforce planning in collaboration with the sector, as well as coordinated strategies to support the skilling and upskilling of local job seekers.

Another significant challenge is the geographical dispersal of city and town centres and limited access to transport – with a country train line servicing Gippsland from Melbourne through to Bairnsdale, and other public transport in the region being limited to infrequent bus services in and

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<sup>3</sup> ABS, Labour Force, Australia, Detailed, August 2020 and National Skills Commission, Labour Market Data Dashboard, November 2021

<sup>4</sup> Labour Market Information Portal, Employment Region, Population by Age Group, November 2021

around the major towns and/or taxi services – preventing local job seekers from undertaking education and accessing employment opportunities.

Further, public transport routes and timetables in the region are limited and often incompatible with the location and shift times of available employment opportunities, particularly in the food and fibre sector and processing roles.

## Impacts of bushfires

East Gippsland experienced unprecedented bushfires during the summer of 2019-2020. In addition to the tragic loss of human life, property, livestock, wildlife and the natural environment, the bushfires had a devastating impact on local communities and economies across Gippsland.

The bushfires caused a significant reduction in trade in the tourism and hospitality sectors, in the areas that were directly affected, as well as those further afield in South Gippsland. Considering the impact of the bushfires and subsequent COVID-19 restrictions on East Gippsland in 2019 to 2020, estimates point to a 15-23% plus reduction in economic output, including 75% loss in annual tourism expenditure.<sup>5</sup> Lost income continues to affect local businesses, staff, supply chains and communities.

The bushfires also heavily affected the forestry industry with the large-scale destruction of allocated harvesting timber. It is expected that the long-term impact of the bushfires will accelerate the transition of the timber industry, following the Victorian Government announcement in November 2019 to cease native forest timber harvesting from 2030 while also moving closer to the reallocation of native timber harvesting licences in 2024.

## Impacts of COVID-19

The region has experienced significant negative impacts from the COVID-19 pandemic, compounding the effects of 2019-2020 summer bushfires on local economies and employment. Whilst the number of COVID-19 cases in the region have remained low compared with those in Greater Melbourne and some other regional Victorian localities, COVID-19 restrictions have resulted in less movement of people, lost revenue for businesses and loss of or reduction in employment.

The COVID-19 pandemic has had a widespread impact on the tourism and visitor economy in the region, which relies on domestic and international travellers. Retail, Hospitality, and accommodation businesses have been affected by the sudden reduction in demand for services, particularly in tourist destinations such as Phillip Island, Lakes Entrance and the Alpine region. Young people and women, who traditionally fill these roles, have had their hours reduced, been stood down or been made redundant.

Domestic and international border restrictions have affected employers and workers in the food and fibre industry. This has meant, and will mean going forward, fewer overseas seasonal workers available to meet local grower needs. Significant restrictions on exports and changed conditions in

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<sup>5</sup> East Gippsland 2019-20 Bushfire Recovery Plan  
[https://www.eastgippsland.vic.gov.au/files/assets/public/documents/bushfire/egsc\\_recovery\\_plan.pdf](https://www.eastgippsland.vic.gov.au/files/assets/public/documents/bushfire/egsc_recovery_plan.pdf)

domestic markets have also negatively impacted local food production and manufacturing businesses, leading to staff being stood down, laid off or having reduced hours.

Other industry sectors have also experienced job losses due to COVID-19, including retail and non-essential work in the energy sector. Workers have been stood down, had reduced hours or been made redundant. Transitioning workers, largely aged 45 and over, will need to be reskilled and upskilled for opportunities in priority industry sectors. Some employers have, however, also experienced increased demand for workers, such as those in the health care and social assistance sector, contact centres and some food and fibre businesses.

The Department of Education, Skills and Employment (DESE) Employment Services caseload by LGA data in the table below shows large increases across the region compared to pre-COVID figures for February 2020, with high job seeker numbers in the Latrobe City, East Gippsland and Wellington LGAs.

Job seeker numbers have for the most part have shown an ongoing steady downwards trend in comparison to the peak levels recorded in September 2020, however, the caseload continues to remain elevated from pre-COVID caseload numbers.

