

INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW

Organisation: Singleton Council
Name: Ms Belinda Charlton
Position: Director Corporate & Development Services
Telephone: 02 6578 7205
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Theme:

Summary

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In response to your notification dated 23 June 2005, Singleton Council would like to participate by way of submission, outlining the activities and research which have occurred in the Region to date.

Location Background:

Singleton is located in the Hunter Valley, some 80 kilometers via road, equating to approximately one hour drive time west of Newcastle. The township of Singleton rests in the middle of the Hunter Valley which provides a centre for coal mining and energy industries. The Region produces over 50 million tonnes of saleable coal per annum, which is currently valued at approximately \$3 billion dollars.

Coal industries employ some 4000 personnel, with an additional 3000 people occupying positions in support industries within the Local Government Area (LGA). Singleton currently supplies employment for over 20 mining (black coal) operations and 3 power stations both within and aligned to the boundaries of the LGA.

There are currently more than 160 engineering businesses located in two industrial estates in proximity to the township, with an overall 750 registered businesses in the LGA.

Skills Attraction Initiatives:

The Singleton Development Support Team (SDST) meets bimonthly at Council with the purpose of providing Council and industry partners with a forum to discuss development opportunities within the Region. The support team negotiates and assists the start up or facilitation of new businesses to the region. The group actively relays information amongst themselves and operates in a conduit style facilitating information flowing from Council to the business community and vis-à-vis. The initiative encourages business or industry relocation to Singleton and allocates team members to assist such entities to overcome any issues whether physical, cultural or change divergent. The representatives from the business/industry sector act as a community base, whilst Council representatives facilitate the regulatory base. As a result of issues arising from this committee, a sub-committee known as the Singleton Skills Attraction Committee (SSAC) was formed in March 2004. The aim of SSAC was to investigate how to obtain more skilled workers within the Region.

The SSAC meets monthly, separately to the SDST, to discuss initiatives which seek to lead strategic directions for addressing the skills shortages within the Region. The committee is representative of Council executive staff, the Mayor, local business leaders, industry representatives including those from the coal industry, TAFE, education department including DET representatives and privately registered training providers (RTO's). The committee is currently Chaired by Mr Jim Gauld, who is also the President of Singleton Chamber of Commerce and Industry.

Singleton Council conducted a skill survey in 2004 on behalf of the SSAC in response to businesses concerns about apparent skills shortages. The survey aimed to determine the actual demand for labour within the LGA. Over 400 businesses were

contacted to participate and Council received 130 replies as a result. An analysis of the results was undertaken, which confirmed that labour demand far exceeded supply in most trade related areas and in some professional areas.

Further information was gathered confirming that over 62% of Singleton students undertaking TAFE college courses, were required to attend campuses out of the area. A breakdown of courses offered at Singleton at that time, saw fine arts as the major vocation with no apprenticeship or trades related courses being offered at Singleton at all.

The ability to obtain skilled labour was assessed as being more difficult due to the restraint on training and vocational courses being offered. Council in attempt to address this has sought to attract training providers to the Region in its submission requesting an Australian Technical College be located within the area.

The SSAC has also had extensive talks with TAFE NSW, each local area School and Department of Education and Training (DET). Historically TAFE has not acknowledged an identified need within the area stating that within up to one hours drive, other TAFE campuses can facilitate such requests. This has proved to be a great strain for residents of Singleton, in that many budding apprentices have no drivers licence/vehicle nor any public transport options that provide a service to attend such training.

February 2005 saw the first attempt by TAFE, following lengthy negotiations to facilitate the long standing community requests, in the provision of a metal fabrication course at the Singleton campus. TAFE representatives in the Upper Hunter joined the SSAC in May 2005. Responses to the Metal Fabrication course was overwhelming and TAFE's participation at SSAC meetings has seen three other trade courses implemented in July 2005, namely scaffolding and rigging, building construction and brick laying & tiling. All courses apart from Building construction were filled instantaneously.

Current Impediments:

- There is still a great deal of work and consultation to be conducted with TAFE regarding the lack of liaison with industry groups and community on appropriate courses at regional campus locations.
- Industry representatives would like to see the TAFE environment progress to ensure that a workplace environment of training is created and not just classic classroom environments. It is believed that this would assist trainees with the assimilation into the workforce environment and associated disciplines.
- The value of University Degree graduates as opposed to Trade Qualified persons, is still seen as holding greater value to the economy.
- Funding to implement initiatives that currently inhibit regional persons from the ability to attend and participate in further education and training.
- The huge sustained demand for black coal in the mining sector has resulted in an increased demand for skilled labour, which is constantly poached from other local industry sectors at hugely inflated wages, simply to meet the export and production demands.

- Apprenticeship wages and lack of support mechanisms make trade vocations less attractive to young workers.

Recommendations:

1. Continuation of the Singleton Skills Attraction Committee.
2. Ensure that Government entities such as TAFE are more accountable to the communities demands, especially for trade skills in areas with a high demand for such apprenticeships and graduate programs with a recognised volume of job vacancies.
3. Call for greater coordination between TAFE and the Federal Government via initiatives such as the Australian Technical College concept.
4. Greater support for small businesses employing apprentices. One suggestion would be to assist the employer via a mentoring/counselling/conciliation service to discuss matters that may arise between the employer and apprentice. Such issues may be due to workplace suitability and interaction, that arise from time to time and the process would assist in reconciling any frustrations relating to low production or down times from an employers perspective and any issues that an apprentice has in assimilating into the work environment, with the view to reducing drop out rates and disgruntled employers.
5. The Federal or State Government could provide a model for business or local government on how to test labour markets and obtain adequate results for determining skills shortages within their region.
6. The Federal or State Government could refocus campaigns on trade related courses and vocations, with an encouragement for women to enter into such areas.
7. The provision of incentives for business/industry relocation to regional areas, coupled with employment level guarantees.
8. Provision of clear qualification and skills assessment mapping pathways for the completion of tertiary education in particular fields. This would assist students in ensuring that prior learning or accreditation can be offered in a simple format for diversification within courses.

Conclusion:

Council is willing to supply further information by way of survey data results and presentation findings. The SSAC is available to answer specific questions and give evidence as and when required.

An invitation is extended to a representative of the Standing Committee – Skills Shortage in Rural and Regional NSW inquiry team, to attend a meeting of either the SDST or the SSAC.

Should you have further inquiries please direct them to Mr Don Gray at Singleton Council on (02) 65 787 213, in the first instance.