

2022 Local Government Workforce Skills and Capability Survey

Final Report

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Independent
insight.



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Offices in Canberra, Hobart, Melbourne, and Sydney on the Country of the Ngambri/Ngunnawal/Ngarigo, muwinina, Wurundjeri, and Gadigal Peoples.

Acknowledgement of Country

SGS Planning and Economics acknowledges the First Nations Peoples of Australia and on whose Country we live and work.

SGS Planning and Economics acknowledges that the Aboriginal and Torres Strait Islander peoples of Australia are one of the oldest continuing living cultures on Earth, have one of the oldest continuing land tenure systems in the World, and have one of the oldest continuing land use planning and management systems in the World.

We pay our respects to the First Nations Peoples, past and present, and acknowledge their stewardship of Country over thousands of years.

Contents

ACKNOWLEDGEMENT OF COUNTRY	3
CONTENTS	4
EXECUTIVE SUMMARY	9
NATIONAL LOCAL GOVERNMENT SECTOR: HEADLINE STATISTICS	12
<i>Local Government: A major national employer</i>	12
<i>Survey Results: Skills shortages</i>	13
<i>Survey Results: Training needs and challenges</i>	14
1. INTRODUCTION.....	16
1.1 BACKGROUND AND CONTEXT	16
1.2 SURVEY METHODS	17
1.3 DEFINITIONS.....	19
1.4 REPORT SCOPE.....	20
1.5 COMPARATIVE DATA ABOUT RESPONDENTS TO THE 2018 AND 2022 SURVEYS	21
1.6 REPORT STRUCTURE	23
2. SURVEY RESULTS: LOCAL GOVERNMENT AS A MAJOR NATIONAL EMPLOYER.....	24
2.1 INDUSTRY CONTEXT	24
2.2 EMPLOYMENT NUMBERS	26
2.3 EMPLOYMENT CATEGORIES	28
2.4 EMPLOYMENT GENDER PROFILE	31
2.5 EMPLOYMENT TURNOVER.....	32
2.6 EMPLOYEE LENGTH OF SERVICE.....	34
2.7 WORKPLACE DIVERSITY.....	35
2.8 WORKFORCE AGE PROFILE	37
2.9 ABORIGINAL AND TORRES STRAIT ISLANDER WORKFORCE IN LOCAL GOVERNMENT	39
2.9.1 <i>Aboriginal and Torres Strait Islander employment participation levels in local government</i>	39
2.9.2 <i>Aboriginal and Torres Strait Islander age profile in local government</i>	41
2.9.3 <i>Aboriginal and Torres Strait Islander trainees and apprentices in local government</i>	41
2.9.4 <i>Aboriginal and Torres Strait Islander cadets in local government</i>	44
2.10 CAPABILITY AND PRODUCTIVITY	46
3. SURVEY RESULTS: SKILLS SHORTAGES.....	47
3.1 OCCUPATIONAL SKILLS SHORTAGES.....	47
3.1.1 <i>Occupational skill shortages by ACLG</i>	48
3.2 RECRUITMENT OF LESS SKILLED APPLICANTS.....	50
3.2.1 <i>Recruitment of less skilled applicants by ACLG</i>	51
3.3 CRITICAL OCCUPATIONAL SKILL SHORTAGES	53
3.3.1 <i>Critical occupational skill shortages by ACLG</i>	54
3.4 DRIVERS OF SKILL SHORTAGES.....	56
3.5 TIME TO FILL VACANCIES	57
3.6 HARDEST TO FILL OCCUPATIONS.....	57
3.7 SKILLS GAPS AND ADDITIONAL SKILLS REQUIRED	58
3.8 DRIVERS OF SKILLS GAPS	58

3.9	CURRENT APPROACHES TO ADDRESSING SKILLS GAPS AND SHORTAGES	59
4.	RESULTS: TRAINING NEEDS AND CHALLENGES	62
4.1	UNMET TRAINING NEEDS AND DRIVERS	62
4.2	JOINT TRAINING AND DEVELOPMENT	64
4.3	TRAINING EXPENDITURE	64
4.4	PREFERRED DELIVERY MODE	65
4.5	UPTAKE OF TRAINING ARRANGEMENTS	66
4.6	FACTORS IMPACTING FUTURE SKILLING NEEDS.....	67
4.7	CHANGING JOB ROLES AND REQUIREMENTS	67
4.8	IMPACTS OF RECENT EVENTS ON WORKFORCE ATTRACTION AND RETENTION	68
5.	SURVEY RESULTS: FOCUS GROUP INSIGHTS	70
5.1	INTRODUCTION	70
5.2	FUTURE WORKFORCE NEEDS – INSIGHTS FROM THE FOCUS GROUPS.....	70
5.2.1	<i>Current strategies to meet future skills needs.....</i>	<i>70</i>
5.2.2	<i>The need for greater flexibility in how a role is structured and recruited</i>	<i>71</i>
5.2.3	<i>The need for attractive career pathways in the local government sector</i>	<i>72</i>
5.2.4	<i>The impact of housing shortages on recruitment</i>	<i>74</i>
5.2.5	<i>The need for collaboration and innovation in service delivery</i>	<i>74</i>
5.2.6	<i>The need for improved cultural competency training for all staff and cultural safety for Aboriginal and Torres Strait Islander workforce.....</i>	<i>74</i>
5.2.7	<i>A more agile approach to workforce planning.....</i>	<i>75</i>
5.2.8	<i>Building a future ready local government workforce.....</i>	<i>77</i>
5.2.9	<i>State specific challenges.....</i>	<i>77</i>
5.3	GREATER AGILITY, FLEXIBILITY AND COLLABORATION	78
6.	TOWARDS 2030: ADVANCING SKILLS AND PRODUCTIVITY	80
6.1	LOCAL GOVERNMENT’S FUTURE WORKFORCE	80
6.1.1	<i>Future workforce profile</i>	<i>80</i>
6.1.2	<i>Future workforce skills needs</i>	<i>81</i>
6.2	WORKFORCE SKILLS AND PRODUCTIVITY DRIVERS.....	82
6.2.1	<i>COVID-19 pandemic impacts.....</i>	<i>82</i>
6.2.2	<i>Responding to the impacts of climate change</i>	<i>83</i>
6.2.3	<i>Technology and Digitisation – The Fourth Industrial Revolution.....</i>	<i>84</i>
6.3	WORKFORCE DEVELOPMENT INITIATIVES	84
6.3.1	<i>Similar challenges in other countries</i>	<i>85</i>
6.3.2	<i>Australian initiatives</i>	<i>85</i>
6.3.3	<i>Regionalisation revisited.....</i>	<i>86</i>
6.3.4	<i>Capacity development</i>	<i>87</i>
6.4	CONCLUSIONS: ADVANCING LOCAL GOVERNMENT’S SKILLS AND PRODUCTIVITY	89
	APPENDIX A: 2022 SURVEY RESPONDENTS.....	94
	APPENDIX B: 2022 SURVEY FORM	101
	APPENDIX C: 2022 ADDITIONAL CONSULTATION	122
	APPENDIX D: 2021 ABS CENSUS DATA ON THE AUSTRALIAN LOCAL GOVERNMENT SECTOR	124
	<i>Employment by category and gender.....</i>	<i>124</i>
	<i>Diversity.....</i>	<i>125</i>

<i>Age profile</i>	<i>129</i>
<i>Occupational profile.....</i>	<i>132</i>
<i>Education.....</i>	<i>137</i>
APPENDIX E: DETAILS OF JOINT TRAINING AND DEVELOPMENT OPPORTUNITIES AND PARTNERSHIPS WITH ABORIGINAL COMMUNITY CONTROLLED ORGANISATIONS (ACCOS)	142
APPENDIX F: AUSTRALIAN LOCAL GOVERNMENT WORKFORCE DEVELOPMENT INITIATIVES.....	144
APPENDIX G: LOCAL GOVERNMENT WORKFORCE AND CAPABILITY PLANNING: INTERNATIONAL EXAMPLES....	150
APPENDIX H: OECD REPORT FUTURE-PROOFING ADULT LEARNING SYSTEMS IN CITIES AND REGIONS: SUMMARY	154
APPENDIX I: FURTHER READING	163

LIST OF TABLES

TABLE 1: RESPONDING LOCAL GOVERNMENTS BY STATE / TERRITORY, 2018 AND 2022	21
TABLE 2: RANGE OF UNPLANNED TURNOVER 2018 AND 2022	33
TABLE 3: CULTURALLY AND LINGUISTICALLY DIVERSE PARTICIPATION 2022.....	36
TABLE 4: LOCAL GOVERNMENT EMPLOYEES WITH DISABILITIES 2022	37
TABLE 5: ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYMENT IN LOCAL GOVERNMENT, 2022	39
TABLE 6: TOTAL ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYEES IN RESPONDING LOCAL GOVERNMENTS, 2022	40
TABLE 7: ABORIGINAL AND TORRES STRAIT ISLANDER PARTICIPATION IN LOCAL GOVERNMENT INDOOR, OUTDOOR WORKFORCE.....	41
TABLE 8: LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER TRAINEES AND APPRENTICES, 2022	42
TABLE 9: TOTAL ABORIGINAL AND TORRES STRAIT ISLANDER TRAINEES AND APPRENTICES IN LOCAL GOVERNMENT, 2022.....	43
TABLE 10: RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER CADETS, 2022.....	44
TABLE 11: TOTAL ABORIGINAL AND TORRES STRAIT ISLANDER CADETS IN LOCAL GOVERNMENT, 2022.....	45
TABLE 12: OCCUPATIONAL SKILL SHORTAGES IN 2020-21	48
TABLE 12A: OCCUPATIONAL SKILL SHORTAGES IN RURAL LOCAL GOVERNMENTS IN 2020-21	49
TABLE 12B: OCCUPATIONAL SKILL SHORTAGES IN URBAN AND URBAN FRINGE LOCAL GOVERNMENTS IN 2020-21	49
TABLE 12C: OCCUPATIONAL SKILL SHORTAGES IN URBAN REGIONAL LOCAL GOVERNMENTS IN 2020-21.....	50
TABLE 13: RECRUITMENT OF LESS SKILLED APPLICANTS, 2022.....	51
TABLE 13A: RECRUITMENT OF LESS SKILLED APPLICANTS IN RURAL LOCAL GOVERNMENTS, 2022.....	52
TABLE 13B: RECRUITMENT OF LESS SKILLED APPLICANTS IN URBAN AND URBAN FRINGE LOCAL GOVERNMENTS, 2022	52

TABLE 13C: RECRUITMENT OF LESS SKILLED APPLICANTS IN URBAN REGIONAL LOCAL GOVERNMENTS, 2022	53
TABLE 14: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN THE FUTURE, 2022	54
TABLE 14A: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN RURAL LOCAL GOVERNMENTS IN THE FUTURE, 2022	55
TABLE 14B: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN URBAN AND URBAN FRINGE LOCAL GOVERNMENTS IN THE FUTURE, 2022	55
TABLE 14C: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN URBAN REGIONAL LOCAL GOVERNMENTS IN THE FUTURE, 2022	56
TABLE 15: RESOURCE AND SERVICE SHARING ARRANGEMENTS BY ACLG, 2022	60
TABLE 16: UNMET TRAINING NEEDS AND DRIVERS NATIONALLY, 2022	64
TABLE 17: CHANGE IN TRAINING EXPENDITURE BY ACLG BROAD CATEGORY, 2021-22	65
TABLE 18: AUSTRALIAN LG PREFERRED TRAINING DELIVERY MODE BY ACLG BROAD CATEGORY, 2022	66
TABLE 19: FACTORS IMPACTING FUTURE SKILLING NEEDS NATIONALLY	67
TABLE 20: PROPORTION OF LOCAL GOVERNMENTS UNDERTAKING ANALYSIS OF FUTURE JOB ROLES AND REQUIREMENTS NATIONALLY	68
TABLE 21: MOST SIGNIFICANT IMPACTS ON WORKFORCE ATTRACTION AND RETENTION	69
TABLE 22: STRATEGIES TO MEET FUTURE SKILLS NEEDS, 2022.....	71
TABLE 23: OVERVIEW OF LEGISLATIVE WORKFORCE PLANS REQUIRED IN CERTAIN AUSTRALIAN STATES ..	76
TABLE 24: OUTLOOK ON FUTURE WORKFORCE PROFILE BY EMPLOYMENT CATEGORY, 2022	81

LIST OF FIGURES

FIGURE 1: NATIONAL MAP OF LGA BY ACLG BROAD CATEGORY	20
FIGURE 2: NATIONAL COVERAGE OF 2022 PARTICIPATING LOCAL GOVERNMENTS	22
FIGURE 3: RESPONDING LOCAL GOVERNMENTS BY ACLG, 2022	22
FIGURE 4: LOCAL GOVERNMENT EMPLOYMENT IN AUSTRALIA, 2012-21	27
FIGURE 5: DISTRIBUTION OF EMPLOYMENT SIZE, AUSTRALIAN LOCAL GOVERNMENTS 2022	28
FIGURE 6: DISTRIBUTION OF EMPLOYMENT SIZE, AUSTRALIAN LOCAL GOVERNMENTS 2018.....	28
FIGURE 7: EMPLOYMENT TYPE, 2022	29
FIGURE 8: EMPLOYMENT TYPE, 2018	29
FIGURE 9: EMPLOYMENT TYPE BY ACLG, 2022	30
FIGURE 10: AUSTRALIAN LOCAL GOVERNMENT EMPLOYMENT TYPE BY GENDER, 2022.....	31
FIGURE 11: AVERAGE TURNOVER RATE, AUSTRALIAN LOCAL GOVERNMENT, 2022	32
FIGURE 12: TURNOVER RATE BY ACLG CATEGORY IN AUSTRALIA, 2018 AND 2022	34
FIGURE 13: AUSTRALIAN LG EMPLOYEE LENGTH OF SERVICE BY ACLG BROAD CATEGORY.....	35

FIGURE 14: WORKFORCE AGE PROFILE BY ACLG, 2022	38
FIGURE 15: AGE PROFILE OF THE LG INDOOR, OUTDOOR WORKFORCE, 2022	38
FIGURE 16: PERCENTAGE OF RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYEES, 2022	40
FIGURE 17: PERCENTAGE OF EMPLOYEES OF ABORIGINAL AND TORRES STRAIT ISLANDER ORIGIN IN RESPONDING LOCAL GOVERNMENTS, 2022	41
FIGURE 18: PERCENTAGE OF RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER TRAINEES AND APPRENTICES, 2022	42
FIGURE 19: PERCENTAGE OF TOTAL TRAINEES AND APPRENTICES OF ABORIGINAL AND TORRES STRAIT ISLANDER ORIGIN IN RESPONDING LOCAL GOVERNMENTS, 2022	43
FIGURE 20: PERCENTAGE OF RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER CADETS, 2022	44
FIGURE 21: PERCENTAGE OF TOTAL CADETS OF ABORIGINAL AND TORRES STRAIT ISLANDER ORIGIN, 2022	45
FIGURE 22: PERCENTAGE OF LOCAL GOVERNMENTS WITH SKILLS SHORTAGES BY STATE/TERRITORY, 2022	47
FIGURE 23: LOCAL GOVERNMENTS WITH UNMET TRAINING NEEDS IN AUSTRALIA, 2018 AND 2022	62
FIGURE 24: UNMET TRAINING NEEDS NATIONALLY, 2022	63
FIGURE 25: GOVERNMENT EXPENDITURE PER CAPITA, BY AUSTRALIAN GOVERNMENT SECTOR (2012-2021)	90
FIGURE F1: EXAMPLE OF LEVEL DESCRIPTOR AND BEHAVIOURAL INDICATORS	145
FIGURE H1: OECD FUTURE PROOFING ADULT LEARNING – STRUCTURE OF THE POLICY MANUAL FOR LOCAL GOVERNMENT	157

Executive Summary

The 2022 Australian Local Government Workforce Skills and Capability Survey offers valuable insights into the sector's existing workforce and future capability requirements.

The Australian Local Government Association (ALGA) commissioned SGS Economics and Planning to undertake the 2022 Local Government Workforce Skills and Capability Survey to gather contemporary insights into the national workforce profile of Australia's local government sector and to determine current and future workforce needs and priorities. This work has been funded by the Australian Government.

The 2022 Local Government Workforce Skills and Capability Survey captures rich insights into the Australian local government workforce, its skilling needs, and priorities at a time when Australian communities are undergoing rapid change.

The survey also confirms longstanding constraints that continue to impede progress on workforce development. At a time when the social and economic environment is rapidly changing, now is a critical juncture for the sector to renew – and potentially reset – how it addresses key skills shortages and builds capacity for greater resilience in the longer term.

This report is intended as a resource to inform policy and decision-makers working in and with local governments. The findings in this report are drawn from research commissioned by ALGA, conducted between December 2021 and March 2022. All Australian local governments were provided the opportunity to participate, with follow-ups conducted by SGS in partnership with ALGA and the State and Northern Territory Local Government Associations. 210 local governments participated in the survey in 2022.

Local governments are not typically front of mind in Commonwealth, State and Territory policy development. Despite these preconceptions, the reality is that we all live our lives in local places. The standard and efficiency of our local services – clean streets, parkland, libraries, and sporting facilities – are no less important in determining our quality of life than the macro policy settings determined by other spheres of government.

The period between 2012 and 2021 was hugely demanding of Australia's public sector. Amongst rich nations, Australia has historically experienced strong population growth, (AIHW, 2022), generating pressures for rapid expansion of all manner of government services. In early 2020, the COVID-19 pandemic hit, further boosting demands on government spending and resources. Over the nine years from 2012 to 2020, Commonwealth spending grew from \$17,200 per capita to \$26,000 per capita, an increase of more than 50%. State government outlays grew from \$11,300 per capita to \$14,900 per capita, an increase of 32%. By comparison, local government, whose services are highly exposed to population growth (and, indeed, COVID-19) related spending requirements, saw only a 23% increase in total outlays per capita across the nation. This suggests that councils were fairly effective in getting value from the resources available to them, compared to other spheres of government.

Looking at the number of employees by level of government provides another perspective on the issue. Between 2012 and 2021, total employment numbers in local government barely changed at around

190,000. On a per capita basis, employment in local government actually fell by 11% – yet services to the community were maintained at a seemingly reasonable standard. By comparison, total employment across state governments kept pace with population growth, increasing by 213,000 workers over the nine years in question, ultimately reaching 1.66 million by 2021. For its part, the Commonwealth saw total employment fall marginally from 250,000 to 248,000. Nevertheless, these figures indicate a significant productivity gain by local government.

The key findings of this research show that:

- Local government is a major national employer with over 190,800 workers in almost 400 occupations. It plays an important role as an anchor organisation and in increasing productivity through utilising endogenous talent and innovation.
- Local governments continue to experience skills shortages in multiple occupations, exacerbated by the impacts of the COVID-19 pandemic, the impacts of climate change and the accelerated take-up of technology and digitisation of services.
- Local governments are grappling with significant challenges in relation to recruitment and retention of skilled staff and accessing training opportunities to enhance workforce skills and capability. Employee attrition and an ageing workforce are ongoing and an escalating difficulty.
- Local governments are having difficulties in securing the right quantum and mix of skills to support local service provision which is affecting not only local government's productivity, but also the productivity of host localities and regions.
- Barriers to effective workforce planning and management include a shortage of resources within local government, a lack of skilled workers and the loss of corporate knowledge as employees retire or resign.

Some of these findings are not unique to the local government sector. They are also affecting other sectors of the economy, especially in regional areas away from our major capital cities.

The impacts of recent natural disasters have coincided with the ongoing social and economic impacts of the COVID-19 pandemic, and have fundamentally shifted the composition of our communities, as well as the ways in which local communities interact with governments and with each other.¹ Therefore, the operating context of local governments is changing considerably, having to contend directly or indirectly with the frontline challenges of balancing public health, economic and social impacts.

Notwithstanding these impacts, it is also clear from the 2022 survey that, at least from the perspective of some local governments, **there are longstanding issues of resourcing, organisational capacity, supply constraints and cultural barriers** that continue to impede meaningful thought leadership and progress.

The findings in this report are drawn from a rich dataset, but they tell only part of the story. There is a strategic need to build a future workforce that has the skills, capacity and productivity to handle Australia's 'big picture' needs, including the agility to handle disruptions arising from pandemics, climate change (through both emissions reduction and, increasingly, adaptation), and technological advances supporting necessary economic change, including regional development and better managing metropolitan growth. As the most recent State of the Environment Report concluded, *'our environment*

¹ Cortis, N & Blaxland, M (2020): Australia's community sector and COVID-19: Supporting communities through the crisis. Sydney: ACOSS

holds the key to our survival and wellbeing'.² And local governments are key managers of our local environments and places.

In interpreting the Survey results, this report acknowledges a wide range of factors impacting on local government's workforce skills, its resilience and abilities to cope with rapid change, while noting that several factors lie beyond local government's direct sphere of influence. Some dimensions of quality of place such as housing supply and associated social infrastructure are significant constraints to economic development. Without housing, prospective employees are unable or reluctant to move into regional areas, and without critical mass in the local labour force, businesses may be reluctant to establish or relocate, which would otherwise stimulate regional investment. These issues are not unique to rural and regional areas, even though they may manifest in different forms. Nevertheless, the survey findings provide a rich evidence base for decision-makers, starting with a better understanding of what can be achieved with investment in the sector's current skills base and with a stronger focus on models of regional cooperation and alliance.

Insights gleaned from several focus groups show some local governments are making progress by adapting existing organisational structures and changing conventional work processes in response to their changing social, economic and environmental context. These include, for example, testing needs-based recruitment approaches and exploring non-traditional salary remuneration structures. However, greater effort is required if local government as a major employment sector is to cope with the longer-term changes that are occurring in the workforce more generally. For example, there is value in considering **a systems approach to regional learning and educational planning**. A dual focus on opportunities for learning, which local governments already focus on as part of internal strategies to meet skilling needs, as well as the *structure* of the learning ecosystem would elevate impact. Under a Regional Learning Systems approach,³ local governments are positioned among a broader network of local authorities, businesses, educational institutions and training providers to establish cooperative partnerships, not just for training purposes but for job stimulus and regeneration.

Our review of international thought leadership, contained in **Appendices G and H**, highlights the need for a more holistic approach to re- and upskilling to capture those with weaker attachments to labour markets, such as low-skilled workers, those on non-standard contracts and the long-term unemployed. While it may be some time before the benefits of such initiatives filter through to the local government sector's workforce, the time to lay the foundations for an adequately skilled future workforce is now.

² Cresswell ID, Janke T & Johnston EL (2021). *Australia state of the environment 2021: overview*, independent report to the Australian Government Minister for the Environment, Commonwealth of Australia, Canberra. DOI: [10.26194/f1rh-7r05](https://doi.org/10.26194/f1rh-7r05). <https://soe.dcccew.gov.au/about-soe/downloads>

³ Regional Australia Institute (2022), *Rebalancing the Nation Regionalisation* Consultation Paper, <https://regionalaustralia.org.au/common/Uploaded%20files/Files/Regionalisation-Consultation-Paper-DIGITAL.pdf>

National Local Government Sector: Headline Statistics

Local Government: A major national employer

- Australia's 537 local governments nationally, employ over 190,800 workers in almost 400 occupations.
- The Australian local government sector's workforce is spatially distributed across Rural (55%), Urban and Urban Fringe (25%) and Urban Regional (20%) areas. The distribution among the 210 participating local governments was 46% Rural, 27% Urban and Urban Fringe and 27% Urban Regional.
- Employment size: Most of the participating local governments were small to medium-sized (up to 500 FTEs), with relatively few local governments employing over 1,000 FTEs.
- Gender equity: The workforce is 52.3% female and 47.7% male. Most states and territories had a higher proportion of male compared to a female workforce, with the exception of Victoria, whose workforce gender profile appears to have shifted significantly since 2018 to comprise 38.1% males and 61.9% females.⁴
- Turnover: Unplanned turnover rate of 15.6% nationally; almost double the rate compared to 8.3% in 2018. The highest average rate of unplanned employee turnover is in rural local governments with an average turnover rate of about 20%.
- Length of service: 38% of the workforce was employed for 1-5 years, 18% for 6-10 years and 15% for less than a year. 10% of the workforce nationally has 20 years or more of service.
- Workplace diversity: 28.1% of responding local governments reported at least one employee who identifies as Culturally and Linguistically Diverse (CALD); a similar figure compared to 28.9% in the 2018 survey. 29.5% of responding local governments reported at least one employee with a disability, a slightly lower proportion compared to the 31.8% in the 2018 survey.
- Age profile: Across all Australian Classification of Local Government (ACLG) categories, the highest proportion of the local government workforce is in the 30-44 year age group, followed by the 45-54 and the 55-64 year age groups. Contrary to popular opinion, the local government workforce is younger when compared to the broader Australian workforce.
- Aboriginal and Torres Strait Islander workforce: Almost 63% of respondent local governments have Aboriginal and Torres Strait Islander employees in their workforce. The highest concentrations of positive responses are in the NT (100%), NSW (84%) and WA (almost 62%) and QLD (almost 60%). The highest proportion of Aboriginal and Torres Strait Islander participation is in the 15-19 year age group in the Operational and Trade positions, with the lowest proportions among the 55-64 year age group in Professional and Administrative positions.

⁴ This likely reflects the impacts of the *Gender Equality Act 2020* (Vic),

- The total number of Aboriginal and Torres Strait Islander people employed by respondent local governments is about 2,927, or 3.1% of the workforce. In the NT (50%), QLD (7%), NSW (2%), WA (1.5%), with other jurisdictions at less than 1% of their workforce.
- 31% of respondent local governments said they have at least one Aboriginal or Torres Strait Islander trainee or apprentice. The number of local governments per jurisdiction ranged from 21 in QLD, 18 in NSW, 7 in WA and 5 in the NT.
- 12% of trainees in local government currently identify as being of Aboriginal or Torres Strait Islander origin.
- 3.5% of respondent local governments said they have at least one Aboriginal or Torres Strait Islander cadet among their employees.

Survey Results: Skills shortages

- Almost all respondent local governments (over 91%) reported that they had experienced skills shortages in 2021-22, compared to 69% of local governments in 2018.
- 65% of respondent local governments said that project delivery had been impacted or delayed by vacancies, skills shortages, skills gaps or training needs.
- The top three most cited skill shortages that local governments experienced were engineers (as noted by 46% of 2022 survey respondents), urban and town planners (40%), building surveyors (36%), environmental health inspectors (30%) and human resources professionals (29%).
- As a result of these skills shortages, local governments said that they resorted to recruiting less skilled applicants for engineering, urban and town planning, building surveying, and supervisors and team leader roles.
- There has been an increase in the percentage of local governments reporting unmet training needs, from 60% of respondents in the 2018 survey to 67% of the responding local governments in the 2022 survey.
- Full-time apprentices and trainees are predominantly male (60%), while there is a higher proportion of women in part-time (82%) and casual positions (67%).
- Several occupational skill shortages are becoming critical, including engineers, town planners, building surveyors, environmental health officers and accountants. The proportion of local governments expecting shortages in these occupational areas increased from a range of 20-35% in 2018 to 37-53% in 2022.
- The most common drivers of skills shortages are a market shortage of suitably skilled candidates, an inability to compete with the private sector and other local governments on remuneration, and locational disadvantages, and with some pronounced geographic differentiations.
- The hardest to fill occupations included engineers (24%) due primarily to competition with the private sector being able to offer better remuneration, followed by building surveyors (36%) and town planners (17%).

- Factors noted that can help with local government recruitment include previous work experience with local government and knowledge of local government, better availability of accredited continuing professional development and training opportunities, and better digital literacy. They also include a range of soft skills like collaboration, consultation skills, a data analytical mindset and problem-solving skills, and for supervisor and managerial positions, leadership skills.
- The key drivers of critical skills gaps by occupational area include a range of factors including, for example, complex legislative changes and/or requirements, relevant educational courses no longer being offered, a limited talent pool to draw from, high industry demand and inability to compete with private sector remuneration, lack of access to overseas talent, lack of regional housing availability, lack of staff interest to upskill, impacts of private certification, insurance costs, lack of applicants with required skills, experience and accreditations. Many of these factors are beyond local government's influence or control.
- The most successful methods for filling vacancies included advertising, social media, word-of-mouth and personal networks of staff, taking on more trainees or apprentices, trialling people through work experience or practicum placements, resource sharing across the council, and redesigning job roles. Contingent workers and graduate employment pipelines were less successful methods for filling skills shortages.
- Local governments used a variety of strategies to address skills gaps and shortages, including sharing training opportunities within their region, engaging recruitment agencies and using contractors, recruiting graduates, cadets, apprenticeships, and traineeships, while also upskilling existing employees; and sourcing funding to be able to deliver appropriate training.
- 74% of respondent local governments said they had engaged with state or federal education, training or other initiatives to support workforce retention and attraction.
- 33% of local governments who completed the 2022 survey said they were engaging in workforce planning, by analysing and/or forecasting changing roles and skilled requirements.
- 91% of the surveyed local governments said that their workforce numbers would increase or stay the same by 30 June 2022, compared to 89% of responding local governments in 2018.
- 44% of the local governments that responded to the 2022 survey indicated that they shared resources or services with other local governments. Over half (54%) of rural local governments share resources or services.

Survey Results: Training needs and challenges

- 67% of respondent local governments said they faced unmet training needs in 2021-22; an increase from 60% in 2018.
- 59% of respondent local governments identified COVID-19 pandemic as the most common disruptor of training needs in 2021 to 2022, followed by difficulties sourcing quality training programs locally and balancing training needs with employees' time constraints, a lack of HR staff to identify and coordinate training, disruptions from organisational restructures, challenges with digital delivery arising from low digital literacy, and the de-prioritisation of

some training needs during the pandemic to dedicate resources to wellbeing, mental health and resilience programs.

- For expenditure on learning and development, 56% of respondent local governments confirmed that it had remained the same, 19% said it had decreased, and 18% reported an increase.
- Factors impacting future skilling needs included ageing workforce (80%), major infrastructure projects (67%), increasing levels of governance and compliance (65%), technological change (61%), changes in government funding levels (59%).
- While the proportion of local governments undertaking any analysis or forecasting of changing job roles and skills requirements of their workforce has increased from 18% in 2018 to 33% in 2022, suggests an urgent need to adapt to the macro-trends and drivers that are shaping roles and requirements in local governments' workforce.
- The most significant impacts on workforce attraction and retention included COVID-19, housing pressures, uncertainty of long-term funding and changing local/regional economy.
- 72% of respondent local governments said they used flexible training and development as the most common strategy for meeting future skilling needs. Other strategies included: conducting workforce and succession planning and developing a workforce ageing strategy; employee retention strategies like non-monetary benefits, upskilling and online learning; employing a dedicated training and development officer; offering relocation assistance for prospective employees; sourcing funding to construct staff housing; and providing internal mentoring as part of phased retirement arrangements. To a lesser extent, local governments engaged in regional staff sharing and industry partnerships.

