

A smiling man in a white hard hat, safety glasses, and an orange high-visibility vest over a white shirt is holding a smartphone. He is standing in a mining or industrial setting with large metal structures in the background.

Tackling the talent challenge in mining & resources

Five steps to a best practice employee benefits program for your industry

In 2024, the vacancy rate for jobs in the Australian mining sector is approximately 5% nearly double the national average, making it one of the highest across various industries.¹ According to KPMG's Australian Mining Risk Forecast 2024, talent and retention is in the top 10 leading risks for the industry over the next year.²

The M&R sector is looking for ways to innovate and adapt to the changing demographics of their workforce. Experienced personnel are nearing retirement, creating a significant gap in expertise and the industry is facing a lack of new talent entering the field. It takes considerable time to develop the technical expertise and knowledge required in many mining roles, and skills requirements are evolving rapidly to meet the needs of the energy transition.

In WA, a state that leads the world in production of the lithium³ that powers smart phones, electric vehicles and more, 89% of resource companies are struggling to fill skilled roles⁴. With the government seeking to build infrastructure to meet the needs of a growing population spread across the state, and M&R operators ramping up capacity, there is fierce competition to fill construction, executive and support roles as well as skilled workers.

“

Becoming a critical minerals powerhouse will support thousands of jobs. For example, clean energy technologies need a range of minerals, including critical minerals like cobalt, lithium, and rare earth elements. Producing and exporting these minerals could create up to 52,000 jobs in regions like southern Western Australia, the Pilbara and South Australia by 2050.”

Source: Australian Government Department of Industry, Science, Energy and Resources, 2022 Critical Minerals Strategy Discussion Paper

M&R organisations need to position their offer to attract the talent and skills needed to continue to compete and manage change. As we've discovered through our partnerships with clients in the industry, competing on earnings alone is becoming increasingly difficult.

At Maxxia, our goal is to help organisations make confident, informed decisions about employee benefits. In my five years working with M&R companies, I've seen first-hand the value of employee benefits in supporting both retention and acquisition and overall financial wellbeing.

With our dedicated teams serving sites in remote WA and SA, among others, we're proud of our role in supporting one of Australia's most economically important sectors in securing the talent they need to succeed.

In this guide, we share the five pillars of a best practice approach to benefits that organisations can build on to deliver more value to their employees and their business as a whole.

¹ Australian Mining, KPMG forecasts: Recruiting and retaining staff may continue to be a risk, June 2024

² KPMG, Australian Mining Risk Forecast 2024, March 2024

³ Chamber of Commerce and Industry WA, Business Pulse, 30 May 2023

⁴ Chamber of Commerce and Industry WA, Business Confidence Survey, March 2023



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Regional Manager -
Customer Development

What's in this guide

Why EVP matters more than ever	4
A human-centred talent strategy	5
The power of employee benefits to engage your workforce	6
How a best practice approach delivers value	8
▶ Pillar 1: Program efficiencies	9
▶ Pillar 2: Program promotion	11
▶ Pillar 3: Performance management	13
▶ Pillar 4: Benefits suite	15
▶ Pillar 5: Customer experience	17
About us	19