**Table 1. DESE Employment Services caseload by LGA (November 2021)**

Local Government Area (LGA)	Unique Participants in JA, TtW or PN		
	29/02/2020	30/09/2020	30/11/2021
Bass Coast (S)	1,224	2,882	1,766
Baw Baw (S)	1,363	3,058	2,038
East Gippsland (S)	2,113	3,577	2,546
Latrobe (C) (Vic.)	4,397	7,068	5,345
Not Stated	37	63	41
South Gippsland (S)	768	1,644	1,023
Unincorporated Vic	<20	<20	<20
Wellington (S)	1,632	3,051	2,086

## Existing regional plans, strategic instruments and policy platforms, programs and funding

This Local Jobs Plan intends to leverage and build on the existing regional plans and programs to help move as many people as possible into work or training as quickly as possible. These include:

- Victorian Government Regional Economic Development Strategy
- Gippsland Regional Development Plan
- Gippsland Regional Growth Plan
- Report to Infrastructure Victoria
- Australian Government Regional Recovery Partnerships Fund
- Australian Government Building Better Regions Fund

- Australian Government and Victorian Government bushfire recovery across business and communities; and
- NDIS National Workforce Plan 2021-2025.

## Large employers

Selected major employers in the region include:

- **Forestry:** Opal Australian Paper, Australian Sustainable Hardwood
- **Energy, coal and gas:** AGL Loy Yang A, Alinta – Loy Yang B, Energy Australia – Yallourn, ExxonMobil
- **Health and community Services:** Latrobe regional hospital, Central Gippsland hospital, Bairnsdale regional health services, Wonthaggi regional hospital, West Gippsland regional hospital, Latrobe Community health services
- **Local government:** Latrobe City, Bass Coast Shire, Baw Baw Shire, East Gippsland Shire, South Gippsland Shire and the Wellington Shire; and
- **Food:** Flavorite, Patties, Bega, Saputo, Burra Foods, Vegco (One harvest).

A number of labour hire and private recruitment companies also operate in the region.

## Selected Major Projects

The region has a strong major project pipeline with large numbers of job opportunities across various industry sectors.

Construction projects currently being undertaken include the demolition and clean-up of bushfire affected properties, TAFE Gippsland Port of Sale Campus Development, Morwell Trade Skills Centre, Wonthaggi Hospital Expansion, Latrobe Creative Precinct and the ongoing demolition of the Hazelwood power station and rehabilitation of the Hazelwood mine.

Other construction projects in the pipeline in the shorter term include the rebuilding of houses and infrastructure lost to bushfires, Perry Bridge Solar Farm, Latrobe Regional Hospital Expansion, Gippsland Rail Upgrade, and the Kalbar-Fingerboards Mineral Sands Project. In the longer term, projects include the Star of the South Offshore Wind Project, Delburn wind farm, Toongabbie solar farm and the Marinus project, a second undersea electrical interconnector with Tasmania.

## Local Stakeholders and Opportunities

There are 6 local government councils in the region including Latrobe City, Bass Coast Shire, Baw Baw Shire, East Gippsland Shire, South Gippsland Shire and the Wellington Shire.

Significant stakeholder groups within the region include Regional Development Australia, Regional Development Victoria, Latrobe Valley Authority, Federation University, Destination Gippsland and Committee for Gippsland. Given the strong linkages and connections in place across existing local partnerships, coordination to leverage these networks remains a high priority.

There are 7 Australian Government employment programs delivered by 11 employment services providers in the region. Three providers deliver Jobactive services in the region: APM, MAX Employment and Sureway Employment and Training. Other DESE employment service programs in the region include ParentsNext, Transition to Work, New Enterprise Incentive Scheme, Career



Transition Assistance, Employability Skills Training, Harvest Trail Services and the Entrepreneurship Facilitator.

Other Australian Government programs include Vocational Training and Employment Centre, DES - Disability Management Service, DES - Employment Support Service, National Disability Insurance Scheme, Australian Apprenticeship Support Network and more.

Victorian State Government employment programs include the Jobs Victoria Employment Services (JVES), Jobs Victoria Advocates, the Work and Learning Centre in Moe, and Skills and Jobs Centres in Warragul, Morwell, Leongatha, Sale and Bairnsdale.

