

INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW

Organisation: Liverpool Plains Shire Council
Name: Mr Neil McGarry
Position: Director Economic Development
Telephone: 02 6746 1755
Date Received: 3/08/2005

Theme:

Summary



Reference: E.4 NM:KT

Contact: Mr. McGarry

2nd August 2005

The Director,
Standing Committee on State Development,
Parliament House,
Macquarie Street,
SYDNEY. NSW. 2000

Dear Sir,

Inquiry into Skills Shortages in Rural and Regional NSW

I refer to correspondence inviting submissions in regard to the above Inquiry. I have pleasure in enclosing Council's submission.

Please contact me should you require further information.

Yours faithfully,

Neil McGarry,
DIRECTOR ECONOMIC DEVELOPMENT.

Encl



SUBMISSION

TO

**INQUIRY INTO SKILLS SHORTAGES IN
RURAL AND REGIONAL NSW**

PREPARED BY

LIVERPOOL PLAINS SHIRE COUNCIL

August 2005

Overview

Liverpool Plains Shire Council is located in North Western NSW approximately 40 kms south of Tamworth. The principal towns in the Shire are Quirindi and Werris Creek. Quirindi in particular is experiencing unprecedented growth being generated by new business enterprises and the settlement of retirees. Whilst DIPNR is projecting population decline in the region over the next 20 years, this is in fact contrary to the real experience.

The Current and Future Demand for Labour

As in the case with many traditional rural areas, Liverpool Plains Shire has been experiencing shifting demographics and changes in the employment base. The nature of agricultural work has grown increasingly specialized and sophisticated placing high demands on plant operators, truck drivers etc. This situation is being exacerbated by competition for these skilled persons particularly from the mining companies. A recent Skills Audit conducted by the New England North West Area Consultative Committee concluded:

“The point has been reached where there are a wide range of skills shortages and employment vacancies, but only a very small pool of people who may be capable of working.

- Employment vacancies exist in both the trades and the professions.
- The trend is being exacerbated by the ever higher levels of skill needed by the labour market, leading to a rapidly reducing unskilled and semi-skilled labour market.”

Where Demand is Coming From

Large projects within the Shire such as the Werris Creek coal mine contract many services as opposed to direct employment. Therefore works are sourced from local suppliers such as engineering firms, electricians etc. The onus is then placed on these small businesses to employ or train the skilled labour required by these contracts.

In many cases there is a marked reluctance on the part of small business to employ apprentices or trainees. There is not an innate entrepreneurship driving small business and many would prefer to be comfortable rather than expansive. A disincentive would also appear to be the regulatory environment under which most small businesses operate whether it is OH&S, labour relation laws, or the confusion surrounding the plethora of training programmes available. In relation to training another difficulty is the location of the TAFE or other institution providing the off site training. In many instances this may be located hundreds of kilometres away with limited public transport access.

Liverpool Plains Shire has also been experiencing a boom in sub-division development with particularly high demand for rural residential blocks. This has exposed a major skills shortage in the building trades with time lines up to two years for the construction of dwellings. This is seen as a disincentive to potential retirees moving into the Shire and other would be investors.

As the population ages employment in health and community services also rises. In keeping with many other locations health professionals such as nurses are in particularly short supply though the region is not as disadvantaged as others in relation to Doctors.

Local Government Perspective

Liverpool Plains Shire Council gives a high priority to economic development both encouraging existing businesses to expand and in attracting new businesses. Underpinning the strategy is the knowledge that the baseline unemployment of the area is likely to be little affected by new business with the more likely scenario being a conversion from part time to full time employment or a net inward migration. As outlined earlier a real lack of accommodation and its ability to be constructed may turn these potential residents into commuters from other nearby towns

In an endeavour to source skilled labour and encourage relocation Liverpool Plains has entered into a sister city relationship with Blacktown City Council to try and raise the profile of the district as a place to live and work. To a similar end Council also participates at Country Week which is a significant effort to attract new residents and trades.

Internally Council employs apprentices and trainees accepting its responsibility to the broader community.

Regional Skills Migration Programme

This may be best summed up by the Regional Skills Audit:

“Offsetting the potential for skilled migration to remedy skills shortfalls, however, was evidence of intolerance of diversity amongst business owners.”

Further Contact – Neil McGarry, Director Economic Development – 02 6746 1755

Liverpool Plains Shire has also been experiencing a boom in sub-division development with particularly high demand for rural residential blocks. This has exposed a major skills shortage in the building trades with time lines up to two years for the construction of dwellings. This is seen as a disincentive to potential retirees moving into the Shire and other would be investors.

As the population ages employment in health and community services also rises. In keeping with many other locations health professionals such as nurses are in particularly short supply though the region is not as disadvantaged as others in relation to Doctors. The average age of nurses is 55 years and it does not appear that a replacement/recruitment strategy is in place.

Local Government Perspective

Liverpool Plains Shire Council gives a high priority to economic development both encouraging existing businesses to expand and in attracting new businesses. Underpinning the strategy is the knowledge that the baseline unemployment of the area is likely to be little affected by new business with the more likely scenario being a conversion from part time to full time employment or a net inward migration. As outlined earlier a real lack of accommodation and its ability to be constructed may turn these potential residents into commuters from other nearby towns

In an endeavour to source skilled labour and encourage relocation Liverpool Plains has entered into a sister city relationship with Blacktown City Council to try and raise the profile of the district as a place to live and work. To a similar end Council also participates at Country Week which is a significant effort to attract new residents and trades.

Internally Council employs apprentices and trainees accepting its responsibility to the broader community.

Regional Skills Migration Programme

This may be best summed up by the Regional Skills Audit:

“Offsetting the potential for skilled migration to remedy skills shortfalls, however, was evidence of intolerance of diversity amongst business owners.”

Further Contact – Neil McGarry, Director Economic Development – 02 6746 1755