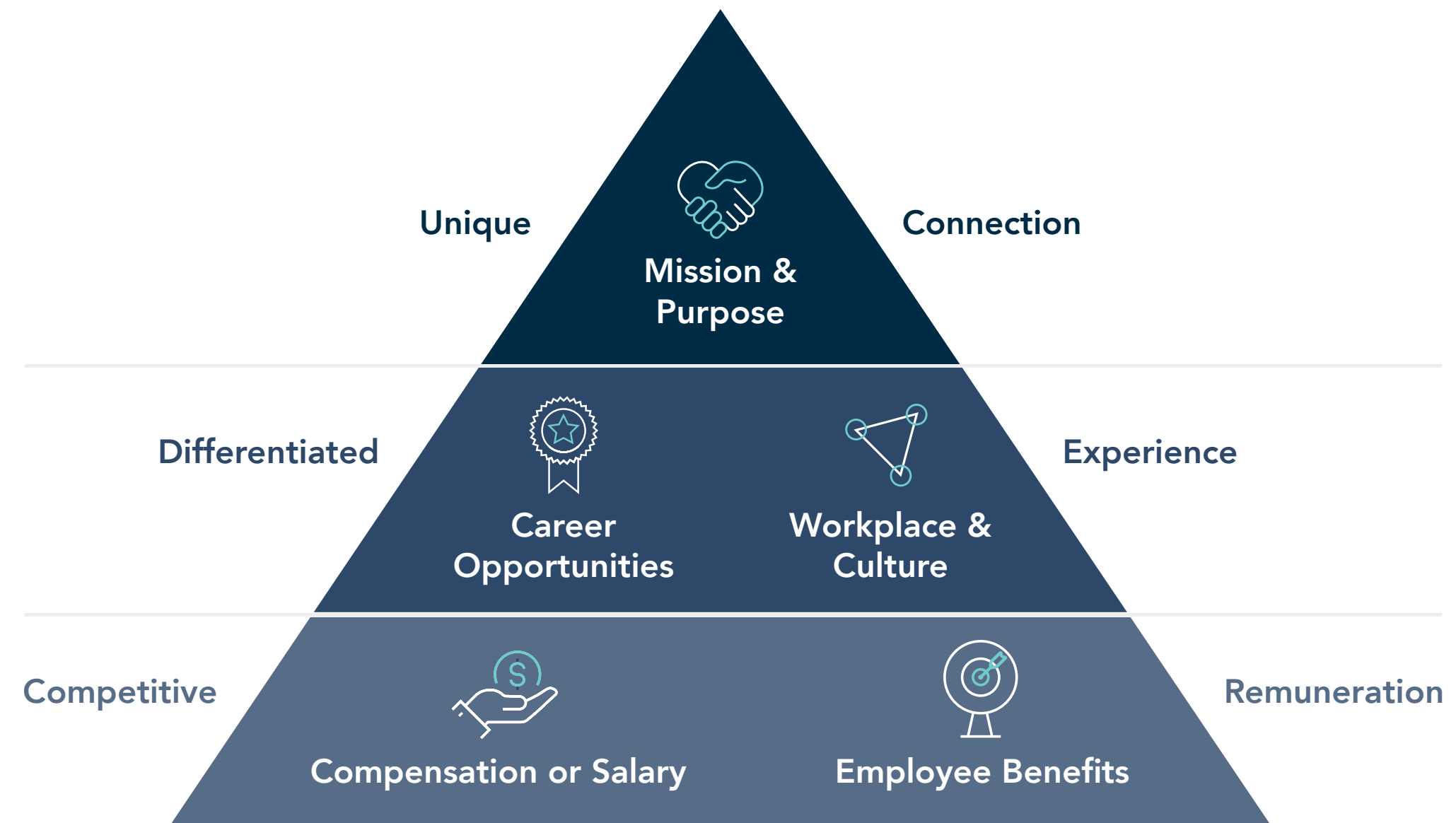


Why EVP matters more than ever

M&R companies are coming around to the idea of winning talent by investing in a more positive employee experience. From health and wellbeing to training and education, more organisations are focusing on the total value they deliver. While the core components of an employee value proposition (EVP) have not changed, there has been a shift in how employees connect with an EVP. Organisations understand that an EVP must be both compelling and credible for their workforce.

EVP and employee engagement is in focus

This sets up a major challenge for M&R where talent shortages are compounded by other significant issues facing the industry. Three of the top five industry risks and opportunities identified in a 2024 report from EY relate to the environmental and reputational factors that have risen quickly to the top of the business agenda in recent years. The EY report goes on to highlight a link between these issues and a healthier talent pipeline.



