



Employers resigned to shortages

Unemployment is at record lows in WA, but pressure from mass resignations and outbound travellers is looming.



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General forganisations aren't listening to their employees about their changing needs, wants and desires, it's going to be too late for them

- David George

GIVEN a booming iron ore price earlier in the year and record exports of the steel-making metal from Western Australia, it's no surprise that Rio Tinto, BHP, and Fortescue Metals Group have emerged as the state's biggest employers.

All three companies have new and existing mining operations in the Pilbara, with Rio employing 22,600 full-time workers and contractors in WA, while BHP employs 21,000 workers and Andrew Forrest-chaired Fortescue employs 16,800 workers.

The sector's strength has placed the Perth-based miners ahead of supermarket giant Woolworths Group, which last year was the state's biggest employer, with 16,400 staff. Woolworths now has 15,000 WA employees.

The strength of WA's labour force reflects these numbers.

The state's unemployment rate of 3.9 per cent, reflecting a nine-year low, is tied with the Northern Territory for lowest in the country, with its participation rate better than almost all other jurisdictions.

Latest data from the Australian
Bureau of Statistics shows about 1.4

million Western Australians are in fullor part-time work, reflecting 65 per cent of the state's population.

But even with unemployment at record lows, demand is increasing for skilled and unskilled labour, given the state's tight border restrictions, which have been in place since April last year as part of its response to COVID-19.

Businesses across industries, in particular the agriculture, mining, and tourism and hospitality sectors, are needing workers to pick fruit, keep mine sites running, and serve in cafes.

Construction and engineering company Monadelphous, for example, has acknowledged a shortage of skilled labour as a major challenge to its operations, in particular in WA, where it has said interstate border restrictions are directly affecting the supply of labour

Monadelphous, which has more than 4,600 direct and indirect staff in WA, expects labour restraints will continue to be a challenge for some time, even as border restrictions relax in coming months.

In more normal times, businesses can alleviate worker shortages by hiring

migrant workers. However, bringing workers into the country has been close to impossible for most businesses in the state, given that WA until recently was accepting just 265 international arrivals each week. That figure is now 530.

The state's international travel cap will be removed once it reaches a 90 per cent vaccination target, which requires those aged 12 and above to have received both doses of a COVID-19 vaccine.

Tasmania is waiting to meet that same target before reopening, while Queensland is expected to open its doors to international arrivals in December when the state reaches its 70 per cent double-dose target.

NSW and Victoria have already reopened their borders, welcoming fully vaccinated travellers without the need to quarantine.

As such, migrants could be looking to the eastern states first, further deepening WA's labour shortage troubles.

And although international travellers and students will be allowed into WA when borders reopen next year, those same freedoms also give Western

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Congratulations to Reuben Saul for being elected WA State President and National Treasurer of the Migration Institute of Australia.



Data & Insights Top 20 employers - Ranked by number of staff in WA

Rio Tinto BHP 22,635 21,000 RioTinto Fortescue Metals Group 16,842 **Woolworths Group** 15,000 WOOLWORTHS GROUP **Fortescue** Wesfarmers 12,394 Coles 10,000 McDonald's Australia 10,000 Sodexo Crown Towers Perth 5,000 Woodside 4,500 3,777 Alcoa of 3,750 Australia Petroleum Compass **Downer EDI NFP** 3,455 **Mineral Resources** Ventia 5,000 4,000 Group **Spotless** 3,000 NFP Monadelphous UGL Roy Hill 4,654 3,371 Holdings **CITIC Pacific** 3,000 Mining

NFP = Not for publication

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Australians the opportunity to travel outside the state or move interstate or overseas.

Outbound migration is looming for WA, as it is for all states and territories in Australia, along with mass resignations.

"Analysts are claiming 42 per cent plus of the [global] population are going to leave their jobs in the next 12 months," David George, the managing director of global recruitment company PageGroup, told *Business News*.

Mr George was referencing 'the great resignation'; a term coined by Texan business and management professor Anthony Klotz to describe the millions of Americans who left their jobs earlier this year.

