



# Central Goldfields Shire Council

## Recruitment and Retention of Staff in the Shire

June 2022



## Central Goldfields Shire Council

Recruitment and Retention of Staff in the Shire



Central Goldfields Shire Council acknowledges the ancestors and descendants of the Dja Dja Wurrung. We acknowledge that their forebears are the Traditional Owners of the area we are on and have been for many thousands of years. The Djaara have performed age old ceremonies of celebration, initiation and renewal. We acknowledge their living culture and their unique role in the life of this region.

## Executive Summary

- Central Goldfields Shire Council (CGSC) conducted a survey with businesses following feedback that recruiting and retaining staff was becoming more problematic. They were concerned this was having a detrimental effect on their businesses reaching their full potential.
- The survey was distributed electronically to over 200 businesses in the Shire. Fifty-one responded.
- The survey asked a range of questions, from workforce size to supports and incentives.
- The largest groups of responding businesses were retail, followed by hospitality and manufacturing.
- The biggest employee groups were semi/unskilled workers and those in customer service and sales.
- The majority of the businesses had less than 20 employees, most of whom live within the Shire.
- Most employees were full-time and on permanent contracts – although a significant number were employed casually.
- The majority of participants said finding staff was either difficult or very difficult. Whilst there was difficulty in attracting all occupational groups some, such as qualified professionals, qualified trades people, and skilled workers, were particularly hard to recruit.
- Rates of staff turnover varied significantly. The majority of businesses had a rate of under 20%. Nearly a third reported a turnover of zero. Those businesses were most likely to be small enterprises.
- Some businesses paid award wages, others above award and the balance a combination.
- Flexible work arrangements and on the job training were the most common supports offered to both new and existing employees. A significant number of businesses also offer existing employees additional financial compensation.
- There were not strong associations between variables such as turnover and business size, business sector or wages (award versus above award).
- Participants talked about the importance of workplace culture, pay and conditions, infrastructure and work readiness.

## Background

In January 2022 staff in the CGSC's Economic Development Team spoke with some larger employers in the area about how they were dealing with COVID-19. They were generally optimistic and managing well. They said the two most significant issues were supply and staffing. Whilst for some businesses supply-side issues appear to be slowly resolving, they continue to be a problem for others. Shortages in supply and rising costs are impacting on profit margins.

The pandemic continues to make the perennial issue of recruitment and retention in the region more difficult. Businesses in the Shire are concerned about labour market issues in the region impacting on the efficient running of their business. Although infection rates are dropping, businesses are reporting that COVID-19 and seasonal influenza are causing staffing problems. In addition, there is competition from the larger labour markets of Ballarat and Bendigo. Existing labour market data is either insufficient or too broad to be confidently applied to our Shire<sup>1</sup>. A better understanding of the issues associated with recruitment and retention is required. The importance of this issue is recognised in Council documents, including the *2020-2025 Economic Development Strategy*<sup>2</sup>.

## The Survey

As a result of these issues, a labour force survey was developed. It asked a number of questions<sup>3</sup> including:

- Workforce size and make-up;
- Employment type;
- Pay rates and occupational awards;
- Staff turnover;
- Supports and incentives offered to employees; and
- Levels of difficulty recruiting specific groups of employees.

The survey also asked employers to comment on what they think are the most important issues impacting on their ability to find and keep staff.

---

<sup>1</sup>See Appendix One for 2016 Census Data regarding education, occupations and industries for CGS. Basic descriptive data from the 2021 Census is due to be released imminently, with more complex data (including education and employment) due for release August 2022.

<sup>2</sup> CGSC 2020-2025 Economic Development Strategy <https://www.centralgoldfields.vic.gov.au/Council/Policies-Plans-Strategies-and-Documents/Council-Strategies>

<sup>3</sup>See Appendix Two for the complete survey.

The survey was distributed on 21<sup>st</sup> April 2022, via email to approximately 230 businesses in the Shire who employ people. This included micro/small, medium and larger businesses across all sectors. Given the topic of the survey, sole traders were not in-scope. The survey was promoted in the Maryborough Advertiser. Potential participants were followed-up via email and telephone. The survey was complemented by seven in-depth interviews with participants who volunteered to have further discussions with CGSC staff.