1. Introduction

This chapter provides the background and context for the 2022 Local Government Workforce Skills and Capability Survey, the methods used to conduct the survey and garner additional qualitative information, definitions for terms used in this report, the scope and structure of this report, and some comparative data about the respondents to the 2018 and 2022 surveys.

1.1 Background and Context

Collectively, Australia's 537 local governments are one of the country's largest employers, with a diverse, multi-disciplinary and multi-skilled workforce of nearly 200,000 people in almost 400 occupations. At the heart of this research is a goal to better understand the workforce and skills needs, gaps and challenges of local governments across Australia and to use the evidence to make better investment decisions – at national, state/territory, and local community levels – to support local governments' continued delivery of vital services and infrastructure in their local communities; to enhance individual and community wellbeing; and to contribute to key national agendas such as improving productivity, promoting regional development and addressing climate change.

In recent years, skills and workforce issues have been a growing concern for the sector with the compounding impacts of natural disasters, ongoing structural changes (including increasing automation and digitisation), and the continuing effects of the COVID-19 pandemic, exposing vulnerabilities in organisational capacity and capabilities. A suitably skilled workforce is not only essential to fulfilling core operations, but also in a strategic sense to enable capacity building into the future.

Systemic workforce vulnerabilities impede recovery from, and resilience to, social and economic shocks. Staff turnover, imbalances in workforce age structure, declining apprenticeship and traineeship engagement, and increasing competition from other sectors for talent and labour are just some of the challenges faced by local governments nationally. When other factors such as remoteness and a population's socio-demographic profile are overlaid, it becomes clear that different skill sets are required in order to continue performing effectively as competent local governing bodies.

The 2022 survey results report on workforce skills and capability issues currently being faced by the sector. These results:

1. Provide first-hand evidence of the breadth of workforce skills gaps and issues across the country and differences between regions. The evidence may be symptomatic of underlying inequities, thereby assisting policymakers to pinpoint and potentially disrupt root causes; and
2. Clarify how organisational capacity is perceived by the sector and by individual local governments.

In reporting these results, the influence of many local-level drivers of workforce dynamics – communities in social and economic transition, housing pressures, skilled migration trends and funding uncertainty – is recognised. These are discussed to the extent that they relate to workforce skills and

capability issues for the local government sector. A more detailed consideration of these issues is beyond the scope of this report.

This analysis centres on the 2022 Local Government survey results and on what has changed (or not changed) since the inaugural 2018 survey. It discusses potential opportunities for local and central (state/territory and sometimes federal) governments, referencing national and international case studies. Similar to the 2018 survey, these findings will provide an evidence base on which future policies and proposals for meeting local government's future workforce skills and capabilities might be based.⁵

1.2 Survey Methods

The project was conducted in four phases:

1. **Pilot phase** (survey to 25 local governments): December 2021.
2. **Main Round**: survey live from mid-December 2021 to 28 February 2022 (inclusive of two extensions).
3. **Focus groups and interviews**: between December 2021 to March 2022.
4. **Response analysis and reporting**: April to August 2022.

The survey was hosted on SurveyMonkey, an online survey software. All Australian local governments were provided the opportunity to participate, with follow-ups conducted as part of a communications and engagement strategy developed by SGS, in partnership with the ALGA and the State/Northern Territory Associations.

The project was managed with the oversight of the Australian Government, ALGA, and the Local Government Workforce Development Group (LGWDG), whose membership comprises State and Territory local government associations. The LGWDG provided input to the 2022 survey questionnaire, supported communications about the survey through newsletter, social media and other channels, and, in some jurisdictions, facilitated survey correspondence and follow-up.

210 of 537 local governments responded, representing a 39% response rate. We have been clear in the document to discern between data that reflects the sector and is drawn from other sources and data that is specific to the respondents of the survey. The list of responding local governments by Australian Classification of Local Governments (ACLG) is provided in **Appendix A**. A copy of the survey is provided in **Appendix B**.

The 2022 survey form is largely based on the *2018 Local Government Skills Shortage Survey* to enable longitudinal comparison. However, several new questions were included to gauge the impacts of recent events on workforce attraction and retention (e.g. Qs 61, 62) and to understand how this is shaping local governments' current actions (Q 63) and future skills needs (Q 64).

The survey also included new questions relating to the sector's Aboriginal and Torres Strait Islander workforce, as well as local governments' joint training and development with Aboriginal Community

⁵ In order to achieve national coverage, SGS also invited the ACT Government to participate in the survey, but they declined on the basis that it would have been too difficult to disaggregate data between Territory and what would otherwise be local government functions in the ACT.

Controlled Organisations (ACCOs) (Q 55), to gather insights for Key Action Priority Reform 2.3 of ALGA's *Closing the Gap Implementation Plan*.⁶ The additional questions pertaining to Aboriginal and Torres Strait Islander people in the local government workforce included the following:

- How many employees identify as being of Aboriginal and Torres Strait Islander origin? (Q4)
- How many Trainees & Apprentices identify as being of Aboriginal and Torres Strait Islander origin? (Q10)
- How many staff employed under a cadetship arrangement identify as being of Aboriginal and Torres Strait Islander origin? (Q15)
- Please indicate the total number of employees of Aboriginal and Torres Strait Islander origin in each age group for Professional & Administrative Officers? (Q18)
- Please indicate the total number of employees of Aboriginal and Torres Strait Islander origin in each age group for Operational & Trade Employees? (Q20)
- Have you undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs)? If so, please provide the details of the ACCO and whether the exercise was beneficial to Council. (Q55)

The responses to these questions are discussed in **Chapters 2 and 5**.

The survey also included a new question about whether local governments had undertaken joint training and development opportunities with Aboriginal Community Controlled Organisations. Several respondent local governments provided additional details about those arrangements, and that is included in **Appendix C**. Additional data on the Australian local government workforce from the 2021 ABS Census of Population and Housing is included in **Appendix D**.

Web survey responses were cleaned for analysis, including de-duplication of responses, review of data quality and the creation of derived variables where necessary (e.g. for free text responses).

There were several challenges to achieving a higher response rate during the 2021 and 2022 survey. These factors were beyond the control of the project team and ranged from survey timing to survey fatigue, and instances where the information is not currently held by council. These learnings may inform future survey formats and/or their harmonisation with other workforce-related Censuses conducted in some states.

A list of the stakeholder groups and organisations that were interviewed or participated in focus groups as part of this research is provided in **Appendix E**.

In addition to the survey, SGS undertook additional qualitative research to complement the survey's quantitative findings, especially in relation to skills and workforce drivers, workforce development initiatives. The scope of the additional research included a focus group of selected key organisations at the national level to scope local government workforce and capability issues and challenges, a series of focus groups with State and Northern Territory Local Government Associations and a small number of local governments in each jurisdiction, a focus group on Aboriginal and Torres Strait Islander workforce in local government, and a scan of workforce development ideas and initiatives in Australia and internationally. Some of the raw material we gathered is included in **Appendices F, G and H**. A list of further readings is provided in **Appendix I**.

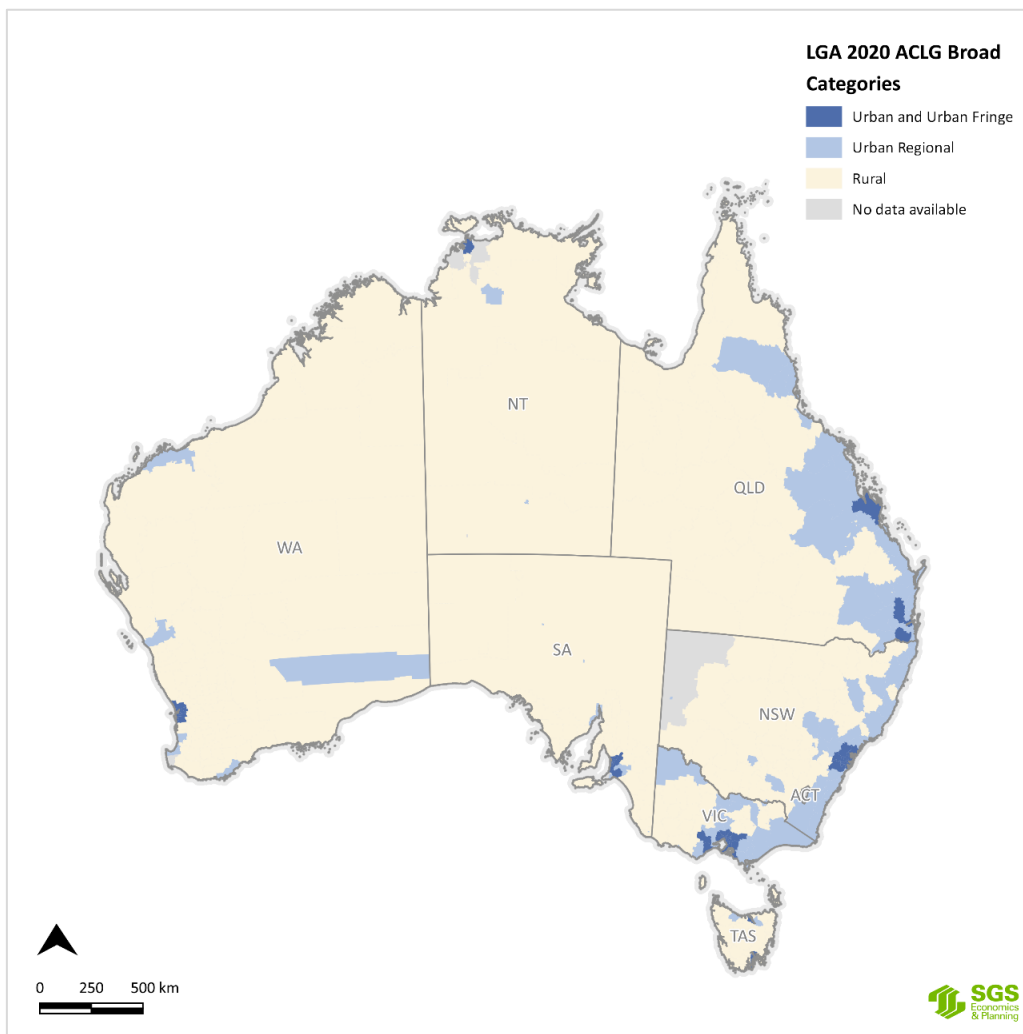
⁶ Australian Local Government Association (2021), *Closing the Gap Implementation Plan*, <https://alga.com.au/app/uploads/ALGA-Closing-the-Gap-Implementation-Plan-4.pdf>

1.3 Definitions

For consistency and clarity in interpreting the survey results, the following definitions have been adopted in this report:

- **Australian Classification of Local Government (ACLG)** broad category: there are 22 classes of local governments defined in the Australian Classification of Local Government. For the purposes of analysis, they are regrouped into three segments in this report: Rural, Urban and Urban Fringe, and Urban Regional. **Figure 1** below is a map showing LGA by ACLG broad category.
- **Cadetship**: the employment of a tertiary level student or graduate under a structured program or for a fixed duration as part of their studies. It excludes unpaid work experience.
- **FTEs**: full time equivalents.
- **Local governments in preference to local councils in this report**: In the Australian context, the term 'local council' refers to the elected arm of government, whereas the term 'local government' refers to the administrative and management arm of government.
- **Sector**: consolidated views of all local governments drawn from other sources and distinct from the consolidated views of the local governments responding to this survey.
- **Skill gap**: the gap between the skill level of the employee and the skills needed to perform their role description, as intended by their employer.
- **Skills shortage**: a labour shortage that requires the recruitment of more people into the workforce.

FIGURE 1: NATIONAL MAP OF LGA BY ACLG BROAD CATEGORY



Source: SGS (2022)

1.4 Report Scope

The scope of this report is to present the national findings of the 2022 Local Government Workforce Skills and Capability Survey and additional qualitative evidence gathered from focus groups and interviews with key stakeholders. This data was complemented by secondary research into international and local best practice policy for workforce and skills/capability development in the local government sector. Separate reports are being prepared for each jurisdiction.

This report:

- Presents the self-reported organisational capacity in relation to headcount and other human resource (HR) metrics, skills gaps and future needs of 210 of Australia's local governments who responded to the survey.
- Describes the 2021-22 workforce profile in terms of employment trends, skills shortages, unmet training needs and employment outlook, and potential implications for the future.

- Provides an analysis of the 2022 survey results, benchmarking the data against other sources of employment information, including the 2018 national survey results and state/territory specific workforce Censuses (where available).
- Summarises the challenges local governments face in maintaining a skilled and competent workforce into the future to inform national and state/territory policy development over the coming decade.

This report also incorporates data from the Australian Bureau of Statistics' 2021 Census of Population and Housing, released in October 2022, at **Appendix D**.

1.5 Comparative Data about Respondents to the 2018 and 2022 Surveys

The following information provides some comparative data about the respondents to the 2018 and 2022 Local Government Workforce Skills and Capability Surveys.

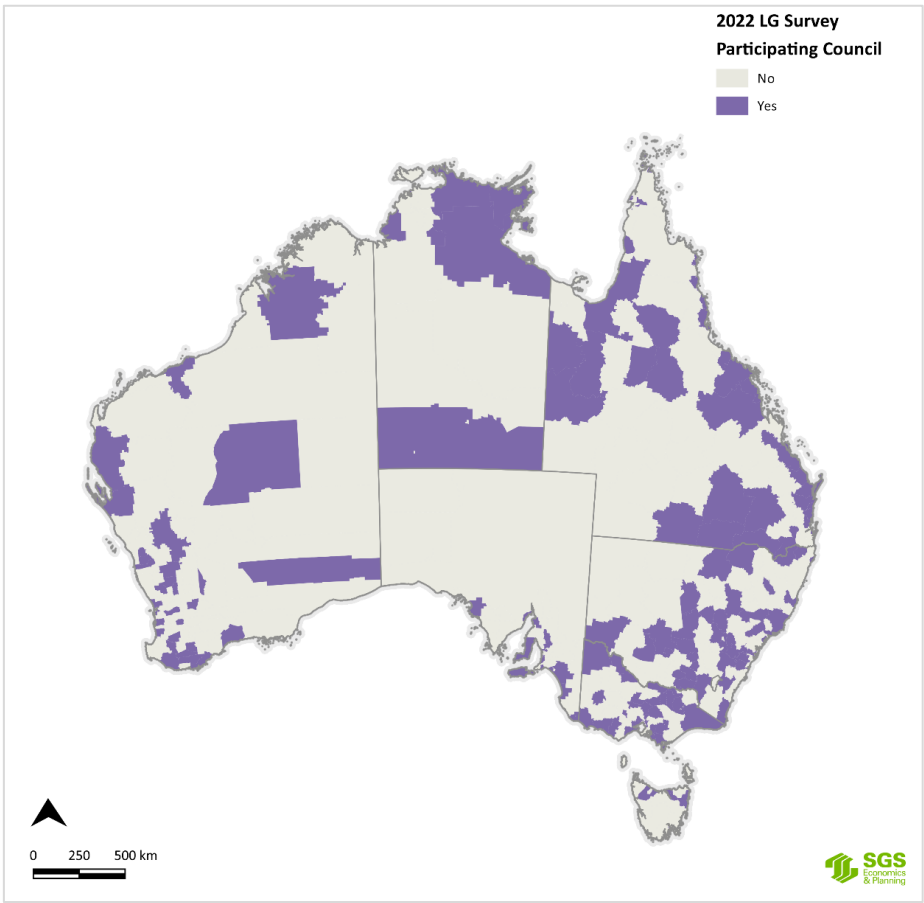
In the 2022 survey, 210 local governments responded, compared to 239 in the 2018 survey. A national map of LGAs by ACLG broad category that responded to the survey is shown in **Figure 1** above. A breakdown by state and territory is shown in **Table 1**, alongside **Figure 2** showing their spatial distribution.

TABLE 1: RESPONDING LOCAL GOVERNMENTS BY STATE / TERRITORY, 2018 AND 2022

State / Territory	Number of responding local governments (2018)	Number of responding local governments (2022)	% of local governments in State/Territory who responded (2022)
NSW	52	56	43%
NT	6	8	47%
QLD	53	37	48%
SA	33	19	27%
TAS	13	7	24%
VIC	31	41	51%
WA	51	42	31%
National	239	210	-

Source: SGS (2022), 2018 LG survey

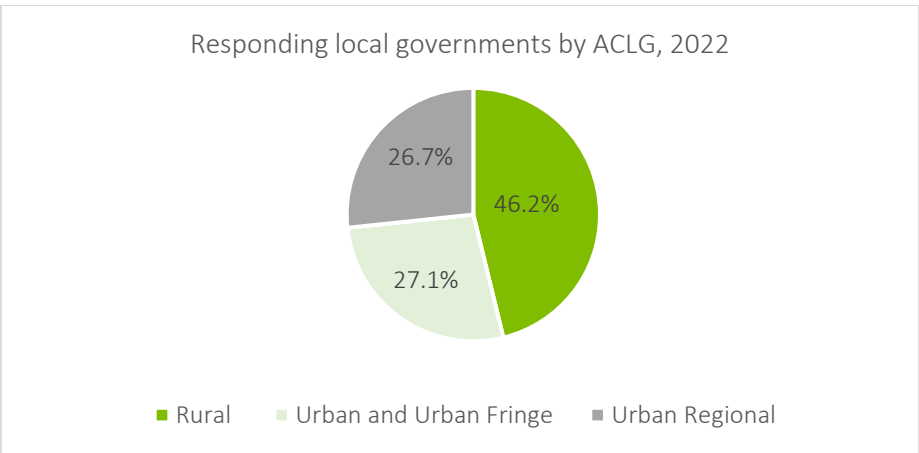
FIGURE 2: NATIONAL COVERAGE OF 2022 PARTICIPATING LOCAL GOVERNMENTS



Source: SGS (2022)

Figure 3 shows the respondent local governments by ACLG broad category (Rural, Urban and Urban Fringe, and Urban Regional). 97 of the responding local governments were Rural, 57 were Urban and Urban Fringe and 56 were Urban Regional.

FIGURE 3: RESPONDING LOCAL GOVERNMENTS BY ACLG, 2022



Source: 2022 LG Survey

A further 38 local governments entered their details into the survey but did not attempt any questions. Based on correspondence with local governments during the survey follow-up process, the most common reasons for declining to participate were that the information was not currently collected or not collected at the level of detail required by the survey; the COVID-19 pandemic impacted the availability of staff to respond to or collate responses for the survey.

1.6 Report Structure

This report combines a detailed analysis of the 2022 survey results with qualitative evidence gathered from focus groups, interviews and secondary research into international and local best practice policy for workforce and skills/capability development in the local government sector.

The report is structured as follows:

- **Chapter 2** sets out Australian local government's status and characteristics as a major national employer.
- **Chapter 3** presents the national results on skills shortages in Australia's local government workforce.
- **Chapter 4** presents the national results on training needs and challenges in Australia's local government workforce.
- **Chapter 5** summarises key insights from the focus groups held to complement the survey.
- **Chapter 6** sets out strategies for enhanced workforce skills and productivity over the next decade.

In addition, there are several Appendices, as discussed above.

2. Survey Results: Local Government as a Major National Employer

This chapter provides contextual material and key statistics from the 2022 Survey on local government's characteristics as a major national employer and the current nature of its workforce.

2.1 Industry context

Generally, local governments are responsible for infrastructure and property services, asset management, providing recreational facilities, health services, community services, building services, planning and development approval, as well as cultural facilities and services.⁷

As at 30 June 2021, Local Government in Australia comprises 537 local governments nationally, employing 190,800 workers in almost 400 occupations. The Australian local government sector's workforce is spatially distributed across Rural (55%), Urban and Urban Fringe (25%) and Urban Regional (20%) areas.⁸

Local governments in Australia perform crucial roles and functions in the public interest to advance community wellbeing, economic and social development, and sound environmental management. These include, under delegation from State/Northern Territory governments:

- being a democratic, representative, informed and responsible decision-maker in the interests of local and regional communities
- providing and coordinating a wide and growing range of services and facilities that benefit both residents and visitors
- managing and expanding its activities and resources in a socially just and sustainable manner
- providing for the welfare, wellbeing and interests of individuals and groups within its community
- representing the interests of its community to the wider community and other tiers of government
- planning at the local and regional level for measured development and to protect and conserve the environment
- participating in public policy development and planning and investment activities with state, territory and federal government in order to address key regional and national agendas; the other spheres of government.

⁷ Australian Industry and Skills Committee (2022), *Local Government*, <https://nationalindustryinsights.aisc.net.au/industries/government/local-government>

⁸ The facts and figures are drawn from ALGA's website. ALGA (2019), *Local government key facts and figures*, <https://alga.com.au/facts-and-figures/>

Many services are provided at the discretion of individual local governments. Discretionary services vary from one council to another and depend on the size and geographic location of the council area, the number of people living in the area, the physical environment, priority needs of the local community, and available resources and funding. Between 60 and 70 percent of local governments are regional or rural.

The role of metropolitan local governments will differ from those in rural and remote areas. Capital city local governments generally serve sizeable visitor and worker populations in addition to their residents, which may have implications for intra-city movement and local place-making, among other policy considerations. Local governments on the metropolitan fringes of our major cities have to contend with population growth and demands for new infrastructure assets and services. Whereas rural and remote local governments have to contend with the challenges of distance and workforce attraction and retention, as well as acting as an agent for a range of Commonwealth and State government services that otherwise would not be provided locally, and acting as providers of last resort in thin markets.⁹

Local governments play a key role in economic development through identifying investment opportunities and policy measures that are conducive to local and regional economic development, influencing planning and development, and coordinating with local businesses and community organisations. All local governments play a catalysing role in building community identity and social cohesion.¹⁰

On the financial side, in 2020-21 Local Governments collected just over \$20 billion in rates, a 2.6% increase from 2019-20.

Local Government's total annual expenditure in 2020-21 was approximately \$43.1 billion, representing a 10.72% increase since 2018-19.¹¹

Local Government's top expenditure items in 2020-21 are similar to recent years and include:

- Transport (23.9%)
- General Public Services (22.2%)
- Recreation, Culture and Religion (15.9%) and
- Environmental Protection (14.9%).¹²

As a proportionate share of total expenditure, spending on Transport has increased since 2018-19, decreased for Recreation, Culture and Religion, and remained the same for Environmental Protection.

Local roads add up to around 662,597km in length (2019). This is approximately 75% of the total national road length – enough to circle the earth 16.5 times.

⁹ Parliament of Australia (2003) *Rates and Taxes: A fair share for responsible local government*.
https://www.aph.gov.au/parliamentary_business/committees/house_of_representatives_committees?url=efpa/localgovt/report.htm

¹⁰ Megarrity (2011), *Local government and the Commonwealth: an evolving relationship*, Parliamentary Library, Research Paper no. 10 2010–11. Parliament of Australia.
https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1011/11RP10

¹¹ ABS (2022), Total Local General Government Operating Statement, Government Finance Statistics, 2020-21,
<https://www.abs.gov.au/statistics/economy/government/government-finance-statistics-annual/latest-release>

¹² ABS (2022), Total Local General Government Expenses by Purpose, Government Finance Statistics, 2020-21,
<https://www.abs.gov.au/statistics/economy/government/government-finance-statistics-annual/latest-release>

The replacement cost of local government non-financial assets including buildings and structures, machinery and equipment and land is \$457 billion (2018-19).

The services provided by local governments are no more important, or less important, than those administered by the State and Commonwealth governments: they're just different. However, local government deserves recognition and respect for doing a good job with the limited resources available to it. Indeed, the sector's solid performance warrants a reform program to further strengthen local government. High on the priority list should be more **effective workforce planning** across the board for local government, along with **better strategies to recruit and retain good staff** in the sector, **greater agility, flexibility and collaboration** within and between spheres of government, especially in relation to skills and training delivery.

2.2 Employment numbers

As at June 2021, Local Government 537 Councils employ 190,800 people in almost 400 occupations, representing nearly 10% of the total public sector workforce. This compares with other industry sectors, such as Mining (278,600 people), Agriculture, Forestry and Fishing (303,400 people), and Manufacturing (910,600 people) (in the 2021 May quarter).¹³

Recent data on Australia's labour force by industry show that national employment in Public Sector Administration and Safety, which includes Local Government as well as other Government services, employment grew by 4.6% in the year to the May 2022 quarter.¹⁴ This growth was moderate compared to other industries of employment which experienced significant labour force declines, including Agriculture, Forestry and Fishing (-8%), Manufacturing (-9%) and Arts and Recreation Services (-10%) over the same period.¹⁵

Nevertheless, local government is a significant employer and industry driver of local and regional economies across Australia.

Figure 4 shows the fluctuations in local government employment in Australia from 2012 to 2021. In June 2017 the workforce was at about 189,500 FTE employees, increasing to about 194,000 FTE employees in 2018, dropping to 186,000 FTE employees in 2020 and then returning to about 190,800 FTE employees as of June 2021.

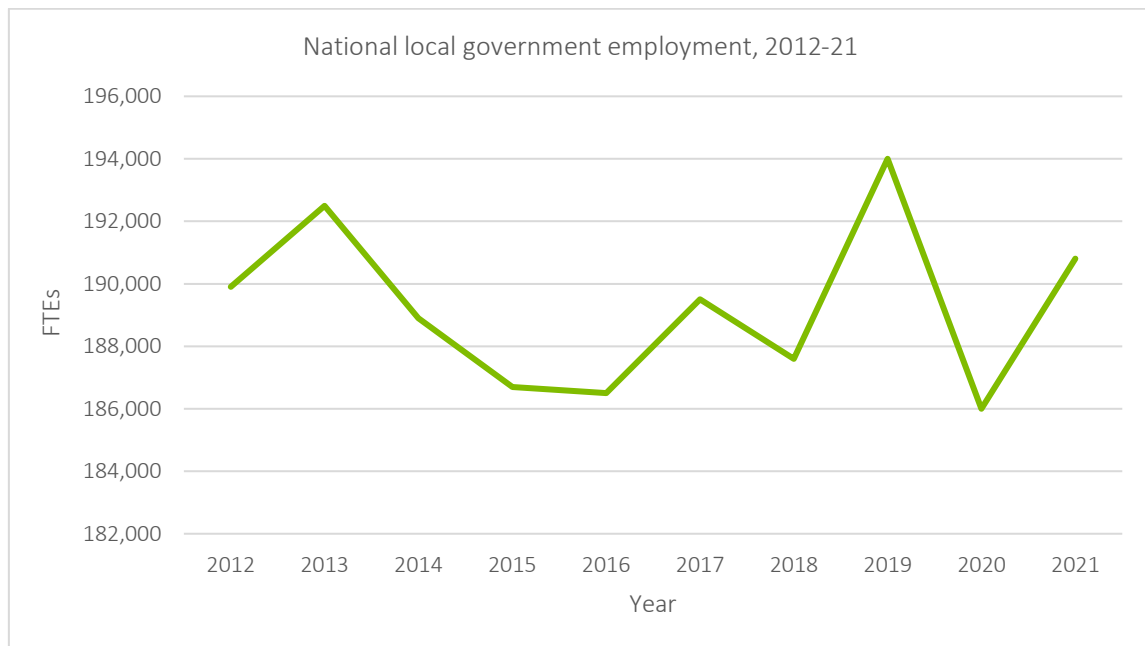
191 of the surveyed local governments (91.4%) said that their workforce numbers would increase or stay the same by 30 June 2022, compared to 89% of responding local governments in 2018.¹⁶

¹³ Seasonally adjusted employment totals, ABS (2022), 6291.0.55.001 Labour Force, Australia, Detailed, Available at: <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>. Total employment in other industries nationally is also significantly higher: Health Care and Social Assistance (1.8 million), Retail Trade (1.3 million), and Professional, Scientific and Technical Services (1.2 million).

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Australian Local Government Association (2018) *2018 Local Government Workforce and Future Skills Report – Australia*.

FIGURE 4: LOCAL GOVERNMENT EMPLOYMENT IN AUSTRALIA, 2012-21

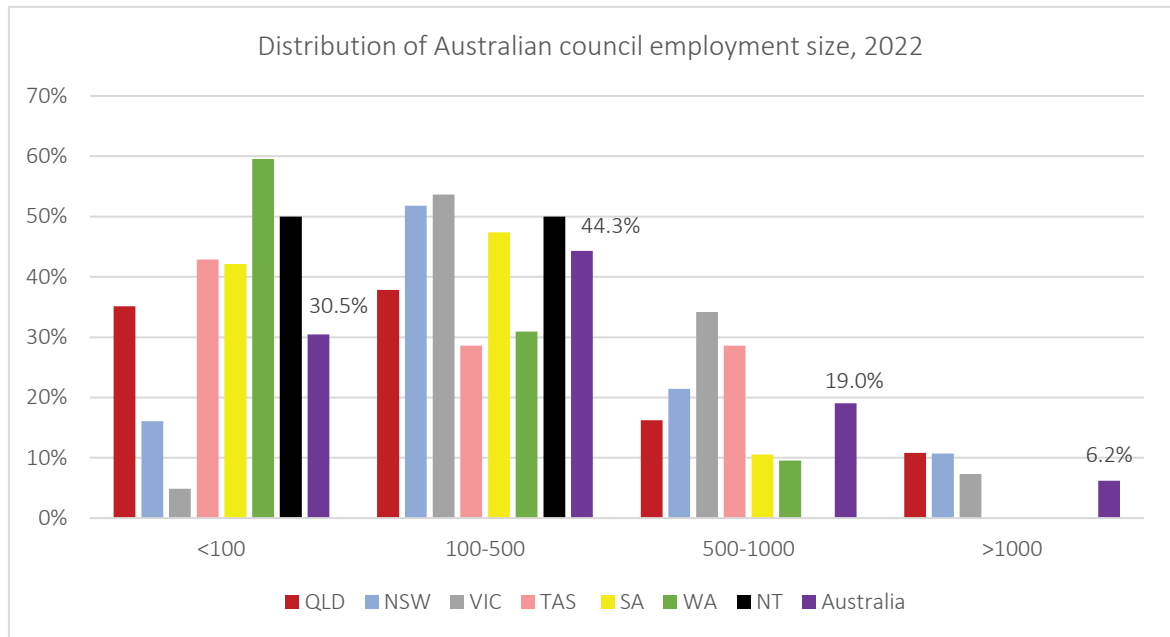
Source: ABS Employment and Earnings, Public Sector, 2012-21

The 2022 survey illustrates that the employment size of responding local governments varied significantly in Australia, ranging from 4 FTEs in Wagait Shire Council in the Northern Territory to 1,785 FTEs in Moreton Bay Regional Council, Queensland. Most of the participating local governments were small to medium-sized (up to 500 FTEs), with relatively few local governments employing over 1,000 FTEs.