“ We need to look at sustainability for tomorrow — we need to retain existing staff or face a major issue. ”

Source: [EY, Top 10 business risks and opportunities for mining and metals in 2024](#)

A human-centred talent strategy

Our clients in the sector tell us they're experiencing a shift towards a human-centred approach as they become more focused on what's best for their people. Extending a duty of care to the overall wellbeing of their workforce is a natural step for an industry where long hours and remote living are known to take their toll on mental health.

“

We are always adapting — psychological wellbeing is now part of our safety share. ”

”

Source: [EY, Top 10 business risks and opportunities for mining and metals in 2024](#)

Supporting financial wellbeing

With continuing cost of living pressures, employees are looking for ways to keep on top of household budgets and keep their financial goals in sight. A key challenge for organisations is to identify exactly how to support financial wellbeing for their workforce. A comprehensive benefits program can help deliver unrealised financial value for employees. Regardless of how much an employee earns, if they pay income tax, they may have an opportunity to boost their disposable income through salary packaging.

“

Cost cutting on site infrastructure may provide short-term budget relief but drives long-term pain if only the 'B team' is attracted to the site. ”

”

Source: [McKinsey & Company, Has mining lost its luster? Why talent is moving elsewhere and how to bring them back, 14 February 2023](#)

Improving lifestyle quality

McKinsey flagged investments in site facilities as 'low-hanging fruit' for M&R operators looking to attract and retain a skilled workforce⁵. In other words, these upfront costs can pay-off substantially in keeping the talent pipeline filled.

This is an emerging trend our Maxxia team have seen in WA remote communities and fly-in fly-out (FIFO) accommodation. Operators are making significant 'resort-style' upgrades to their FIFO quarters with pools, cinemas and virtual golf on offer. In remote communities, more schools, libraries, shopping centres and hospitals are under construction to attract workers looking to relocate with their families.

With this upgrade in facilities as a drawcard for talent, M&R companies can build on this by offering salary packaged [remote area and FIFO benefits](#).

⁵ [McKinsey & Company, Has mining lost its luster? Why talent is moving elsewhere and how to bring them back, 14 February 2023](#)

The power of employee benefits to engage your workforce

“

We initially sought a partner for FIFO worker airfare benefits. However, once we met with the Maxxia team and realised the potential benefits available to our employees it was clear they were the right choice for us. We have seen a strong take up of novated leases on cars, but airport parking, FIFO airfares and remote area benefits have all been attractive to our geographically diverse employee group. In this competitive market being able to offer a comprehensive benefits program help us answer employees' question of 'what's in it for me' and strengthen our overall package. ”

Joel Thomson, HR Manager, MACA

More opportunities to deliver value

M&R organisations have the potential to deliver more financial value through salary packaging because of the remote locations where they operate and benefits available to FIFO employees. More and more employees and candidates are becoming aware of these benefits and the savings they can deliver. So it's even more important for organisations to offer a competitive range of benefits to be in the running for new recruits.

Realising the potential

For M&R organisations to find ways to realise greater value from their programs and activities, they need to analyse strengths and weaknesses of what they currently offer and vet and select solutions.

An effective employee benefits offering has the potential to help HR address five key challenges and support better outcomes.

This guide is designed to help you understand how your benefits program could better support mission-critical goals such as attraction and retention, as well as giving back to your bottom line with cost savings and resource efficiencies.

HR challenges

How employee benefits can help



Strengthening your EVP

In a competitive market, an EVP needs to translate to meaningful conversations with current employees and potential candidates both in person and online.

▶ Employee benefits provide a tangible proof point to your EVP.



Engaging a remote workforce

Engaging with M&R sector workers has long been a challenge due to their shift patterns and limited access to devices during working hours.

▶ A flexible approach to delivering benefits can be tailored to suit shift patterns and engage more employees.



Offering incentives & rewards

Employees in M&R have always been salary sensitive. With higher demand for talent, they are expecting value and incentives beyond their salary.

▶ The M&R sector has access to one of the widest range of benefits available to enhance employees' lifestyle and financial outcomes.



Attracting talent

Due to rising demand for output and infrastructure, plus advances in technology, the skills shortage in M&R is increasing competition for talent.