According to the US Bureau of Labor Statistics, 4 million Americans quit their jobs in July, marking the country's highest resignation rate since 2000.

Research has linked the great resignation to COVID-19, with the pandemic affecting how and when employees work.

Working from home during lockdowns, for instance, was found to have muddied the barrier between work and personal life in the short term and made employees reassess their values in the long term.

Mr George said the great resignation, which PageGroup is referring to as 'the great recalibration', was prevalent among both white-collar and blue-collar workers.

"It'll vary from industry to industry ... but it appears to be across the board, and some of those industries that are really struggling will continue to struggle, there's no doubt about that,"

"Historically, people like to criticise or blame the millennials or gen Zs ... as being the job-hoppers or not putting up a fight when the going gets tough.

"But the research we're seeing around the world and what we're seeing from our colleagues [shows] it's not necessarily people in their twenties who are the ones most likely to be changing jobs or careers in the new year.

"We're seeing it very much more around the world in the thirties to forties age brackets."

Mr George noted several other factors influencing mass resignations, including that some workers felt 'burnt out' or of the view their employers were taking advantage of them.

"If you think back 12 to 18 months, a lot of workforces shrank and [employers] cut some of the headcount cost," he said. 3.9%

WA UNEMPLOYMENT RATE IN OCTOBER

"As businesses picked up and got busier, they haven't necessarily been as quick to rehire people."

Many workers, Mr George said, were also leaving their jobs without a new role lined up, as their savings – which are generally higher as a result of not having travelled, in light of border restrictions – were providing them with the means to do so.

"Instead of the traditional 'you find a job, you leave a job', people are actually leaving their roles and going out to find one because the market is good and there's less concern [that] they won't be able to find anything," he said.

According to the ABS, more than 630,000 Australians expect to be with a new employer in the New Year.

Mr George said if the great resignation was to hit Australia, it would occur around February or March when the country returned to normal and all states and territories had reopened their borders.

And while that would mean new, overseas entrants into the Australian workforce, it also means residents will have the opportunity to leave.

"As we get back to a little bit of normality and lockdowns end and borders open up, people are going to go, be that interstate or overseas, or be that a complete change in career or



move to remote Australia," Mr George

"There's definitely going to be a shakeup and I think people need to be aware of that."

Reuben Saul, the newly elected state president of Migration Institute of Australia, told *Business News* the great resignation could be more prevalent across the state's casual or part-time workers than those filling skilled roles.

"We're likely to see an outbound migration from WA, whether that's people leaving the state to head to other states in Australia, or looking to go overseas," Mr Saul said.

"There's a whole range of young people who missed out on opportunities to travel or work abroad who will be looking at doing it, so it won't just be people leaving who are in those highly skilled roles, it'll also be people filling those temporary, part-time roles."

He said industries that relied heavily on foreign workers and backpacker and student visas, such as in the agriculture and hospitality sectors, could be hit the hardest.

"There's concern for those sectors that those visa programs are not going to bounce back anytime soon, and it's going to take a number of years before those kinds of workers come back," Mr Saul, also a partner at immigration law firm Estrin Saul Lawyers, said.

He noted those coming into WA now were in critical or highly skilled roles,

with the most-sponsored occupation being resident medical officer, followed by chef and diesel motor mechanic

Mr Saul said the state government was working to get its student visa program up and running before university returned next year, with a backlog of 5,000 international students already granted visas.

But he said there was more the state government could do to attract students, as well as those looking to start a business in Australia.

"Sydney and Melbourne are shaping up to be the most inviting and realistic options for [international students and businesses] in 2022, and Brisbane and Adelaide aren't far behind," Mr Saul said.

"These east coast cities have really done a good job of selling the message that they're global cities; they hit COVID head on and they're open for business."

He said safety was an important message to get across to potential students, but factors such as job prospects, permanent residence, and the ability for family members to visit also needed consideration.

"A lot of factors weigh on a potential migrant's mind, and I think that's the message that we need to push harder to attract them over the east coast, which did get that head start," Mr Saul said.

He noted that, on paper, WA's migration numbers didn't look that bad.