The distribution of local government employment by size in Australia is shown in **Figure 5**.

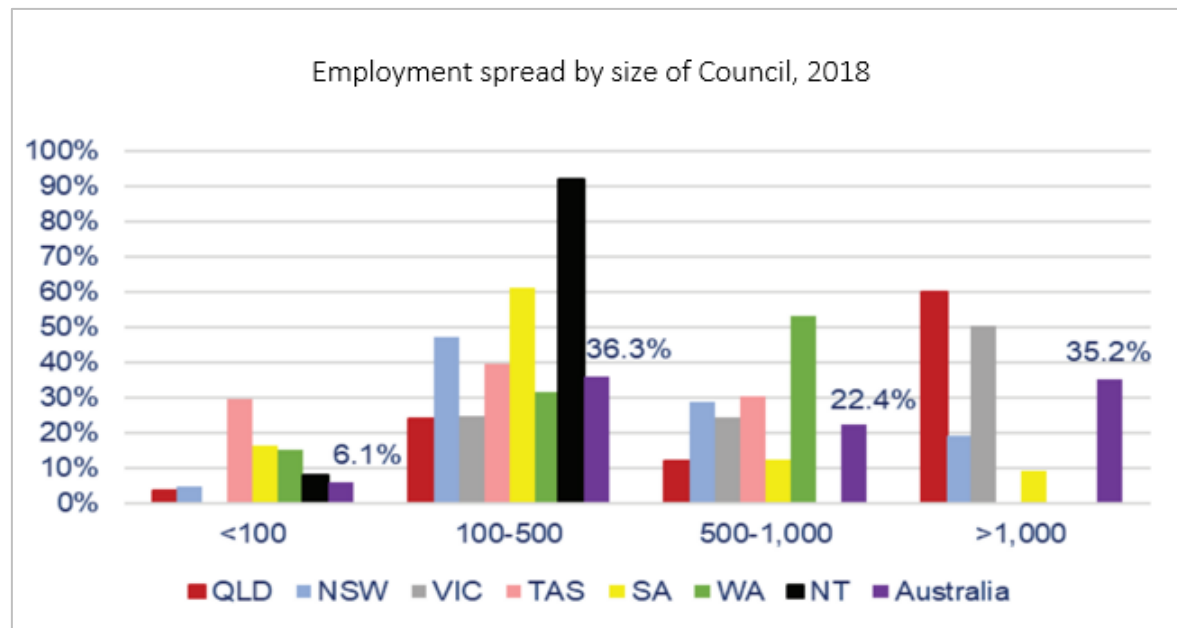
Compared to the 2018 respondents, there is a higher proportion of smaller local governments (<100 FTEs) and a lower proportion of larger local governments (>1,000 FTEs) represented in the 2022 survey data. The 2018 employment spread by size of local governments is shown in **Figure 6** below for reference.

FIGURE 5: DISTRIBUTION OF EMPLOYMENT SIZE, AUSTRALIAN LOCAL GOVERNMENTS 2022



Source: 2022 LG Survey

FIGURE 6: DISTRIBUTION OF EMPLOYMENT SIZE, AUSTRALIAN LOCAL GOVERNMENTS 2018



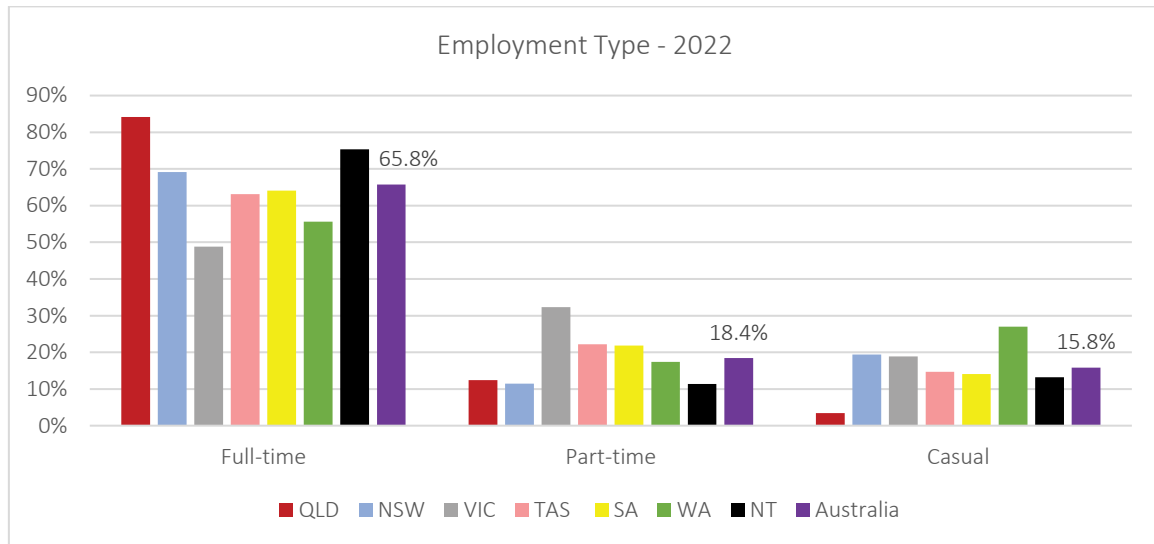
Source: 2018 LG Survey

2.3 Employment categories

Based on the 2022 survey, 65.8% of the national local government workforce were full-time, 18.4% were part-time employees and 15.8% were casual employees (**Figure 7**). This distribution is similar to

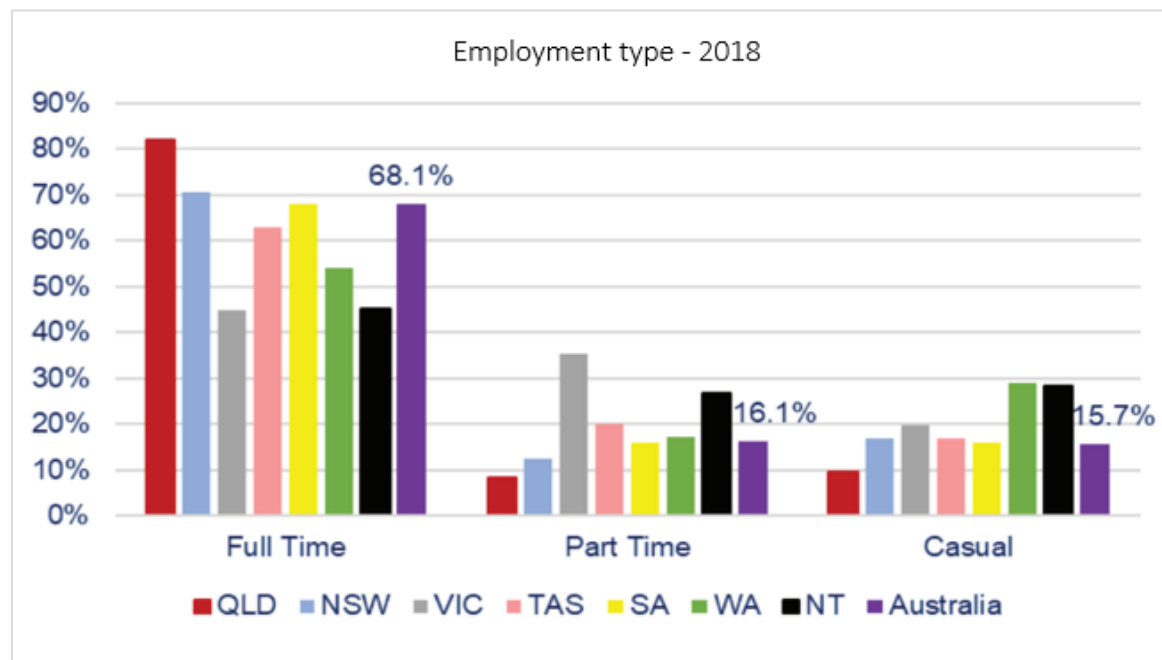
the 2018 survey, the results of which are reproduced in **Figure 8** below for reference. Generally, full-time employment is the most common type of employment, followed by part-time and casual employment. However, this is not the case in New South Wales, Western Australia and the Northern Territory, where there was a higher proportion of casuals compared to part-time workers.

FIGURE 7: EMPLOYMENT TYPE, 2022



Source: 2022 LG Survey

FIGURE 8: EMPLOYMENT TYPE, 2018



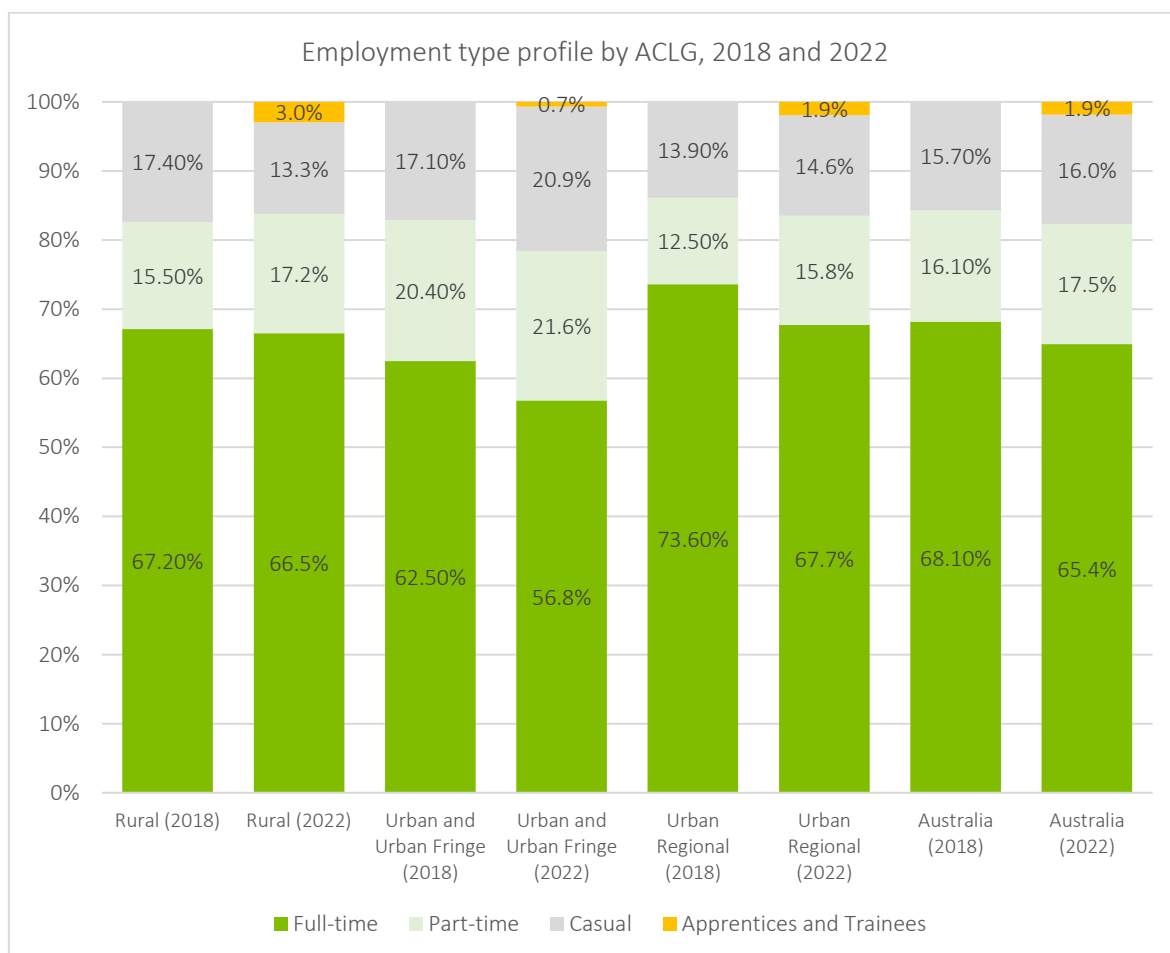
Source: 2018 LG Survey

Between 2018 and 2022, the results indicate a slight decrease in the proportion of full-time employees and an increase in part-time employees. In 2022, it appears that rates of full-time employment were still the highest in Queensland and the lowest in the Northern Territory, while Victoria still had the highest proportion of part-time workers. Rates of full-time employment in Northern Territory have grown the most rapidly in the period 2018 to 2022.

An analysis of employment type by ACLG broad category (Rural, Urban and Urban Fringe, and Urban Regional) in the 2022 survey reveals that Urban Regional local governments employ the highest proportion of full-time workers (67.7%), while Urban and Urban Fringe local governments employ the highest proportion of part-time (21.6%) and casual workers (20.9%) (**Figure 9**). Rural local governments on the other hand, employ the lower percentage of casual workers and the highest proportion of apprentices and trainees. Note that information on apprentices and trainees was not reported in 2018.

In 2022, local governments across all ACLG categories reported a higher percentage of part-time workers compared to casual workers than in 2018. Notwithstanding differences in the survey sample, these results could also indicate greater stability in the workforce.

FIGURE 9: EMPLOYMENT TYPE BY ACLG, 2022



Source: 2022 LG Survey

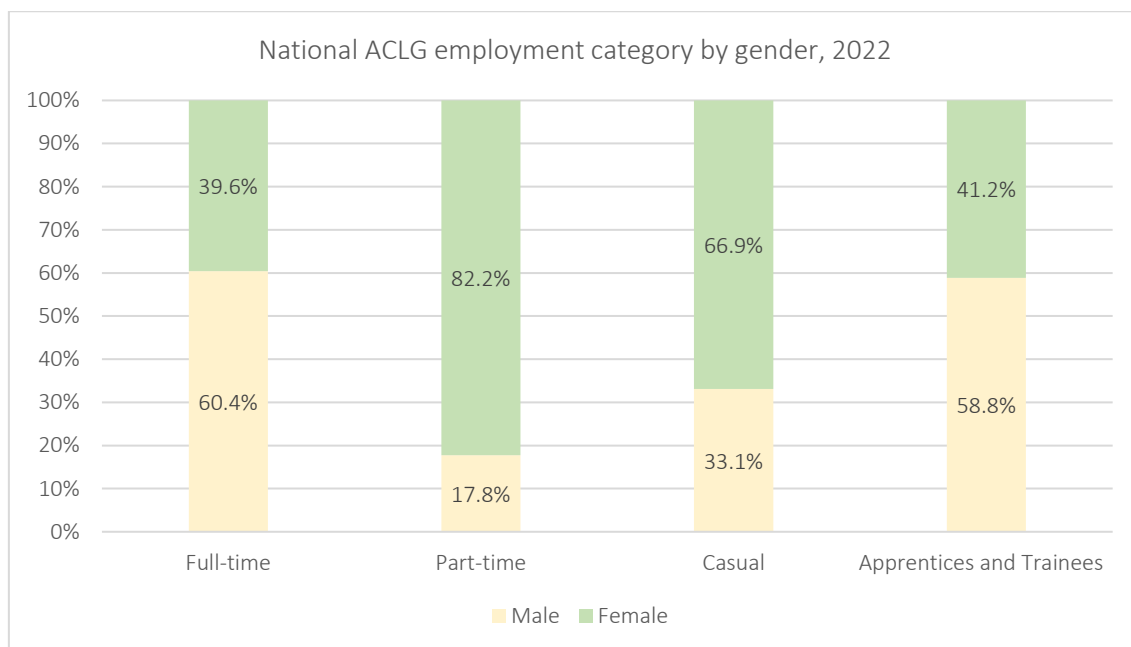
2.4 Employment gender profile

Among the 210 local governments who participated in the 2022 LG survey, the gender breakdown of their workforce was 52.3% female and 47.7% male. Most states and territories had a higher proportion of male compared to a female workforce, with the exception of Victoria, whose workforce gender profile appears to have shifted significantly since 2018 to comprise 38.1% males and 61.9% females. This likely reflects the impacts of the *Gender Equality Act 2020* (Vic), which was enacted in February 2020 and came into operation on 31 March 2021. The Act requires the public sector, including local government to actively promote and improve gender equality in the workplace.

However, an analysis of employment type by gender reveals that there remains significant variation in the proportion of males and females employed in a full-time, part-time and casual capacity. Full-time workers and apprentices and trainees are predominantly male, while there continues to be a much higher proportion of women employed in part-time and casual roles nationally across the local government sector (**Figure 10**). The greatest gender difference occurs in part-time employment category, where the proportion of females is more than four times that of the male part-time workforce.

When analysed by ACLG broad category, the proportion of females in part-time and casual employment is particularly high in Urban and Urban Fringe local governments. Meanwhile, male full-time employment is dominant in Urban local governments and there is lower proportion of male part-time employees in rural local governments. The survey did not request a further breakdown by occupation, however the age profile by indoor and outdoor workforce is reported later in this chapter.

FIGURE 10: AUSTRALIAN LOCAL GOVERNMENT EMPLOYMENT TYPE BY GENDER, 2022



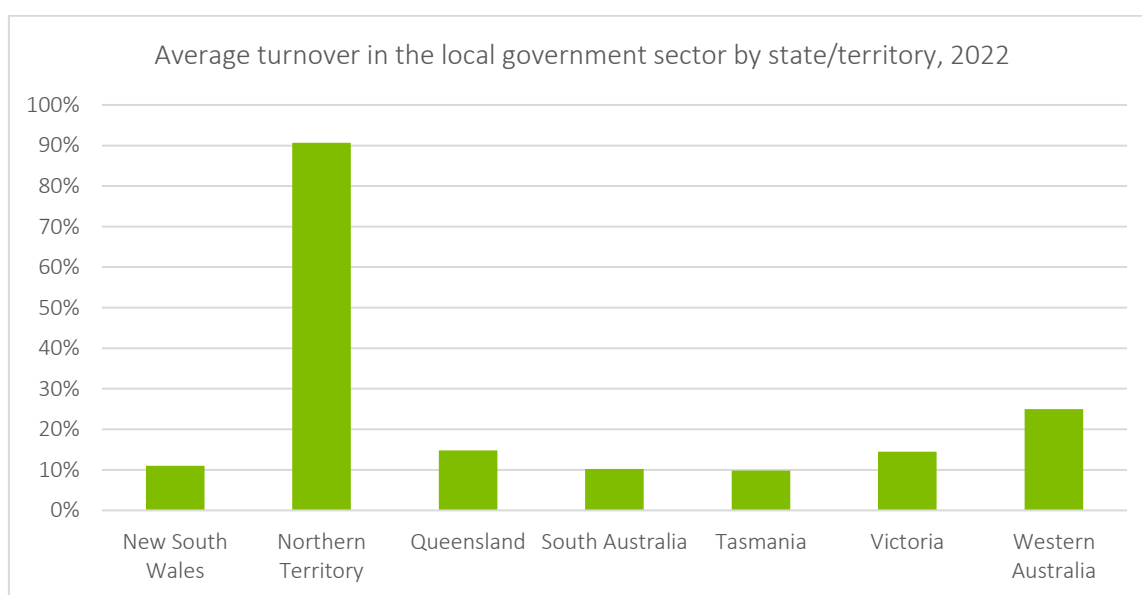
Source: 2022 LG Survey

2.5 Employment turnover

Local Governments were asked to report the number of retiring employees and the number of ‘unplanned’ employees (excluding casual, limited tenure, redundant and retiring employees) whose employment ceased during the 12-month period to June 30, 2021. Among the responding local governments, a total of 1,025 employees retired and 8,702 employees ceased employment. This represents average unplanned turnover rate of 15.6% nationally – a moderate increase compared to 8.3% in 2018.¹⁷ However, this may be due to differences in survey sample, in particular, the much higher proportion of smaller local governments (<100 FTEs) who responded in 2022 and who are disproportionately impacted by turnover impacts. Nevertheless, the Northern Territory, Queensland and Western Australia have the highest average turnover rates (**Figure 11**). The high number of temporary and/or ‘unplanned’ staff departures may presumably be due to the shift from general purpose to specific purpose funding by the States/Northern Territory and Commonwealth governments and/or dependent on grant funding which tends to fluctuate depending on State/Commonwealth priorities from time to time. While the survey results are not detailed enough to determine whether or not these factors are at play, they were mentioned in some of the focus groups.

The greatest turnover of staff was experienced in occupational areas including, but not limited to, administration, plant operators, waste and water, planners, labourers, engineers, community services, customer service and childcare.

FIGURE 11: AVERAGE TURNOVER RATE, AUSTRALIAN LOCAL GOVERNMENT, 2022



Source: 2022 LG Survey

The average unplanned turnover was 14.2%, and rates ranged from 0.0% to 100%.¹⁸ Primary contributing factors reported by local governments during the focus groups included the impacts of the COVID-19 pandemic and the attractiveness of career progression opportunities outside of the local

¹⁷ 2018 Local Government Workforce and Future Skills Report – Australia, p. 17.

¹⁸ Additional data is being sought from a Northern Territory council to validate the 100% unplanned turnover rate identified in the survey results.

government sector. In some cases, high turnover rates may be due to multiple employees leaving a role during the 12-month period, however it is not possible to confirm this from the survey data.

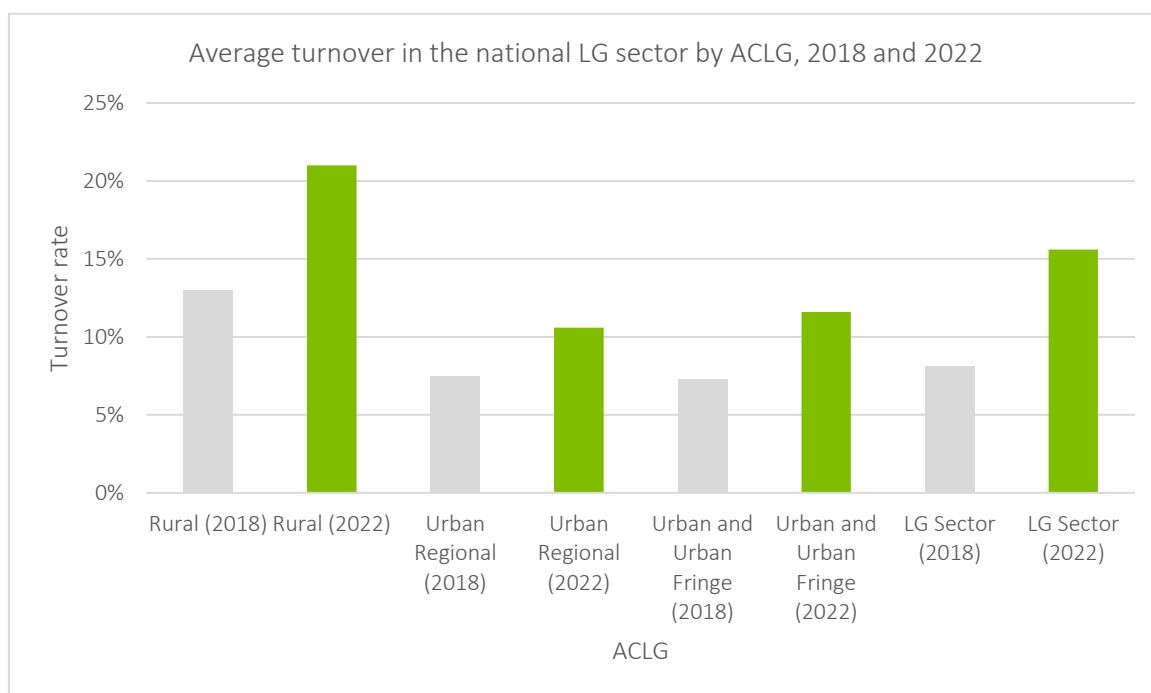
The range of unplanned turnover in 2018 and 2022 is shown in **Table 2** below. In almost all jurisdictions, the range of unplanned turnover has increased since 2018. Queensland was the exception, with its most impacted council experiencing unplanned turnover of 48%.

TABLE 2: RANGE OF UNPLANNED TURNOVER 2018 AND 2022

State/Territory	2018 range	2022 range
New South Wales	0.6% to 15.6%	0% to 27.3%
Northern Territory	3.4% to 39.7%	0% to 100%
Queensland	0.6% to 70%	0% to 48%
South Australia	0% to 20.5%	0% to 20%
Tasmania	1.7% to 12%	0% to 16%
Victoria	3.9% to 14.3%	0% to 32%
Western Australia	0% to 42.6%	0% to 75%
Australia	0% to 70%	0% to 100%

Source: Local Government Skills Shortage Survey 2018, 2022 LG Survey.

In the 12 months to 30 June 2021, the total number of new entrants to the local government workforce nationally was 15,214, which exceeded the total number of those whose employment ceased. In 2022, Rural local governments experienced the highest rates of employee turnover, mirroring the trend in 2018. When we compared the data from the 2018 data with those from 2022, we find that local governments in the Rural category have the highest turnover rates, followed by Urban and Urban Fringe (**Figure 12**).

FIGURE 12: TURNOVER RATE BY ACLG CATEGORY IN AUSTRALIA, 2018 AND 2022

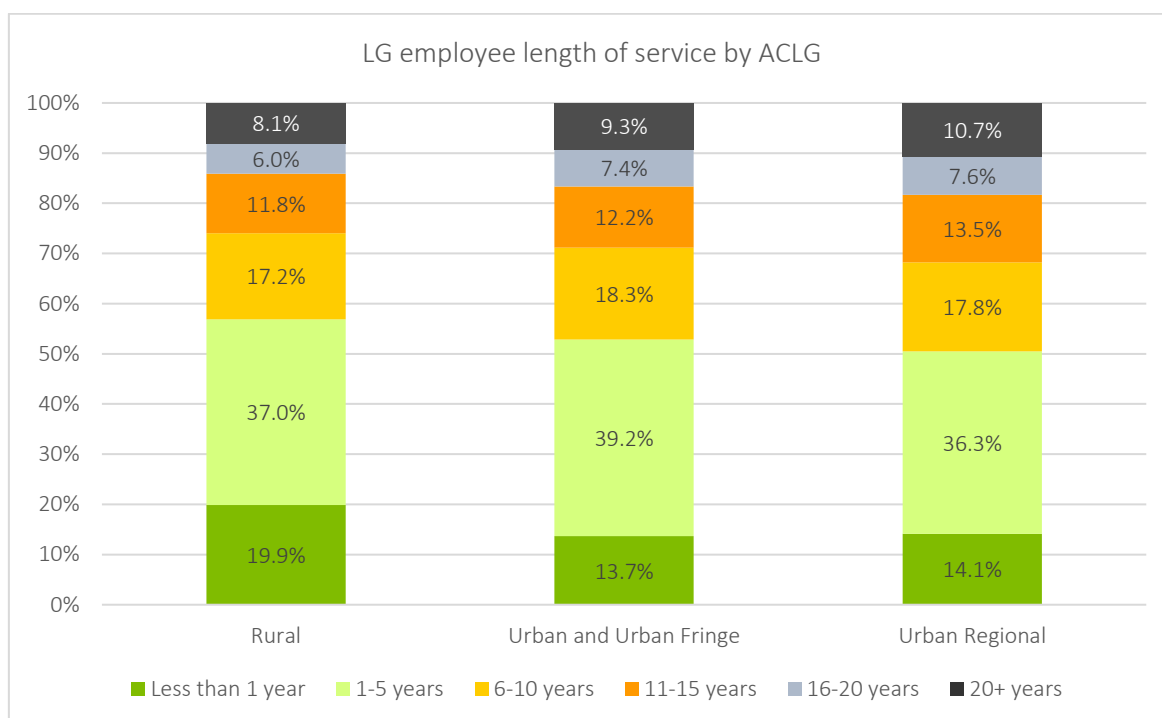
Source: 2022 LG Survey

2.6 Employee length of service

Local Governments were asked to report their employees' length of service in the 2022 survey. 38% of their combined workforce had been employed for 1-5 years, followed by 18% for 6-10 years and 15% for less than a year. 10% of the combined workforce nationally had been at their council for 20 or more years.

Further analysis to understand the length of service by ACLG broad category is shown in **Figure 13** below. Overall, the distribution of employees' length of service is similar across the classifications. The 1-5 year tenure group was the largest cohort across all ACLG categories (comprising between 36.3% and 39.2% of the workforce). Urban Regional local governments had the highest proportion of employees who had been at the local government for more than 11 years.

These figures suggest there is considerable competition between local governments for staff, as well as competition with the private sector.

FIGURE 13: AUSTRALIAN LG EMPLOYEE LENGTH OF SERVICE BY ACLG BROAD CATEGORY

Source: 2022 LG Survey

2.7 Workplace diversity

At the national level, the survey data indicates that there is more progress to be made on workplace diversity in Australia's local government sector. Nonetheless, the state and territory level analysis in this report highlights the fact that in the Northern Territory, the responding local governments employ a total of 886 workers identifying as Aboriginal and Torres Strait Islander (50.2% of the combined workforce of the 8 LGAs), and that Victorian Local Government has experienced a significant shift in its gender profile since 2016-17 (61.9% female employees compared to 38.1% male in 2021-22).

Table 3 highlights culturally and linguistically diverse (CALD) workers in local government. The number of CALD employees may be an under-estimate, as not all local governments collect this information and because it depends on the information to be self-reported by employees.

Table 3 includes the local governments who reported at least one employee identifying as CALD. 28.1% of responding local governments reported at least one employee who identifies as CALD, compared to 28.9% in the 2018 survey.

TABLE 3: CULTURALLY AND LINGUISTICALLY DIVERSE PARTICIPATION 2022

	# of responding local governments with CALD employees	% of responding local governments with CALD employees	Total CALD employees as a % of total LG workforce
New South Wales	21	37.5%	10.0%
Northern Territory	4	50.0%	26.2%
Queensland	6	16.2%	4.0%
South Australia	2	10.5%	10.5%
Tasmania	1	14.3%	2.3%
Victoria	6	14.6%	9.1%
Western Australia	19	45.2%	10.9%
Australia	59	28.1%	9.2%

Source: 2022 LG Survey

Similarly, the percentage of respondent local governments with employees with a disability is shown in **Table 4** below. Table 4 shows that 29.5% of responding local governments reported at least one employee with a disability, compared to 31.8% in the 2018 survey. This is despite local (and state) governments implementing inclusive practices to support employment opportunity for people with disability and the procurement of goods and services from disability employment organisations. A working paper (Mupanemunda, 2020) on the role of local government as employers of choice for people with disability highlights significant opportunity for local governments to leverage their dual role as a major employer and procurer to create employment for people with disability, either within their own organisations or across supply chains. Furthermore, the paper identifies some enablers for addressing labour market exclusion:¹⁹

- Good practice disability employment strategies help employers recognise organisational structural and functional barriers that inhibit more inclusive workforce participation, and
- Rules for a supportive policy environment, resources to enable policy compliance and relationships to allow multi-stakeholder collaboration (Barraket *et al*, 2016).²⁰

¹⁹ Mupanemunda (2020), *Councils as employers of choice: How hiring and procurement decisions can create employment for people with disability*, https://library.bsl.org.au/jspui/bitstream/1/11884/4/Mupanemunda_Councils_as_employers_of_choice_2020.pdf

²⁰ Barraket, J., Keast, R., & Furneaux, C. (2015). *Social procurement and new public governance*. Routledge.