## Findings

Fifty-one businesses responded to the survey. All the businesses were located in the Shire – one each in Talbot and Carisbrook, four in Dunolly and the balance with a 3465 postcode. As the table below illustrates, the largest groups of businesses were retail (27%), food and beverage services (15%), and manufacturing (15%).

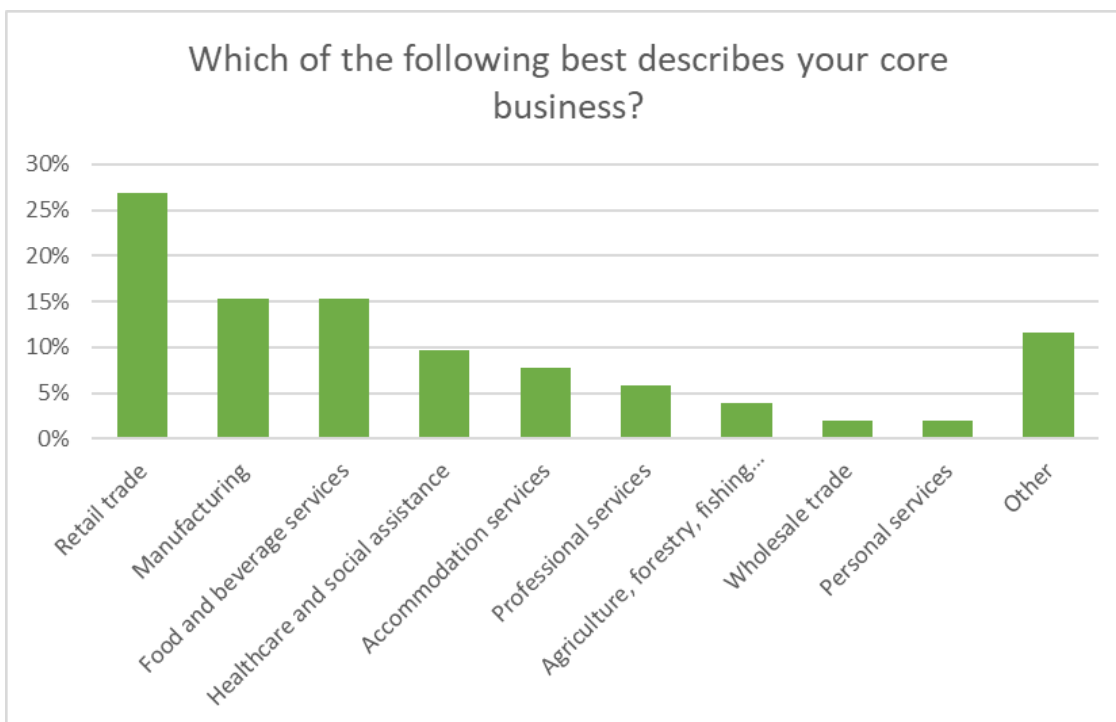


Table 1: Participants by Core Business.

The survey then asked participants four questions about their staff. The first asked the size of their workforce – both the total number of people and the number of full-time equivalents (FTEs<sup>4</sup>).

---

<sup>4</sup>The Australian Bureau of Statistics uses 'head-count' – the total number of employees, rather than FTEs in its labour definitions.

A significant majority (67%) were small businesses – employing less than 20 people. This reflects what we know about the importance small business plays in providing services and generating employment and wealth for the Shire. In five small and one medium sized business, the number of FTEs employed was the same as the total number of people employed. In all other cases, the number of FTEs was lower.

Across the total workforce covered by this survey, 14% commute to Central Goldfields Shire to work and 5% have shifted to the Shire since being employed. The remaining 81% lived in the Shire prior to employment.

