

INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW

Organisation: Wagga Wagga City Council
Name: Ms Tracey Lonergan
Position: Director Finance
Telephone: 02 6925 9799
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Theme:

Summary

The attached submission to 'Inquiry into Skills Shortages in Rural & Regional NSW' is submitted by the Commercial Response Unit on behalf of Wagga Wagga City Council. The city has provided information that it has to hand - both evidenced & anecdotal regarding specific skills shortages in the city & the social and economic impacts of these shortages. We have also incorporated information on local strategies that have been adopted to address these situations and a range of recommendations for consideration by the committee. Representatives of council and the local business community are very keen to be involved in further discussion and potential projects to address skills shortages in the city.

Inquiry into skills shortages in Rural and Regional NSW

Response to Terms of Reference on behalf of Wagga Wagga City Council

A report on the skills shortages and its impact on rural and regional NSW and, in particular:

a) The current and future demand for labour

Note: We have addressed this by sector based on information readily available. This list is not exhaustive.

Education

Early Childhood Education

There does not appear to be a shortage of Early Childhood teachers and TAFE trained staff on initial investigation. However retention is a major issue, particularly in the Long Day Care sector. The long hours and lower levels of pay for trained staff in Child Care means a constant flow towards either preschool settings or upgrading of skills into the Primary Education sector. This is especially true of the small number of males who enter the Early Childhood sector; however it is also a major issue for females. With the imminent retirement of large numbers of primary school teachers as the "baby boomer" bubble moves through the teaching ranks then the expectation is that there will be increasing shortages in Early Childhood, especially Child Care, as these people are attracted to Primary teaching by the increased salaries, shorter hours and longer holidays, and for those who are holding positions of directors in Early Childhood environments, the reduced responsibilities.

Primary Education

The Department of Education reports that they have not had problems in recruiting general primary or infants teachers to Wagga Wagga but there are difficulties in more isolated regional areas. Where specialist skills are required for areas such as special education or behavioural difficulties, recruitment is more difficult. It should be noted that Charles Sturt University trains primary and infants teachers at its Wagga Wagga campus.

High School Education

In secondary education there are difficulties recruiting specialists in subjects such as Maths and Science however this shortage appears to be nation wide & attempts at upgrading or converting professionals from other disciplines is starting to have a flow on effect in terms of recruitment.

University & TAFE

Anecdotal reports from Riverina Institute of TAFE note that it is difficult to attract teachers to trades now, a consequence of the shortages within the trades themselves. In addition to the general shortage, good tradespeople in mechanical or electrical engineering can name their price in the industry and this is a further constraint on attraction and retention.

In terms of university academics, attracting lecturers to both Charles Sturt University & the UNSW School of Rural Health in Wagga Wagga is dependent on the availability of research funding and infrastructure along with adequate remuneration. Given that Charles Sturt University is a 'new' university & that the UNSW campus is physically isolated from the main campus in Sydney, research infrastructure is scarce & attracting funding more difficult than for those more established institutions. In addition as Charles Sturt University is a 'regional' university, the student contribution by the Federal Government is less than for similar courses in metropolitan areas and hence restricts its ability to compete for staff. Additional problems faced by UNSW are the stretched resources of the medical community in general in regional Australia. Given the obstacles however, the local medical community have been extremely supportive in giving their time to teach medical students.

There also is an issue regarding the potential for spouses (who are often professionals themselves) to obtain rewarding & challenging positions. While these can be available the timing is often an issue.

Health

General Practice

Currently the number of GP's in Wagga is quite adequate however there is an ongoing issue of managing the number of overseas trained doctors against the number of locally trained doctors. The overseas trained doctors come in the majority from one cultural group, as they have encouraged each other to settle here.

There are positives with this group as they are keen to set up practices and willing to work the longer hours. They do have difficulty finding the finance to begin new practices, particularly the cost of setting up the building however locally trained doctors are less willing to do the extensive hours associated with general practice.

Specialist Medical Practitioners

The local Specialists have employed a Recruitment Officer whose sole task is to recruit and settle specialists to the Wagga area. Since the employment of this officer the number of specialist doctors has increased. However there are still vacancies in many key areas: rheumatology, nephrology, endocrinology, obstetrics/gynaecology, neurology, medical oncology, radiology oncology, respiratory physician, psychiatry, and radiology.