TABLE 4: LOCAL GOVERNMENT EMPLOYEES WITH DISABILITIES 2022

	# of responding local governments with employees with a disability	% of responding local governments	Total employees with a disability as a % of their total workforce
New South Wales	24	42.9%	1.4%
Northern Territory	2	25.0%	11.6%
Queensland	7	18.9%	0.9%
South Australia	2	10.5%	0.9%
Tasmania	1	14.3%	1.7%
Victoria	6	14.6%	1.3%
Western Australia	20	47.6%	1.4%
Australia	62	29.5%	1.4%

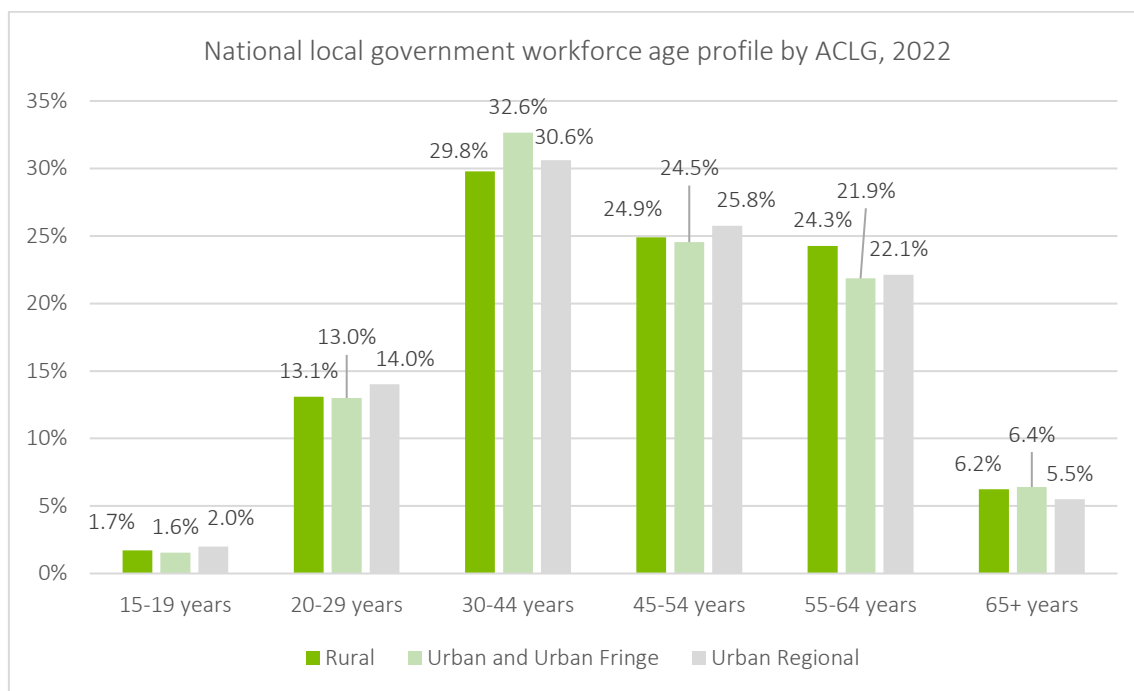
Source: 2022 LG Survey

2.8 Workforce age profile

A breakdown of the workforce age profile by ACLG in **Figure 14** below shows that the workforce is ageing. Across all ACLG categories, the 30-44 year age group has the highest proportion of workers, followed by the 45-54 and the 55-64 year age groups. ABS data of the broader Australian labour workforce reveals that in Australia, most of the workforce is aged 65 years and above (21.1% of the total workforce), followed by the 25-34 (17.6%), 35-44 (17.0%) and 45-54 (15.5%) year age groups. Compared to the broader Australian workforce, the local government workforce is younger.²¹

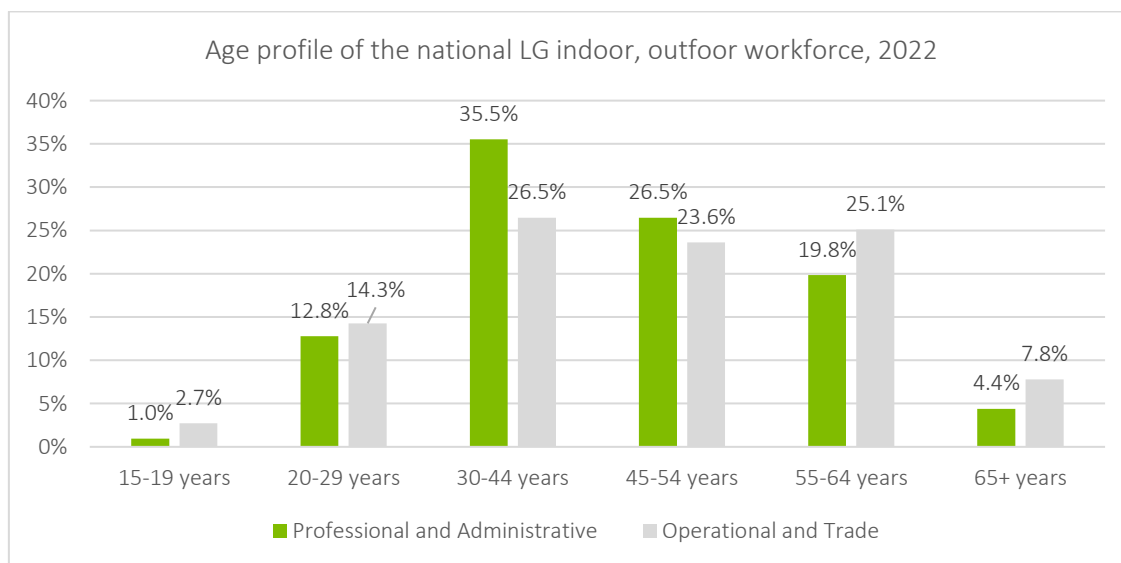
Urban and Urban Fringe local governments have the highest proportion of workers aged 65 years and over (6.4%), as well as the lowest proportion of workers aged between 15-29 years. Urban Regional local governments have the youngest workforce relative to Rural and Urban and Urban Fringe local governments.

²¹ ABS (2022) *Labour Force, Australia Detailed, May 2022*, original data as cited by National Skills Commission (2021), *All Regions (ABS SA4)*, Labour Market Insights, <https://labourmarketinsights.gov.au/regions/all-regions-abs-sa4/#linksAndDownloads>

FIGURE 14: WORKFORCE AGE PROFILE BY ACLG, 2022

Source: 2022 LG Survey

The proportional age profile of the Professional and Administrative (indoor) and Operational and Trade (outdoor) workforce in Australia's local governments who responded to the 2022 survey is shown in **Figure 15** below. The trends are similar to those from the 2018 survey results, with the highest proportion of professional workers aged between 30-44 years and a higher proportion of operational and trade compared to professional workers aged 55 years and above.

FIGURE 15: AGE PROFILE OF THE LG INDOOR, OUTDOOR WORKFORCE, 2022

Source: 2022 LG Survey

2.9 Aboriginal and Torres Strait Islander Workforce in Local Government

2.9.1 Aboriginal and Torres Strait Islander employment participation levels in local government

The participation levels of employees who identified as being Aboriginal and Torres Strait Islander origin varied across local governments. All 8 of the responding local governments in the Northern Territory employed Aboriginal and Torres Strait Islander workers, followed by 83.9% of responding local governments in NSW. In the NT, local government is the largest employer of Aboriginal and Torres Strait Islander people. The total number of Aboriginal and Torres Strait Islander employees as a percentage of each jurisdiction's local government workforce is shown in **Table 5** below. Note that these figures may be under-reported as not all local governments collect this information, and it is also voluntarily provided by employees. The percentage of responding councils with employees who identify as being of Aboriginal and Torres Strait Islander origin is graphically presented in **Figure 1616**.

TABLE 5: ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYMENT IN LOCAL GOVERNMENT, 2022

	# Responding local governments with Aboriginal and Torres Strait Islander employees	% Responding local governments with Aboriginal and Torres Strait Islander employees	% of total LG employees in each jurisdiction who identify as Aboriginal and Torres Strait Islander
New South Wales	47	83.9%	2.5%
Northern Territory	8	100%	50.2%
Queensland	22	59.5%	1.0%
South Australia	6	31.6%	0.7%
Tasmania	3	42.9%	0.6%
Victoria	20	48.8%	0.6%
Western Australia	26	61.9%	1.8%
Australia	132	62.9%	8.2%

Source: 2022 LG Survey

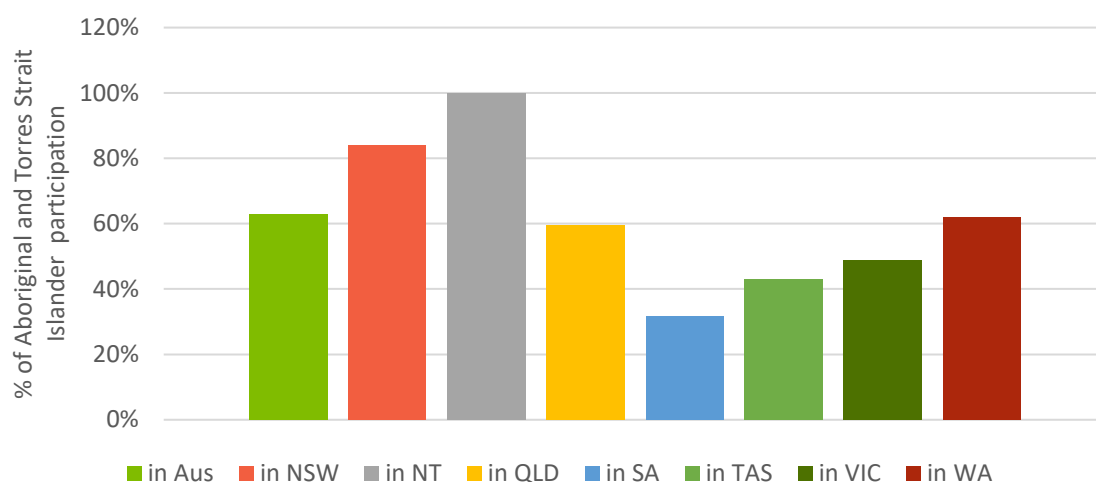
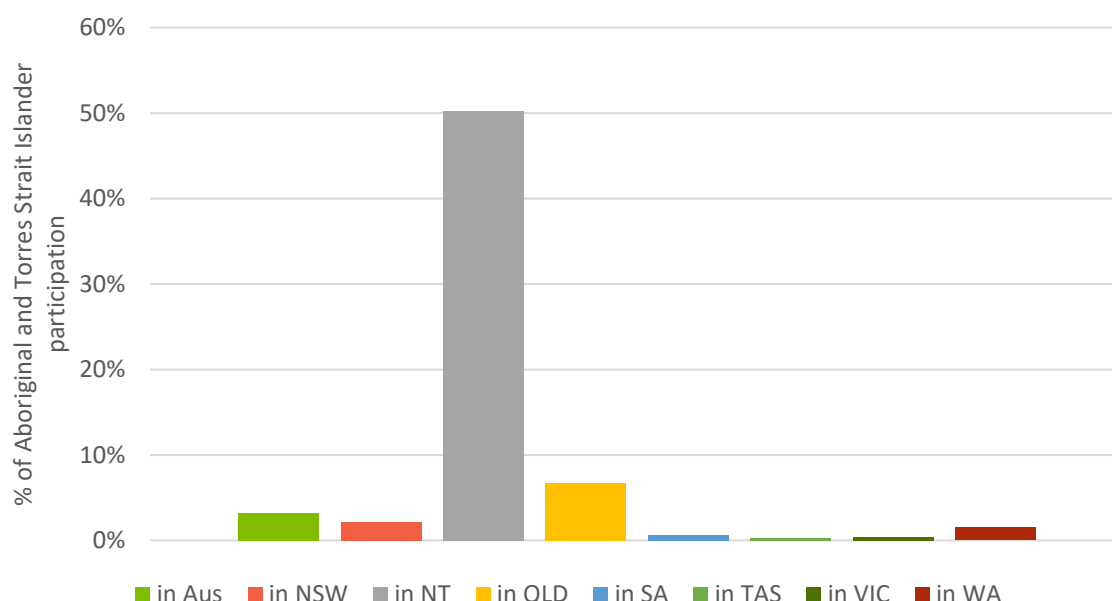
FIGURE 16: PERCENTAGE OF RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYEES, 2022

Table 6 shows the number of local government employees in respondent local governments in each jurisdiction who identify as being of Aboriginal and Torres Strait Islander origin. **Figure 17** presents the percentage of local government employees who identify as being of Aboriginal and Torres Strait Islander origin.

TABLE 6: TOTAL ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYEES IN RESPONDING LOCAL GOVERNMENTS, 2022

Jurisdiction	# total employees with Aboriginal and Torres Strait Islander origin in responding local governments	# total employees in responding local governments	% of total employees who identify as Aboriginal and Torres Strait Islander origin in responding local governments
New South Wales	590	28,060	2.1%
Northern Territory	886	1,764	50.2%
Queensland	1,155	17,238	6.7%
South Australia	27	4,364	0.6%
Tasmania	5	1,870	0.3%
Victoria	106	29,382	0.4%
Western Australia	158	10,346	1.5%
Australia	2,927	93,024	3.1%

Source: 2022 LG Survey

FIGURE 17: PERCENTAGE OF EMPLOYEES OF ABORIGINAL AND TORRES STRAIT ISLANDER ORIGIN IN RESPONDING LOCAL GOVERNMENTS, 2022

2.9.2 Aboriginal and Torres Strait Islander age profile in local government

An analysis of the national local government workforce by age group reveals that the 15-19 year age group has the highest proportion of Aboriginal and Torres Strait Islander participation in Operational and Trade positions. The lowest proportion of Aboriginal and Torres Strait Islander participation is among the 55-64 year age group in Professional and Administrative positions (**Table 7**). While the categories 'Professional & Administrative' and 'Operational & Trade' used in the 2018 and 2022 surveys comprise a wide range of occupations (refer to survey form in **Appendix B**), they are not exhaustive. Therefore, there is likely to be a small proportion of Aboriginal and Torres Strait Islander peoples not captured in these survey results.

TABLE 7: ABORIGINAL AND TORRES STRAIT ISLANDER PARTICIPATION IN LOCAL GOVERNMENT INDOOR, OUTDOOR WORKFORCE

Workforce category	15-19 years	20-29 years	30-44 years	45-54 years	55-64 years	65+ years
Professional & Administrative	3.3%	3.0%	1.9%	1.3%	1.0%	1.1%
Operational & Trade	6.7%	5.4%	6.4%	3.8%	2.4%	1.6%

Source: 2022 LG Survey

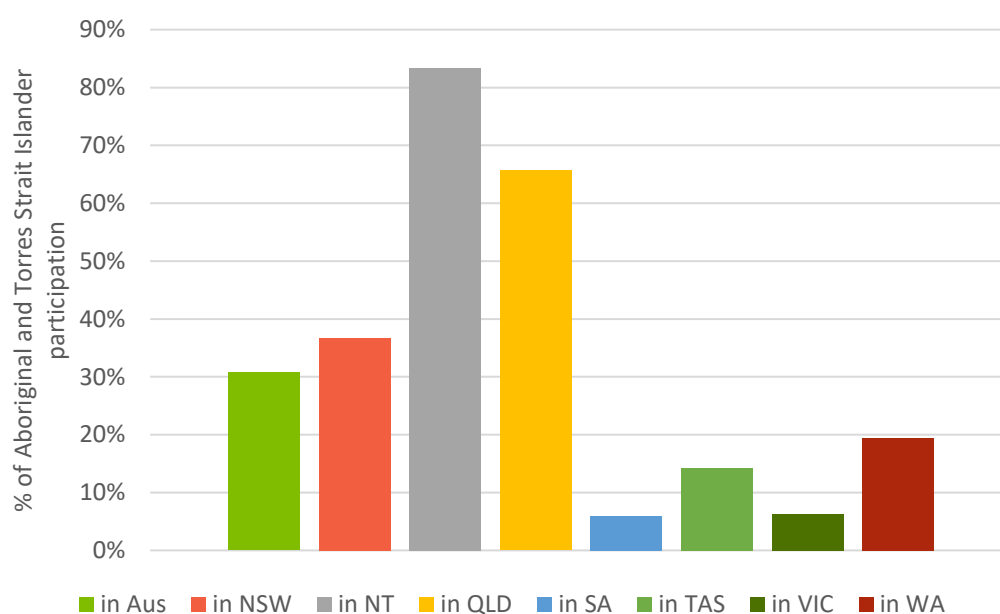
2.9.3 Aboriginal and Torres Strait Islander trainees and apprentices in local government

Table 8 shows the number of councils in each jurisdiction that have Aboriginal and Torres Strait Islander trainees and apprentices, with **Figure 18** showing the percentage of responding councils with Aboriginal and Torres Strait Islander trainees and apprentices.

TABLE 8: LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER TRAINEES AND APPRENTICES, 2022

Jurisdiction	# Responding local governments with at least 1 Aboriginal and Torres Strait Islander trainee and apprentice	# local governments who answered this question	% Responding local governments who answered this question, with Aboriginal and Torres Strait Islander trainees and apprentices
New South Wales	18	49	36.7%
Northern Territory	5	6	83.3%
Queensland	21	32	65.6%
South Australia	1	17	5.9%
Tasmania	1	7	14.3%
Victoria	2	32	6.3%
Western Australia	7	36	19.4%
Australia	55	179	30.7%

Source: 2022 LG Survey

FIGURE 18: PERCENTAGE OF RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER TRAINEES AND APPRENTICES, 2022

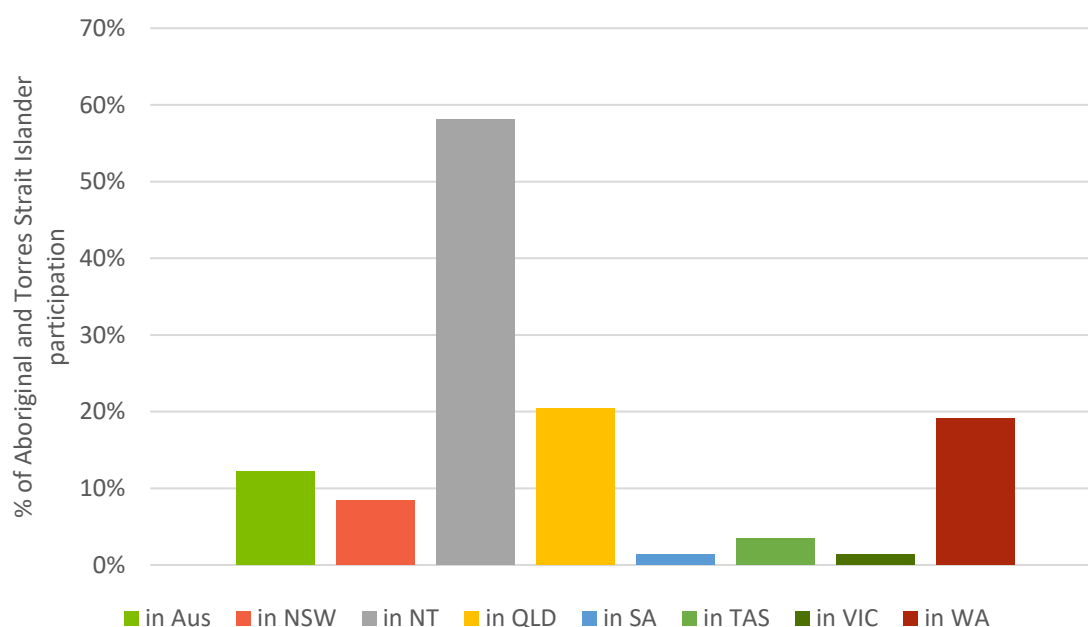
Source: 2022 LG Survey

The number of trainees and apprentices in each jurisdiction that have identified as being of Aboriginal and Torres Strait Islander origin is shown in **Table 9**, and the percentage of total trainees and apprentices of Aboriginal and Torres Strait Islander origin in **Figure 19**.

TABLE 9: TOTAL ABORIGINAL AND TORRES STRAIT ISLANDER TRAINEES AND APPRENTICES IN LOCAL GOVERNMENT, 2022

Jurisdiction	# total trainees and apprentices with Aboriginal and Torres Strait Islander background in responding local governments	# total trainees and apprentices in responding local governments	% of total trainees and apprentices who identify as Aboriginal and Torres Strait Islander in responding local governments
New South Wales	50	594	8.4%
Northern Territory	18	31	58.1%
Queensland	80	392	20.4%
South Australia	1	69	1.4%
Tasmania	2	59	3.4%
Victoria	2	145	1.4%
Western Australia	12	63	19.0%
Australia	165	1353	12.2%

Source: 2022 LG Survey

FIGURE 19: PERCENTAGE OF TOTAL TRAINEES AND APPRENTICES OF ABORIGINAL AND TORRES STRAIT ISLANDER ORIGIN IN RESPONDING LOCAL GOVERNMENTS, 2022

Source: 2022 LG Survey

2.9.4 Aboriginal and Torres Strait Islander cadets in local government

Table 10 shows the number of councils in each jurisdiction that have Aboriginal and Torres Strait Islander cadets. Councils were asked whether they had cadets of Aboriginal or Torres Strait Islander origin. **Figure 20** illustrates the percentage of responding councils with at least one Aboriginal and Torres Strait Islanders cadet of those who answered the question.

TABLE 10: RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER CADETS, 2022

Jurisdiction	# Responding local governments with at least 1 Aboriginal and Torres Strait Islander cadet	# local governments who answered this question	% responding local governments with Aboriginal and Torres Strait Islander cadets who answered this question
New South Wales	4	46	8.7%
Northern Territory	0	8	0.0%
Queensland	0	27	0.0%
South Australia	0	16	0.0%
Tasmania	0	3	0.0%
Victoria	0	32	0.0%
Western Australia	2	37	5.4%
Australia	6	169	3.6%

Source: 2022 LG Survey

FIGURE 20: PERCENTAGE OF RESPONDING LOCAL GOVERNMENTS WITH ABORIGINAL AND TORRES STRAIT ISLANDER CADETS, 2022



Source: 2022 LG Survey

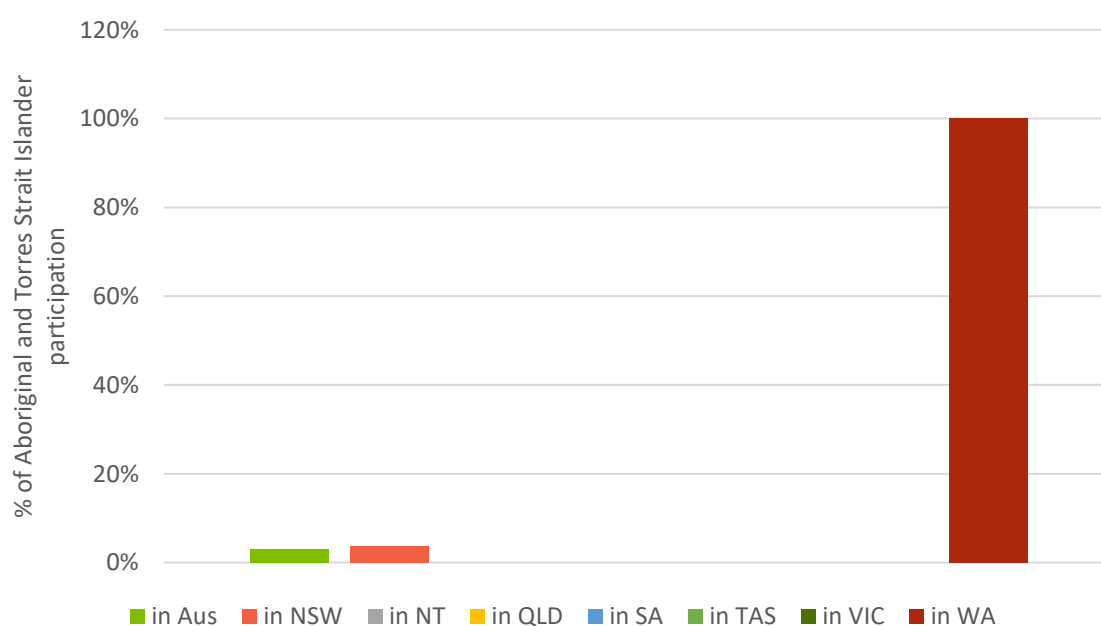
Table 11 presents the number of cadets in each jurisdiction who identified as being of Aboriginal and Torres Strait Islander origin. **Figure 21** shows the proportion of cadets who identified as being of Aboriginal and Torres Strait Islander origin.

TABLE 11: TOTAL ABORIGINAL AND TORRES STRAIT ISLANDER CADETS IN LOCAL GOVERNMENT, 2022

Jurisdiction	# total cadets of Aboriginal and Torres Strait Islander origin in responding local governments	# total cadets in responding local governments	% of total cadets who identify as Aboriginal and Torres Strait Islander origin
New South Wales	5	136	3.7%
Northern Territory	0	0	0.0%
Queensland	0	39	0.0%
South Australia	0	9	0.0%
Tasmania	0	3	0.0%
Victoria	0	40	0.0%
Western Australia	2	2	100.0%
Australia	7	229	3.1%

Source: 2022 LG Survey

FIGURE 21: PERCENTAGE OF TOTAL CADETS OF ABORIGINAL AND TORRES STRAIT ISLANDER ORIGIN, 2022



2.10 Capability and Productivity

The depth and breadth of skills within a workforce is a key determinant of organisational capability and capacity and are closely linked to productivity. Organisational capability and capacity do not just improve performance, but they help achieve it in the first place. How dynamic that organizational capability and capacity is will also be something that is relevant to outcomes but, as a primary focus, local governments must be enabled organisationally to perform for its local area. Building workforce capability, also termed 'human resource development', is therefore fundamental to improving the performance of any institution, including local government.

Recent research undertaken by SGS Economics and Planning for the Australian Local Government Association on local government's productivity found that local government plays an important role in the productivity of the wider economy through regulation, service delivery, infrastructure provision, climate change adaptation/mitigation and emergency management and recovery.²² The research also found that local government's productivity as a service provider is impeded by financial insecurity, difficulties in securing skilled workers and challenges in digital transformations.

The survey results discussed in the following chapters shed some light on these challenges.

²² ALGA (2022), Submissions to Productivity Commission, <https://alga.com.au/submission-to-productivity-commission/>

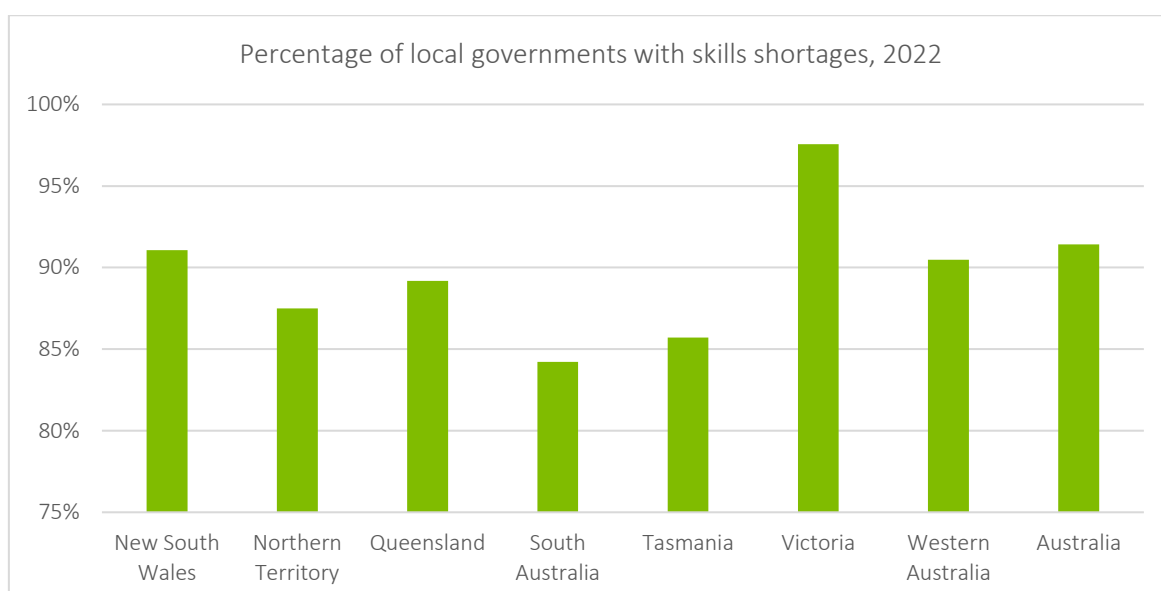
3. Survey Results: Skills Shortages

This chapter presents the national results on skills shortages in Local Government's workforce.

3.1 Occupational skills shortages

192 of the 210 (91.4%) respondent local governments reported that they were experiencing skills shortages in 2021-22, compared to the 68.9% of local governments in 2018 (**Figure 22**).

FIGURE 22: PERCENTAGE OF LOCAL GOVERNMENTS WITH SKILLS SHORTAGES BY STATE/TERRITORY, 2022



Source: 2022 LG Survey

The following tables summarise the most common occupational skills shortages experienced during 2020/21, whether local governments had to recruit less skilled applicants, and whether they believe that these occupational skills shortages will be a critical issue in the future. The top five most common responses nationally are shown in **Tables 12, 13 and 14** below. While the majority of local governments are located in rural areas, most of the 190,800 local government employees are from urban and urban fringe, and urban regional areas. The 2022 survey reveals that 59 (61%) of the responding Rural local governments have FTEs of under 100, compared to 108 (96%) of the responding Urban Regional, and Urban and Urban Fringe local governments, which have over 100 FTEs. Therefore, a breakdown of skill shortages by ACLG has been provided to better portray the skill shortages faced by different council types.

