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New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union

Contact: Lyn Fraser

28 July 2006

Ms Katherine Flemming
Principal Council Officer
Social Issues Committee
Legislation Council
NSW Parliament
Macquarie Street
SYDNEY NSW 2000

Dear Ms Flemming,

Re: INQUIRY -IMPACT OF COMMONWEALTH WORKCHOICES LEGISLATION

Thank you for a copy of the uncorrected transcript relating to the public hearing for the above inquiry.

Please see attached Info Sheet No. 1.1 which outlines changes in employment levels for particular occupations between the 1996 Census and the 2001 Census. You will note that Census data will differ from Labour Force data because of the different methodologies used by the ABS.

Please also see attached transcript with corrections marked in red.

We thank you for the opportunity given to our Union to participate in the public hearing.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ben Kruse', is written over a horizontal line.

Ben Kruse
Acting General Secretary

SOCIAL ISSUES COMMITTEE

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Employment Info Series

Info Sheet No.1.1 NSW Local Government Employment

- **What has happened to local government employment since the last census?**
- **Which occupational groups decreased in number?**
 - **Which occupational groups increased?**

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21st May 2003

ISBN 0-9580117-2-9
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About this Info Sheet

The following information is the product of analysis of Australian Bureau of Statistics data from the 1996 and 2001 Census. The Info Sheet compares statistics from only two census periods and therefore does not necessarily reveal long term trends, however it does provide an indication of how the industry has changed in recent years. The information is set out in such a way as to highlight key areas of growth as well as those areas which have experienced major job loss.

What has happened to local government employment since the last census?

Overall, local government employment numbers dropped in NSW by 3,062 between the 1996 Census and the 2001 Census.

The data indicates that reductions in employment numbers were detected in most major occupational categories. However, there were significant increases in a small number of categories. Whilst extensive job losses were evident in both blue and white collar areas, considerable growth has taken place in professional occupations. If these trends continue, we can expect that the local government workforce will become increasingly “white collar” and professional in nature.

A significant proportion of the change is likely to be the result of the contracting-out of many “blue collar” jobs. However privatisation is also having an impact on other areas. For example, competition with private service providers is likely to be one of the factors in the reduced number of Child Care Workers in the industry - the changing demography of Australian society is no doubt another!

There are a range of reasons why some occupations have increased and others have decreased. They include the following: contracting-out; technological change; workforce multi-skilling; changing community demographics; policy change at other levels of government and; the impact of the drought – to name a few!

This Info Sheet provides a statistical summary of ABS census data – further research will need to be undertaken to clarify the reasons for the changes which have taken place, as well as the implications.

Which occupational groups decreased in number?

The Table below focuses on key areas where employment levels have decreased. It can be seen from the table that decreases have affected both blue and white collar areas.

The table also shows that the largest decrease was in the category referred to as 'Intermediate Service Workers' – numbers declined in this group by 596 employees (444 of these were Child Care Workers).

The second largest category was 'Labourers and Related Workers – not fully defined.' These workers and 'Other Labourers and Related Workers' make up a combined total of 764 of the total decrease in the industry in the five year period – that is 25% of all jobs lost in the industry. It should be noted that many blue collar workers have been detrimentally affected by competitive tendering and contracting-out and this is likely to have been a significant cause for the reduction.

| Broad occupational categories which decreased by over 100 employees, by blue and white collar areas, ranked highest to lowest number. | | | |
|--|------------------------------|--|------------------------------|
| Blue Collar | No. of jobs decreased | White Collar | No. of jobs decreased |
| Labourers & Related Workers nfd | 559 | Intermediate Service Workers (includes Child Care Wks – down 444) | 596 |
| Road & Rail Transport Drivers (includes Truck Drivers – down 212) | 281 | Health Professionals (includes Nurses – down 293) | 439 |
| Intermediate Machine Operators | 255 | Social, Arts & Misc Professionals (includes: Welfare & Community Wks - down 114 Occ & Environ. Health Wks – down 214) | 178 |
| Other Labourers & Related Wkrs | 205 | Elementary Sales Workers | 170 |
| Construction Tradespersons | 177 | Science, Eng & Rel Assoc Profs | 159 |
| Cleaners | 128 | Oth Adv Clerical & Service Wkrs | 156 |
| Farmers & Farm Managers | 124 | Education Professionals | 131 |
| Other Tradespersons & Rel Wkrs | 124 | | |
| Intermediate Plant Operators | 113 | | |

Source: based on a comparison of ABS 1996 and 2001 Census of Population and Housing, customised tables.

Whilst this table only includes occupational categories where over 100 jobs were lost, there are many other categories which also experienced loss. Indeed, of the 46 major occupational categories, 33 registered a decrease in the number of employees since the previous census.

Which occupational groups increased?

The most significant increases occurred in professional areas and in some intermediate clerical positions. The largest increase was in the category of 'Business and Administration and Associated Professionals'. Within this category Project and Program Administration workers increased by 309.

It is possible that in some councils, the expansion in this latter group has occurred as a consequence of the competitive tendering and contracting-out processes – warranting increased attention on the design of tenders as well as the documentation, monitoring and administration of contracts¹. However, the role of local government has also evolved in response to increased reporting requirements by other levels of government as well as societal and environmental changes requiring increased accountability².

In addition, multi-skilling and technological change appears to have played a role in affecting the expansion and contraction of particular occupations. For example, whilst the number of Computer Professionals has increased by 113 (reflecting an increased reliance on computer technology by the workforce), the number of Keyboard Operators has decreased by 195 indicating a corresponding decreased reliance on narrow skill based positions.³

| Broad occupational categories which increased by over 100 employees, by blue and white collar areas, ranked highest to lowest number. | | | |
|--|------------------------------|---|------------------------------|
| Blue Collar | No. of jobs increased | White Collar | No. of jobs increased |
| | | Business and Admin Associ. Professionals (includes Project & Prog. administration up by 309) | 431 |
| | | Business and Information Professionals (includes - Computer Professionals up by 113) | 428 |
| | | Science, Bldg & Engineering Professionals (Includes - Environmental & Ag Science Professionals up by 213) | 320 |
| | | Intermediate Clerical Workers (Includes Accounting Clerks up by 129 Inquiry and Admissions clerks up by 425 Intermediate Inspectors & Examiners – up by 162) | 305 |

Source: based on a comparison of ABS 1996 and 2001 Census of Population and Housing, customised tables.

As the table above indicates, employment expansion tended to be the exclusive domain of white collar areas – predominantly in professional services. While there were some increases in blue collar categories, they were relatively insignificant – for example, Factory Labourers increased by 70, Electrical and Electronics Trades increased by 26 and Tradespersons and Related increased by 14.

¹ Refer to discussions relating to Administrative costs associated with contracting-out as discussed in *Breach of Contract: Privatisation and the Management of Australian Local Government*, Evatt Foundation and Pluto Press Publication, (1990), p51f, p77f. See also P. Ranald, "Submission from Australian Council of Trade Unions", in *Australia's Contracting Public Services: Critical Views of Contracting-Out by the Public Sector*, PRC Collected Papers No. 2, Public Sector Research Centre, University of New South Wales (1995).

² See *At the Crossroads – a discussion paper Inquiry into Local Government and Cost Shifting*, conducted by the House of Representatives Standing Committee on Economics, Finance and Public Administration, published (February 2003) point 3.10, p12.

³ Decrease in Keyboard Operators is not shown in the table as they are a subset within the general growth category of Intermediate Clerical Workers.