In the past financial year, the state received 10 per cent of Australia's overall migration program, reflecting more than 16,000 permanent visa grants.

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Reuben Saut expects outbound migration to have an impact on WA's tabout market. Photo: David ne

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- Reuben Saul

However, Mr Saul said this was unlikely to improve WA's skills shortage, given 70 per cent of visa approvals were for people already living in Australia.

"In reality, less than 30 per cent of these people are genuine new migrants to WA," he said.

"In the long term, the impact will be good; it's better to have more permanent migrants here. But I think in the short term, with some of these immediate skill shortage problems that we're talking about, those numbers are likely to have very little impact at all."

Retention, recruitment

When it comes to attracting and retaining staff, Mr George noted three factors: flexibility, organisational values, and feeling valued.

Since the onset of COVID-19, many businesses have adopted a hybrid work model that allows employees to come into the office and work from home when it suits.

"Flexibility is definitely more important than money at the moment," Mr George said, also referring to when and for how long employees can take annual leave.

He said most companies were now expected to have flexible working from home and annual leave arrangements.

"It's being asked about right the way through to the interview process," Mr George said. "People are not afraid to ask anymore, and if the employer doesn't have a clear answer, that's it. Employees are not interested. "Obviously some jobs need you there ... but there are a lot of jobs, especially in the white-collar world, where you don't have to [come into the office], and if [employers] don't have a strategy or a plan behind it, [they're] just not going to attract or retain people."

He said many employers were beginning to advertise jobs without a specific location, noting PageGroup allowed its employees to work from regional towns and overseas.

"There will always be challenges and it doesn't work for every organisation, it doesn't work for every employee, but the upside is far better than the downside," Mr George said.

"Organisations have been talking about doing this for years, and suddenly [COVID-19] has sped up everyone's approach.

"People have had to bite the bullet, and generally the results indicate it's extremely doable."

He said organisational values were being taken into consideration more than before, noting environmental, social and corporate governance (ESG) initiatives, missions, and goals.

Feeling valued is also a driving factor behind staff retention and recruitment.

"Generic, mass email approaches to people ... or generic advertisements on Seek are not cutting it at the moment," Mr George said, noting advertisements on employment marketplace Seek are at all-time record highs, while the number of applicants continues to drop.

"[Employers] need to put more effort into finding people, going after them proactively, and making it personal." He said while remuneration was important, it wasn't everything.

China's version of the great resignation, for example, reflects the nation's millennials and gen Z, who are opting out of high-paying and stressful jobs to instead do the bare minimum.

The movement, coined 'lying flat' on a (now deleted) post on Chinese discussion forum Baidu Tieba, is also reflective of a resistance to the nation's '996' work culture: the expectation that working hours are between 9am and 9pm, and across six days a week.

Mr George told *Business News* many people were experiencing what has been termed as a 'pandemic epiphany'.

"Things have changed, and the way we work has changed," he said.

"The employees hold all the cards." As examples of this, he noted the generic interview process had almost halved, from 24 days to 14 days, in part because employers were desperate to secure talent.

Further, the way employees' performance was measured had fundamentally changed, he said.

"The way we measure performance is about output, it's not about hours in the office," Mr George said.

"If organisations aren't listening to their employees about their changing needs, wants and desires, it's going to be too late for them.

"[Employers] have to be asking the right questions and listening to their employees.

"Instead of saying 'Why?' it's more of saying 'Why not? Let's try and find a way to make this work'."



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WA'S LARGEST EMPLOYMENT SERVICES