Similar to the 2018 survey results, engineers have been identified as the top occupation with a professional skill shortage, followed by urban and town planners, building surveyors, environmental health inspectors and human resources professionals. Many of these were also identified by the 2018 survey. However, human resources professionals were not identified in the top 10 Professional and

Technical skill shortage occupations in 2018, but this was the fifth most commonly identified in 2022 by 60 responding local governments. This may be due to changing regulatory requirements, an increased focus on levels of governance and compliance (see **Table 19** in part 4.6 in Chapter 4) and workforce planning (see **Table 22** in part 5.2.5 in Chapter 5).

Among operational and trade occupations, supervisors and team leaders remain the most common skills shortage area, affecting 96 local governments. This is a key opportunity for upskilling, noting that leadership and management skills are positive determinants of workforce performance and organisational culture. This is followed by labourers (21% of local governments in 2022 compared to 8.4% in 2018), IT and ICT technicians (20% in 2022 compared to 10.9% in 2018), and truck drivers – an emerging skills shortage area which was not identified in the top 10 in the previous survey.

TABLE 12: OCCUPATIONAL SKILL SHORTAGES IN 2020-21

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Engineers	96	46%
	Urban & town planners	83	40%
	Building surveyors	71	34%
	Environmental health officers	62	30%
	Human resource professionals	60	29%
Operational and Trade	Supervisors/team leaders	52	25%
	Labourers	45	21%
	IT / ICT technicians	43	20%
	Truck drivers	40	19%
	Accounts/pay roll clerk	37	18%

Source: 2022 LG Survey

3.1.1 Occupational skill shortages by ACLG

At a national level, the top occupations facing skill shortages are different, with some common occupations across all three ACLG categories. The skill shortages in Professional and Technical professions had two overlapping professions (urban and town planners, and engineers) across all three ACLG categories, while there was greater variation in Operational and Trade professions. Only supervisors/team leaders were common in Rural, Urban and Urban Fringe, and Urban Regional local governments.

Tables 12A, 12B and 12C provide a breakdown of the overall survey results for occupational skill shortages by ACLG Category respectively: Rural, Urban and Urban Fringe, and Urban Regional.

TABLE 12A: OCCUPATIONAL SKILL SHORTAGES IN RURAL LOCAL GOVERNMENTS IN 2020-21

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Accountants	27	28%
	Human resource professionals	27	28%
	Environmental health officers	26	27%
	Urban & town planners	26	27%
	Engineers	25	26%
Operational and Trade	Supervisors/team leaders	26	27%
	Labourers	25	26%
	Customer service workers	24	25%
	Truck drivers	23	24%
	Accounts/payroll clerk	18	19%

Source: 2022 LG Survey

TABLE 12B: OCCUPATIONAL SKILL SHORTAGES IN URBAN AND URBAN FRINGE LOCAL GOVERNMENTS IN 2020-21

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Engineers	30	53%
	Urban & town planners	27	47%
	Computing/ICT professionals	25	44%
	Building surveyors	24	42%
	Building surveying technicians	17	30%
Operational and Trade	IT/ICT technicians	15	26%
	Waste management/Recycling operator	10	18%
	Care persons (aged, disability)	9	16%
	Supervisors/team leaders	9	16%
	Tradespersons – Automotive	9	16%

Source: 2022 LG Survey

TABLE 12C: OCCUPATIONAL SKILL SHORTAGES IN URBAN REGIONAL LOCAL GOVERNMENTS IN 2020-21

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Engineers	22	39%
	Urban & town planners	6	11%
	Building surveyors	8	14%
	Environmental health officers	15	27%
	Computing/ICT professionals	12	21%
Operational and Trade	Water treatment operator	12	21%
	IT/ICT technicians	18	32%
	Supervisors/team leaders	4	7%
	Tradespersons – Automotive	3	5%
	Tradespersons – Horticultural	4	7%

Source: 2022 LG Survey

3.2 Recruitment of less skilled applicants

As a result of these skills shortages, local governments said that they resorted to recruiting less skilled applicants for engineering, urban and town planning, building surveying, and supervisors and team leader roles (**Table 13**). Generally, the proportion of local governments who said they did this has also increased since 2018.

TABLE 13: RECRUITMENT OF LESS SKILLED APPLICANTS, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Engineers	52	25%
	Urban & town planners	51	24%
	Building surveyors	42	20%
	Human resource professionals	35	17%
	Accountants	30	14%
	Community development & engagement officers (includes youth, sport & rec, arts & events officers)	30	14%
	Environmental health officers	30	14%
	Project managers	30	14%
Operational and Trade	Supervisors / Team leaders	39	19%
	Labourers	26	12%
	Accounts / Pay roll clerk	25	12%
	Customer service workers	25	12%
	Truck drivers	24	11%

Source: 2022 LG Survey

3.2.1 Recruitment of less skilled applicants by ACLG

Tables 13A, 13B and 13C provide a breakdown of the overall survey results for recruitment of less skilled applicants by ACLG Category respectively: Rural, Urban and Urban Fringe, and Urban Regional.

Recruitment of less skilled applicants in both Professional and Technical and Operational and Trade jobs varied across all three ACLG categories, though there were some common occupations, such as engineers, urban and town planners, and supervisors and team leaders.

TABLE 13A: RECRUITMENT OF LESS SKILLED APPLICANTS IN RURAL LOCAL GOVERNMENTS, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Community development & engagement officers (includes youth, sport & rec, arts & events officers)	22	23%
	Engineers	19	20%
	Urban & town planners	19	20%
	Human resource professionals	18	19%
	Accountants	17	18%
Operational and Trade	Supervisors/team leaders	23	24%
	Customer service workers	19	20%
	Labourers	17	18%
	Truck drivers	16	16%
	Care persons (aged, disability)	13	13%

Source: 2022 LG Survey

TABLE 13B: RECRUITMENT OF LESS SKILLED APPLICANTS IN URBAN AND URBAN FRINGE LOCAL GOVERNMENTS, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Engineers	16	28%
	Urban & town planners	11	19%
	Building surveyors	10	18%
	Computing/ICT professionals	10	18%
	Engineering technicians	8	14%
Operational and Trade	IT/ICT technicians	5	9%
	Supervisors/team leaders	4	7%
	Tradespersons	4	7%
	Accounts/pay roll clerk	3	5%
	Care persons (aged, disability)	3	5%

Source: 2022 LG Survey

TABLE 13C: RECRUITMENT OF LESS SKILLED APPLICANTS IN URBAN REGIONAL LOCAL GOVERNMENTS, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Urban & town planners	8	14%
	Building surveyors	33	59%
	Engineers	10	18%
	Project managers	37	66%
	Accountants	18	32%
Operational and Trade	Supervisors/team leaders	10	18%
	Water treatment operator	3	5%
	Accounts/pay roll clerk	3	5%
	Waste water/sewerage operator	3	5%
	IT/ICT technicians	15	27%

Source: 2022 LG Survey

3.3 Critical Occupational Skill Shortages

Responding local governments also said that the occupational skill shortages they were experiencing in 2021 would become critical in the future. For professional occupations, local governments anticipated critical shortages of engineers, town planners, building surveyors, environmental health officers and accountants. The proportion of local governments who are expecting shortages in these occupational areas increased from a range of 20.5-34.9% in 2018 to 37-53% in 2022 (**Table 14**).

For operational occupations, local governments expected the most critical shortages to be for accounts and pay roll clerks, IT and ICT technicians, supervisors and team leaders, labourers and mechanical tradespersons. These surpassed the care person and waste water/sewerage operator occupation categories which ranked second and third most critical in the 2018 survey.

TABLE 14: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN THE FUTURE, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Engineers	112	53%
	Urban & town planners	102	49%
	Building surveyors	100	48%
	Environmental health officers	82	39%
	Accountants	78	37%
Operational and Trade	Accounts/pay roll clerk	62	30%
	IT / ICT technicians	55	26%
	Supervisors/team leaders	54	26%
	Labourers	47	22%
	Tradespersons – mechanical	47	22%

Source: 2022 LG Survey

3.3.1 Critical occupational skill shortages by ACLG

Tables 14A, 14B and 14C provide a breakdown of the overall survey results for future critical occupational skill shortages by ACLG Category respectively: Rural, Urban and Urban Fringe, and Urban Regional.

The future critical skill shortages in the Professional and Technical occupations identified in Rural and Urban and Urban Fringe local governments were also quite similar, while future critical skill shortages in Operational and Trade jobs were relatively different in Rural, Urban and Urban Fringe and Urban Regional local governments.

Out of the Rural (Table 14A), Urban and Urban Fringe (Table 14B) and Urban Regional local governments (Table 14C), the future critical skill shortages anticipated by Urban Regional local governments (Table 14C) were the most different from the current skill shortages reported.

TABLE 14A: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN RURAL LOCAL GOVERNMENTS IN THE FUTURE, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Engineers	44	45%
	Accountants	41	42%
	Environmental health officers	40	41%
	Urban & town planners	40	41%
	Building surveyors	37	38%
Operational and Trade	Accounts/pay roll clerk	34	35%
	Supervisors/team leaders	29	30%
	Labourers	25	26%
	Truck drivers	25	26%
	Waste water/sewerage operator	25	26%

Source: 2022 LG Survey

TABLE 14B: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN URBAN AND URBAN FRINGE LOCAL GOVERNMENTS IN THE FUTURE, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Urban & town planners	31	54%
	Computing/ICT professionals	30	53%
	Engineers	30	53%
	Building surveyors	29	51%
	Environmental health officers	22	39%
Operational and Trade	IT/ICT technicians	20	35%
	Accounts/pay roll clerk	13	23%
	Tradespersons – Mechanical	10	18%
	Waste water/sewerage operator	10	18%
	Youth support worker	10	18%

Source: 2022 LG Survey

TABLE 14C: CRITICAL OCCUPATIONAL SKILL SHORTAGES IN URBAN REGIONAL LOCAL GOVERNMENTS IN THE FUTURE, 2022

Category	Occupation	# Responding local governments	% Responding local governments
Professional and Technical	Allied health professionals	24	43%
	Building surveyors	21	38%
	Building surveying technicians	19	34%
	Surveyors	19	34%
	Computing/ICT professionals	18	32%
Operational and Trade	Labourers	16	29%
	Waste water/sewerage operator	16	29%
	Water treatment operator	15	27%
	Tradespersons – Fabrication	15	27%
	Tradespersons – Mechanical	15	27%

Source: 2022 LG Survey

3.4 Drivers of skill shortages

The most common drivers of skills shortages in Australian local governments were: a market shortage of suitably skilled candidates, an inability to compete with the private sector and other local governments on remuneration, and locational disadvantages. The survey did not directly ask how local governments sought to improve their competitiveness as an employer of choice. However, some local governments said they were exploring non-financial benefits and assistance to improve workforce attraction. It is also worth noting that recruitment challenges are clearly impacting many local governments, but that this is not necessarily the case on a sector-wide basis, particularly if shared resources and services among neighbouring local governments are helping to address some of these shortages.

The 2022 survey results reveal that although local governments in Australia experience the same drivers, there is geographic differentiation in the impacts of certain drivers. For example, the challenge of remoteness disproportionately impacts Rural local governments, and this was associated with a lack of accommodation and access to services. One rural local government said that some applicants were reluctant to relocate due to the lack of job prospects for their partners, highlighting the potential for employers to consider the spectrum of needs of relocating households, rather than relocating individuals. Budget constraints particularly impacted Rural local governments, though this was experienced by councils across all ACLG categories.

Key skill shortages in Urban and Urban Fringe local governments and Urban Regional local governments were also driven by a limited talent pools and a perceived lack of opportunities and attractiveness of working for local government.

Many of the reasons mentioned above are similar to those that have been identified in the 2018 report. However, the COVID-19 pandemic emerged as a major theme in the 2022 survey, the influences of which ranged from impacting the ability of interstate candidates to travel, accelerating the 'great

resignation’,²³ to shaping workforce demands, e.g. seeking greater flexibility in working and/or training arrangements. A high-level analysis by ACLG category suggests that the impacts of the COVID-19 pandemic were felt most acutely among Rural local governments.

Other emerging drivers of skills shortages included the lack of tailored university courses and therefore the skills pipeline, as well as the gaps in organisational knowledge transfer and succession planning.

3.5 Time to fill vacancies

149 local governments (71.0%) said they were running under staff complement in 2022, ranging from vacancies of 1-193 employees. This represents a range of <1 to 36% of total FTEs at each council.

On average, it is taking local governments between 2.9 and 3.8 months to fill staff vacancies for Professional and Administrative positions, and slightly less (between 2.8 and 3.5 months) for to fill Operational and Trade positions.²⁴ This is longer than the timeframes reported in the 2018 survey (2.5 to 3 months for professional positions; just over 2.3 months for trade positions), although the trend of longer recruitment times for professional positions persists.

Local governments were asked to select from a list of reasons why vacancies were taking over three months to fill. The most common response was the difficulty in attracting staff with the right skills and experience, which was reported by 141 local governments (67%), followed by the impacts of COVID-19 pandemic on the attraction of out-of-region staff (29.0%). Other reasons included a lack of priority given by managers to fill vacancies (impacted 30 local governments; 14%) and that managers have had to hold these vacancies open for budgetary reasons (22 local governments; 10%).

3.6 Hardest to fill occupations

50 local governments (24%) identified that Engineers were the most difficult occupation to fill due to competition with the private sector being able to offer better remuneration, followed by building surveyors and town planners (36 local governments; 17% respondents). A sub-national analysis reveals that while Engineers were the hardest occupations to fill in New South Wales, Northern Territory and Queensland local governments, building surveyors, town planners and plant operators were the hardest to fill based on responses from Victorian, South Australian and Western Australian local governments respectively.

Other occupations that local governments commonly documented were difficult to fill included environmental health officers, maternal and childcare nurses, childcare workers, community care workers, human resource professionals, IT professionals and waste and wastewater operators.

²³ This was referenced by several councils as a contributing factor to turnover and workforce attraction and retention challenges. The Great Resignation describes the economic trend where employees voluntarily resign from employment *en masse* due to employment dissatisfaction. The 2022 survey design did not cover the reasons for ceasing employment.

²⁴ A comparison with the recruitment timeframes with state and federal agencies, and with the private sector would be useful, but comparable data was not available based on a high-level desktop review.

3.7 Skills gaps and additional skills required

154 local governments (73%) said that they were experiencing skills gaps in a range of occupations, the most common being town planners, then engineers, building surveyors, plant operators, project managers and environmental health officers. This is a small increase from the reported 69% of local governments as identified in the 2018 survey, which had its most common shortages in the same occupations.

Local governments identified several factors that could help with recruiting people to fill job vacancies, including previous work experience with local government and knowledge of local government, better availability of accredited continuing professional development and training opportunities, and better digital literacy. Other local governments cited soft skills like collaboration, consultation skills, a data analytical mindset and problem-solving skills, and for supervisor and managerial positions, leadership skills.

3.8 Drivers of skills gaps

Local governments identified the following key drivers of critical skills gaps by occupational area:

- Town planners – complex legislative changes and/or requirements, insufficient cadets, insufficient budget to allow for succession planning, courses no longer being offered;
- Engineers – limited talent pool to draw from, high industry demand and inability to compete with private sector remuneration, lack of overseas talent, lack of regional housing availability;
- Building surveyors – lack of staff interest to upskill, impacts of private certification, insurance costs, inability to compete with private sector remuneration, lack of applicants with required skills, experience and accreditations;
- Plant operators – ageing workforce, staff shortages that prevent mentoring, and inability to compete with private sector remuneration, limited talent pool to draw from;
- Project managers – lack of experience, inability to compete with private sector remuneration, border closures resulting from COVID-19;
- Environmental health officers – insufficient cadets, experienced staff recruited to contact tracing for Covid-19, limited talent pool to draw from;
- Administrative and professional services – lack of qualified candidates who want to work in local government, budget and time limitations that prevent training;
- Operational and trade jobs – lack of trainees, increased requirements for qualifications in industry, lack of local applicants, succession gaps, digital literacy.

Many of these underlying drivers were also identified by the 2018 survey.²⁵

²⁵ 2018 Local Government Workforce and Future Skills Report – Australia.

3.9 Current approaches to addressing skills gaps and shortages

140 local governments (66%) said that advertising and social media platforms were the most successful method for filling vacancies, followed by reskilling and upskilling employees (124 local governments; 59%), using external recruitment agencies (93 local governments; 44%). To a lesser extent, local governments said that contingent workers and the graduate employment pipeline were successful methods for filling skills shortages (48 and 50 local governments respectively).

Other methods that local governments used to fill vacancies in skills shortages occupations include word of mouth and using personal networks of staff, taking on more trainees and apprentices, trialling people through work experience or practicum placements, resource sharing across the council, and re-designing job roles.

137 local governments (65%) said that project delivery has been impacted or delayed by vacancies, skills shortages, skills gaps or training needs. Providing informal, on-the-job training as well as opportunities to act up or across other roles were the two most popular strategies for addressing skills gaps and shortages – 114 local governments (54%) said they used these strategies. This was followed by 108 local governments (51%) who indicated that they provided coaching and mentoring, 102 local governments who offered training courses, and 53 local governments (25%) who provided secondments or exchanges to other workplaces.

Based on the survey data, other strategies used by local governments nationally to address skills gaps and shortages include:

- Sharing training opportunities with other local governments in the region;
- Engaging recruitment agencies and using contractors;
- Understanding the need for professionalising the workforce and encouraging regular feedback from employees in supervisor positions;
- Recruiting graduates, cadets, apprenticeships, and traineeships, while also upskilling existing employees; and
- Sourcing funding to be able to deliver appropriate training.

93 local governments (44%) said they shared resources or services with other local governments. A breakdown by ACLG broad category is shown in **Table 15**. The results highlight that a higher proportion of Rural local governments compared to Urban local governments are sharing resources and/or services.

These arrangements related to sharing waste collection, library, equipment, and audit committee services, among others, with neighbouring local governments. It is worth noting that there was little mention of staff sharing arrangements between local governments in key shortage areas. Other local governments combined training programs to split travel costs for training facilitators. However, some local governments have been sharing staffing resources for maternal and child health nurses, rangers, environmental health officers, roads crews and street sweepers. In the focus groups, a small number of local governments indicated they also had staff on secondments to other local governments on short term assignments to relieve a critical gap for a neighbouring local government or to gain experience to fill a skill gap in their own local government.

TABLE 15: RESOURCE AND SERVICE SHARING ARRANGEMENTS BY ACLG, 2022

ACLG category	No	Yes	Did not respond	Total
Rural	44 (45%)	52 (54%)	1 (1%)	97 (100%)
Urban and Urban Fringe	34 (60%)	21 (37%)	2 (4%)	57 (100%)
Urban Regional	34 (61%)	20 (36%)	2 (4%)	56 (100%)

Source: 2022 LG Survey

In the past three years, 155 local governments (74%) said they had engaged with state or federal education, training or other initiatives to support workforce retention and attraction. A selection of initiatives identified included:

- The Australian Government's Department of Education, Skills and Employment's Foundation Skills for Your Future Program,²⁶ and the Boosting Apprenticeship Commencements wage subsidy;²⁷
- The Skilling Queenslanders for Work – First Start Program, which aims to provide young people and disadvantaged job seekers with opportunities to gain nationally recognised qualifications and 12 months paid employment by undertaking a traineeship with local council or a community-based organisation;²⁸
- The NSW Government's Smart and Skilled funding, which entitles eligible students to government-subsidised training and/or government funding for courses in priority areas;²⁹
- The Western Australia's Government Traineeship Program;
- The Tasmanian government's Supporting Apprentices and Trainees wage subsidy;
- Working for Victoria, an initiative to assist local governments to employ Victorian jobseekers, including those who have lost employment due to the COVID-19 pandemic;³⁰
- The South Australian Government Youth Traineeship Program, which facilitates vocational training and practical work experience for young South Australians to enter government;³¹

²⁶ <https://www.dese.gov.au/foundation-skills-your-future-program>

²⁷ <https://www.dese.gov.au/boosting-apprenticeship-commencements>

²⁸ Department of Employment, Small Business and Training (2021), *Skilling Queenslanders for Work First Start Guidelines for funding 2021-22*, https://desbt.qld.gov.au/__data/assets/pdf_file/0025/8269/first-start-funding-guidelines.pdf

²⁹ NSW Government (2017), *Smart and skilled*, <https://smartandskilled.nsw.gov.au/about>

³⁰ Victorian Government, *Working for Victoria*, <https://www.vic.gov.au/sites/default/files/2020-04/Working%20for%20Victoria%20Information%20for%20local%20governments.docx>

³¹ SA Department for Infrastructure and Transport (2022), *Traineeship Vacancies*, https://www.dit.sa.gov.au/careers/entry_level_pathways/aboriginal_employment/traineeship_vacancies#:~:text=The%20Government%20Youth%20Traineeship%20Program,experience%20in%20a%20government%20department.

- The Northern Territory Government's Employer Apprenticeship and Trainee Support Scheme, which supports businesses that employ apprentices and trainees with a Certificate IIIs up to Diplomas;³²
- A range of TAFE programs and certificates, as well as initiatives such as traineeship, apprentice, cadet and graduate programs.

³² Department of Trade, Business and Innovation (2018), *Skilling the Territory Annual Investment Plan 2018/19*, https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fskillingterritorians.nt.gov.au%2F__data%2Fassets%2Fword_doc%2F0020%2F620066%2Fskilling-the-territory-annual-investment-plan-2018.docx%23%3A~%3Atext%3DThe%2520Employer%2520Apprenticeship%2520and%2520Traineeship%2520Support%2520Scheme%2520provides%2Cassociated%2520with%2520employing%2520and%2520training%2520apprentices%2520and%2520trainees.%3Fmsclkid%3Db73b201eabf711ec9e3d0e9f28bbdb68&wdOrigin=BROWSELINK

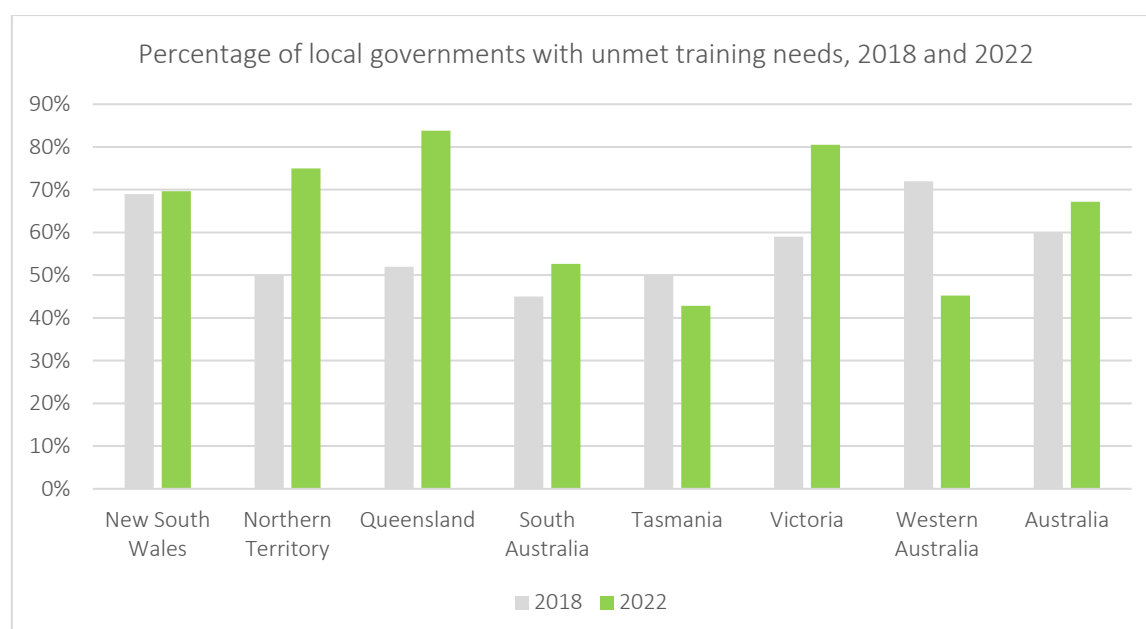
4. Results: Training Needs and Challenges

This chapter presents the national results on Local Government's training needs and challenges.

4.1 Unmet training needs and drivers

141 local governments (67%) said they faced unmet training needs in 2021-22; an increase from 60% in 2018 (**Figure 23**). At a state and territory level, the proportion of local governments who experienced unmet training needs either increased or stayed the same between 2018 and 2022 in all jurisdictions, except for Tasmania and Western Australia.

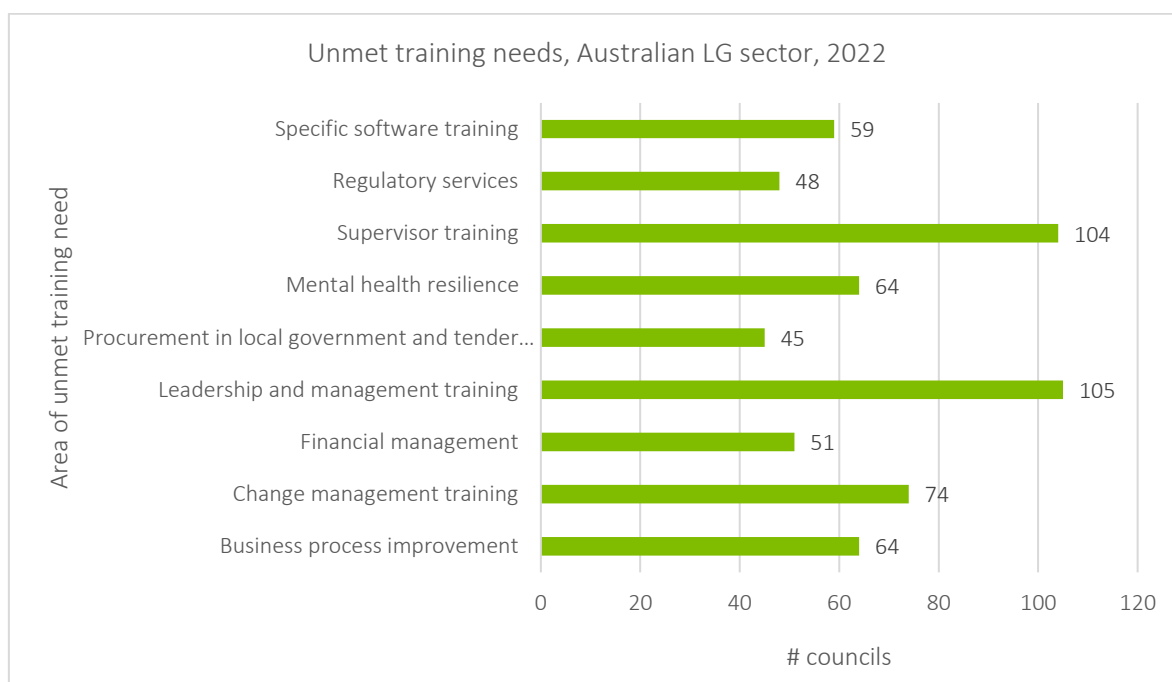
FIGURE 23: LOCAL GOVERNMENTS WITH UNMET TRAINING NEEDS IN AUSTRALIA, 2018 AND 2022



Source: 2022 LG Survey, 2018 Local Government Workforce and Future Skills Report

In 2021-22, leadership and management training and supervisor training were the primary unmet training needs across the sector nationally (105 and 104 local governments respectively; 50% of respondents), followed by 74 local governments (35%) who said they had unmet need for change management training (**Figure 24**). 64 local governments said they had unmet need for business process improvement and mental health training, while 59 local governments said they had unmet need for specific software training. Some local governments identified additional areas of unmet training need, including compliance training, water and sewer qualifications, arboriculture, project management and gender equality.

COVID-19 implications have prevented local governments from addressing these unmet training needs, which have seen practical training postponed or put on hold.

FIGURE 24: UNMET TRAINING NEEDS NATIONALLY, 2022

Source: 2022 LG Survey

Local governments were asked to select the primary drivers of unmet training needs from a list. The summary in **Table 16** below highlights that the COVID-19 pandemic was the most common disruptor of training needs in 2021 to 2022, affecting 123 local governments (59%). This was followed by the difficulties of sourcing quality training programs locally and balancing training needs with employees' time constraints.

Local governments who listed 'other' drivers of unmet training need noted that course costs could be prohibitive, a lack of HR staff to identify and coordinate training, disruptions from organisational restructures, challenges with digital delivery for some staff with low digital literacy, and the de-prioritisation of some training needs during the pandemic to dedicate resources to wellbeing, mental health and resilience programs.

Combined with the flat level of training expenditure (see 'training expenditure' below), the results suggest that notwithstanding the impacts of COVID-19, there is potential to drive more proactive approaches to addressing training needs.

TABLE 16: UNMET TRAINING NEEDS AND DRIVERS NATIONALLY, 2022

Driver of unmet training need	% local governments impacted
Lack of access to appropriate training due to COVID	59%
Unable to source quality training programs and/or trainers that can be delivered locally	39%
Employees haven't had time to attend training	34%
Council budget is insufficient for this training	28%
Travel cost of sending staff away to attend training is too high	26%
Lack of time to organise training	25%
Unable to source training programs with relevant content	23%
Other	16%
Lack of support from managers/supervisors to send staff on training courses	16%

Source: 2022 LG Survey

4.2 Joint training and development

29 local governments said they had undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs), predominantly to offer cultural awareness training to council staff. 25 local governments provided further information on their partnerships with ACCOs. Additional details are provided in **Appendix D**.

4.3 Training expenditure

Local governments were asked whether their expenditure on learning and development had changed between 2021 and 2022. 119 local governments (56%) confirmed that expenditure on training had remained the same, 41 (19.5%) said it had decreased, while 37 (17.6%) reported an increase (**Table 17**).

A breakdown by ACLG broad category indicates that Urban and Urban Fringe categories of local governments had the greatest proportion reporting a decrease in training expenditure (26.4%) and Urban Regional categories of local governments had the greatest proportion of local governments with increased expenditures (24.5%).

TABLE 17: CHANGE IN TRAINING EXPENDITURE BY ACLG BROAD CATEGORY, 2021-22

Change in training expenditure	Rural	Urban and Urban Fringe	Urban Regional	Total
Decreased	14 (15%)	14 (26%)	13 (25%)	41
Increased	15 (16%)	9 (17%)	13 (25%)	37
Remained the same	62 (68%)	30 (57%)	27 (50%)	119

Source: 2022 LG Survey

According to estimates by local governments, the percentage change in training expenditure ranged from 2% to 100%. Local governments who reported the largest increases in training expenditure said that this was due to new leadership, the appointment of a new training coordinator, and increased emphasis on learning and development. Other reasons behind increases in training expenditure included: rising course costs, new training areas (e.g. leadership, First Nations cultural heritage training), increases in tertiary assistance applications, increased budgets, an increase of unskilled staff that require training, and increased funding towards learning and development in order to help support the business through training, such as Certificate II and IVs.