▶ Raising the bar with benefits can help employers differentiate their offer.



Internal teams are at capacity

HR and payroll teams are already at their limit due to talent shortages across the board.

▶ Outsourcing can take the load off and give employees access to a more comprehensive range of salary packaged benefits.

Value for employers

Value for employees

How a best practice approach delivers value

When your employee benefits offer is elevated from ordinary to outstanding, it can do a lot more for your talent strategy than you might expect. From supporting your ESG credentials with the [EV Discount for electric vehicle novated leases](#), to reducing complexity and overhead for your business, building your benefits offer on these best practice pillars can deliver greater value for everyone, all for no extra cost.



Pillar 1

Program efficiencies

Streamlined administration and effective risk management cuts program costs and overhead.



Pillar 2

Program promotion

Effective communication drives uptake and perceived value among your workforce.



Pillar 3

Performance management

Monitor program data and use insights to drive greater financial and strategic value.



Pillar 4

Benefits suite

Maximise employees access to potential tax savings and boost your EVP with a comprehensive range of benefits.



Pillar 5

Customer experience

Deliver a seamless, responsive benefits experience to enhance EVP and employee engagement.



Pillar 1

Program efficiencies

Rewarding employees and driving engagement is an important goal for any employee benefits program. When a program isn't running efficiently, or take-up is low, this can turn a potential value-add into a drain on resources. Communications, payroll and reconciliation tasks can create a large workload, as well as complexity and risk. This is particularly the case in the M&R sector where there are a broad range of benefits available and employees' working patterns and remuneration can vary across locations and roles.

How outsourcing can drive efficiency and value

There are pros and cons to managing benefits in-house.

Internal proprietary programs can be customised to align with pay cycles and deliver hand-picked benefits matched to an organisation's workforce. However, these systems can become complex to operate and lack the flexibility to keep up with progress in compliance and technology.

Look for scale, experience and technology to outsource benefits to drive efficiency and quality.

An expert provider with the scale to be cost-effective in managing a benefits program can lighten the administrative burden on internal teams. To offer a best-in-class benefits experience to employees, look for a solution that can be tailored to the systems and processes of your organisation while still offering the advantages of scale, technology and specialised knowledge.

Whether we're brought in to replace an in-house solution or as an alternative to an existing provider, our Maxxia transition team work to simplify and streamline the 'housekeeping' that comes with a benefits program. We can work with HR and payroll teams and beyond to identify and resolve pain points in your benefits workflow, reducing the administrative load of running the program day-to-day.

Program efficiencies checklist ✓

Giving back to the bottom line – FBT and end of lease liabilities

With salary packaging arrangements, particularly novated leases, there are unforeseen costs that can end up falling on the employer. When employees leave before the end of their lease term, organisations run the risk of being liable for end of lease costs. There are also fringe benefits tax (FBT) liabilities that remain 'hidden' until the end of a reporting period. Although these sums can run into tens of thousands of dollars they aren't attributed to a cost centre and can often be overlooked as a result.

By working with experts in novated leasing and salary packaging who take a partnership approach to employee benefits, Maxxia clients can be confident that unexpected FBT and end of lease liabilities are monitored and managed, leaving no invisible or surprise costs to account for.

Best practice benefits program features



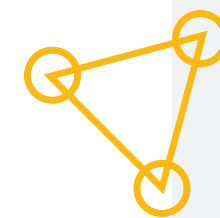
Aligned with pay cycles

Look for a tailored solution that aligns with your pay cycle to simplify payroll reconciliation and reporting.



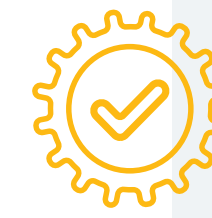
Dedicated finance and payroll support team

Expert support for your internal teams saves time on implementing and troubleshooting benefits and rewards programs.



Automated reporting

Access to instant reporting on program performance to assess effectiveness including promotions, new benefits and more.



Outsource employee queries

An external customer service team can respond to employee queries about benefits, freeing up capacity for your HR team.