Key education providers include TAFE Gippsland, Federation University and Chisholm TAFE (Bass Coast), together with a range of additional Registered Training Organisations, Learn Local providers and Local Learning and Employment Networks.

## Key labour market indicators

In addition to the immediate challenges presented by the COVID-19 pandemic, the region has a history of entrenched labour market and social disadvantage, with its unemployment rate averaging 6.1% over the last 5 years (compared with 5.5% for Victoria). Employment growth in the region has been relatively weak in recent years, impacting negatively on both the number and types of job opportunities available.

Highlighted key labour market indicators are provided as follows, additional to the Labour Market Data Dashboard data included in Attachment A.

### Participation rate

ABS Labour Force data for September 2021 shows the participation rate was 52.4% for the region, well below the 65.0% average recorded for Victoria and the lowest amongst any Employment Region in the state.

### Income Support

In November 2021, the proportion of the working age (15-64 years) population on income support in the region stood at 24.8%, well above the 15.2% recorded in Victoria and the 16.3% recorded nationally<sup>6</sup>.

### Small Area Labour Market - Unemployment Rates

Considerable labour market disparity exists within the region. Small Area Labour Markets data at the LGA level shows that, in the June quarter 2021, the unemployment rate across the region ranged from 4.4% in Baw Baw to 8.0% in Latrobe.

### Employment services caseload characteristics

The employment services caseload in the region increased from 10,364 job seekers in March 2020, to 19,723 in September 2020. As of October 2021, the caseload has decreased to 13,405 job seekers.

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<sup>6</sup> Labour Market Information Portal, SA4 Summary Data, November 2021; DESE Employment Services Caseload as at 30 November 2021

The caseload in the region has higher proportions of mature aged people (aged 45+) and Persons with Disability compared with the total for Victoria.

**Table 2. DESE Employment Services Caseload Characteristics (November 2021)**

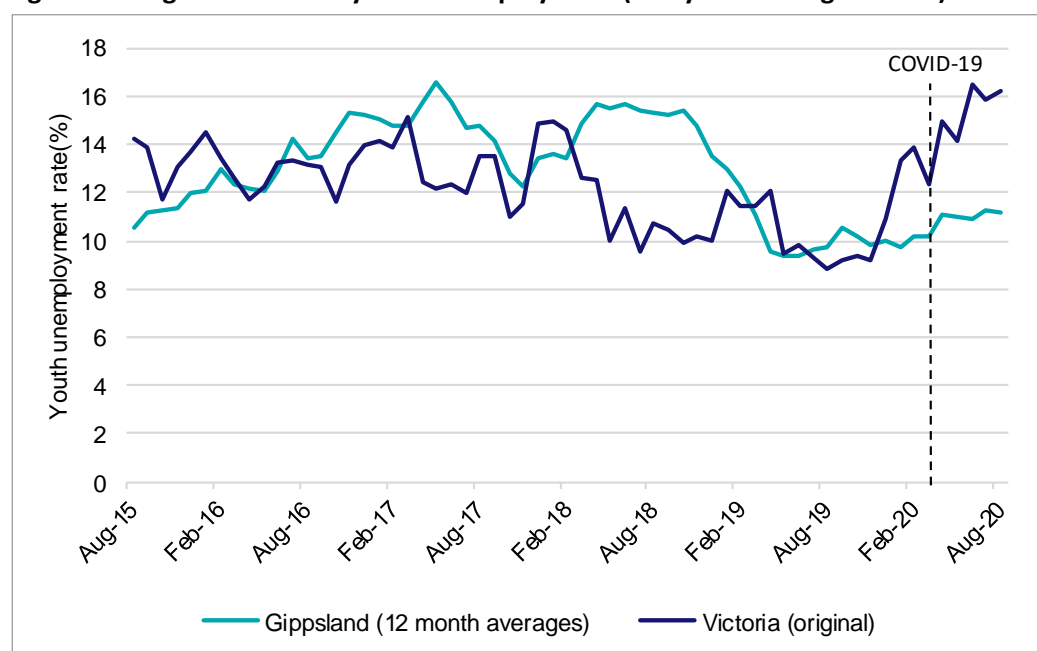
Participant Characteristics	Jobactive (including OES)	Transition to Work (TtW)	ParentsNext
<b>Total Caseload</b>	<b>13,151</b>	<b>542</b>	<b>1,201</b>
Indigenous	912	108	133
Culturally and Linguistically Diverse (CALD)	636	<20	36
People with Disability (PwD)	4,074	81	230
Refugees	n.p.	<20	<20
Youth (aged under 25)	1,834	525	217
Mature (aged 50+)	4,599	N/A	<20
Parents	2,235	<20	1,201
12 months +	10,489	345	715