Local governments who reported the largest decreases in training expenditure generally linked the decreases to budget cuts, whether due to other organisational priorities or cost savings associated with the COVID-19 pandemic. Others also said that online course delivery during the pandemic helped to save travel and accommodation costs.

4.4 Preferred delivery mode

Local governments were asked to select their preferred mode of training delivery: in-person, self-paced learning, virtual delivery, and blended learning (mix of all options). 122 local governments preferred blending learning, 68 preferred face-to-face delivery, 3 favoured virtual delivery and no council selected self-paced as their preferred mode. There was higher proportion of Rural local governments who preferred in-person delivery, while Urban local governments generally preferred blended learning (Table 18).

TABLE 18: AUSTRALIAN LG PREFERRED TRAINING DELIVERY MODE BY ACLG BROAD CATEGORY, 2022

Preferred delivery mode	Rural	Urban and Urban Fringe	Urban Regional	Total
Blended learning (in person, self-paced, and virtual)	46	39	37	122
In person, face-to-face delivery	38	13	16	68
Virtual delivery	2	-	1	3

Source: 2022 LG Survey

30 of the 68 local governments who prefer face-to-face delivery of training identified that the COVID-19 pandemic's restrictions had disrupted and become a key challenge to training delivery. Additional challenges identified by local governments include a lack of suitable and quality training available within regional areas, and cost and time implications for trainers to travel to remote local governments.

34 of the 122 local governments who preferred blended training said that COVID-related challenges have made the face-to-face component a challenge to delivering blended training modes. Access to technology and digital infrastructure were challenges, particularly for operational staff, and time and organisational capacity constraints were also challenging. Notwithstanding the increased flexibility that is offered by blended learning, some local governments said there were potential trade-offs in the level of engagement from participants.

Only 3 local governments said virtual delivery was their preferred mode, listing technical issues and having to provide alternative training methods to employees who were less 'tech-savvy' as potential challenges with this option.

4.5 Uptake of training arrangements

121 local governments (57.6%) do not believe they are taking on enough trainees and apprentices to meet future skilling needs, compared to 87 local governments (41.4%) who believe they are.

19 Rural local governments hired between 1 and 4 cadets, 20 Urban and Urban Fringe local governments hired between 1 and 14 cadets, and 33 Urban Regional local governments hired between 1 and 10 cadets. Generally, Aboriginal and Torres Strait Islander participation in cadetship programs was low, but the 2022 survey may under-estimate this figure given that not all local governments collect this information.

Cadets tended to be employed in engineering (22 local governments), town planning (12 local governments), building surveying (6 local governments), and design and or civil design (4 local governments). Less commonly, cadets were employed in construction management, waste, environmental health and sustainability, design, maternal and child health, finance/accounting and journalism.

4.6 Factors impacting future skilling needs

Local governments were asked to select any internal or external factors that would impact their future skilling needs from a list. 169 local governments (80%) cited the ageing workforce, followed by 141 (67%) who said that major council or external infrastructure projects would have an impact and 136 local governments (65%) who identified increasing levels of governance and compliance (**Table 19**). Amongst the survey respondents, and there could be many more, only 59 local governments anticipate that climate change would have an impact on future skilling needs.

Local governments who provided additional detail on other factors affecting future skilling needs cited organisational changes (e.g. restructures and changing leadership), ongoing uncertainties and constraints from the COVID-19 pandemic (including the impacts to skilled migration from border closures / uncertainties), regional amenity and access to services (e.g. access to affordable housing), as well as the changing 'future of work', which has decreased demand in some regions for local employment.

TABLE 19: FACTORS IMPACTING FUTURE SKILLING NEEDS NATIONALLY

Factor	AUS		NSW	QLD	VIC	WA	SA	NT	TAS
	#	%							
Ageing workforce	168	80%	82%	70%	90%	79%	84%	50%	86%
Major council or external infrastructure projects	141	67%	71%	62%	73%	64%	63%	75%	43%
Increasing levels of governance and compliance	136	65%	59%	57%	71%	71%	79%	75%	29%
Technological change	128	61%	57%	59%	73%	55%	74%	25%	71%
Changes in government funding levels	124	59%	52%	73%	66%	48%	58%	88%	43%
Growth in local government area	104	50%	48%	46%	61%	43%	58%	63%	14%
Climate change	59	28%	18%	30%	51%	12%	42%	25%	29%
Other	40	19%	14%	22%	22%	26%	11%	13%	14%

Source: 2022 LG Survey

4.7 Changing job roles and requirements

Local governments were asked whether they had undertaken any analysis or forecasting of changing roles and skills requirements of their workforce, specifically due to digital disruption or advances in technology. In 2022, a much greater proportion of local governments said they were analysing future roles and requirements – 33% compared to 18% in 2018 (**Table 20**). However, the proportion of local governments who are proactively planning their future workforce is still low and suggests an urgent

need to adapt to the macro-trends and drivers that are shaping job roles and requirements in local governments' workforce of the future (see discussion in part 5.2 in **Chapter 5**).

TABLE 20: PROPORTION OF LOCAL GOVERNMENTS UNDERTAKING ANALYSIS OF FUTURE JOB ROLES AND REQUIREMENTS NATIONALLY

	2018	2022							
Response	National	National	NSW	QLD	VIC	WA	SA	NT	TAS
No	70%	62%	53.6%	75.7%	44%	69%	68%	-	71.4%
Yes	18%	33%	39.3%	18.9%	56%	21%	32%	13%	28.6%
Did not respond	12%	5%	7.1%	5.4%	-	9%	-	86%	-

Source: 2022 LG Survey, 2018 LG survey

Local governments who participated in the survey identified new roles that would emerge over the next three years due to service delivery changes, technological advancements or other changes at council. Their responses to this question are listed below, but are not an exhaustive representation of the range of economic, social and environmental functions that local governments currently perform:

- Digital skills of the future – several local governments said cyber security, and analytic roles in business and data would be focuses, as well as a desire for more automated information gathering, and improved IT infrastructure and digital officers to support and connect remote communities.
- An increasing focus on renewables – a sustainability theme underpinned several council suggestions that renewable energy, resource recovery, environmental sustainability, biodiversity and natural resources roles would emerge in the next few years.
- Facilitating community connection – some local governments also highlighted the potential for community focused roles and arts and cultural development officers.

4.8 Impacts of recent events on workforce attraction and retention

Local governments were asked to rate the impacts – minimal, moderate, or significant – of recent events on workforce attraction and retention. Nationally, COVID-19 impacts were the most significant, with 81 local governments rating it as having a significant impact and 69 rating its impact as moderate (**Table 21**). Unfortunately, the responses did not indicate clearly enough if the impacts of COVID-19 had been positive or negative, as they can be interpreted either way. However, in reviewing responses to other survey questions, there was little mention of the potential longer-term upsides of the pandemic, such as increased remote working that enables access to a wider talent pool and flexibility in workforce management.

Among responding local governments, natural disasters had the least significant impacts on workforce attraction and retention (123 local governments said it had minimal impact), followed by skilled migration trends (106 local governments said the impact was minimal). Again, the lower responses to

natural disasters may be due to 'sampling error' as many local governments that were being impacted by natural disasters at the time of the survey did not respond to the survey.

Other factors that local governments said would have a moderate impact on workforce attraction and retention included: the threat of boundary reform, an ageing workforce, rate capping, and state and federal government investments that tighten demand pressure for required skills in some locations.

TABLE 21: MOST SIGNIFICANT IMPACTS ON WORKFORCE ATTRACTION AND RETENTION

Rank	AUS	NSW	QLD	VIC	WA	SA	NT	TAS
1	COVID-19 pandemic	COVID-19 pandemic	Housing pressures	COVID-19 pandemic	COVID-19 pandemic	COVID-19 pandemic	COVID-19 pandemic	COVID-19 pandemic
2	Housing pressures	Housing pressures	COVID-19 pandemic	Housing pressures	Housing pressures	Housing pressures	Housing pressures	Housing pressures
3	Uncertainty of long-term funding	Changing local, regional economy	Uncertainty of Long-term funding	Changing local, regional economy	Changing local, regional economy	Uncertainty of long-term funding	Uncertainty long-term funding	Changing local, regional economy

Source: 2022 LG Survey

5. Survey Results: Focus Group Insights

This chapter presents the collective findings of the national, state and territory focus groups that were conducted to obtain additional qualitative information to complement the survey data.

5.1 Introduction

As part of this project, SGS undertook additional qualitative research to complement the survey's quantitative findings, especially in relation to skills and workforce drivers, workforce development initiatives and focus group discussions to gain additional insights. This included a scan of workforce development ideas and initiatives in Australia and internationally, focus group discussions with several national employer bodies and the State Local Government Associations and a small number of local governments in each jurisdiction attended by human resources managers and/or chief executive officers.

Some of the raw material we gathered is included in the following Appendices:

- **Appendix F** includes a small selection of local government workforce development initiatives in Australia.
- **Appendix G** presents the Local Government Information Unit's (LGIU) review of international best practice policy for workforce and skills/capability development in the Local Government sector, including skills shortages, leveraging partnerships, remaining agile and responding to macro trends.
- **Appendix H** is a summary of a recent OECD Policy Manual for Local Government on future proofing adult learning systems in recognition of the long term economic, social and health consequences of the COVID-19 pandemic, ongoing structural changes including automation and digitalisation, demographic changes and the transition to a 'green' economy.

5.2 Future Workforce Needs – Insights from the Focus Groups

Focus groups held with local government stakeholders across all states and territories confirmed that the findings of the 2018 survey are equally relevant today. But it was not clear whether the results of the 2018 survey had any significant effect on policy and practices regarding local government's efforts to tackle workplace skills and capability issues. Nevertheless, recruitment and retention, high training costs, busy workloads and a lack of skilled professionals in key sectors were all noted as ongoing challenges for the sector. Beyond this, the focus groups identified a number of common themes, as discussed below.

5.2.1 Current strategies to meet future skills needs

The Survey included a question about what local governments are currently doing to meet future skills needs and what would help meet future skills needs.

The responses revealed that offering flexible training and development was the most common strategy to meet future skilling needs, used by 152 local governments (72%), followed by targeted training and development programs (149 local governments; 71%) (**Table 22**). 47% of local governments improved access to educational opportunities as part of their strategy. To a lesser extent, local governments engaged in regional staff sharing and industry partnerships; overall, the uptake of some of these strategies is considered low.

TABLE 22: STRATEGIES TO MEET FUTURE SKILLS NEEDS, 2022

Strategy	# Responding local governments	% Responding local governments
Flexible training and development	152	72%
Targeted training and development programs	149	71%
Improved access to educational opportunities	99	47%
Regional staff sharing arrangements	56	27%
Building industry partnerships	47	22%
Other	47	22%

Source: 2022 LG Survey

Interestingly, the recent Regional Australia Institute (RAI, 2021) report and the OECD (2022) both emphasise the importance and added value of collaboration and cooperation on a regional scale with like-minded businesses and community organisations as a way of yielding regionally relevant opportunities and outcomes. These reports are discussed in more detail in **Chapter 6**.

Additional strategies used by 47 local governments included:

- Conducting workforce and succession planning, and developing a workforce ageing strategy;
- Employee retention strategies like non-monetary benefits, upskilling and online learning;
- Employing a dedicated training and development officer;
- Offering relocation assistance for prospective employees;
- Sourcing funding to construct staff housing; and
- Providing internal mentoring as part of phased retirement arrangements.

This list is unsurprising in many respects because it comprises things that many local governments already do.

5.2.2 The need for greater flexibility in how a role is structured and recruited

There was a recognised need for alternative models for how local governments recruit and retain staff. Stakeholders noted that how roles are described and the band they fall within can be a hurdle, particularly when looking to provide the flexibility to find and hire good people. It was noted that the actual roles carried out by staff look quite different in rural and regional local governments compared to larger metropolitan local governments, and between local governments facing different challenges.

In rural local governments, the need to fill multiple roles through one position can provide a great opportunity to build diverse skill sets.

Requirements around more advanced roles and merit-based requirements were identified as barriers to attracting a more agile workforce. There was a recognised need, and a desire, to **think differently about job design**, and how to best communicate what a role actually involves and requires. For example, a council in the Northern Territory is looking at how to design roles to meet the current need (which vacancies need to be covered) rather than simply trying to recruit for conventional roles, which don't reflect the working reality in many local governments.

Ultimately there was a recognition of the need for a stronger focus on identifying candidates who have the soft skills a willingness to learn on the job and the chance to develop a career in local government. What procedures can allow for people to move around internally? How can we tap into opportunity by thinking differently?

The shift to contract-based roles, in part due to positions being tied to grant funding, is making it **difficult to fund ongoing positions** in turn making it harder to keep good people who want the security of ongoing roles.

Where there are skills shortages, some local governments are breaking the **salary structures** to make remuneration packages more attractive for recruitment. Senior officers are now negotiating outside of enterprise agreements, allowing for greater flexibility when it comes to remuneration. Common law contracts are also being used to allow people to be paid a little higher, however this can only apply to contract positions as permanent staff must be on the enterprise bargaining agreement.

Thinking differently about how to attract staff, Coomalie Community Government Council is looking at trialing a **four-day working week** as they are unable to offer the same benefits and remuneration as their competitors. However, another council noted that flexibility had been a hallmark of the local government sector, but with the shift to hybrid work more broadly, that was no longer a key benefit when recruiting.

5.2.3 The need for attractive career pathways in the local government sector

Stakeholders saw a gap in how the opportunities of working in local government are articulated outside the sector. Mentoring of young staff was seen as important to encourage them to think about a career in local government, rather than viewing it as a stepping stone to working for state government or the private sector. For larger local governments, such career paths are easier and evident, whereas for smaller local governments such career paths are generally non-existent.

Smaller local governments therefore often find it more difficult to attract skilled staff due to the lack of clear career pathways. This struggle to attract a diverse workforce suggests there is merit in taking a sector wide view of career pathways in local government. Some local governments will struggle to attract young or mid-career practitioners. Others might offer complex roles that provide a unique ability to develop a diverse skill set within a discipline which can be particularly beneficial when starting a career in local government. Remote local governments often look for multi-disciplined people as roles are broader, but often there isn't a defined career path. Rural local governments are frequently seen as stepping-stones, with staff eager to move onto larger urban and metropolitan centres. For example, it was noted that rural local governments invest in skilling staff, especially in professional roles, only to find that they get taken by larger local governments in regional or metropolitan centres or beyond local government and into the private sector.

With local governments struggling to engage people early in their career, cadetships, apprenticeships or internships are seen as ways to engage young people. For example, sometimes a university internship placement can later become a positive full-time role. It was noted there is a role for the sector to showcase itself, engaging with university students about employment and career opportunities. Equally, there was the opportunity to create awareness of the unique administrative areas, like executive assistants in the broader community.

The need to **engage a more diverse workforce** as a means of both increasing participation and widening the pool of potential job applicants is evident. The stakeholders considered training and development options that begin with practical certificates or a diploma, with the option of then building up to a degree as the preferred model. Central Desert Regional Council in the NT are designing a model for road crew staff to progress from outdoor labour-oriented work to project management work. This is similar to the Women in Building program in Victoria³³ which offers a number of enrolment opportunities from an advanced diploma through to a degree in Building Surveying, equips the trainee to be registered and employed as an Municipal Building Surveyor in Victoria. And in Tasmania, a council is working with regional jobs hubs to find people with the right skillset locally. These are just a couple of examples where there is a recognised need to grow local skills ecosystems, which is consistent with suggestions by both RAI (2022) and the OECD (2022), mentioned earlier.

For **professional development**, the stakeholders identified a range of soft skills, specifically the need for **resilience** and ability to cope with change and emotional intelligence, along with the ability to think creatively, particularly around **service re-design and innovation**. One focus group participant noted the challenge facing younger planning staff who have to deal with the public and are often treated quite poorly, with flow-on effects for recruitment and retention. This highlighted the need for soft skills that are not always viewed as essential or relevant by senior executives in a council, creating a barrier to adopting this type of training.

It was noted that not only was training prohibitively expensive, some local governments find training is not providing value for money and desired improvements in staff capability and expertise. This could be addressed by sharing training across local governments, particularly in regional areas, along with efforts to **integrate the learning into the work environment** and exploring different ways to upskill, such as job sharing and job rotation, but this is difficult when people are already working to capacity.

Local government as a sector needs to be proactive in deciding collectively, what sort of education and skills training programs it requires, and then talking to the universities and TAFEs about how it wants its needs to be met. At UTS, the Centre for Local Government established an effective two-way conversation through a broad-based advisory board, and then developed packages that 'mixed and matched' local governments' needs for both short courses and graduate qualifications. Local government, through their state Local Government Associations, could work with the university sector to adopt this approach more widely.

³³ Department of Jobs, Precincts and Regions (2020), *Women Building Surveyors Program Guidelines*, https://www.localgovernment.vic.gov.au/__data/assets/pdf_file/0028/168337/Women-Building-Surveyors-Program-Guidelines.pdf

5.2.4 The impact of housing shortages on recruitment

The shortage of affordable housing in regional centres across Australia is presenting significant recruitment challenges for local government. Many local governments report difficulty in proceeding with finalising recruitment selections when it becomes evident for the successful applicant that they are unable to find adequate housing for their family. The housing problem has been exacerbated in some key regional areas with an influx of people relocating away from the major capital cities in search of different lifestyle choices. This has accelerated by more flexible working arrangements (arising from workplace responses in mitigating the impact of the COVID-19 pandemic). At the same time, there is potential to access new talent pools if the partners of relocating employees are seeking employment opportunities.

5.2.5 The need for collaboration and innovation in service delivery

Stakeholders identified an interest in, and a need for collaboration and innovation in service delivery. Greater regional collaboration was raised as one way to find innovative solutions to these shared resourcing and service delivery challenges. This included the need to share resources and opportunities between local governments and how to build the relationships to enable it to occur, possibly through a collaboration group or secondments. As evidenced by the data in **Table 22** (in part 5.2.1 in **Chapter 5**), the take-up of regional collaboration opportunities is quite low, with only 27% of responding Local Governments utilising regional staff sharing arrangements. One example that stands out in this space is the Central NSW Joint Organisation's (the JO) commitment to HR coordination across 11 local government local governments in central western NSW. The JO has established three sub-groups dealing with HR, training and workforce development and these sub-groups coordinate activities and resources across the region. A selection of Australian and international examples are discussed in **Chapter 7** with more details provided in **Appendices F, G and H**.

Interest was also expressed in shared services, for instance, for a central finance pool, particularly for smaller rural local governments. Ideas for a centre of excellence in a region were also discussed, identifying which council does what best and how that resource can be shared. Another idea was that of a pooling of skillsets, an employment type service where people are available to work in several rural locations. The need for more common templates for things like a workforce plan was also raised.

Regional/remote local governments in the Northern Territory have had to base head offices in regional centres with access to services to attract staff, but even then, it is a challenge attracting people.

5.2.6 The need for improved cultural competency training for all staff and cultural safety for Aboriginal and Torres Strait Islander workforce

The focus group on Aboriginal and Torres Strait Islander workforce in local government raised several matters including the lack of adequate and consistent data on Aboriginal and Torres Strait Islander workforce in local government on factors such as staff retention, turnover, employment conditions that take account of cultural obligations, the occupations held by Aboriginal and Torres Strait Islander employees, the lack of a career path, and cultural safety.

The two stand-out issues were the need for cultural competency training for all employees and improved cultural safety for Aboriginal and Torres Strait Islander employees. Both of these matters were seen as two-way problems. Firstly, that all local government employees should undertake regular cultural competency training to ensure there is universal understanding of how to develop and

maintain healthy working relationships between non-Indigenous employees and Aboriginal and Torres Strait Islander employees. Secondly, that employment conditions and working environments are adapted such that Aboriginal and Torres Strait Islander employees are able to fulfil their cultural obligations without feeling disadvantaged or discredited in any way in terms of their employment status or ability to be in the workplace.

5.2.7 A more agile approach to workforce planning

Workforce planning is defined as ‘ensuring that the right people with the right competencies are in the right jobs at the right time’.³⁴ Strategic workforce planning engages in ‘a continuous process of shaping the workforce to ensure it is capable of delivering organisational objectives now and in the future’.³⁵

There are explicit legislative requirements for local government workforce planning in three jurisdictions: New South Wales, Victoria and Western Australia. The details are summarised in **Table 23**.

While the legislative requirements for workforce planning may not be so explicit in other jurisdictions, local governments are nevertheless expected, if not still required, to address workforce planning matters in their community strategic plans or operational plans on a cyclical basis.

There is acceptance that workforce planning is a necessity for larger local governments. However, the smaller local governments participating in the forums stated that the statutory requirement in Victoria for example, imposes expectations on them that they will never be able to deliver on, because they don’t have the workforce and no additional resources are provided by the State to do the work. The prevailing view among focus group participants and key employer associations SGS interviewed, is that the longer-term plans are fine and serve a useful purpose, but they also need to be supported by 12-monthly reviews in order to maintain their currency.

The ongoing skills shortages and recruitment and retention challenges are impacting on local governments’ workforce planning. Local governments are responding to this challenge by applying a principles-based approach to people decision making, that is focussed on what is needed and flexible planning for an inclusive and diverse organisation. There was a general shift to higher-level, long-term workforce plans, and away from a focus on staff numbers. A 12-month people/resource plan would then sit underneath to ensure key projects get across the line. More often than not, a good staff development/training manager to drive the implementation of the plan is what is required.

Another local government was focused on identifying those few roles that are critical for strategy delivery and getting the best people in their local governments into those top five or so positions. That is, look internally and match the top five people with the top five positions.

Across the board there was a recognition of the need to think differently, to focus on what local governments are trying to achieve and then, how do they best deliver that.

³⁴ Taylor (2005), *People resourcing*, 2nd Edition, Chartered Institute of Personnel and Development (CIPD), London.

³⁵ Government of Western Australia, Department of Local Government (2021), Workforce Planning – A toolkit for Western Australia Local Governments, https://www.dlgsc.wa.gov.au/docs/default-source/local-government/integrated-planning-and-reporting/integrated-planning-and-reporting-workforce-planning.pdf?sfvrsn=30330366_4

TABLE 23: OVERVIEW OF LEGISLATIVE WORKFORCE PLANS REQUIRED IN CERTAIN AUSTRALIAN STATES

State / Territory	Workforce Plans / Strategies	Comments
New South Wales	Workforce Development Plan, 4 years Workforce Management Strategy, 4 years	The NSW Office of Local Government lists areas that the Workforce Management Strategy should address: ▪ An ageing workforce; ▪ Succession planning; ▪ Providing opportunities to create and retain positions for young people; ▪ Incentives and programs to support the council as an employer of choice; ▪ Learning and development; ▪ Performance management; ▪ Recruitment strategies to fill skills gaps; ▪ Workforce diversity.
Victoria	Strategic Resource Plan (human resources), 4 years	The Foundational Workforce Plan Guide ³⁶ outlines the following workforce documentation hierarchy: ▪ Strategic workforce plan: to guide long-term strategic improvements using benchmarkable data; ▪ Operational workforce plan: to plan and monitor operational improvements; ▪ Foundational workforce plan: to meet basic business and legislative requirements.
Western Australia	Workforce Plan, 4 years Workforce Planning is one of the four key components of the Integrated Planning and Reporting Framework and Guidelines in place across the local government sector in Western Australia.	The Workforce Planning Toolkit for local governments in Western Australia ³⁷ The Toolkit breaks the process down into four steps: ▪ Analysis of Internal and External Environment and Workforce. ▪ Strategic Community Plan Workforce Implications. ▪ Corporate Business Planning Strategies to meet Future Workforce Needs. ▪ Monitoring and Evaluation of Outcomes.

Source: Adapted from Tan & Artist (2013), *Strategic planning in Australian local government: A comparative analysis of state frameworks*, https://opus.lib.uts.edu.au/bitstream/10453/42122/3/ACELG_2013_Strategic-Planning-and-Reporting.pdf; and NSW Office of Local Government (2022), *Workforce Planning*, <https://www.olg.nsw.gov.au/councils/integrated-planning-and-reporting/support-for-implementation-of-ipr-framework/workforce-planning/>

³⁶ Victorian Department of Jobs, Precinct and Regions (2021), *Foundational Workforce Plan Guide*. https://www.localgovernment.vic.gov.au/__data/assets/pdf_file/0021/174621/LG-Act-2020-Implementation-Foundational-Workforce-Plan-Guide.pdf

³⁷ Western Australian Government (2012) *Workforce Planning. The Essentials. A Toolkit for Western Australian Local Governments*. https://www.dlgsc.wa.gov.au/docs/default-source/local-government/integrated-planning-and-reporting/integrated-planning-and-reporting-workforce-planning.pdf?sfvrsn=30330366_4

Additional observations include:

- CEO roles have the highest turnover and many in senior executive roles do not want to move up to CEO as they see it is a particularly difficult and highly charged position, politically.
- Succession planning is really difficult.
- There is a lack of workplace planning skills in many local governments.
- Need a greater focus on retention, particularly when looking at female participation and inclusion.
- A lot of legislation impacts workforce planning.

While the majority of participants in the focus groups were from the human resources areas of local governments, there was a general feeling of the need for greater active involvement of individuals and team leaders from across their organisations in workforce planning and staff development, particularly the need to identify 'good people' and find opportunities for them to progress internally.

5.2.8 Building a future ready local government workforce

The key foundations of a future ready workforce, were identified as:

- Skills flexibility, the ability to move into different roles
- Hybrid working for those that can work that way
- Strong communication and engagement skills – the skills and confidence to engage with community as this is increasingly part of more council roles and a challenge for many, particularly for younger people.
- A focus on strategy, finance and engagement – how staff productivity can be improved, how to capture performance and feed it into decision making.
- Strong basic IT skills, supported by more specialist IT skills with the capacity to develop online services.
- Strong leadership, with leadership training to increase female participation and help drive change.
- A culture of mentoring and coaching.
- Strong in professional literacy – this is a gap in knowledge around what is required within local government when it comes to report writing and the capabilities of the more junior staff who are collecting data and writing emails.
- Data analytics and reporting skills – a current gap in many local governments where it is not done as well, or as efficiently as it could be.
- The shift to the digitisation of statutory and strategic planning will require several occupations to upskill.
- Public health and sanitation as renewed area of focus for local government given the public health issues raised by COVID-19.

5.2.9 State specific challenges

While there was a great deal of commonality amongst the focus groups discussions, three state-specific challenges are identified that are worth noting because they highlight the kind of state-wide challenges that local governments in those jurisdictions have to contend with.

Western Australia: local government is unable to compete with the mining sector in some occupations, especially project management, and this has been made worse by the border closures which has seen many companies such as BHP now only recruiting from within Western Australia.

Victoria: It was noted that the new *Local Government Act 2020* (Vic) has been overwhelming in terms of all the new requirements for policies, strategies and plans and reporting requirements, often requiring multiple staff to assist on the same issue. Occurring alongside the COVID-19 pandemic, it was a particularly difficult time for staff to cope with the demands presented by the new legislation.

Northern Territory: Remoteness and distance is a significant challenge, along with culture shock in remote communities when people arrive but aren't quite prepared for the reality. There are challenges of low connectivity in terms of roads, no NBN network and certain areas with no 4G connectivity, which need to be addressed, mostly by the Commonwealth Government. For local governments there is tension between the desire to be innovative, imagine new ways of working and developing the workforce and skillset, and a lack of consistent digital connectivity. Embracing new digital technologies in these environments is simply not possible.

The diversity between local governments in service delivery, and in the expectations of councillors, senior officers and the community (how expansive or innovative their thinking is) is a challenge, along with a lack of governance skills among elected members. One of the biggest challenges for regional shires in the NT is the sheer size of their LGAs and the risks they have to manage in remote settings.

5.3 Greater Agility, Flexibility and Collaboration

The focus group discussions confirmed many of the findings from the Survey, while also providing insights into the needs and challenges that local governments across Australia are currently having to contend with.

The focus group findings suggest that there is both a need and a desire for **local government to be more agile and flexible** in how it designs the roles required to meet each council's organisational needs, how they recruit for these roles, how they train and mentor staff, and with a view to encouraging a career in local government.

Skills shortages are being experienced across the country and across industries, which extend well beyond the local government sector and in many cases have only been exacerbated by the Covid-19 pandemic (RAI, 2022). While local government alone cannot address these matters, there are opportunities to help lead solutions to address these shortages, from increasing local participation, to redesigning roles, functions and job descriptions to working with education and training providers to tailor suitable training and development pathways, as both RAI (2022) and the OECD (2022) are suggesting.

The focus groups stated that many regional and rural local governments are facing staff recruitment and retention challenges, but there was also recognition of the need for more collaborative and innovative approaches by local governments on a regional scale rather than attempting to address these challenges individually. This is not a new idea and it has been tried by different local governments in the past. As the need becomes more pressing it would suggest that there is a growing imperative to explore different models. The model developed by the Central NSW JO has shown some success in addressing difficult skills training and development challenges (see **Appendix F**) and that there is considerable merit in sharing activities and resources on a regional scale.

Local governments therefore need to see their workforce skills and capability challenges in a broader context and work more cooperatively and collaboratively to develop what the OECD (2022) calls local skills ecosystems. This is discussed in more detail in part 6.3 in **Chapter 6**.

6. Towards 2030: Advancing Skills and Productivity

This chapter discusses the macrotrends and local drivers impacting local government workforce skills and capabilities, and draws together material from the survey results, from the focus groups and the broader secondary research into international and local best practice and policy for workforce and skills/capability development in the local government sector. The analysis points to fresh approaches (notably at the regional level), broader collaborative approaches and new ways of thinking about tackling persistent, endemic skills shortages (such as job/process re-design, organisational change). The need for more and better workforce planning and increased cooperation between councils is also highlighted.

6.1 Local Government's Future Workforce

6.1.1 Future workforce profile

The Survey asked local governments about the employment categories that they currently have and their outlook on whether these types of employees would increase, decrease or stay the same. Their responses, in **Table 24** below, show that:

- 80% of responding local governments currently employ full-time employees, 79% hire part-time employees, and 76% hire casual employees;
- 44% are anticipating the number of part-time workers will increase, while 35% believe the number of full-time workers will increase;
- 53% expect the number of casual employees to stay the same, compared to 19% who believe it will increase and 19% believe it will decrease;
- 25% expect the number of labour hires to decrease, compared to 12% who believe it will increase.