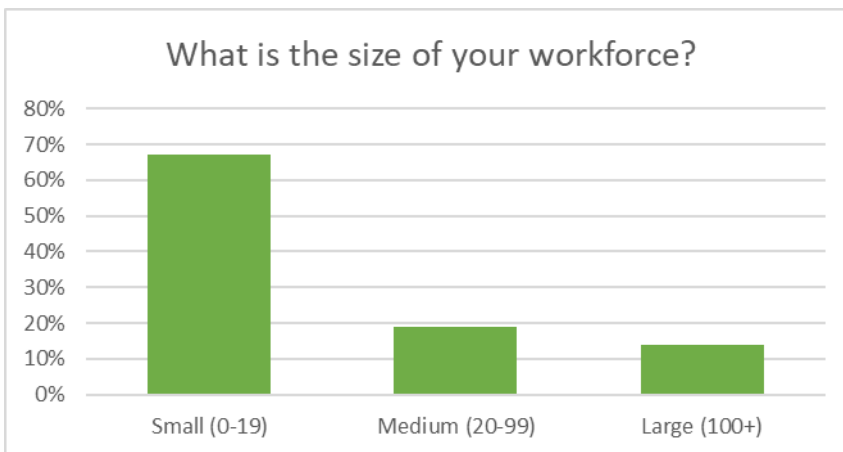


Table 2: Size of Business defined by Number of People Employed.

The next workforce question asked about the percentage of workers in each category. Semi/unskilled workers and customer service and sales are the two largest groups – at 21.6% and 21% respectively. Managerial staff accounted for 13% of all staff and hospitality workers were a further 11.4%. These figures, illustrated in Table 3, reflect participants core business as shown in Table 1.

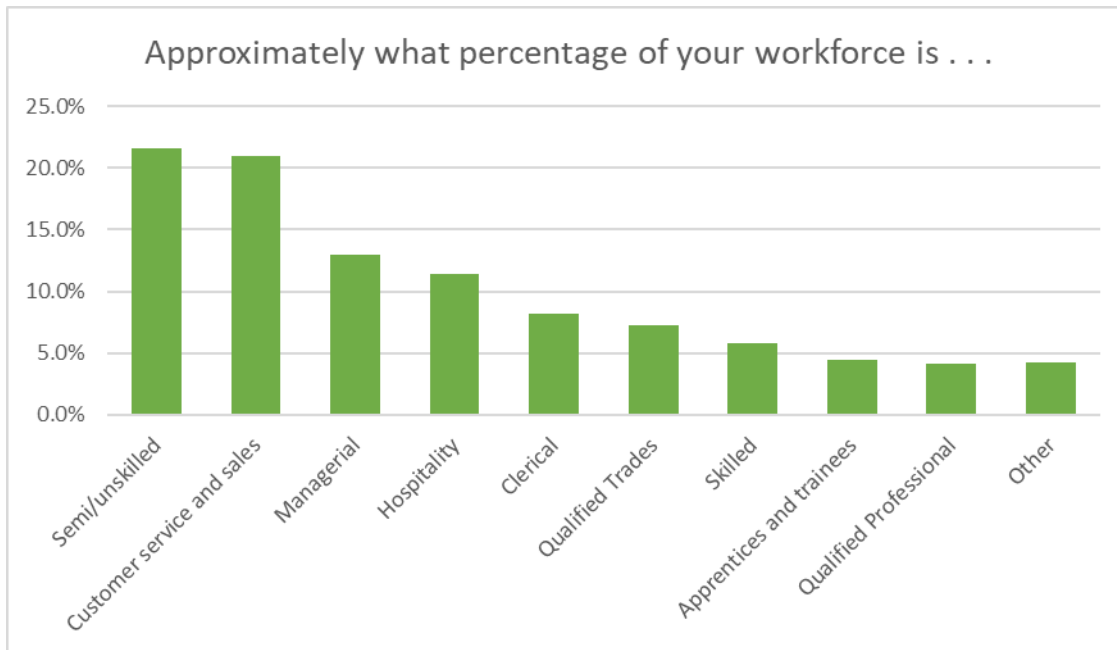


Table 3: Workforce Groups.

We expect the figures in Table 3 to be participants ‘best estimates’. Staff, managers and owners in businesses, particularly small and medium sized ones, may perform roles across multiple categories.