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Rank	Company name	Senior executive and title	Year est. in WA	Total staff in WA	No. of WA Consultants	Offices a) WA b) interstate	Specialisation
1	Workpower Inc	Ms Lee Broomhall Chief executive	1992	NFP	NFP	a) 15	Providing community and employment support for people with disability
2	Hays Specialist Recruitment Australia	Mr Chris Kent State regional director, WA	1987	125	105	a) 2 b) 37	Accountancy and finance, architecture, banking, construction, contact centres, energy, engineering, executive, facilities management, healthcare, HR, IT, labour hire, legal, supply chain, marketing, mining, office support, procurement, property, sales
3	Chandler Macleod	Mr Jamie Devitt Director - client solutions APAC	1978	101	75	a) 3 b) 18	HR and psychometric assessment consulting, learning and development, talent solutions, recruitment process outsourcing (RPO), managed service provision (MSP), outsourced housekeeping (AHS), Allied Health Solutions (Vivir)
4	Workskil Australia	Mr Paquita Colbourne State manager, WA	2018	NFP	NFP	a) 14	Providing a range of employment, work experience, disability, youth, indigenous and community services
5	Page Group	Mr Brodie McDougall Regional director Western Australia	2000	50	50	a) 1 b) 6	Temporary, permanent and contract recruitment across the following disciplines executive search, finance and accounting, sales, marketing, digital, mining and resources, technology, procurement, supplychain, HR, engineering, office support
6	Programmed	Mr Nic Fairbank Chief executive, Skilled Workforce	1999	NFP	NFP	a) 13 b) 90	Labour hire
7	Edge Employment Solutions	Ms Sally Hollins Chief executive	1984	70	47	a) 3	Diversity targets/candidate matching/post placement support/apprenticeships
8	ManpowerGroup Australia	Ms Emma Johansen Recruitment consultant regional manager, WA & SA	1964	NFP	NFP	a) 1 b) 10	Temporary, contract and permanent recruitment & training solutions in administration, customer service, warehouse & logistics, maintenance aand shutdown projects, construction, mining and resources, IT, project solutions, engineering, finance
9	The Recovre Group	Ms Lisa Van Vlemen Regional manager WA/SA/NT	2001	48	42	a) 6 b) 32	Customised workplace health, safety, rehabilitation and training solutions
10	WorkPac	Mr Anthony Mori Head of operations and sales, WA	1997	93	39	a) 8 b) 28	Mining, resources and construction
11	Spencer Ogden	Mr James Holden Country director	2014	39	37	a) 1 b) 1	Recruitment for the energy sector including oil and gas, renewables, nuclear, power, finance, trading and mining
12	Skill Hire	Mr Shawn Murphy Chief executive	1992	150	35	a) 8 b) 2	Apprentices and training, indigenous training and employment, temporary staff, permanent placement, government services, international recruitment.
13	Randstad	Ms Jennifer Conlon Branch manager	1960	40	35	a) 1 b) 20	Permanent, temporary and contract recruitment of roles across the following specialisations: business support, accounting, banking & financial Services, construction property and engineering, mining, oil & gas, education, IT, industrial, logistics.
14	Beilby Downing Teal	Mr Nick Verkerk General manager, WA	1966	NFP	NFP	a) 1 b) 8	Executive search and selection, professional and white collar contracting, board appointments, HR consulting
15	ChoiceOne	Ms Marg Van Heurck Chief executive	1990	35	25	a) 1	Mining, medical and healthcare, engineering and trades, occupational health and safety, sales and marketing, accounting and finance, executive, legal, administration and HR consulting
16	Scotford Fennessy	Mr Nick Fennessy Managing director	2002	30	23	a) 1	Mining, engineering, oil and gas, construction, professional services
17	PERSOLKELLY	Mr Kurt Gillam Executive general manager, Australia"	2020	26	22	a) 1 b) 7	White collar recruitment in professional services, ICT, Government, STEM, management and executive
18	Adecco	Mr Connor Martin-Fitzpatrick Recruitment consultant	2000	80	20	a) 1 b) 17	Specialises in temporary and permanent staffing solutions for office support, federal gov & councils, contact centre, accounting and finance, HR, sales and marketing, manufacturing and operations, transport and logistics, trade, engineering.
19	Hudson	Mr Andrew Tomich Managing director	1985	NFP	NFP	a) 1 b) 11	Recruitment in accounting, human resources, technical and engineering, IT&T, digital, project services, supply chain and procurement, sales,marketing and communications, office and professional support
20	Mercer	Mr Ralph Bourn Principal		NFP	18	a) 1 b) 6	Employee benefits, investments, superannuation, insurance, financial services, health benefits

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