TABLE 24: OUTLOOK ON FUTURE WORKFORCE PROFILE BY EMPLOYMENT CATEGORY, 2022

Employment category	Current Profile	Do not employ	Decrease	Increase	Stay the same
Casual Employees	76%	1%	19%	19%	53%
Fly in fly out workers	4%	59%	-	2%	3%
Freelancers	9%	50%	1%	3%	8%
Full Time Employees	80%	-	8%	35%	48%
Independent Contractors	63%	7%	12%	18%	41%
Labour Hire	55%	13%	25%	12%	31%
Part Time Employees	78%	-	3%	44%	44%
Service Centres	9%	49%	-	3%	8%
Volunteers	57%	13%	5%	23%	34%

Source: 2022 LG Survey

6.1.2 Future workforce skills needs

The 2022 survey responses and focus group discussions proposed a number of different pathways for local governments to address their skills and capability needs:

- Better workforce planning, such as more detailed forecasting and developing an employee retention program.
- Sector remuneration benchmarking for critical roles.
- Developing local government-specific training programs/courses, especially in particular fields such as environmental health, digital technology, project management, lifecycle asset management, supervision, workforce planning and human resource management.
- Enabling more local decision making between local governments and training providers, and building on existing relationships with educational institutions, and training and education providers.
- Providing support for traineeships, apprenticeships and cadet programs and for fee-free and onsite training.
- Improved access to trainers, particularly in regional areas, to reduce training costs.
- Facilitating pathways for international students and skilled migrants.
- Assistance to incentivise skilled retirees to re-enter the workforce.
- Improved infrastructure and the provision of housing to address housing shortages, improved public transport services, reliable internet and facilities, or even increased tax incentives to attract and retain skilled candidates to regional areas.

6.2 Workforce Skills and Productivity Drivers

The focus group discussions identified the following three areas as drivers of change in workforce skills and productivity: workforce skills shortages arising from the Covid-19 pandemic; responding to the impacts of climate change; and the technological revolution (also known as the Fourth Industrial Revolution).³⁸

6.2.1 COVID-19 pandemic impacts

The Covid-19 pandemic has precipitated a number of shifts in our lifestyles and values, and particularly our workplaces and work practices, employment conditions and new opportunities to work remotely. Our major cities endured differing periods of shutdowns as we managed the waves of infections and the arrival of vaccines.

While local government has played a crucial role in supporting local communities during the pandemic, it is also evident that beyond the immediate impacts on workforce capacity and skills, there are also wider implications playing out. And the impacts of the COVID-19 pandemic played out differently for local governments across the country. For example:

- COVID-19 advanced the use and implementation of digital technology into many facets of life including public service delivery, which will have a lasting impact on the workplace, even for functions that cannot be performed remotely. It has shown employers and employees what can be achieved through technology and working away from a conventional office or dedicated service centre.
- In their 'Rebalancing the Nation' report, the Regional Australia Institute (RAI) (2021) states that net migration from our capital cities to our regions reached the highest level recorded by the ABS since it started measuring internal migration in 2001. In 2020, 43,000 Australians moved to regional areas from capital cities. RAI (2021) believes the pandemic has thrown into stark relief the opportunities for a regional lifestyle as remote working has broadened the horizons of possibilities for many people.
- Many local governments reported that the COVID-19 vaccine mandates had been a challenge and they had lost staff as a result.
- Many local governments expressed concerns about losing environmental health staff as the demand for their skills in other contexts suddenly escalated, creating gaps in being able to fill positions requiring a high level of skills in environmental health inspection.
- Participants in the focus groups noted that more local government workers are considering leaving the sector because of their experiences of working during the pandemic, citing in particular, the extra demands placed on delivering face-to-face services.
- Workers nearing retirement bringing forward their retirement plans due to the Covid-19 pandemic.
- The pandemic has disproportionately impacted women in science and engineering, according to the Australian Academy of Science.³⁹

³⁸ Philbeck, T. and Davis, N. (2018). 'The Fourth Industrial Revolution' *Journal of International Affairs*. 72 (1): 17–22.

³⁹ Australian Academy of Science (2021), *Impact of COVID-19 on women in the STEM workforce*, <https://www.science.org.au/files/userfiles/support/documents/impact-covid-women-stem-asia-pacific.pdf>

- State-border closures and international border restrictions also affected the recruitment of workers from out-of-state and from overseas.
- While WA struggled with closed border limiting their ability to attract staff externally from elsewhere within Australia as well as internationally, it increased competition amongst existing staff. Meanwhile, one local government in SA found they had more interstate applicants than previously and provided financial assistance to assist with relocation, even though some applicants thought they could do the job remotely.

Overall, the Covid-19 pandemic has brought on the need for new skill sets in local government, especially in relation to IT management and capability with staff having to work from home and for more services having to be made available online rather than continuing to be delivered over the counter. Many local governments, especially smaller local governments, struggled with getting staff to take up new technologies and get up to speed with IT capability. One factor that has emerged from the pandemic is the need for greater flexibility and multi-skilling of staff so as to make the best use of new opportunities.

6.2.2 Responding to the impacts of climate change

The extent and costs of the devastation caused by recent natural disasters (droughts, bushfires and floods) on the eastern seaboard are hard to determine. These events have also shown the increasing exposure to natural disasters and the impacts of climate change that Australians are facing from our capital cities to our regions.

Recent natural disasters have also revealed the difference that local governments can make in terms of responding to disasters, and how much more important mitigation, planning and preparedness will become if immediate relief stalls and the severity and frequency of such disaster events are increased by climate change (LgiU Australia, 2022). The quality of the information local governments rely on is critical to the effectiveness of both their plans and their capabilities to respond to emergencies more generally.

The most recent reports from the Intergovernmental Panel on Climate Change are emphasising the need for concerted action to reduce greenhouse gas emissions if the world is to achieve its target of limiting global warming to no more than 1.5 degrees Celsius by the end of this Century. The IPCC believes local governments play a vital role in influencing mitigation and adaptation strategies, especially through their land use planning and development and environmental management responsibilities.⁴⁰

The Cities Power Partnership⁴¹ report notes that local governments play a leading role in responding to climate change and that local governments face financial and other barriers in responding to natural disasters, bolstering infrastructure resilience, and reducing greenhouse gas emissions contributing to global warming. The Australian Local Government Association (ALGA) has echoed these comments and advocates for greater investment from state and federal governments.⁴²

⁴⁰ IPCC Special Report on the impacts of global warming of 1.5°C. LgiU Policy Briefing for Australian local governments. <https://lgiu.org/briefing/ipcc-special-report-on-the-impacts-of-global-warming-of-1-5c/>.

⁴¹ <https://citiespowerpartnership.org.au/>

⁴² Australian Local Government Association (2021), *ALGA responds to new warnings of growing climate change impacts at the local level*, <https://alga.com.au/alga-responds-to-new-warnings-of-growing-climate-change-impacts-at-the-local-level>.

6.2.3 Technology and Digitisation – The Fourth Industrial Revolution⁴³

The scope of technologies that can impact on government services—and, in turn, our lives—is far-reaching, from robots that clean parks to systems that can create personalised cybersecurity by observing and learning from users’ behaviours.

In particular, five technologies are demonstrably significant for local governments, including artificial intelligence (AI) and robotics; autonomous vehicles; digital government; automation; and efforts to increase cybersecurity.

- **Artificial intelligence (AI)** is already being used to handle tasks that would otherwise take much longer to perform. AI therefore presents significant opportunities to increase productivity and performance.
- Use of **autonomous vehicles** can also make significant inroads to efficiency while also reducing greenhouse gas emissions, provided they are powered from renewable energy sources.
- **Digital applications** can be used to access information quickly and easily, enabling citizens to, for example, lodge planning and building applications, to see in real time where local roadworks are occurring to avoid unnecessary delays, or to help improve the user experiences.
- **Automation and robotics** can help governments perform some functions more efficiently, particularly where tasks are boring and repetitive or higher safety risks to workers. This is particularly evident in construction and roadworks for example.
- **Cybersecurity.** As we become more reliant on information technologies (IT), it is no longer a matter of whether IT security systems will be breached, but rather when and how robust our IT systems are to avoid being corrupted or jeopardised for any length of time.

As Business Comcast⁴⁴ concludes, State and local governments are quickly reaching the point where adoption of new technologies is inevitable. Indeed, the efficiency and effectiveness of any government agency is dependent on the technologies it uses to provide services and protect the health and welfare of its citizens. As these new technologies loom on the horizon to help governments better serve their citizens, it is not only the networks on which these technologies rely that must be robust and flexible enough to handle the increased traffic, local governments’ workforces must also be suitably qualified and experienced to handle the transition and make the most of the opportunities on offer.

6.3 Workforce Development Initiatives

This section summarises our secondary research into domestic and international initiatives on workforce development.

level/ and see also the Statement from 30 Australian Mayors and Councillors https://citiespowerpartnership.org.au/wp-content/uploads/2022/03/FV_Mayor-and-Councillor-Flood-Statment_March-2022-.pdf

⁴³ The primary source for much of this discussion is drawn from the following: Five technology trends impacting state and local governments. https://business.comcast.com/community/docs/default-source/white-papers/comcast_govt-techrends_wp_3.pdf

⁴⁴ Business Comcast (2018) Five technology trends impacting state and local governments.

https://business.comcast.com/community/docs/default-source/white-papers/comcast_govt-techrends_wp_3.pdf

6.3.1 Similar challenges in other countries

Local governments in other countries face many similar problems and future challenges to Australian local governments, albeit within their own institutional, economic, social and cultural contexts. For example, construction skills shortages are affecting public infrastructure projects in the UK, Europe, US, Canada, South Africa, Hong Kong among others. Local and state governments in many countries lost significant headcount during the global recession of 2007-08 and the concomitant contraction in public budgets. The UK, NZ, USA and Canada are also experiencing shortages of skilled professional planners.

Shared issues play out differently across countries. Australia and UK both struggle with shortages in professional urban and regional planners but in different ways: Australia struggles with a shortage in regional and remote areas, whereas the UK has shortages across the board with an increased levels of development assessment activity. In both countries, local government has an 'image problem' in that it is not seen by younger people as a career path.

6.3.2 Australian initiatives

In Australia, local government workforce development initiatives have focussed on capability frameworks and skills strategies, and some local governments are collaborating at a regional scale to not only economise on costs, but also to maximise the benefits from their skills development training programs within their region.

For example, the Local Government Capability Framework authored by Local Government NSW clarifies the objects of professional development across the range of local government services. It responds to a desire for a more consistent foundation on which to conduct recruitment, workforce planning and staff development (see **Appendix F** for details).

The Local Government Skills Strategy, a program that was funded by the NSW Government (Training Services NSW) and managed by the NSW Office of Local Government, which aimed to build the workforce capability of the NSW local government sector by offering local governments improved access to professional training by facilitating pre-vocational training programs targeting local government skill priorities; encouraging and supporting local governments to increase their intake of apprentices and trainees, including upskilling their supervisors and managers; and facilitating training in skill priority areas for existing local government employees (see **Appendix F** for details).

Central NSW JO's initiatives in identifying and taking up opportunities for inter-governmental cooperation on matters relating to the joint organisation area, including facilitating stronger regional cooperation and collaboration in recruitment, staff retention, skills development and training and human resource management in the region (see **Appendix F** for details).

Careers at Council was established in late 2019, to encourage active and passive candidates to work in local government via informative content, social media (LinkedIn and Facebook), Google advertising and links with a wide range of government, industry and career sites. It was identified in the 2013-2020 National Local Government Workforce Strategy and the 2016-2020 NSW Local Government Workforce Strategy, and is now recognised by the Commonwealth and NSW Governments as the careers and jobs portal for local government (see **Appendix F** for details).

The Centre for Local Government at the UTS Institute for Public Policy and Governance currently offers training and short courses in several areas of related to local governance, formal local government qualifications, and advisory and research services for local government (see **Appendix F** for details).

In Western Australia, the Construction Training Fund (CTF) is a statutory authority established to ensure Western Australia's building and construction industry can meet demand for skilled workers. It collects a levy of 0.2 percent on all construction projects valued above \$20,000 AUD. CTF then return this levy to the industry via training subsidies, programmes and grants, reducing costs of apprenticeships, trainees and mid-career upskilling. South Australia's Construction Levy charges 0.25 percent on construction projects valued over \$40,000 AUD to pay for training for construction workers, especially those in small and medium enterprises. The aim of these funds is to grow the overall pool of skilled construction workers.

6.3.3 Regionalisation revisited

It is notable that the Regional Institute of Australia (RAI, 2022) found that regional leaders are calling for regional policy development to focus on education and skills development rather than the implementation of large infrastructure projects, because in December 2021, there were over 70,000 job vacancies across regional Australia and 60% of employers outside the capital cities were having trouble recruiting staff.

The recent Regional Australia Institute report on *'Rebalancing the Nation'* (RAI, 2022) identifies the following key factors as being crucial to Australia's future:

- The importance of the population narrative, both in attracting workforce and skills to regional Australia and in ensuring that Australia does not become a nation of crowded mega-cities.
- RAI's regional jobs vacancy map and monthly regional jobs update continue to highlight the availability and quality of jobs in regional Australia.
- The importance of strengthening liveability has emerged as key to the quality of life in regional Australia, including the availability of housing, services and infrastructure.
- Regional economic growth, equipping regions with the knowledge and tools they need to understand their unique opportunities for growth and how to harness innovation to increase their productivity.
- Disaster recovery and resilience seeking to ensure that regional communities and businesses stay strong in a future impacted by climate change.
- The importance of place-based planning and decision-making, calling for an elevation of regional voices and leadership.

Given that around two-thirds of local governments in Australia are regional or rural, these factors are significant to local government. For example:

- The Covid-19 pandemic has precipitated the largest shift of net migration away from our major capital cities to regional Australia in more than 20 years.⁴⁵
- There are jobs available in local government in regional Australia, and across different occupations.

⁴⁵ ABS (2021), Net migration to the regions highest on record, <https://www.abs.gov.au/media-centre/media-releases/net-migration-regions-highest-record>

- Local governments are responsible for local land use planning and development and also play a vital role in local community development, contributing directly to liveability. While local government is not a direct housing provider, it can play a key role through its land use planning and development regulatory activities to create conducive conditions for new housing developments or diversification of existing residential land.
- Local governments play a very active facilitation role in supporting local and regional economic development opportunities through land use zoning, rate exemptions or waivers or other incentives.
- As discussed earlier in this report, local governments play a vital role, not only in disaster recovery, but also in improving infrastructure resilience and reducing carbon emissions in their jurisdictions. These roles will only increase as the impacts of climate change keep escalating, as we have already seen in many parts of regional Australia over the past two to three years.
- As the local planning authority for their jurisdiction, local governments are responsible for place-based planning in their local cities, towns and regions.

Local governments workforce skills and capabilities are at the heart of these challenges, and should not see itself in isolation of the opportunities and challenges presented by key events such as Covid-19. As RAI concluded, there is an opportunity to seize the unique moment in time, to plan and shape the nation for generations to come (RAI, 2021).

6.3.4 Capacity development

In other countries reviewed (**Appendices F and G**), a range of activities have been deployed to build capacity in local government workforces, including:

- Providing advice, toolkits and consultancy support for workforce planning;
- Training or retraining the unemployed/under-employed and embedding a culture of improvement/career development at all levels;
- Redesigning jobs to remove non-essential requirements and allow optimal use of available expertise;
- Bringing back retired personnel with a focus on mentoring/knowledge transfer (as in this example of civil engineer shortages for public works in South Africa);⁴⁶
- Leveraging infrastructure investment/public procurement to fund and provide local jobs/apprenticeship opportunities;
- Marketing local government/sub-national government as an attractive career choice (see the Yukon (Canada) government's People Plan⁴⁷ for a discussion about branding – the Yukon government has been a Top 100 employer in Canada since 2014);
- Outreach into schools and universities to improve knowledge and appeal of construction or other shortage sectors, including internships and cadetships;

⁴⁶ Mabusela (2011), *Skills shortage in transportation engineering – education perspective*, https://repository.up.ac.za/bitstream/handle/2263/17366/Mabusela_Skill%20%282011%29.pdf?sequence=1

⁴⁷ Government of Yukon (2019), *People Plan: A plan for the Government of Yukon's public service 2019-2023*, <https://yukon.ca/sites/yukon.ca/files/psc/people-plan-2019-2023.pdf>

- Expanding the recruitment pool, by targeting under-represented groups such as women and minorities or recruiting skilled migrants;
- Adopting innovation/new technologies to reduce demand for workforce and increase productivity (for example offsite construction, pre-cast concrete or automation).

Case studies and examples of ‘best practice’ feature regularly in the process of policy assemblage and advocacy on public policy issues. Rigorous evaluation and comparison of these policy efforts are less common, despite the fact that these later steps are often essential to determining whether a policy program has had any kind of effect or caused progress towards a policy objective. This puts into question the value of some of these examples and highlights the need for a rigorous process of policy development.

Whether it is even possible to transfer examples of prior practice into new policy in a different context is also highly relevant. The term ‘transfer’ belies the essential role that the existing structure and function of institutions will play in the success of new ideas:

“New programs cannot be constructed on green field sites. They must be introduced into a policy environment dense with past commitment.”⁴⁸

Acknowledging this, the roles and structures of institutions, including local governments will need to shift over time if the impacts of the technological revolution are to be taken seriously. The goal of the above discussion is therefore to inform efforts for policy assemblage and shifts, not to shut them down. Case studies and examples of good practice elsewhere can be a valuable way of stimulating discussion and prompting ideas, although they should not be solely relied on without further scrutiny and contemplation. Local government in Australia could benefit from seizing the critical moments, such as the shift to new technologies to deliver a wider range of services arising from the pandemic and the impact of workforce shortages to diversify and/or upskill existing staff and provide opportunities for career development. For example, the RAI (2022) argues that regional Australia could benefit from rebuilding regional learning opportunities in both the VET (trades) and higher education sectors and the OECD (2022) argues by creating stronger local skills ecosystems by greater levels of cooperation and collaboration across different levels of government, business and community organisations on a regional scale. While the RAI learning systems model may not be the most suitable in all circumstances, it can vastly improve efficiencies, especially for smaller and lower-resourced councils in regional areas.

The OECD (2022) found that at the local and regional scales, the fragmentation of responsibilities across different levels of government and the broad range of skills required by local governments presents both a challenge and an opportunity. The OECD (2022) also found that the consequences of changing skills needs are felt acutely at the local level, through skills mismatches and skills shortages, as well as the displacement of workers without the skills sought by their employers. This is why, as part of their efforts to make local economies more resilient, many cities and regions are engaging in efforts to improve adult learning systems. The OECD’s (2022) policy manual for local government on future-proofing adult learning systems concludes that local governments can make a difference in the

⁴⁸ Rose, R. (1993), *Lesson-drawing in public policy: a guide to learning across time and space*, Chatham House Publishers, London.

development of future-ready adult learning systems creating strong local skills systems through the following actions:

- ***Understanding local skills demand:*** Differences in local industry structures translate into differences in current and future skills requirements across different local labour markets. National skills analyses may not always capture or prioritise what matters most locally. Local governments are typically in a much better position to understand, and when possible, respond to, the immediate needs and consequences of labour market transitions for their local area. Especially if they act regionally, as the Central NSW JO case study demonstrates.
- ***Cultivating/Promoting inclusive cultures of lifelong learning:*** The community-based nature of many forms of adult learning often makes it possible to integrate learning elements in locally-led community activities. There are different ways to participate in formal, non-formal and informal learning opportunities. Local governments can work with small and medium-sized enterprises and local community organisation to raise awareness of the needs and opportunities. Local social economy actors such as non-profits may be providing opportunities to develop job readiness skills among those who struggle with traditional ways of learning.
- ***Strategically tailoring needs and bridging gaps:*** Local governments can draw on their proximity to the many actors involved in the planning and delivery of education and training, including training providers and employers, to bring some order to the otherwise fragmented adult learning systems. They can also fill gaps, in particular for those most in need (OECD, 2022:10).

As the OECD (2022) observes, local skills ecosystems require strong relationships among employers, learning and training providers, local governments and social partners. It also benefits from greater co-ordination across different levels of government on learning and skills relevant for the labour market. A local strategy that brings everyone to the table, with sufficient financial means, will be needed to confront the challenges ahead.

6.4 Conclusions: Advancing Local Government's Skills and Productivity

The Productivity Commission recently released its Interim Report of its **5-year Productivity Inquiry: The Key to Prosperity**.⁴⁹

The Commission identifies the following key areas of policy focus:

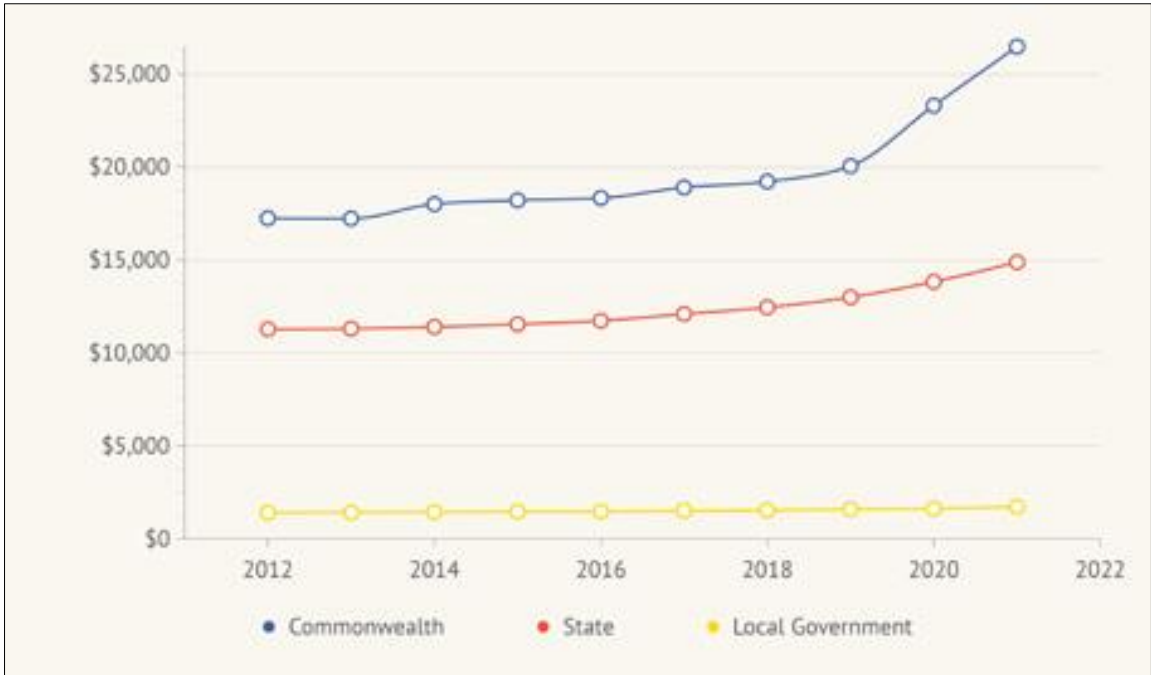
- *Innovation policy and diffusion of new processes and ideas: Policies that foster a business environment that encourages efficiency, innovation and diffusion.*
- *Data policy, digital technology and cyber security: The economy-wide importance of data and the digital technologies that generate and use data, as general purpose technologies that could boost productivity in many areas of the economy, including services.*
- *A productivity-friendly business environment: Limiting impediments to business investment, a flexible workforce, sound regulation and an efficient approach to decarbonising the economy.*

⁴⁹ <https://www.pc.gov.au/inquiries/current/productivity/interim1-key-to-prosperity>

- *A skilled and educated workforce: The importance of education in driving productivity growth through increasing human capital and creating settings conducive to technological breakthroughs and adoption.*

Local Government is a pacesetter when it comes to efficient delivery of government services. Over the past nine years, local government has been fairly effective in getting value from the resources available to it. For example, in relation to outlays per capita, local government saw only a 23% increase, compared to more than 50% for the Commonwealth and 32% for State governments (Figure 25). This has coincided with a period of rapid population growth and escalating demand for volume, quality and reliability in public services. In relation to total employment, between 2012 and 2021 total employment numbers in local government barely changed and on a per capita basis it fell by 11% – yet services to the community were maintained at a reasonable standard, indicating a significant productivity gain by local government.

FIGURE 25: GOVERNMENT EXPENDITURE PER CAPITA, BY AUSTRALIAN GOVERNMENT SECTOR (2012-2021)



Source: SGS Economics and Planning (2022) *Research for submission to Local Government Productivity Inquiry*. Prepared for the Australian Local Government Association.

Local government delivers a wide range of services. This is an outworking of community expectations of participatory democracy, the need by other levels of government for local service delivery and the endemic presence of market failures. These services typically include, but are not limited to aged care and disability, arts and culture, business services, cleaning and waste management, community development, emergency management, environmental management, equality and diversity, family and children’s services, health and safety, local laws and permits, parks, gardens playgrounds, pets and animals, planning and development assessment, roads and transport, sport and recreation, and youth services.

Local governments are challenged by policy settings determined at the state or federal level, cost shifting, inadequate fiscal equalisation and inadequate discretion over local revenue raising to support service delivery in line with local preferences. Local governments struggle financially with difficulties in maintaining assets, challenges in attracting and retaining skilled workforce, patchy take up of digital and data technologies. Local government is also regularly called upon to be a provider of last resort, with examples including climate change adaptation, affordable housing and health and childcare services.

Notwithstanding these challenges, local government is an efficient provider of government services when compared to other spheres of government.

A healthy and productive local government sector is clearly important to local communities as 'consumers' of municipal services, such as those listed above.

However, local governments are also mandated to boost the productivity of other sectors in the economy and directly impacts broader economic productivity in several different ways, including:

- Providing local infrastructure (i.e. roads, cycleways, green space networks, clean streets and parks);
- Providing land for housing, businesses and community facilities;
- Mitigating externalities in development (i.e. development assessments, building controls, separation of incompatible uses);
- Better local labour markets (i.e. providing/facilitating child care services, facilitating access to training, supporting social enterprises);
- Business clusters and innovation (i.e. promoting local business districts or hubs, supporting business incubators);
- Place making and visitor economy (i.e. hosting tourism centres, tourism infrastructure, culture and the arts, safe and clean streets and parks);
- Climate mitigation and adaptation (i.e. mapping and managing climate change hazards, emergency management and recovery, renewable energy networks); and
- supporting the circular economy (i.e. resource recovery and reuse, management of landfill).

The key drivers of a productive economy as articulated by the Productivity Commission include:

- The presence of dynamic firms operating in flexible markets
- A labour force geared to the needs of the future, and
- A widespread capacity to leverage new technologies.

The range of local government functions listed above variously impact these drivers. Local government can be a critical agent or key partner in advancing these pre-conditions for productivity, or it can play a broader support role, as illustrated in **Figure 27**.

FIGURE 27: HOW LOCAL GOVERNMENT SUPPORTS PRODUCTIVITY

	DYNAMIC FIRMS/ FLEXIBLE MATTERS	FUTURE LABOUR FORCE	LEVERAGING NEW TECHNOLOGIES
PROVIDING URBAN INFRASTRUCTURE			
PROVIDING LAND FOR HOUSING			
PROVIDING LAND FOR BUSINESS			
MITIGATING EXTERNALITIES IN URBAN DEVELOPMENT			
BETTER LOCAL LABOUR MARKETS			
BUSINESS CLUSTERS & INNOVATION			
PLACE MAKING & VISITOR ECONOMY			
CLIMATE MITIGATION & ADAPTATION			
CIRCULAR ECONOMY			

	Local government is a critical agent
	Local government is a key partner
	Local government plays a support role

Source: SGS Economics and Planning (2022) *Research for submission to Local Government Productivity Inquiry*. Prepared for the Australian Local Government Association.

Local Government's productivity is ultimately about how effective it is in delivering a wide range of desired community outcomes, including:

- The equity and accessibility of core local government services.
- The appropriateness of the services provided.
- The technical efficiency and quality of the local government sector.

To manage any of these challenges or achieve any of these outcomes, both productively and over the long-term, local government must be supported by a dynamic highly-skilled workforce across hundreds of occupations. There is still some way to go in responding to skills and workforce capability issues, and the findings of this 2022 survey are a valuable resource for understanding the gaps. Barriers to

increasing local government productivity includes the struggle to recruit qualified employees, the slow take up of digital and data technologies and operational constraints or funding limitations imposed by other spheres of government.

The 2022 Local Government Workforce Skills and Capability Survey has shown that local governments play an important role in workforce development, both for their own productivity and that of their host regions. The key findings of this research show that:

- Local government is a major national employer with over 190,800 workers in almost 400 occupations. And that it plays an important role as an anchor organisation and in increasing productivity through utilising endogenous talent and innovation.
- Local governments continue to experience skills shortages in several occupations, exacerbated by the impacts of the COVID-19 pandemic, the impacts of climate change and the accelerated take-up of technology and digitisation of services.
- Local governments are grappling with significant challenges in relation to recruitment and retention of skilled staff and accessing training opportunities to enhance workforce skills and capability. Employee attrition and an ageing workforce are ongoing and an escalating difficulty.
- Local governments are having difficulties in securing the right quantum and mix of skills to support local service provision which is affecting not only local government's productivity, but also the productivity of host localities and regions.
- Barriers to effective workforce planning and management include a shortage of resources within local government, a lack of skilled workers and the loss of corporate knowledge as employees retire or resign.

While there are some significant challenges ahead workforce planning and development in Australia, the findings of the 2022 Local Government Workforce and Skills survey can help us understand the gaps.