Note: Cells that contain counts of less than 20 are shown as '<20'. Where there is only one cell in a grouping that is less than 20, and can therefore be calculated from the total, the value has been shown as 'n.p.' (not provided).

## Youth unemployment

ABS Labour Force data for November 2021 shows the region's youth unemployment rate at 17.2%, well above the 11.8% recorded for Victoria and 10.9% for Australia. For comparison to pre-COVID figures, results for March 2020 showed the region's youth unemployment rate was 10.2%. The September 2021 results are largely consistent with long term trends for the region, which shows that the youth unemployment rate has, for the most part, remained elevated in comparison to results for Victoria.

**Figure 1. Long term trends - youth unemployment (five years to August 2020)**



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

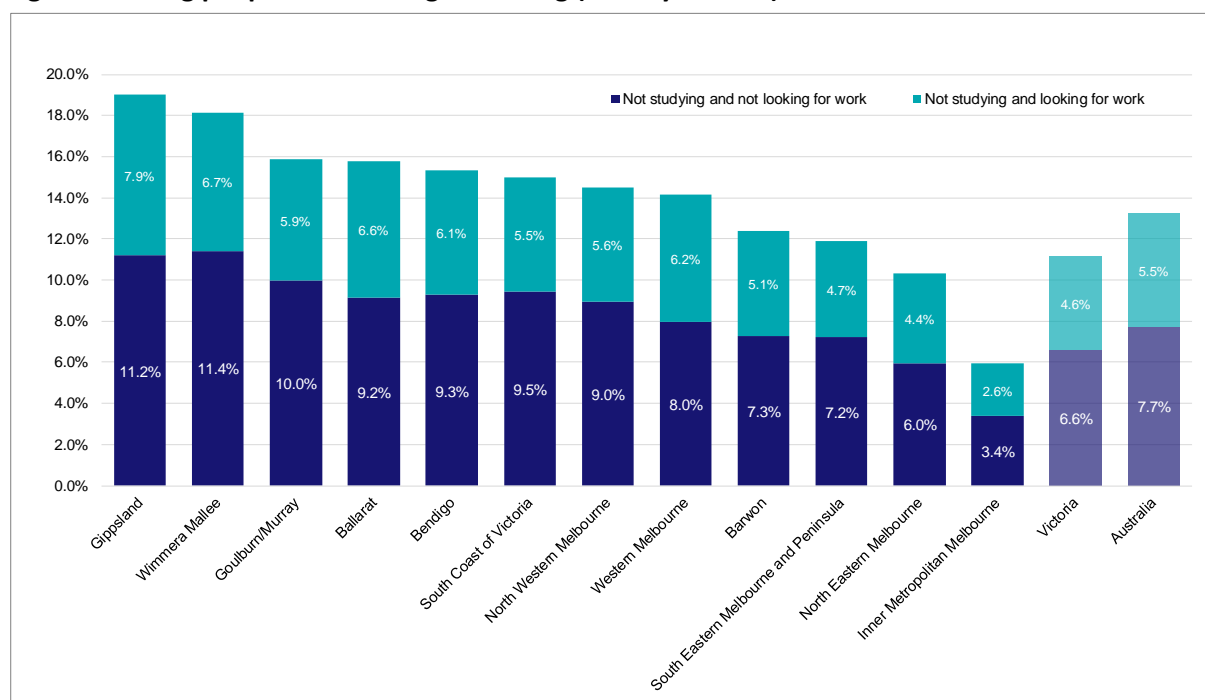
## Youth disengagement

Further to the graph shown below, at the time of the 2016 Census:

- The Gippsland Employment Region had the highest rate of youth disengagement of all Victorian Employment Regions.
- The rate of youth disengagement in the region was 19.1%, compared with 11.2% for Victoria and 13.3 % for Australia.