*“Casual versus permanent makes a difference for some people... so casual conversion, that is a positive. For some, losing the 25% loading is a negative incentive”*

The next two questions<sup>5</sup> asked about the hours worked and employment arrangements. The majority of employees covered by this survey are permanently employed (60%) and work full-time (59%). For those who are not permanent workers, most are employed casually rather than on a fixed term contract.

---

<sup>5</sup> Questions 4 and 5

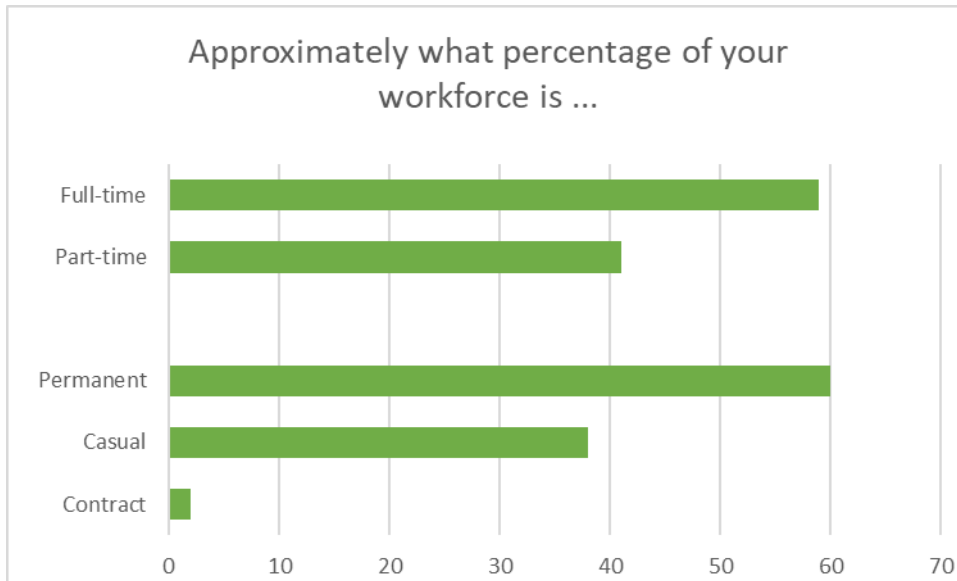


Table 4: Employment Arrangements

Participants were then asked whether their business found it easy or difficult to recruit staff. As illustrated in Table 5, a significant majority (67%) reported attracting staff was either difficult or very difficult. Eighteen percent said recruitment was easy or very easy.

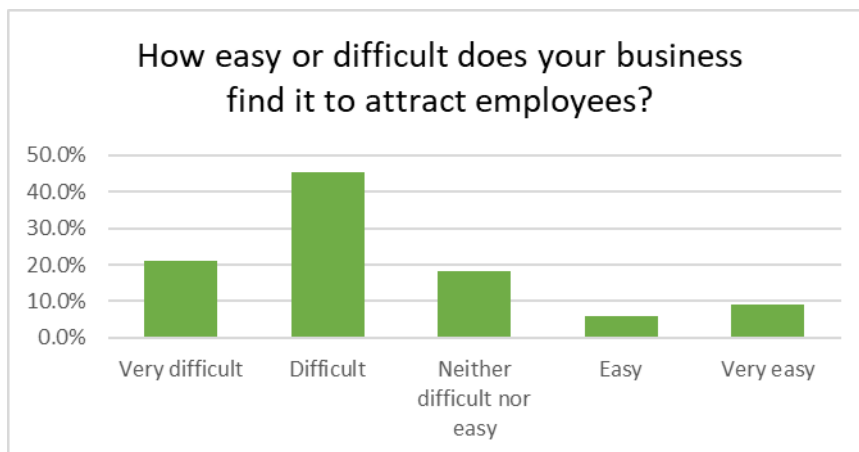


Table 5: Ease or Difficulty Recruiting.



There is not a strong discernible pattern between ease or difficulty in recruiting and other business characteristics. Those who reported recruiting as 'easy or very easy' were, with one exception, all small businesses. They were predominantly retail. It is important to note that the majority of small businesses said finding staff was 'difficult' or 'very difficult'. All of the large businesses that answered the question said recruiting was hard.

