

INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW

Organisation: New England North West Regional Development Board
Name: Mr Don Tydd
Position: Executive Officer
Telephone: 02 6771 3284
Date Received: 15/09/2005

Theme:

Summary

State Development - FW: Submission Inquiry-Skills Shortages in Rural and Regional NSW

From: "Don Tydd" <statedevelopment@parliament.nsw.gov.au>
To: <statedevelopment@parliament.nsw.gov.au>
Date: 15/09/2005 9:30:47 am
Subject: FW: Submission Inquiry-Skills Shortages in Rural and Regional NSW

Attention Julie Langsworth

I advise the New England North West Regional Development Board has not prepared a detailed skills audit for this region. It has and will, rely on two documents recently completed on the New England North West regional skills shortage. The documents are:

Summary of Northern Tablelands' Survey, Conducted May 2005. Prepared for The Member For Northern Tablelands Mr. Richard Torbay MP by Associate Professor Alison Sheridan, New England Business School, University Of New England. Associate Professor Sheridan is also a member of this Board.

New England North West Employment Skills Audit Project prepared by Mr. Richard Kelloway on behalf of the New England North West Area Consultative Committee. This report is available on the web site www.nenwacc.com.au/skills.html; The Board was represented on the Committee which was formed to aid in the compilation of this report.

Findings

Both reports indicated there were skill shortages in both trades and professions, which were affecting both businesses and individuals in their daily lives.

TRADES

The general shortage of trades in the region has resulted in businesses and individuals not being able to complete projects in a reasonable time and at a reasonable cost. Many residents living away from major centres in villages and rural areas, are faced with the continuing problem of not being able to source a tradesperson who is prepared to travel and complete a task at a reasonable cost. It appears most trade persons are in fact reluctant to travel at all, preferring to complete tasks close to their centre of operations.

The distance factor has resulted in additional costs for residents and does mean many regional businesses face additional operational charges which are a disincentive for wealth creation and related job expansion.

The obvious solution is to train more tradespersons, through the public and if necessary, the private sector training facilities. Due to a reorganisation of the TAFE in the New England North West region in past years, it is now difficult for many people to access trade courses. This is due to many of the courses being centralized on certain regional centres, often a considerable distance from many smaller towns requiring a local tradesperson.

In many cases public transport for particularly young and disadvantaged groups who could provide a source for future tradespersons is non existent. Further with the current high fuel prices, many residents cannot afford to travel the distance involved in their own private vehicles. There are also the problems of meal and accommodation costs with a centralised system. Many regional firms are also reluctant to provide "time off" for employees to not only cover the attendance at centralised teaching facilities, but also the travel time.

The Board can use the example of apprentices from the New England North West region enrolled with TAFE in cabinet making. This course is held in Newcastle. If apprentices do not receive financial support from their employers, their personal costs are high through fuel and accommodation charges to travel to this central location. Despite government subsidies, the costs are a real burden to younger people who have to exist on wages which are lower due to the nature of their employment. When the matter of tool purchases is also considered, there are further costs to the apprentice and a further disincentive to commence such courses in regional areas. This has a big impact on the long term ability of the region to replace essential

trades' people.

The Board is conscious of the cost to the Government for TAFE facilities. However it is obvious that the present system is not effective to address the current regional shortages.

Recommendation

The New South Wales Government review the provision of TAFE apprenticeship courses provided in Newcastle and Sydney locations which are in excess of four hundred kilometres from the major regional New England North West Regional centres of Armidale and Tamworth. Where possible, the courses be transferred to the indicated centres utilising visiting teachers, to ensure regional apprentices can afford to attend trade courses.

Professional Services

The region's shortage of professional services is well documented in many reports before the Committee. In relation to doctors and dentists, the situation has reached a point where many medium and smaller centres in the New England North West Region are not receiving adequate care. The Board is aware that the University of New England (located in this region in Armidale) is assessing options with other regional universities for appropriate courses to address the shortage. It would be expected that regional universities would offer the opportunity to people to experience a regional lifestyle and therefore stay in regional areas, once they are qualified.

Recommendation

The New South Wales Government support regional universities in their collective approach to providing appropriate courses to address the current shortage of medical professionals.

Skills Shortage-Other Effects

It is important for the Government to be aware of the flow on effects of the skill shortage on regional communities. The cost of basic skilled services to the region is now at a point where some residents (particularly those on low incomes) can afford to have basic repairs attended to due to the supply and demand economic effect. There are long time delays in obtaining the services of a skilled and qualified trades person, with many too busy to travel to outlying areas from the larger regional centres. This makes it harder to attract new residents to regional areas to replace an aging population.

The other effect is that the regional community many leaders have up to this point in time, come from the trades and professions. With a general shortage of professionals and trades persons (particularly in the smaller regional centres) a large number of community groups and organisations do not have the opportunity to provide the level of support which has been a feature on regional lifestyles to this point in time. Many community leaders are forced to continue on in positions well after the time they were prepared to give. There is an aging problem, as the potential younger leaders with skills move to other areas which appeal to them, through higher salaries and opportunities leaving present leaders in positions they would like to step down from.

The social capital of many smaller regional centres is in decline and unless addressed, will have dire consequences for those communities. Many community groups which operate necessary voluntary services are slowly disappearing. The cost of replacing such services (if at all) through Government, could be substantial.

By assisting with the skills shortage, the present day Government could be making a significant contribution to regional communities which will have long term economic and social benefits.

Recommendation

The New South Wales Government in its inquiry into skills shortages, acknowledges the flow on effects that such shortages have in relation to regional communities' social capital.

Don Tydd
Executive Officer
NE-NW Regional Development Board
P O Box 1138
ARMIDALE NSW 2350

Phone (02) 6771 3284