Expert compliance support on tax liabilities

A provider with in-house tax specialists can advise on compliance and limit risks associated with changes to legislation and offer support with FBT year-end reporting requirements, GST and input tax credits.



FBT liability

A best practice solution has dedicated systems, procedures and teams to manage, collect, track and report FBT, and ensure timely, accurate and ATO-accepted reporting.



Pillar 2

Program promotion

To fully realise the potential of benefits available to employees, participation is key. Not only does higher participation in salary packaging deliver value to more employees through discounts and potential savings on their tax liability, it can also create payroll tax savings for the organisation itself in some sectors.

Keeping benefits top of mind

When it comes to communication and engagement with benefits, a large segment of the M&R workforce can be hard to reach. Skilled employees working onsite work long shifts and it can be a struggle to communicate with them, whether through digital channels or face-to-face.

Making a personal connection

Onboarding is generally the best time to get employees' attention on salary packaging opportunities. This can be simplified for each new hire with a technology solution that automatically populates their details in online forms, ready for acceptance and immediate start.

Sharing regular offers for rewards and novated leasing via an app, portal or social media channels is the ideal way to re-engage employees with the full range of benefits further down the track. When these offers are tailored to an employee's life stage, this introduces another personal element to their employee benefits experience.

At Maxxia we're experienced in creating opportunities onsite to deliver face-to-face communication to drive understanding and uptake of benefits with employees. We also supplement these in-person sessions with digital assets such as explainer videos.

Program promotion checklist ✓

Engagement and education

Digital

Onsite



Best practice benefits program features



Auto-setup for employee onboarding

Maximise participation with easy take-up of salary packaging, rewards and other benefits.



Live and on-demand webinars

Self-service access to information so employees can better understand the value in benefits – in particular salary packaging which is often not well understood.



Communications and content tailored for employee segments

Personalised content across benefits promotion campaigns and offers, plus call centre support to help employees optimising their choice of benefits.

Pillar 3



Performance management

Knowing whether your program is competitive is critical if your benefits program is to be positioned as a key differentiator for talent attraction and retention.

47% of organisations are not reporting on benefit take-up levels.

Source: Mercer Marsh Benefits, *The age of adaptability: A digital-first approach to benefits in a post-pandemic world, 2022*

When capturing and reporting on data from their benefits program, research shows the majority of organisations struggle to keep track.

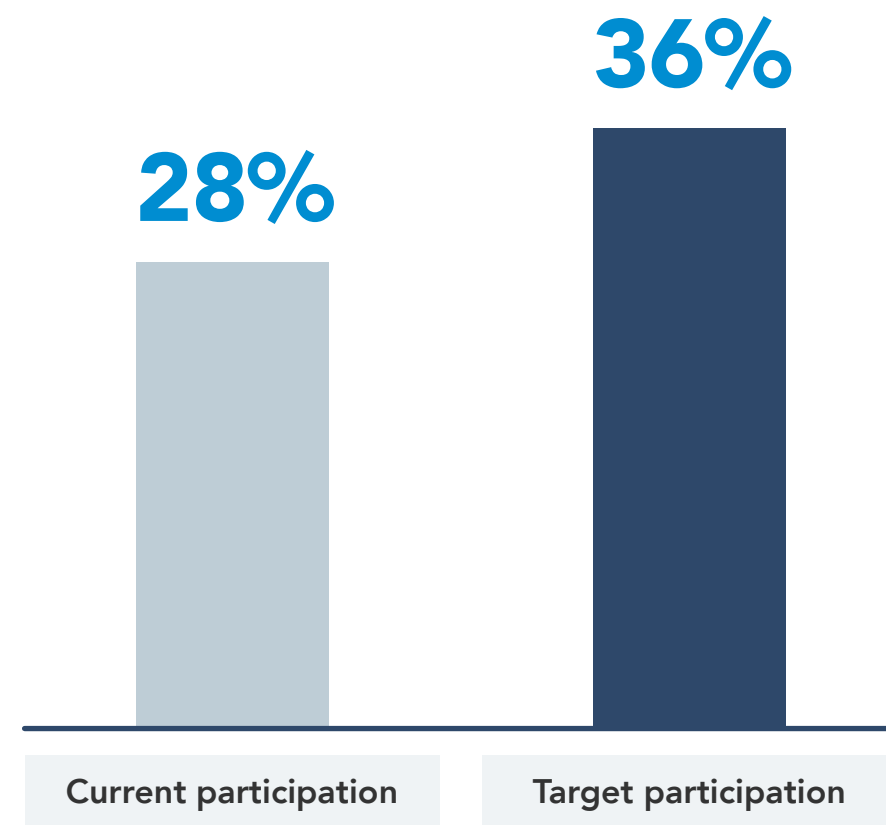
70% would take a month or longer to come up with a final figure for their annual spend on benefits⁶. Consolidating a benefits program and outsourcing to a single provider can create the opportunity to draw on their tools and practices for performance measurement and program reporting.