We then asked a follow-up question "does your business find it more difficult to attract specific types/groups of employees? Seventy six percent said 'yes' – they found some types of employees more difficult to attract. However, nearly one quarter said the ease or difficulty in finding staff did not change based on the employment group or 'type' of employee required.

Question 8 asked how difficult specific groups or types of employees were to recruit. This question was only asked of that sub-set of respondents who said recruiting was difficult or very difficult and who indicated some groups were more difficult to attract than others. It used a 5-point Likert-type scale to ask participants to comment on each of the nine groups of employees<sup>6</sup>.

As Table 6 shows, a quarter of participants said they did not have difficulty recruiting apprentices and trainees, or clerical, customer service and sales, and hospitality staff. However, 50% of respondents reported they did have difficulty attracting people to fill those positions. Well in excess of half of businesses reported difficulty in recruiting all other groups of workers. This was particularly evident in the skilled workers and qualified trades group, at 90% and 89% respectively.

---

<sup>6</sup> Participants were being asked to answer for each group, from 1 = Not at all difficult through to 5 = Very difficult. They were not being asked to compare one group to another.

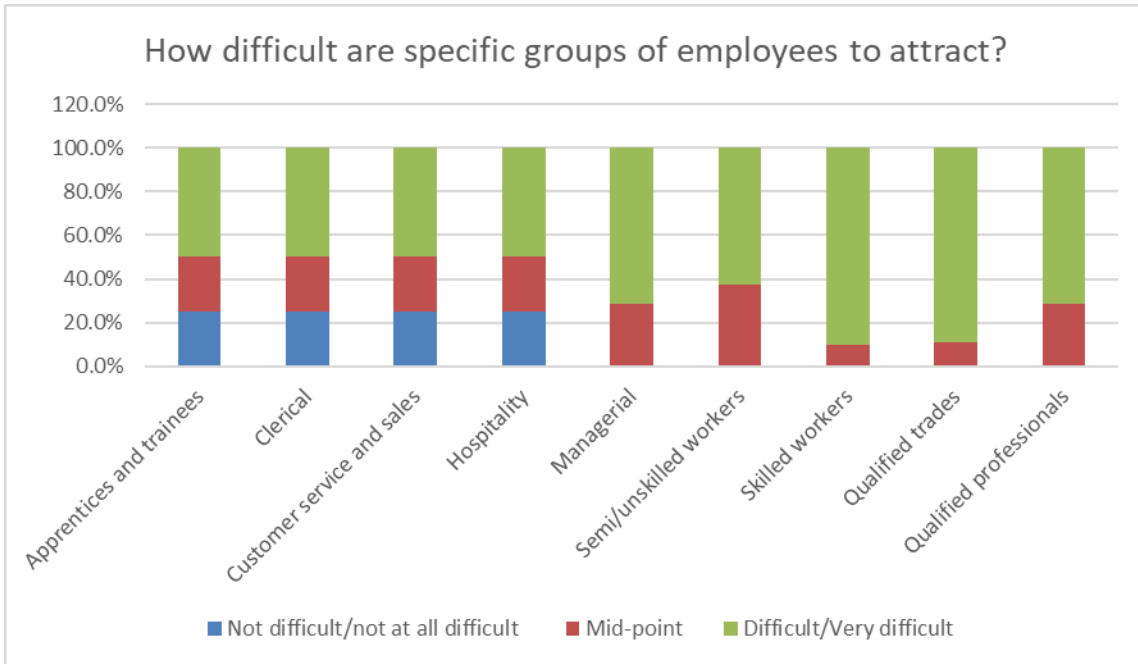


Table 6: Ease or Difficulty Recruiting Specific Groups.

Slightly more than half (54%) of respondents said their business did not have Enterprise Agreement as defined by the Fair Work Act<sup>7</sup>. With respect to the number of awards covering their workplace, 39% of businesses were covered by one award and 32% by between two and five awards. Nearly one third of respondents (29%) were not sure how many awards were in play. No one reported that the question was ‘not applicable’ in their circumstances<sup>8</sup>.