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

**Figure 2. Young people not working or studing (18-24 years old) across Victoria**



Source: ABS, Census of Population and Housing, 2016. Note: the Goulburn/Murray Employment Region spans the New South Wales and Victorian border.

## Mature Age (45+)

ABS Labour Force Survey data for September 2021 shows that while the 45 to 54 age group (as a proportion of the total population) is lower in the Gippsland Employment Region compared to both Victorian and national averages, the 55 to 64 Age group (at 16.6 %) is considerably higher than both the Victorian and national averages.

**Table 3. Breakdown of population by age group (September 2021)**

Age Group	Latrobe – Gippsland (%)	Victoria (%)	Australia (%)
15 to 24	11.8	14.9	14.7
25 to 34	15.3	19.2	17.7
35 to 44	12.2	17.0	16.8
45 to 54	10.6	15.3	15.5
55 to 64	16.6	13.8	14.4
65 and over	33.5	19.8	20.8

Source: ABS Labour Force Survey, 12-month average of September 2021 data.

## **Additional Labour Market Data Resources**

The most recently available Labour Market Data Dashboard produced by the National Skills Commission in Attachment A below provides a range of insights into local labour market conditions for the region.

Additional labour market information at the Employment Region level can also be found on the [Labour Market Information Portal](#) and the [National Skills Commission](#) website.

# Attachment A – Labour Market Data Dashboard (December 2021)



**Gippsland  
Employment Region  
Victoria**

## Labour Market Data Dashboard

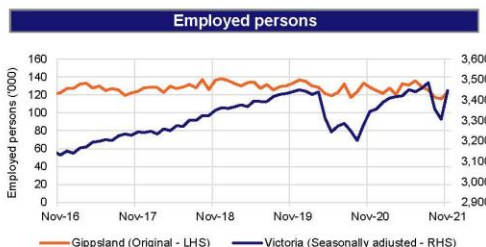
Data current as at 23 December 2021

Refer to source notes for data reference periods

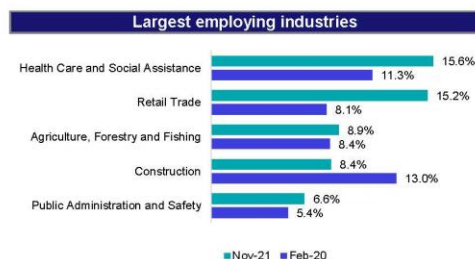
	Employment			Unemployment			Unemployment rate		Participation rate		Youth unemployment rate	
	Nov-21 ('000)	Mar-20 ('000)	Change (%)	Nov-21 ('000)	Mar-20 ('000)	Change (%)	Nov-21 (%)	Mar-20 (%)	Nov-21 (%)	Mar-20 (%)	Nov-21 (%)	Mar-20 (%)
Gippsland	123.2	128.4	-4.1	8.5	6.0	40.8	6.5	4.5	55.8	56.4	17.2	10.2
Victoria	3,446.6	3,439.9	0.2	171.4	187.7	-8.7	4.7	5.2	66.8	66.3	11.5	12.3
Australia	13,177.3	12,995.5	1.4	636.7	723.2	-12.0	4.6	5.3	66.1	65.9	10.9	11.6

Source: ABS, Labour Force Survey, Nov-21. Employment Region data are original estimates, except for the youth unemployment rate, which is a 12-month average of original estimates. State youth unemployment rates are original estimates. Remaining data are seasonally adjusted.

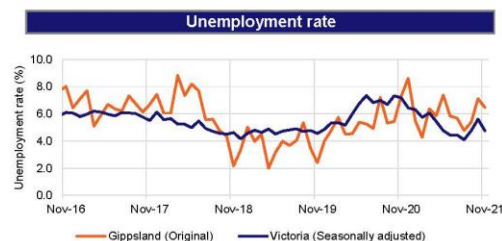
This **Labour Market Data Dashboard** provides key indicators for the labour market by Employment Region and is updated monthly.