By taking an industry benchmarking approach, Maxxia can go one step further in our commitment to evaluating the success of a benefits program. We partner with organisations to develop a set of strategic and operational KPIs to support better financial and risk outcomes for HR, payroll and finance as well as targeting improved customer service and satisfaction levels for employees.

⁶ Mercer Marsh Benefits, *The age of adaptability: A digital-first approach to benefits in a post-pandemic world, 2022*

Performance management checklist ✓

Best practice benefits program features



Benchmarking your benefits program

Benchmarking participation for each sector helps organisations understand the opportunity to meet an industry benchmark by increasing participation and, ultimately, delivering increased tax savings for their people.



Dedicated program support

Work with experts who will get to know your organisation and how your program can better support strategic and financial goals.



Annual program planning

External experts in benefits, asset financing, fleet management and salary packaging can provide critical inputs to strategic business planning.



Performance tracking against industry/transactional KPIs

Frame clear and specific goals for program savings/value and measure progress against these.



Surveys and analysis of take-up

Monitor quantitative and qualitative data and benefit from recommendations to improve strategic and financial outcomes.



Performance guarantees

By taking a partnership approach to employee benefits, a provider may offer guarantees on agreed, industry-appropriate, participation targets for salary packaged benefits.



Pillar 4

Benefits suite




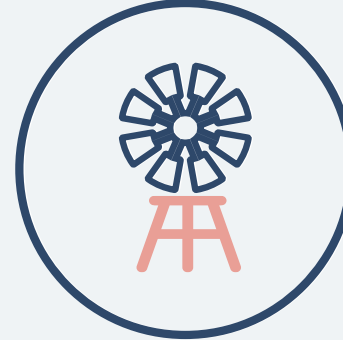


In Australia skilled M&R workers have long been in high demand. With new infrastructure projects to support production capacity, the sector is also competing for candidates in construction as well as support staff in remote and urban locations. With the increase in competition for talent across the board, flexible, high-value employee benefits are an even more important element for attraction and retention.

While legislation provides for a broader range of benefits in the M&R sector, there is an opportunity to offer further savings to employees with rewards and discounts. Ensuring both employer and employee are aware of the full suite of salary packaged benefits and rewards available is key in delivering a compelling offer to workers and candidates.

As a specialist with decades of experience delivering employee benefits across all sectors and industries, Maxxia offer in-depth knowledge and the support organisations need to optimise their range of benefits for their industry and workforce demographics.

What can M&R sector employees salary package?

M&R employers fall into the category of full FBT from a salary packaging perspective. The range of potential benefits to employees fall into two categories – concessional taxed benefit items and FBT free items.