Question 11 asked businesses about their annual staff turn-over. As Table 7 shows, there was a broad range of responses. Most respondents said business turn-over was between one and 20%. Nearly one third of participants reported an annual staff turn-over of zero. These businesses all employed a total of five or less staff. They were retail businesses and those providing professional or personal services. However, there was not a clearly observable association between business size and turnover. Whilst some of the businesses reporting a turnover of 25% or more were large, a similar number were small or medium sized businesses.

<sup>7</sup> Question 9.

<sup>8</sup> Question 10.

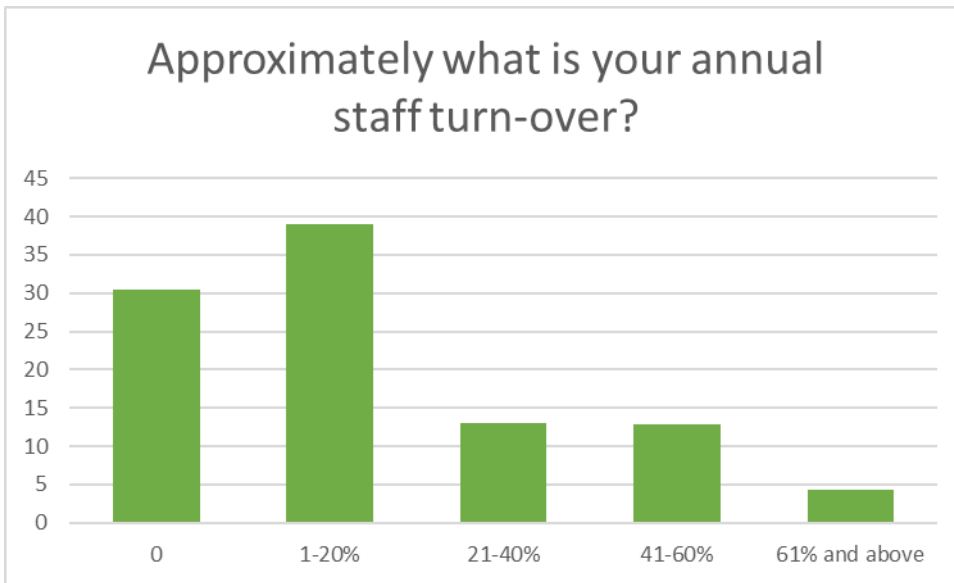


Table 7: Annual Staff Turnover.

Thirty percent of participating businesses said they paid award wages. The same number paid above award wages. The balance (40.7%) paid a combination of award and above award rates.

There is not an observable pattern in the responses. The small number of businesses who reported recruiting for staff as easy or very easy paid either award or the combination of award and above award wages. No one in this category said they paid above award wages. Businesses who find attracting staff difficult are evenly split between those who pay award, above award or a combination of both.

*“The location effects retention too. People say they will drive all the way here and they do for a while, but then they get tired.”*



Table 8: Wages and Salaries.

*“The main incentive is financial. We pay above award. We have to pay extra to get people to come to this location.”*

Questions 13 and 14 asked businesses what supports and benefits they offered to both new and existing employees. Significantly more than 50% of participants reported offering flexible conditions<sup>9</sup> and on the job training to both groups of employees. As Table 9 shows, over half (53.6%) offered existing employees additional financial incentives and more than one quarter (28.6%) offered those same benefits to new employees<sup>10</sup>. People listed other incentives, including vehicles, phones; computers and equipment, and additional superannuation percentages.

<sup>9</sup> Both flexible hours and options to work remotely.

<sup>10</sup> Additional financial compensation included bonuses and incentives.

