People are a region’s most important economic asset. If most working age people have jobs and are contributing to the local economy, then a region is more prosperous and competitive.

OVERALL TRENDS

Many regional areas are successfully engaging their local workforce in the economy and may even be seeking new workers to join the regions workforce and support expansion. Connected Lifestyle Regions surrounding major cities perform particularly well across all indicators of Labour Market Efficiency.

However the labour market story varies across regional Australia. Some have highly efficient labour markets, while others exhibit significant structural unemployment, poor workforce engagement and welfare dependency issues.

OUR GREATEST COMPETITIVE CHALLENGE – BRINGING WELFARE DEPENDENT COASTAL AREAS INTO THE ECONOMY

Many parts of regional Australia are struggling to include large portions of their working age population in the economy.

The average rate of welfare dependency for local government areas (LGAs) in regional Australia is around 30 per cent. This is a significant loss of potential workforce. The average for LGAs in metropolitan areas is lower at 19 per cent.

The particularly poor rankings for many coastal areas reflect persistent structural issues within these labour markets. These LGAs will find it difficult to engage the local workforce and take advantage of new market opportunities as they emerge unless this trend is addressed.

KEY STATISTICS

<table>
<thead>
<tr>
<th>60 PER CENT</th>
<th>35 REGIONAL LGAs</th>
<th>40 LGAs</th>
<th>20 REGIONAL LGAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>OF THE 10 MOST EFFICIENT LABOUR MARKETS ARE SITUATED IN REGIONAL AUSTRALIA</td>
<td>HAVE MORE THAN 40% OF THE POPULATION DEPENDENT ON WELFARE</td>
<td>WITH THE HIGHEST PARTICIPATION RATES ARE ALL REGIONAL</td>
<td>MORE THAN HALF OF THEIR WORKFORCE ARE SKILLED WORKERS</td>
</tr>
</tbody>
</table>
**TOP 10**
RANKED REGIONAL LGAs

1. **GNOWANGERUP, WA**
   Heartland Region

2. **CONARGO, NSW**
   Heartland Region

3. **WUDINNA, SA**
   Heartland Region

4. **WICKEPIN, WA**
   Heartland Region

5. **KOJONUP, WA**
   Heartland Region

6. **CARNAMAH, WA**
   Heartland Region

7. **BROOMEHILL-TAMBELLUP, WA**
   Heartland Region

8. **GOOMALLING, WA**
   Heartland Region

9. **KAROONDA EAST MURRAY, SA**
   Heartland Region

10. **LONGREACH, QLD**
    Heartland Region

**TOP 5**
REGIONS

1. **WHEATBELT, WA**

2. **NORTHERN TERRITORY - NORTHERN, NT**

3. **SOUTHERN INLAND, NSW**

4. **MACKAY ISAAC WHITSUNDAY, QLD**

5. **GREAT SOUTHERN, WA**

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**HOW [IN]SIGHT MEASURES LABOUR MARKET EFFICIENCY COMPETITIVENESS**

- **Unemployment rate**
  Low unemployment shows higher engagement of local workforce.

- **Participation rate**
  A higher participation rate indicates a dynamic labour market.

- **Youth unemployment**
  Low youth unemployment indicates the next generation of workers are being engaged.

- **Welfare dependency**
  Higher welfare dependency indicates structural problems in the local economy.

- **Long term unemployment**
  Lower long term unemployment is better. The long term unemployed are more difficult to re-engage in the workforce.

- **Skilled labour**
  High levels of skilled labour makes a region more adaptable and better able to respond to shifts in the economy.