The key issues in recruitment are related to specialty shortages in locally trained graduates, and the recruitment of suitably qualified overseas trained specialists. It is important to keep a balance in recruitment between the two groups. Another key issue is marketing Wagga as a desirable place to live and work, as many city based specialists have no idea what is available here. Finding suitable work for spouses is not as big an issue as previously thought as we are finding that often spouses are medical practitioners too. However ensuring there is suitable secondary and tertiary education is a problem. Wagga is still losing specialists who move to educate their children in a private school environment. Post graduate education and experience is also a concern for those wishing to work in Wagga. There is a feeling among specialists that if they do not gain suitable post graduate education their careers will be thwarted.

Additionally, there is a perception (although not necessarily true) that country practice will not offer the range of experience they may receive in the metropolitan areas. The creation of the UNSW School of Rural Health has assisted Wagga Wagga in attracting a broader range of medical practitioners than similar sized cities and is one strategy that we can see will have long-term benefits for the city. There has been a twofold benefit – exposing hundreds of young medical students to the advantages of rural training and practice and the opportunity for local professionals to take on academic positions.

Allied Health

It is still difficult to recruit allied health professionals to Wagga. Issues facing potential recruits include finding work for spouses, leaving families in the city – a particular problem for new graduates, who often attempt to fill the lower grade positions which are available in small teams such as community health. The development of allied health training in Albury has improved the opportunity for recruitment of suitable people in the areas of speech therapy, occupational therapy and dieticians. The local presence of CSU's Social Science faculty means recruitment of Social Workers, Social Welfare officers and Counsellors has become much more successful and the strategy of 'teach them locally & keep them local' seems to be working.

Nursing

Recruitment of nurses in Wagga is reflective of the worldwide shortage of nurses. However the recruitment of specialist nurses is especially difficult, as is retention. There are a couple of reasons for this. Positions such as diabetes educators or Child and Family nurses are limited in number which means succession planning is difficult. It is difficult to ask someone to engage in the time and expense of training for a position they are not in direct line for in promotional terms and may not win in an open job advertisement contest. This means that when a specialist nurse moves on

there is generally no one with the appropriate training to take her place and so positions will sit vacant for long periods of time.

There has been particular difficulty recruiting Child and Family Nurses. The difficulty with these positions is that they often require several post-graduate certificates, and the opportunity for recruitment into an allied area of nursing such as midwifery means people often do not stay with the training until they are qualified to be a Child and Family nurse.

Changes in government policy impact on these positions too. For instance the changes to the Medicare provider numbers which has encouraged GP's to set up practices which employ nurses, such as diabetes educators has meant a depletion of these specialists in the public sector where they receive less money, and have higher case loads. This has seen direct government expenditure shift from state public health, where these specialist nurses will have received their training and experience, to the private sector.

Another government policy change, the introduction of the NSW state government Families First initiative has resulted in the need for more Child and Family nurses. This change has occurred without the opportunity for the lead time required to train the relevant numbers of potential employees, which is several years.

Indigenous Nurses and allied health workers are in short supply.

Other Professional Staff

Legal Practitioners

'NO MORE BUSH LAWYERS?'

Access to basic legal services for rural communities in New South Wales is likely to become an increasing concern for the future according to John McIntyre, President of the NSW Law Society.

"If the proportion of solicitors in country areas continues to diminish, members of the community and businesses in rural NSW could find it more difficult to access even fundamental legal services such as making a will.

"This will almost certainly lead to a reduction in the generous amount of pro-bono legal services currently provided by rural solicitors.

"The decline in legal aid funding has led to a decreasing proportion of time being spent by country practitioners on family and criminal law matters.'

This was a quote from a media release by the Law Society of NSW on the 5 April 2005. Aging of the workforce is a major issue facing the legal profession, along with

inadequate numbers being taken on as trainees. While the local legal community are quite aggressive in the trainee area, the lack of a regionally based law school is prohibitive. As with the medical profession it would be wise to look at local training opportunities in regional universities to impact attraction and retention of law graduates.

Engineers

Engineers are in very short supply and as they are courted by a number of different organisations – both public and private – they are in the privileged position of being able to impart a lot of influence over their pay, conditions and succession to management. The local TAFE is working to address this shortfall (at a diploma level), which has created aggressive competition in the marketplace however engineering is not offered locally at a graduate level and as with all professionals it is difficult to woo them to the regions when the stakes are so high.