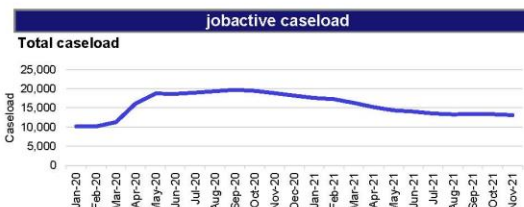
Source: ABS, Labour Force Survey, Nov-21



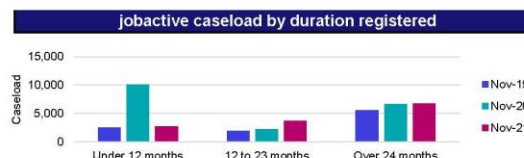
Source: ABS, Labour Force Survey, Detailed, four quarter averages, Nov-21 quarter



Source: ABS, Labour Force Survey, Nov-21



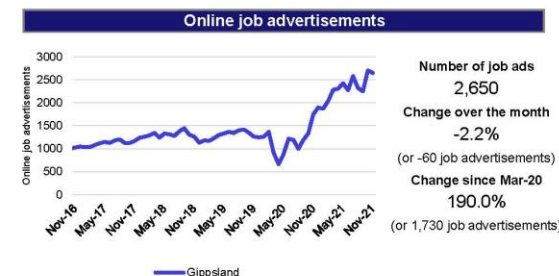
	Gippsland	Victoria
Caseload - Feb 2020	10,176	138,586
Caseload - Nov 2021	13,136	226,787
Change from Feb 2020 to Nov 2021	2,960	88,201
	29%	64%



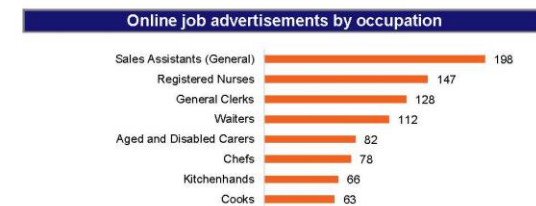
Source: Department of Education, Skills and Employment, caseload data, Nov-21

LGAs with highest unemployment rates (%)		
Local Government Area (LGA)	Sep-21	Sep-20
Latrobe (C) (Vic.)	8.1	6.3
East Gippsland (S)	6.8	5.4
Bass Coast (S)	6.3	4.8
Wellington (S)	5.4	4.5
Baw Baw (S)	4.2	3.3

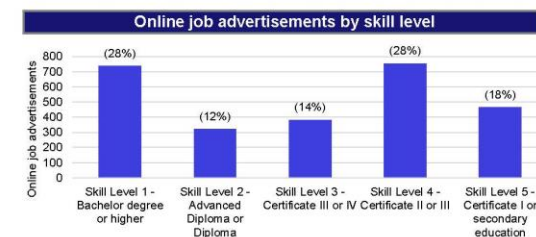
For more insights, access SALM data via [lmp.gov.au](http://lmp.gov.au). Source: National Skills Commission, Small Area Labour Markets, four quarter averages, Sep-21 quarter



Source: National Skills Commission, Internet Vacancy Index, seasonally adjusted, Nov-21



Source: National Skills Commission, Internet Vacancy Index, 3 month average of original data, Nov-21



Source: National Skills Commission, Internet Vacancy Index, seasonally adjusted, Nov-21

Note: Data are not readily available for all sources by Employment Region. ABS Labour Force Survey data are based on the Latrobe - Gippsland SA4. The Internet Vacancy Index (IVI) uses a unique geographical approach. For this region, the IVI Gippsland region has been used. jobactive caseload reports at the Employment Region level and includes participants receiving both digital and provider servicing (it excludes other programs, such as ParentsNext or Transition to Work (TTW)). For caseload data, the Employment Region is based on (1) the location of the provider for jobactive provider serviced participants; (2) where the participant resides for Online Employment Services (OES) participants; (3) the NEST Employment Regions of Adelaide South or Mid North Coast for NEST participants. jobactive caseload by duration registered is based on the participant's time registered in employment services. PWD = people with disability and CALD = culturally and linguistically diverse persons. Caseload data are based on current methodology which has been retrospectively applied to historical jobactive caseload dates. As such, the data may not align with earlier figures. For any enquiries related to the data in this dashboard, please contact [EmploymentPathwaysAnalysis@skillscommission.gov.au](mailto:EmploymentPathwaysAnalysis@skillscommission.gov.au).