

INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW

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Date Received: 5/08/2005

Theme:

Summary

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

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Ref: 20050802LFR01ME
Contact: Lyn Fraser

2 August 2005

The Secretary
Standing Committee on State Development
Legislative Council
NSW Parliament House
Macquarie Street
SYDNEY 2000

Dear Sir or Madam,

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

The United Services Union notes point 1 (e) of the Terms of Reference relating to coordination between Local, State and Commonwealth Governments, to attract and retain skilled workers.

As the Union is the major union covering workers in local government in NSW we wish to make some broad comments in relation to this part of the inquiry into skills shortages in rural and regional NSW.

We have members employed in a broad range of occupations including labourers, pool attendants, community services workers, town planners, administrators – the full range of local government occupations.

The Union is well aware of an existing skills shortage crisis in a number of occupational areas in local government. Indicators suggest that the shortage will worsen, having a particularly negative impact on rural and regional NSW.

Within local government, there is increasing concern that Councils are having difficulties replacing their skilled/professional workforce at a time when many of the existing skilled professionals are edging closer toward retirement. There has already been a considerable amount of publicity surrounding the issue of the ageing nature of the Australian population, and the local government sector is not isolated from such demographic trends. We are aware that the ageing nature of the workforce and the growing skill shortages are particularly evident with respect to Town Planners, although it is not a situation exclusively experienced by this occupational group.

The Union has written to the Director General of the Department of Infrastructure, Planning and Natural Resources (DIPNR) regarding the shortage of Town Planners in particular. At the last meeting of the DIPNR Liaison Committee there was unanimous acceptance of the fact that the skill shortages in town planning is at a critical stage. The Union has sought to have the matter raised as a standing item on the agenda before the Liaison Committee. We have sought advice from the Department of Local Government on the budgetary allocation by the government to address the shortages and we recommended that DIPNR and the Department of Local Government establish a joint taskforce to address this particular issue.

We note that a recruitment organisation has been putting forward the proposal that vacancies in Town Planning positions be filled with labour hire employees engaged under Skilled Migration Visas known as 457 Visas. Whilst the Australian economy has benefited from the contribution of skilled migration and will no doubt continue to do so, the union has some concerns about the precarious situation of many workers who may not have options of becoming permanent residents and who are at risk of exposure to exploitative measures. The potential exploitation of such workers is increasingly a matter of concern in the context of a globalised economy and further deregulation of the labour market.

Throughout Australia, the dramatic increase in the use of casuals, contractors and labour hire forms of employment is a major concern as many employers discard obligations to employee rights and entitlements.¹ Further, some of our members who are Town Planners have expressed concern to us that 'stop gap' measures of using labour hire firms for addressing skill shortages tend to detract attention from longer term planning by government and industry in the investment in skills formation.

However, the investment in skills formation will not necessarily be successful if the worker is viewed in isolation from their social and industrial relations contexts. To attract skilled workers to rural areas or to induce workers to stay requires inter-governmental and inter-departmental investment in communities to ensure their ongoing economic viability, attractiveness and the creative tension between community harmony and cultural diversity.

Members have expressed concern that the situation of skills shortages is worsened by the exit of young colleagues to metropolitan areas or other countries, such as the UK, in order to obtain improved pay and conditions. A serious concern about proposed federal industrial relations measures is that it will further drive down wages and conditions, particularly in rural and regional areas – encouraging skilled workers to leave in search of better pay and conditions and situations where they have stronger bargaining power.

Local government is often the major employer in rural areas and loss of job security in the local government industry can have far reaching consequences for the spending power of the workforce – creating a domino effect for local businesses. Nevertheless councils in rural areas are more likely to employ less workers than metropolitan councils. Thus the consequences of the federal government's move to abolish unfair dismissal protections for workplaces with less than 100 employees is more critical in rural areas. The consequences are that job insecurity will be a factor influencing workers spending decisions as well as their decisions about where they will work and live.

¹ Watson I, Buchanan J, Campbell, Briggs C, source material prepared for the ACTU for The Future of Work, Trends and Challenges in Australian Workplaces Conference, Sydney 2003.

In addition, the federal government's desired intention of increasing employer flexibility through award stripping and the introduction and extension of Australian Workplace Agreements will result in the shedding of entitlements and family friendly provisions, impacting on community life.

Whilst the federal government threatens to introduce draconian measures in the workplace to keep Australia competitive with its neighbours, the Union rejects the idea that this must involve the suppression of wages, conditions and entitlements. The future prosperity of Australia is more assured through the growth, valuing and rewarding of a skilled, value-adding workforce. This latter approach is the way forward – giving Australia an edge in the face of global skills shortages, in contrast to the notion of competing through lower wages. The deregulated, lower wage option will not help address skills shortages but will continue to unpick the economic fabric of rural and regional communities.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Ben', followed by a long, horizontal, wavy line.

Brian Harris
GENERAL SECRETARY
Per Ben Kruse, Manager Legal and Industrial Section