Planners

The Local Government Authority is being hit very hard by the feminisation of the workforce in this female dominated area and is in the process of developing more flexible, family-friendly workplace policies in order to attract women back to the profession. In addition they are being forced to reconsider pay rates for this group of professionals who have lagged behind their engineering counterparts for years in terms of salary and progression in the organisation. Many smaller, remote councils are offering remuneration up to double the current award rates to attract planners. In addition the lack of planners and a complicated regulatory environment have made planning consultancies – where planners work on behalf industry and developers - very popular in the city.

Skilled Labour

Shortages in Electrical and Mechanical Trades are the biggest issue confronting local businesses. This is communicated daily by local business operators. We have done some preliminary investigation into why it is an issue locally (beyond the national shortage) and there seem to be several reasons. Firstly a lack of apprenticeships offered by local industry and the push to have all children go on to Year 12 or University over the past 10-15 years have combined to create a shortage. Now however, the industry have changed their approach and are actively promoting apprenticeships but they are being challenged by the negative perceptions associated with 'dirty' trades and the ridiculously low wages paid to apprentices (particularly those who have completed year 12) when compared to their peers in the retail or business sector – or even those on welfare!

One idea that has been floated is to fund a local advertising campaign (TV, Radio & Print Media) focussing on locally known successful business people and highlighting the fact that most of them began as apprentices and tradespeople.

b) The economic and social impact of the skills shortage

The shortages in all sectors have obvious flow-on effects in others. Teachers need mechanics just as lawyers need medical specialists. The effects impact all industry sectors and their viability, in particular the gaps in health services. However shortages in regional areas have a more profound impact than in a similar sized metropolitan centre as a person would need to travel up to 5 hours to find an alternative while in the city you can simply travel to another suburb. This can affect people dramatically in terms of time and money when needs are not met locally and in terms of health, may lead to the loss of income if problems are ongoing.

While the impact in terms of health and well-being has been well documented (rural residents have much poorer health outcomes than their capital city counterparts, despite living in a 'healthy' environment) impacts on their ability to access services such as legal assistance and skilled tradespeople are rarely documented and do affect their ability to participate equally in society. More research would be necessary to adequately measure the impacts at a local level as all information is purely anecdotal however one notable impact is the constraints placed on the local business community in terms of expansion and their ability to grow wealth. This in turn negatively impacts all sectors of the community in both social and economic terms.

c) The strategies and programs of local governments to retain and attract skilled workers including opportunities for strategies and programs in conjunction with non-government bodies such as regional business organisations and Area Consultative Committees and Regional Development Boards

The Physicians Recruitment & Retention Committee: This local initiative is a definite success story for the city. It is targeted & well-resourced and has resulted in attracting a number of medical specialists to the city over the past year. However the resources required are huge and would probably not be viable in another industry.

Charles Sturt University Faculty of Health: Training locally is starting to have a positive impact on allied health & nursing, however attracting skilled professionals to train young graduates is still an issue as all graduates require supervision in the early years.

The UNSW School of Rural Health: This has been well supported by Local Government and the medical which has resulted in very favourable response to training in Wagga Wagga as students feel welcome in the community. This is in addition to the fact that the training at Wagga Base has become seen as superior to other hospital training units. Wagga Wagga had to turn down applicants for the program this year and we are now finding that students from earlier years are returning to the city.

Networks: The city council has a strong commitment to networking which aims to address deficiencies in the economy through collaborative means. These networks, established across all sectors have been instrumental in helping us to find the gaps and address specific issues as a city.

Regional Cities Program: The city is keen to develop relationships with other regional cities in order to build a marketing strategy that differentiates regional cities from 'the bush'. Most people in metropolitan Australia are unaware of the existence of thriving regional cities such as Wagga Wagga and we need to overcome these perceptions to attract people to live and work in our cities and to decrease the

d) Consider appropriate models from other states in interacting with the Commonwealth's skilled regional migration programs

We have not considered models from other states but we are actively promoting the program with local businesses and raising awareness of the opportunities that this program presents.

e) Coordination between Local, State and Commonwealth Governments, to attract and retain skilled workers

Local government have many strategies aimed at attracting skilled workers and there are a large number of jobs available however they first have to overcome the negative perceptions of living in 'the bush'. Wagga Wagga consistently has unemployment levels that are 1-2% below those of Sydney or the National Averages and is undergoing tremendous growth at present that will lead to even more demand for workers in the near future (professional, skilled & unskilled). In Wagga Wagga and similar sized regional cities lifestyle is the reason most people choose to stay but attracting people to relocate on this basis is not realistic. People need to know that there are career & business opportunities available in regional cities, however local governments and small businesses do not have the economic resources to promote themselves and the opportunities in metropolitan Australia and beyond, particularly when they are up against cities like Adelaide with the resources to mount multi-million dollar advertising campaigns.