<p>Superannuation</p>  <p>Personal contributions</p>	<p>Novated leasing</p>  <p>Vehicle finance and running costs</p>	<p>Work related expenses</p>  <p>Tools of trade, memberships and self-education</p>	<p>Remote area benefits</p>  <p>Rent, mortgage interest, housing purchase costs, gas and electricity</p>	<p>Fly-in fly-out benefits</p>  <p>Self-funded flights, airport parking and lounge membership</p>	<p>Portable devices</p>  <p>Laptops, tablets and phones</p>
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Make EV dreams a reality: HR could save employees thousands

Novated leases often provide employees with a cost-effective way to run a car. Employees now have the potential to save thousands of dollars on tax when they switch from a petrol car to an eligible electric car using a novated lease.

Unlike a novated lease on a petrol vehicle, a novated lease on an EV is fully fringe benefits tax (FBT) exempt. For an employee this means all payments are made from their pre-tax salary, potentially reducing their taxable income.

As Australia's largest novated leasing provider, Maxxia has the expertise to help employees match their car choice to their financial and lifestyle needs. When you partner with Maxxia, your employees can tap into Maxxia's huge buyer network to take out a novated lease on an electric or hybrid vehicle.

The electric car's driveaway price is over \$20,000 more than the petrol car, but with a novated lease employees could pay a similar price per week.[^]

One is electric

\$63,992

Vehicle driveaway price



Tesla 3

\$244

Net cost per week[^]

One is petrol

\$40,548

Vehicle driveaway price



Mazda CX5

\$242

Net cost per week[^]

Both based on an annual \$90,000 salary, an annual distance travelled of 15,000kms and a 5-year lease term.[^]

Pillar 5



Customer experience

Delivering an exceptional customer service experience as part of a benefits offer is important for maintaining a positive employer brand. By enhancing the benefits and rewards experience for employees, you'll also foster advocacy among peers. When individual employees have a positive interaction with a benefits program and provider, they're more likely to refer colleagues, driving further participation and delivering greater value to employees and your organisation.

High levels of customer service in employee benefits are built on excellence in education as well as digital tools and access to benefits. Call centres, webinars and onsite information sessions help employees understand the benefits available to them and maximise savings. With access to a mobile app and online portal, employees have the tools to manage their benefits and rewards 24/7. They can easily see how much they've saved, giving them regular reminders of the extra value they're receiving.

Maxxia take a very hands-on approach to getting remote area employees up to speed on benefit choices. Team members have the local area and industry insights it takes to build a strong rapport with employees and clearly explain how benefits can make a difference to their lifestyle and finances.

Proven track record in exceptional customer service



MAXXIA

Customer experience checklist ✓

Best practice benefits program features



Multi-channel employee engagement including:

- Online self-service options
- Online chat, call back and booking for a remote, guided experience

Easy access to a fully integrated benefits and rewards program delivers greater financial value to employees.

Multiple touch points provide the digital-first experience employees expect while a customer care team can address the most complex enquiries.



Access to employee package information via mobile app & online portal

Employees can monitor savings, discounts and rewards, and receive push notifications for opportunities to make extra savings or use rewards.



One point of contact for HR, payroll & finance as well as employees

Access to a dedicated customer relations team for high-quality service experience and swift resolution of queries and issues.

About us



At Maxxia we're on a mission to enhance the impact of employee benefits for Australian organisations.

Using proven methods to find the performance gaps in your program, Maxxia helps your organisation deliver more value to your people, through competitive and measurable employee benefits programs. Our goal is to ensure that you are measuring up to the best-in-class programs available.

Employee benefits are an easy way to strengthen your employee value proposition and engage with financial wellbeing for your workforce. Key to our approach is our complimentary benefits assessment, which benchmarks you against industry peers, identifies inefficiencies in your program and assesses the unrealised financial value your employees could be benefiting from.

[Book your free benefits assessment](#)

Armed with this information, we can design a tailored program to help you optimise the value you deliver, and the outcomes for your employees and your business. We work with organisations of all shapes and sizes, from large corporates and SMEs, to health, not-for-profit and government. When you partner with Maxxia, our team of specialists are with you every step of the way, to help maximise engagement with your employees, and provide guidance on complex issues. Our fully resourced programs may also save your organisation time and money, and free your team up to focus on what they do best.

Get in touch

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