

**Submission
No 29**

SKILL SHORTAGES IN NSW

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Inquiry into skill shortages in NSW by the NSW Legislative Assembly's Committee for Economic Development

The Committee has determined to inquire into, and report on, the value and contribution of skilled migration into NSW, with particular reference to regional communities, the public sector and professional shortfalls.

In particular, the Committee will focus on:

- *Identifying gaps and areas of need in particular industries, professions and communities; and*
- *Identifying strategies for government to assist in addressing skill shortages.*

Eurobodalla Shire Council offers the following contribution on behalf of the businesses and organisations in the shire.

CURRENT SITUATION IN EUROBODALLA

Population Growth

In 2011, the population of the Eurobodalla Shire was estimated to be 38,893. Almost one quarter of Eurobodalla residents was aged over 65 in 2011, significantly higher than the New South Wales average.

There was also a high proportion of children and young persons in the Eurobodalla in 2011. Similar to other regional areas of Australia, the proportion of young adults between the ages of 20 and 34 was low compared to the New South Wales average.

Eurobodalla's population growth is predicted to continue to 2031 and the proportion of Eurobodalla's population aged between 60 and 79 will increase significantly during this period. This suggests that there will be increasing pressures on a smaller group of workers to provide the skills necessary to support the older population.

Workforce

With the expected growth in population, the South Coast Regional Strategy sets a target of 6,200 more jobs needed to be created in the Shire by 2031.

The Eurobodalla has a low employment participation rate. In 2010, only 43.4% of the Eurobodalla population participated in the labour force (including employed and unemployed persons). This is quite low compared to the NSW average of 51.3%, and has declined from a rate of 47.1% in 2006. This implies that filling skills requirements locally will be problematic and necessitate attracting workers from outside the shire.

Low participation levels in tertiary education - The Eurobodalla community has a lower than state average enrolment rate for tertiary education which also implies that filling skills requirements locally will be problematic.

High levels of part-time work – Part-time work is a significant component of employment in Eurobodalla due to the seasonal nature of the biggest industry - Tourism. In total, 40% of Eurobodalla workers were employed on a part time basis, compared to 29% across NSW, while 52% were employed on a full time basis, compared to 65% across NSW. It will be difficult to recruit skilled workers for part time work.

IDENTIFY GAPS AND AREAS OF NEED IN PARTICULAR INDUSTRIES, PROFESSIONS AND COMMUNITIES

Regional Development Australia (Far South Coast) has recently completed a South Coast Skills Audit and this is appended as part of our submission.

See <http://www.rdafsc.com.au/wp-content/uploads/2013/03/RDA-South-Coast-Skills-Audit-WEB.pdf>

In addition, to the South Coast Skills Audit findings, consultation with local businesses identified skills shortages in the following job categories:

- Aged care. Particular roles identified are Assistant in Nursing, Registered Nurses, Qualified Vocational Trainers and Assessors to deliver training in the following industry areas: Aged Care, Retail, Business, Finance and Hospitality. Qualified trainers and assessors with the skills and application knowledge to use and implement new technologies in their training and assessment delivery.
- Property Valuation (registered with the Australian Property Institute).
- Early childhood staff. This includes the recruitment and retainment of qualified staff.
- 20-35 age bracket. There are gaps in the availability of unskilled and part time workers.
- Industrial sector. There is an inability to find motivated, unskilled workers who can be trained to do industrial tasks.
- Professional pilots. In this region, the particular shortage is for Flying instructors.

IDENTIFY STRATEGIES FOR GOVERNMENT TO ASSIST IN ADDRESSING SKILL SHORTAGES

The RDA Far South Coast Skills Audit received strong feedback that improvements to infrastructure would mitigate skill shortages.

Other suggestions received from the community include:

- Recommend that Federal and State Government bodies need to engage with local training providers and education groups on an ongoing basis to determine the specific skill shortages in our region as these are often different to those at the state level.
- Encourage and inform school students of the professions and capabilities required. Work with universities to also liaise and inform regional schools.
- Reduce red tape and fees to make it easier for business owners to create work and build the economy organically, thus attracting more people to the area.

- Increase funding to Pre Schools to enable pay equity with Primary School Teachers to address this specific shortage.
- Deliver infrastructure which is attractive for the young adult age group to remain or move to the area. Internet access is essential for any creative industry, I'd like to see this prioritised in rural areas.
- Government assists in the promotion of the sorts of skilled opportunities that exist (in all industries). For professional pilots, there is a lack of knowledge that there is a market for this profession.
- Create a pathway to supply free/reduced cost labour to local businesses in exchange for training with that business.
- Build the main local industry – tourism. This will assist the professionals that already exist in the community and provide an opportunity for them to expand.
- Create a list of infrastructure which would make the region more attractive for skilled labour. Then create better work for the dole programs integrated with local existing businesses to deliver services to the community via the local council system, at a reduced cost to the rate payer, whilst training future apprentices and tradesmen.
- Develop a support kit for regional employers and potential employees to encourage regional relocation e.g. FBT exemptions on relocation costs.
- Improve regional relocation schemes which don't put hurdles in the way of claiming.

CLOSING COMMENT

Eurobodalla Shire suffers from a broad range of skills shortage and faces difficulties in both recruiting and retaining skilled staff. Eurobodalla Shire Council is the area's largest employer and routinely faces these difficulties when recruiting staff in the fields of planning, building, environmental health, engineering and accounting.

Measures to address these shortages from the committee would be strongly welcomed.