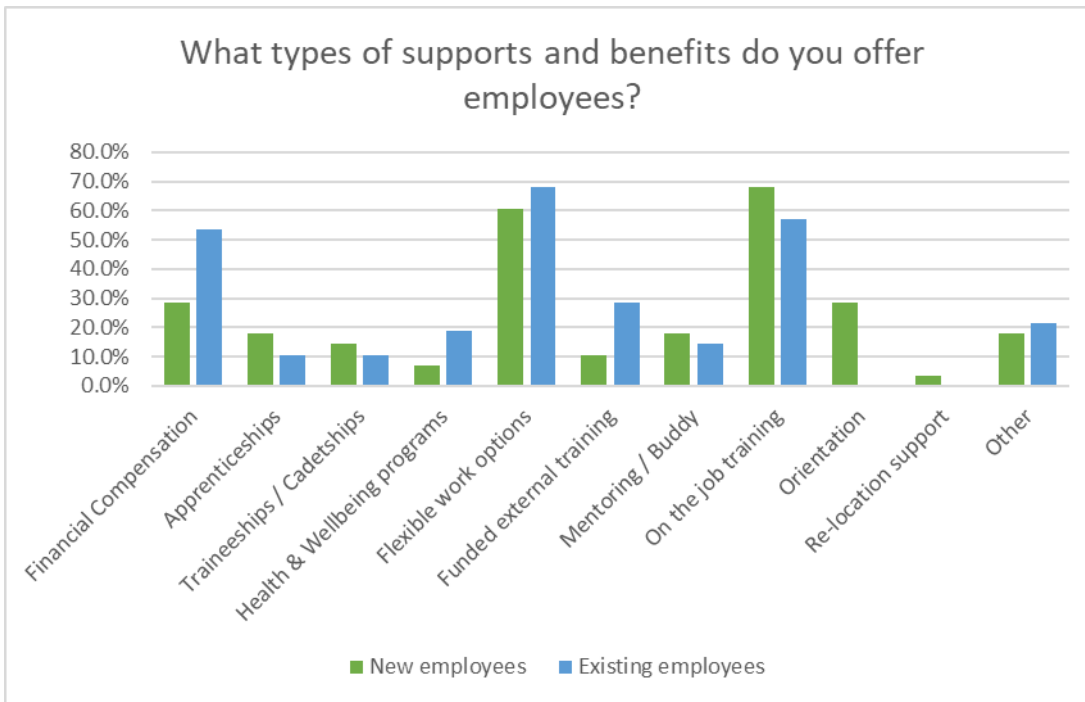


Table 9: Benefits Offered to New and Existing Employees.

*“The committed ones aren’t working for the money, well not just for the money... our good people are overworked. They are overworked and tired.”*

The final question was open-ended and asked people what they thought were the most important issues that influence finding and keeping staff. There were a range of answers and some common themes. The most referenced response was workplace culture “respect and creating a safe and friendly workplace” “looking after and valuing staff”. Other themes included the importance of pay

and conditions, local infrastructure (including housing, schooling and public transport), and people's willingness to work. These themes are illustrated in Figure 1.



Figure 1: Major Issues that Influence Finding and Keeping Staff.

“Changing culture takes leadership and work. It isn’t a ‘thing’. It is the sum of all your actions”

# Appendices

## Appendix One – Education, Industry and Occupations of People in Central Goldfields Shire.

Highest Year of School Completed	Percentage
Year 12 or equivalent	30
Year 11 or equivalent	15
Year 10 or equivalent	23
Year 9 or equivalent	11
Year 8 or below	10
Not stated	11

*Table 1 Highest Year of School Completion<sup>11</sup>*

Occupation	Percentage
Labourers	15
Technicians and trade workers	15
Professionals	16
Community and personal service workers	14
Managers	15
Sales workers	12
Clerical and administrative workers	10
Machinery operators and drivers	6

*Table 2 Occupation of Employed Residents*

---

<sup>11</sup>Data for Table 10, 11 and 12 from Australian Bureau of Statistics (2016) Census of Population and Housing, Community Profiles, <https://www.abs.gov.au/census/find-census-data/community-profiles/2016/LGA21670>



## Central Goldfields Shire Council

### Recruitment and Retention of Staff in the Shire

Industry	Percentage
Healthcare and social assistance	17
Retail trade	14
Manufacturing	13
Education and training	9
Accommodation and food services	7
Agriculture, forestry and fishing	6
Public administration and safety	5
Construction	4
Transport, postal and warehousing	4
All others	20

*Table 3 Industry of Employed Residents*

## Appendix Two – Survey Questions

Q1: Which of the following best describes your core business?