Currently the co-ordination between the three tiers of government is non-existent and attempts by local government to initiate discussions that would enable sharing of resources to enable some of our strategies are rarely entertained or acknowledged.

f) The impact of the Commonwealth's regional migration programs including assessing the long term jobs and investment outcomes and considering possible recommendations to encourage sustainable regional development in NSW

To date the impact in Wagga Wagga has been negligible. We have applied for funding to assist with some of our strategies but the DEST program that was to be decided in June is still in limbo. Sustainable regional development will only occur

when strategies are matched to the particular strengths of each area. Unfocused programs by metropolitan based politicians have no impact in regional Australia. Far more communication is necessary along with financial support of local initiatives that are geared to the needs of each individual community. One of the problems for cities like Wagga Wagga is that these programs tend to target the 'country' or the 'bush' and disregard the fact that Wagga Wagga is a city with much of the infrastructure and services that most country towns lack. The media also plays a role in reinforcing the perception that the country is 'dying' and that our cities are unsustainable which is totally false and in contrast with local data that proves the city is growing. Many large regional cities across Australia face similar barriers due to these perceptions.

g) The adequacy of current measures used to record and report on the skills shortage

The current measures are inadequate as no one group has the resources to appropriately assess the real gaps and requirements in the city. Some sectors have attempted to record the gaps in their areas but the results to date are incomplete and inconsistent. In addition when surveys are industry driven they tend to publish national or state results which often do not describe the situation of a particular region/city (as the metro & non-metro statistics tend to be combined & weighted towards the metro results). It is very difficult to justify local strategies to address the issues when much of the available evidence is anecdotal.

The lack of a detailed local business register to enable complete coverage of the business community when trying to research information is another barrier. A local business register could be used to address a number of concerns & to communicate strategies with the broader business community; however collection and maintenance of such data has been cost-prohibitive for local government to date. One solution would be one national government-funded study to be conducted on all business types (covering all possible sectors) across an entire LGA with resulting statistics available to all organisations & the formation of a local, on-line business register managed by the local government authority. This way we could properly assess local skills gaps against national trends and take action accordingly in terms of training and promotion. Such a register could also be used to collect and analyse other business and economic data at a local level – obtaining information that is currently unavailable in a format to match the identified needs of a particular community.

h) The methods used by training organisations including TAFE to assess skill needs in rural and regional NSW and their response to identified needs.

Our experience has been that the local TAFE (Riverina Institute of TAFE) and university (Charles Sturt University) along with other local training organisations are very willing to respond to identified needs and are very proactive in developing programs to minimise skills shortages. We have not provided detailed information on the specific programs but could access this if required.

Recommendations

- 1. Look at replicating the hugely successful rural medical training scheme as a potential model for engineering and legal practitioners ‘train them & retain them in the bush’**
- 2. Reassess the inadequate wages currently paid to apprentices giving regard to the fact that trades have changed in their complexity and that entrants are now generally 17 or 18 years old and expected to support themselves.**
- 3. Assist Local Government and local industry with resources to develop local media campaigns that change perceptions about the more technical, skilled and computerised nature of traditional trades and the career opportunities that can result from an apprenticeship.**
- 4. Fund the development and maintenance of a local business register that would enable local government to monitor and respond to specific skills shortages and to compare their results from year to year and to other regions.**
- 5. Fund the Wagga Wagga Base Hospital to full teaching hospital capacity with research capability to attract medical staff both to work in the region as medical professionals and to participate in the Rural Clinical School as lecturers.**
- 6. Provide economic assistance to local government authorities to develop targeted marketing initiatives that change the current negative perceptions of the bush and attract people from metropolitan centres and overseas to these vibrant regional cities.**
- 7. Fund research infrastructure in regional universities to enable them to compete for high quality staff with their metropolitan counterparts**

A co-ordinated, holistic approach to ensuring that regional Australia is an enviable place to live is the only approach that will ensure long-term sustainability of cities like Wagga Wagga and regions such as the Riverina