- Agriculture, Forestry, Fishing and Mining
- Manufacturing
- Electricity, Gas, Water, and Waste Services
- Construction
- Wholesale Trade
- Retail Trade
- Accommodation Services
- Food Services
- Transport, Postal and Warehousing
- Information, Media and Telecommunications
- Professional Services (including banking, accounting, and law)
- Education and Training
- Healthcare and Social Assistance
- Other Services *please specify* \_\_\_\_\_

Q2: Approximately what is the size of your workforce?

- Total number of people
- Total number of full-time equivalents (FTEs)

Q3: Approximately what percentage of your workforce is

- Apprentices and trainees
- Clerical
- Customer service and sales
- Hospitality (for example kitchen, table and bar staff)
- Managerial
- Semi/unskilled (packers, machine operators, labourers)
- Skilled (for example leading hands, shift managers, drivers)
- Qualified Trades (for example plumbing, electrical, hairdressing)
- Qualified professional (for example lawyers, nurse, doctor, allied health)
- Other

Q4: Approximately what percentage of your workforce is

- Casual
- Contract / Fixed Term
- Permanent / Ongoing

Q5: Approximately what percentage of your total workforce is

- Full-time
- Part-time

Q6: How easy or difficult does your business find it to attract employees?

## Central Goldfields Shire Council

### Recruitment and Retention of Staff in the Shire

- Very Difficult [directs to Question 7]
- Difficult [directs to Question 7]
- Neither Difficult nor Easy [directs to Question 9]
- Easy [directs to Question 9]
- Very Easy [directs to Question 9]

Q7: Does your business find it more difficult to attract specific types/groups of employees?

- No – the ease or difficulty does not change across types/groups of employees [directs to Question 9]
- Yes – [directs to Question 8]

Q8: What specific types/groups of employees are the most difficult to attract?

- Apprentices and trainees
- Clerical
- Customer service and sales
- Hospitality (for example kitchen, table and bar staff)
- Managerial
- Semi/unskilled (packers, machine operators, labourers)
- Skilled (for example leading hands, shift managers, drivers)
- Qualified Trades (for example plumbing, electrical, hairdressing)
- Qualified Professional (for example lawyers, nurse, doctor, allied health)
- Other

Q9: Does your business have an Enterprise Agreement (EA/EBA) as defined by the Fair Work Act 2009?

- Yes
- No

Q10: Approximately how many industrial/occupational awards cover your workforce?

- 1
- 2-5
- 6-9
- 10 or more
- Not applicable to my business
- I am not sure

Q11: Does your business pay award or above award wages?

- We pay award
- We pay above award
- We pay both award and above award

Q12: What types of initial supports and benefits do you offer **new** employees? *Please select as many as applicable*

- Additional financial compensation (including bonuses and incentives)

## Central Goldfields Shire Council

### Recruitment and Retention of Staff in the Shire

- Apprenticeships
- Traineeships / Cadetships
- Health and Wellbeing programs (including physical and/or mental health)
- Flexible work options (including flexible hours and/or working remotely)
- Funded external training
- Mentoring / Buddy
- On the job training
- Orientation
- Re-location support
- Other, please specify \_\_\_\_\_

Q13: What types of supports and benefits do you offer **existing** employees? *Please select as many as applicable*

- Additional financial compensation (including bonuses and incentives)
- Apprenticeships
- Traineeships / Cadetships
- Health and Wellbeing programs (including physical and/or mental health)
- Flexible work options (including flexible hours and/or working remotely)
- Funded external training
- Mentoring / Buddy
- On the job training
- Orientation
- Re-location support
- Other, please specify \_\_\_\_\_

Q14: Approximately what is your annual staff turnover?

Q15: Approximately what percentage of your workforce

- Commutes to your Council area to work
- Has moved to your Council area since being employed by your business
- Lived in your Council area prior to being employed by your business

Q16: What is your business' postcode? *If you have more than one location in the region, please use the postcode of the facility with the largest workforce.*

Q17: What do you think are the most important issues that influence finding and keeping staff?