Appendix A: 2022 Survey Respondents

Australian Classification of Local Governments (ACLG), 2020-21

ACLG short name	ACLG long name	ACLG broad category (for analysis only)
RAL	Rural Agricultural Large	Rural
RAM	Rural Agricultural Medium	
RAS	Rural Agricultural Small	
RAV	Rural Agricultural Very Large	
RSG	Rural Significant Growth	
RTL	Rural Remote Large	
RTM	Rural Remote Medium	
RTS	Rural Remote Small	
RTX	Rural Remote Extra Small	
UCC	Urban Capital City	Urban and Urban Fringe
UDL	Urban Developed Large	
UDM	Urban Developed Medium	
UDS	Urban Developed Small	
UDV	Urban Developed Very Large	
UFL	Urban Fringe Large	
UFM	Urban Fringe Medium	
UFS	Urban Fringe Small	
UFV	Urban Fringe Very Large	
URL	Urban Regional Large	Urban Regional
URM	Urban Regional Medium	
URS	Urban Regional Small	
URV	Urban Regional Very Large	

2022 Responding Local governments by ACLG

State/Territory	Local Government Area	ACLG	2018 participant
New South Wales 56 respondents	Albury (C)	URM	
	Ballina (A)	URM	Y
	Bathurst Regional (A)	URM	
	Bayside (A)	UDV	
	Bega Valley (A)	URM	
	Blacktown (C)	UDV	Y
	Bland (A)	RAL	Y
	Blayney (A)	RAL	
	Blue Mountains (C)	UFL	
	Bogan (A)	RAM	Y
	Cabonne (A)	RAV	
	Camden (A)	UFL	Y
	Canterbury-Bankstown (A)	UDV	
	Carrathool (A)	RAM	Y
	Cumberland (A)	UDV	
	Dubbo Regional (A)	URM	Y
	Fairfield (C)	UDV	Y
	Georges River (A)	UDV	Y
	Greater Hume Shire (A)	RAV	
	Griffith (C)	URS	
	Hay (A)	RAM	
	Inner West (A)	UDV	
	Junee (A)	RAL	Y
	Kempsey (A)	URS	
	Ku-ring-gai (A)	UDV	Y
	Kyogle (A)	RAL	
	Lachlan (A)	RAL	Y
	Lake Macquarie (C)	URV	Y
	Lockhart (A)	RAM	Y
	Maitland (C)	URL	Y
	Mid-Coast (A)	URL	
	Moree Plains (A)	RAV	
	Mosman (A)	UDM	
	Narromine (A)	RAL	Y
	Oberon (A)	RAL	
	Parramatta (C)	UDV	
	Penrith (C)	UFV	Y
	Port Stephens (A)	URL	Y

	Queanbeyan-Palerang Regional (A)	URM	Y
	Randwick (C)	UDV	Y
	Rous County Council		Y
	Ryde (C)	UDV	Y
	Shellharbour (C)	URL	Y
	Singleton (A)	URS	Y
	Snowy Valleys (A)	RAV	Y
	Temora (A)	RAL	Y
	Tenterfield (A)	RAL	Y
	Upper Hunter Shire (A)	RAV	
	Upper Lachlan Shire (A)	RAL	Y
	Uralla (A)	RAL	
	Wagga Wagga (C)	URM	Y
	Walgett (A)	RAL	
	Warrumbungle Shire (A)	RAL	
	Wentworth (A)	RAL	
	Wingecarribee (A)	URM	Y
	Wollondilly (A)	UFM	Y
	Woollahra (A)	UDM	Y
Northern Territory 8 respondents	Darwin (C)	UCC	
	East Arnhem (R)	RTL	Y
	Katherine (T)	URS	
	MacDonnell (R)	RTL	Y
	Roper Gulf (R)	RTL	
	Wagait (S)	RTS	Y
	West Arnhem (R)	RTL	
	West Daly (R)	RTL	
Queensland 37 respondents	Balonne (S)	RAM	Y
	Boulia (S)	RTS	
	Bundaberg (R)	URL	
	Burdekin (S)	RAV	Y
	Cairns (R)	URV	Y
	Carpentaria (S)	RTM	Y
	Cassowary Coast (R)	URS	Y
	Cherbourg (S)	RTM	Y
	Cloncurry (S)	RTL	Y
	Douglas (S)	RAV	Y
	Etheridge (S)	RTS	
	Flinders (S) (Qld)	RTM	

	Fraser Coast (R)	URL	Y
	Gladstone (R)	URM	Y
	Goondiwindi (R)	RAV	Y
	Gympie (R)	URM	
	Hope Vale (S)	RTM	Y
	Isaac (R)	URS	Y
	Lockyer Valley (R)	URM	Y
	Mackay (R)	URL	
	Maranoa (R)	RAV	Y
	Moreton Bay (R)	URV	
	Mount Isa (C)	RTL	Y
	Napranum (S)	RTM	Y
	Noosa (S)	URM	Y
	Paroo (S)	RTM	
	Pormpuraaw (S)	RTS	Y
	Redland (C)	URV	Y
	Richmond (S)	RTS	
	Rockhampton (R)	URL	Y
	Southern Downs (R)	URM	Y
	Sunshine Coast (R)	URV	Y
	Torres (S)	RTL	Y
	Torres Strait Island (R)	RTL	
	Western Downs (R)	URM	Y
	Whitsunday (R)	URM	
	Yarrabah (S)	RTM	Y
South Australia 19 respondents	Adelaide (C)	UCC	Y
	Burnside (C)	UDM	
	Clare and Gilbert Valleys (DC)	RAL	
	Grant (DC)	RAL	Y
	Holdfast Bay (C)	UDM	Y
	Kangaroo Island (DC)	RAM	Y
	Kingston (DC) (SA)	RAM	
	Light (RegC)	RAV	Y
	Mitcham (C)	UDM	
	Mount Gambier (C)	URS	
	Onkaparinga (C)	UFV	
	Playford (C)	UFL	
	Port Pirie City and Dists (M)	RAV	Y
	Streaky Bay (DC)	RAM	
	The Coorong (DC)	RAL	

	Victor Harbor (C)	URS	
	West Torrens (C)	UDM	Y
	Whyalla (C)	URS	
	Yorke Peninsula (DC)	RAV	
Tasmania 7 respondents	Break O'Day (M)	RAL	
	Central Coast (M) (Tas.)	URS	
	Devonport (C)	URS	Y
	George Town (M)	RAL	
	Hobart (C)	UCC	
	Launceston (C)	URM	
	Waratah/Wynyard (M)	RAV	Y
Victoria 41 respondents	Alpine (S)	RAV	
	Ballarat (C)	URL	
	Banyule (C)	UDV	
	Bass Coast (S)	UFM	
	Baw Baw (S)	URM	Y
	Benalla (RC)	RAV	
	Boroondara (C)	UDV	Y
	Brimbank (C)	UDV	Y
	Cardinia (S)	UFL	Y
	Corangamite (S)	RAV	Y
	East Gippsland (S)	URM	Y
	Gannawarra (S)	RAV	
	Glen Eira (C)	UDV	
	Glenelg (S)	RAV	Y
	Greater Bendigo (C)	URL	Y
	Greater Dandenong (C)	UDV	
	Greater Geelong (C)	URV	
	Horsham (RC)	RAV	
	Indigo (S)	RAV	
	Manningham (C)	UDV	
	Melton (C)	UFV	
	Mildura (RC)	URM	
	Mitchell (S)	URM	Y
	Moir (S)	URS	Y
	Monash (C)	UDV	
	Moonee Valley (C)	UDV	
	Mount Alexander (S)	RAV	
	Moyne (S)	RAV	

	Murrindindi (S)	RAV	
	Port Phillip (C)	UDL	Y
	Queenscliffe (B)	UFS	Y
	South Gippsland (S)	URS	Y
	Strathbogie (S)	RAV	
	Surf Coast (S)	UFM	
	Swan Hill (RC)	URS	
	Wangaratta (RC)	URS	Y
	Warrnambool (C)	URM	Y
	Whitehorse (C)	UDV	Y
	Whittlesea (C)	UFV	Y
	Wyndham (C)	UFV	Y
	Yarra (C)	UDL	
Western Australia 42 respondents	Albany (C)	URM	Y
	Beverley (S)	RAS	Y
	Boyup Brook (S)	RAS	
	Broomehill-Tambellup (S)	RAS	Y
	Bruce Rock (S)	RAS	Y
	Bunbury (C)	URM	
	Canning (C)	UDL	Y
	Carnamah (S)	RAS	
	Carnarvon (S)	RAL	Y
	Cockburn (C)	UDL	
	Cranbrook (S)	RAS	
	Cuballing (S)	RAS	
	Dalwallinu (S)	RAS	
	Derby-West Kimberley (S)	RTL	
	Dowerin (S)	RAS	
	East Fremantle (T)	UDS	
	Gosnells (C)	UDV	Y
	Harvey (S)	URS	Y
	Joondalup (C)	UDV	Y
	Kalgoorlie/Boulder (C)	URM	
	Kwinana (C)	UFM	Y
	Manjimup (S)	RAL	Y
	Mingenew (S)	RAS	
	Mosman Park (T)	UDS	
	Murray (S)	RAV	
	Plantagenet (S)	RAL	
	Port Hedland (T)	RTL	

	Ravensthorpe (S)	RAS	
	Shark Bay (S)	RTS	
	South Perth (C)	UDM	
	Stirling (C)	UDV	
	Subiaco (C)	UDS	
	Swan (C)	UFV	
	Three Springs (S)	RAS	Y
	Victoria Park (T)	UDM	
	Victoria Plains (S)	RAS	
	Wanneroo (C)	UFV	
	West Arthur (S)	RAS	
	Westonia (S)	RAS	
	Wiluna (S)	RTS	
	Wongan-Ballidu (S)	RAS	
	Yalgoo (S)	RTX	

Appendix B: 2022 Survey Form

Local Government Skills Shortage Survey - 2022

Local Government Skills Shortage Survey - 2022

Introduction

Local governments provide vital services for our communities. Your council's ability to deliver relies on your in-house expertise and ability to build a future-ready workforce.

This ALGA national survey quantifies current and future skills and training needs at the local level.

The results will be aggregated (your individual responses will not be identified) to strengthen the evidence that underpins State and Federal policy setting and investment in skills and workforce development.

Instructions

Please take 30-60 mins to complete this survey by 31 January 2022. Due to the subjective nature of some questions, you may wish to seek insights from other Council officers. It has six sections and does not need to be completed in one sitting.

You may pause progress and resume it at any time. To save progress, you must click on the NEXT button at the end of the section you are working on. You can rejoin the survey by using the original link. Once you have completed all six sections, press SUBMIT.

Aims

1. To identify current and emerging skills needs of Local Government.
2. To identify change drivers, opportunities and barriers to enhancing local government workforce capability.

Additional information

The Australian Local Government Association (ALGA) has commissioned this survey into workforce and skills capability across local government. ALGA is the national voice of local government, representing 537 councils across the country. In structure, we are a federation of state and territory local government associations.

SGS Economics and Planning is overseeing survey implementation and reporting, in consultation with ALGA and the State and Territory Local Government Associations. SGS is a public policy advisory business with a strong track record of collaborating with government on market-leading research, policy development, demographic analysis and economic assessment to shape sustainable communities and places.

This survey builds on the 2017 Local Government Skills Shortage Survey, which established critical evidence of local government's existing skills base and future needs. This evidence has since supported advocacy at both State and Federal levels in relation to the sector's workforce capability.

1. Contact details

Name

Council

State/territory

Email

Phone

Local Government Skills Shortage Survey - 2022

Key HR Metrics

2. Please indicate the total number of FTEs at June 30, 2021 (include all staff usually considered FTEs, exclude casual and contract staff)

3. Please indicate the total number of employees within council as at June 30th 2021 (including full time, part time, fixed-term and casual employees and including employees covered by common law agreements)

4. How many employees identify as being of Aboriginal and/or Torres Strait Islander origin?

5. Please indicate the number of employees by their length of service (please round down partial years of service):

Less than 1 year	
1-5 years	
6-10 years	
11-15 years	
16-20 years	
20+ years	

6. Please indicate the number of ongoing Full Time Employees employed by council:

Male	
Female	

7. Please indicate the number of ongoing Part Time Employees employed by council:

Male	
Female	

8. Please indicate the number of Casual Employees employed by council:

Male	
Female	

9. Please indicate the number of Trainees & Apprentices employed by council:

Male	
Female	

10. How many Trainees & Apprentices identify as being of Aboriginal and/or Torres Strait Islander origin?

11. Please indicate the total number in each age group for Trainees & Apprentices employed by council?

15-19 years	
20-29 years	
30-44 years	
45-54 years	
55-64 years	
65+ years	
Do not directly employ (please specify how trainees and apprentices are employed)	

12. By June 30, 2022 how do you anticipate that the size of your Council workforce will have changed?

☐ Increased

☐ Decreased

☐ Stayed the same

☐ Have no idea

13. Do you think that your council is taking on enough trainees/apprentices to meet your future skilling needs?

☐ Yes

☐ No

If not, what is stopping council employing more Trainees/apprentices?

14. How many staff does your council currently employ under a cadetship arrangement?
(a cadetship is defined as the employment of a tertiary level student or graduate under a structured program or a fixed duration as part of their studies. It excludes unpaid work experience.)

15. How many staff employed under a cadetship arrangement identify as being of Aboriginal and/or Torres Strait Islander origin?

16. Please indicate in which fields/occupational areas the cadets are employed:

field/occupation #1

field/occupation #2

field/occupation #3

17. Please indicate the total number in each age group for Professional & Administrative Officers *(example occupations include Engineers, Urban and Town Planners, Building Surveyors, Project Managers, Environmental Health Officers, Building Surveying Technicians, Allied Health Professionals):*

15-19 years

20-29 years

30-44 years

45-54 years

55-64 years

65+ years

18. Please indicate the total number of employees of Aboriginal and/or Torres Strait Islander origin in each age group for Professional & Administrative Officers:

15-19 years

20-29 years

30-44 years

45-54 years

55-64 years

65+ years

19. Please indicate the total number in each age group for Operational & Trade Employees (*example occupations include Labourers, Customer Service Workers, Waste Management/Recycling Operations, Water Treatment Operators, Plumbers, Mechanics, Horticulturalists*):

15-19 years	
20-29 years	
30-44 years	
45-54 years	
55-64 years	
65+ years	

20. Please indicate the total number of employees of Aboriginal and/or Torres Strait Islander origin in each age group for Operational & Trade Employees:

15-19 years	
20-29 years	
30-44 years	
45-54 years	
55-64 years	
65+ years	

21. Please indicate the total number of retiring employees (excluding casuals and all types of phased retirements) whose employment ceased during the 12 month period to June 30, 2021

22. Please indicate the total number of employees (excluding casual, limited tenure, redundant and retiring employees) whose employment ceased during the 12 month period to June 30, 2021

23. In which areas have you experienced the greatest turnover of staff (please identify key occupational areas – engineers – water treatment operators - etc)

Key occupational area #1	
Key occupational area #2	

24. Please indicate the total number of new entrants (employees only) to your workforce (including full time, part time, casual) during the 12 month period to June 30, 2021

25. Please indicate the number of employees currently identifying as (if information is not recorded by council please leave blank):

Culturally and Linguistically Diverse people

People with a disability

Local Government Skills Shortage Survey - 2022	
Skills Shortages (General)	
26. Is your Council currently experiencing any skill shortages?	
☐ Yes ☐ No	
27. If you answered yes, please rank the top 5 occupations hardest to fill (1 indicating the hardest to fill):	
Engineers	1
Town Planners	2
Plant Operators	3
Building Surveyors	4
Environmental Health Officers	5
Other (please specify)	
28. What are the key drivers/reasons behind your council's current skills shortages?	
Key driver/reason #1	
Key driver/reason #2	
Key driver/reason #3	
29. What strategies have been most successful in filling vacancies in skill shortage occupations? select all that apply:	
☐ Contingent workers ☐ Advertising and social media platforms ☐ External recruitment agencies ☐ Graduate employment ☐ Reskilling and upskilling employees ☐ Other (please specify)	

30. Do you employ any staff on the Temporary Skill Shortage visa?

☐ Yes

☐ No

31. If you answered yes in question 30, please indicate:

How many staff are employed under this arrangement

The fields/occupations they are employed in

32. Is your Council currently running below your full staffing complement? (Exclude vacancies of less than 6 weeks).

☐ Yes

☐ No

If you answered yes, by how many staff are you down?

33. On average (in months) how long does it take you to fill vacancies in the following areas:

Professional & Administrative positions

Operational & Trade positions

34. If it is taking you over 3 months to fill vacancies, what is the primary reason for this? select all that apply

☐ Difficulty in attracting staff with the right skills and experience

☐ Managers holding vacancies open for budgetary reasons

☐ Lack of priority given by managers to filling vacancies

☐ Impact of COVID in attracting out-of-region staff

Other (please specify)

35. Have vacancies, skills shortages, skills gaps or training needs impacted or delayed project delivery?

☐ Yes

☐ No

36. Does the council share services/resources with any other council, if so what?

Yes

No

Please specify the service(s)/resource(s)

Local Government Skills Shortage Survey - 2022			
Skills Shortages in specific occupational areas			
37. Please complete the table for Professional and Technical occupational skill shortages by selecting check boxes to indicate YES			
	During 2020/21 has your Council experienced a skills shortage in this skill area?	In recruiting to these positions has your Council employed less skilled applicants?	Will a skill shortage in this profession be a critical issue for your Council in the future?
ACCOUNTANTS	☐	☐	☐
ALLIED HEALTH PROFESSIONALS	☐	☐	☐
ASSET and FACILITIES MANAGERS	☐	☐	☐
BUILDING SURVEYORS	☐	☐	☐
BUILDINGSURVEYING TECHNICIANS	☐	☐	☐
COMMUNITY DEVELOPMENT & ENGAGEMENT OFFICERS (includes Youth, Sport & Rec, Arts & Events Officers)	☐	☐	☐
COMPUTING/ICT PROFESSIONALS	☐	☐	☐
COMPUTING/ICT TECHNICIANS	☐	☐	☐
CONTRACT MANAGERS/OFFICERS	☐	☐	☐
ECONOMIC DEVELOPMENT MANAGERS	☐	☐	☐
ENGINEERS	☐	☐	☐
ENGINEERING TECHNICIANS	☐	☐	☐
ENVIRONMENTAL HEALTH OFFICERS	☐	☐	☐
ENVIRO HEALTH TECHNICIANS	☐	☐	☐
FLEET MANAGERS	☐	☐	☐
GOVERNANCE/RISK	☐	☐	☐

	During 2020/21 has your Council experienced a skills shortage in this skill area?	In recruiting to these positions has your Council employed less skilled applicants?	Will a skill shortage in this profession be a critical issue for your Council in the future?
HUMAN RESOURCE PROFESSIONALS	☐	☐	☐
LANDSCAPE ARCHITECT	☐	☐	☐
LIBRARIANS	☐	☐	☐
PROCUREMENT MANAGERS/OFFICERS	☐	☐	☐
PROJECT MANAGERS	☐	☐	☐
SOLICITORS/LEGAL PROFESSIONALS	☐	☐	☐
SURVEYORS	☐	☐	☐
SURVEYING TECHNICIANS	☐	☐	☐
URBAN & TOWN PLANNERS	☐	☐	☐
WELFARE WORKERS	☐	☐	☐
WH&S PROFESSIONALS	☐	☐	☐

38. Please detail any other Professional and Technical areas in which your Council experienced a skills shortage during 2020/21

Professional area #1

Professional area #2

Professional area #3

39. In that Professional or Technical area please indicate if:

	In recruiting to this position has your council employed less skilled applicants?	Will a skill shortage in this profession be a critical issue for your council in the future?
Professional area #1	☐	☐
Professional area #2	☐	☐
Professional area #3	☐	☐

40. Please complete the table for Skilled Workers by selecting check boxes to indicate YES

	During 2020/21 has your Council experienced a skills shortage in this skill area?	In recruiting to these positions has your Council Employed Less Skilled Applicants?	Will a skill shortage in this profession be a critical issue for your Council in the future?
ACCOUNTS/PAY ROLL CLERK	☐	☐	☐
CARE PERSONS (aged, disability)	☐	☐	☐
DRAFTSPERSON	☐	☐	☐
CUSTOMER SERVICE WORKERS	☐	☐	☐
IT/ICT TECHNICIANS	☐	☐	☐
LABOURERS	☐	☐	☐
PLUMBING INSPECTOR	☐	☐	☐
STORE PERSONS	☐	☐	☐
SUPERVISORS/TEAM LEADERS	☐	☐	☐
CARTOGRAPHERS	☐	☐	☐
TRADESPERSONS - Plumber	☐	☐	☐
TRADESPERSONS - Mechanical	☐	☐	☐
TRADESPERSONS- Fabrication	☐	☐	☐
TRADESPERSONS - Automotive	☐	☐	☐
TRADESPERSONS - Electrical	☐	☐	☐
TRADESPERSONS - Construction	☐	☐	☐
TRADESPERSONS - Horticultural	☐	☐	☐
TRUCK DRIVERS	☐	☐	☐
WASTE WATER/SEWERAGE OPERATOR	☐	☐	☐
WATER TREATMENT OPERATOR	☐	☐	☐
WASTE MANAGEMENT / RECYCLING OPERATOR	☐	☐	☐

	During 2020/21 has your Council experienced a skills shortage in this skill area?	In recruiting to these positions has your Council Employed Less Skilled Applicants?	Will a skill shortage in this profession be a critical issue for your Council in the future?
YOUTH SUPPORT WORKER	☐	☐	☐
41. Please detail any other Skilled areas in which your Council experienced a skills shortage during 2020/21			
Skilled area #1			
Skilled area #2			
Skilled area #3			
42. In that Skilled area please indicate if:			
	In recruiting to this position has your council employed less skilled applicants?	Will a skill shortage in this profession be a critical issue for your council in the future?	
Skilled area #1	☐	☐	
Skilled area #2	☐	☐	
Skilled area #3	☐	☐	

Local Government Skills Shortage Survey - 2022

Skills Gap

43. Are there occupations in which your council is experiencing skill gaps?

☐ Yes

☐ No

44. In which occupations are these gaps most critical. Please indicate below

Occupation with Skills Gaps #1

Occupation with Skills Gaps #2

Occupation with Skills Gaps #3

45. In those occupations with a critical skill gap what new or additional skills are required. Please indicate below

Occupation with Skills Gaps #1

Occupation with Skills Gaps #2

Occupation with Skills Gaps #3

46. In those occupations with a critical skill gap what are the key reasons/drivers behind these gaps? Please indicate below

Occupation with Skills Gaps #1

Occupation with Skills Gaps #2

Occupation with Skills Gaps #3

47. How is your council addressing these skill gaps? Indicate all that apply:

☐ Offering targeted training courses

☐ Coaching and mentoring

☐ Providing informal on-job training

☐ Providing secondments or exchanges to other workplaces

☐ Providing opportunities to "act up" or "across" other roles

Other (please specify)

48. Has your Council engaged with state or federal education, training or other initiatives to support workforce retention and attraction in the last 3 years? For example, a traineeship, apprenticeship program, or wage subsidy program.

☐ Yes

☐ No

If you answered yes, please specify the program / initiative.

Local Government Skills Shortage Survey - 2022

Emerging Skilling Needs

49. Which internal or external factors will impact on your Council's future skilling needs? Select all that apply:

- ☐ Changes in government funding levels
- ☐ Major council or external infrastructure projects
- ☐ Technological change
- ☐ Growth in local government area
- ☐ Ageing workforce
- ☐ Increasing levels of governance and compliance
- ☐ Climate change

Other (please specify)

50. Has your council undertaken any analysis or forecasting of changing roles and skills requirements of your workforce - specifically due to the impact of digital disruption or to advances in technology?

- ☐ Yes
- ☐ No

51. What new roles do you see emerging over the next 3 years as a result of changes in service delivery, technological advancements or other changes at council?

Local Government Skills Shortage Survey - 2022

Training Needs

52. Are there training needs within your workforce that you have been unable to address in 2020/21?

- ☐ Yes
- ☐ No

53. Please select the unmet training needs for your council. Select all that apply:

- ☐ Business process improvement
- ☐ Change management training
- ☐ Financial management
- ☐ Leadership and management training
- ☐ Procurement in local government and tender management
- ☐ Mental health resilience
- ☐ Supervisor training
- ☐ Regulatory services
- ☐ Specific software training

Other (please specify)

54. What are the main drivers behind the unmet training need? Select all that apply:

- ☐ Unable to source training programs with relevant content
- ☐ Unable to source quality training programs and/or trainers that can be delivered locally
- ☐ Employees haven't had time to attend training
- ☐ Council budget is insufficient for this training
- ☐ Lack of time to organise training
- ☐ Lack of support from managers/supervisors to send staff on training courses
- ☐ Travel cost of sending staff away to attend training is too high
- ☐ Lack of access to appropriate training due to COVID

Other (please specify)

55. Have you undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs)?

☐ Yes

☐ No

If so, please provide the details of the ACCO and whether the exercise was beneficial to Council.

56. How has your Council's expenditure on learning and development changed this year compared to last?

☐ Increased

☐ Decreased

☐ Remained the same

By what percentage has it changed (% as comparison to 2019/20 financial year)?

57. Why has expenditure on learning and development changed? Please specify the main reason for this change.

58. What is your preferred mode of delivery for training?

☐ In person, face-to-face delivery

☐ Self-paced learning

☐ Virtual delivery (e.g. zoom)

☐ Blended learning (mix of the above)

59. What are the challenges associated with offering or accessing this type of training identified in question 58?

Local Government Skills Shortage Survey - 2022

Future Workforce Profile

60. Please indicate which of the following types of workers council currently employs to deliver services (Current Profile) and also indicate how you anticipate this profile might change in the future.

	Current Profile	Future Workforce Profile- Remain the Same	Future Workforce Profile- Increase	Future Workforce Profile- Decrease	Do not employ
Full Time Employees	☐	☐	☐	☐	☐
Part Time Employees	☐	☐	☐	☐	☐
Casual Employees	☐	☐	☐	☐	☐
Labour Hire	☐	☐	☐	☐	☐
Independent Contractors	☐	☐	☐	☐	☐
Freelancers	☐	☐	☐	☐	☐
Service Centres	☐	☐	☐	☐	☐
Volunteers	☐	☐	☐	☐	☐
Fly in fly out workers	☐	☐	☐	☐	☐

61. Please indicate the impact of these recent events on workforce attraction and retention:

	Minimal impact	Moderate impact	Significant impact
COVID-19 pandemic	☐	☐	☐
Natural disasters	☐	☐	☐
Changing local/regional economy	☐	☐	☐
Housing pressures	☐	☐	☐
Long-term funding certainty	☐	☐	☐
Skilled migration trends	☐	☐	☐
☐ Other (please specify)			

62. Please indicate how these events have impacted workforce attraction and retention at your council:

Supply shortages

Interruptions to road, rail,
digital connectivity

Other (please specify)

63. What is your council currently doing to meet future skills needs? Select all that apply:

☐ Regional staff sharing arrangements

☐ Building industry partnerships

☐ Flexible training and development

☐ Improved access to educational opportunities

☐ Targeted training and development programs

☐ Other (please specify)

64. What would help your Council to meet future skills needs?

Appendix C: 2022 Additional Consultation

To date, SGS has consulted with the following stakeholder groups and individuals to qualitatively supplement the 2022 survey data collection. Membership for the State and Territory level focus groups comprised volunteer local governments.

Focus Groups	Date	Attendees
National	13 December 2021	Institute of Public Works Engineering Australasia
		Environmental Health Australia
		Planning Institute of Australia
		Department of Education, Skills and Employment
		National Indigenous Australians Agency
		Department of Infrastructure, Transport, Regional Development and Communications
		Australian Local Government Association
Queensland	9 February 2022	Fraser Coast Regional Council
		Sunshine Coast Council
		Carpentaria Shire Council
		Cassowary Coast Regional Council
		Mareeba Shire Council
Victoria	10 February 2022	Borough of Queenscliff
		Strathbogie Shire Council
		Pyrenees Shire Council
		Banyule City Council
		City of Boroondara
		Moorabool Shire Council
		City of Whittlesea
		Moir Shire Council
		Golden Plains Shire Council
		Glen Eira City Council
		City of Greater Dandenong
Northern Territory	15 February 2022	Alice Springs Town Council
		Barkly Regional Council

		Belyuen Community Government Council
		Central Desert Regional Council
		Coomalie Community Government Council
		City of Palmerston
		City of Darwin
		East Arnhem Regional Council
New South Wales	16 February 2022	The Hills Shire Council
		Richmond Valley Council
		Tamworth Regional Council
		Bathurst Regional Council
		Namoi Regional Organisation of Councils
		Riverina Joint Organisation
Western Australia	22 February 2022	City of Canning
		City of Busselton
		City of Bunbury
		City of Stirling
		City of Wanneroo
South Australia	24 February 2022	City of Onkaparinga
		Streaky Bay District Council
		Light Regional Council
		Yorke Peninsula Council
		Clare and Gilbert Valleys Council
		Southern Mallee District Council
Tasmania	25 February 2022	Break O’Day Council
Interviews	February 2022	TAFE Directors Australia
	March 2022	Environmental Health Australia
	March 2022	NSW Office of Local Government (DPE)
	March 2022	Western Australia Financial, Administrative & Professional Services Training Council
	March 2022	Central NSW Joint Organisation
	April 2022	Planning Institute of Australia
	April 2022	Planned Resources, a boutique recruitment agency

Appendix D: 2021 ABS Census data on the Australian local government sector

This Appendix reports sector wide metrics on the Australian local government workforce that are drawn from the 2021 ABS Census conducted in August 2021. It supplements the results of the 2022 Local Government Workforce Skills and Capability Survey, to which 210 Australian local governments responded.

Employment by category and gender

According to the ABS Survey of Employment and Earnings, employment in the Australian local government was 190,800 people as at June 2021.⁵⁰ As at August 2021, there were 169,924 workers (ABS, 2021). Of these, 69.4% were full-time employees, 23.8% part-time employees and 6.8% employees who were not at work during Census week. In 2016, the breakdown was 69.8% full-time, 25.3% part-time and 4.9% who were not at work during Census week.

TABLE D1: LABOUR FORCE STATUS IN AUSTRALIAN LOCAL GOVERNMENT, 2021

	Labour force status in the LG sector, 2021 Census			
State/Territory	Full-time	Part-time	Employed, away from work	Total
Australian Capital Territory	353	76	34	463
New South Wales	37,171	9,058	4,003	50,232
Northern Territory	1,672	588	188	2,448
Queensland	29,960	5,931	2,894	38,785
South Australia	6,871	2,426	511	9,808
Tasmania	2,443	1,066	186	3,695
Victoria	26,714	16,399	2,753	45,866
Western Australia	12,538	4,923	1,005	18,466
Other Territories	127	31	3	161
Australia	117,849 (69.4%)	40,498 (23.8%)	11,577 (6.8%)	169,924

Source: ABS, 2021

⁵⁰ ABS 2021, Employment and Earnings, Public Sector, Australia, <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/employment-and-earnings-public-sector-australia/latest-release#data-download>. The 2021/22 release is schedule for late November 2022.

A national analysis of employment profile by sector in 2021 (**Table D2**) shows that:

- The gender breakdown of the Australian local government workforce is 50.9% male and 49.1% female. This represents an almost 2% increase in female participation since 2016, which was 47.4% female and 52.6% male in 2016.⁵¹
- Despite this, female participation in the Australian local government sector is still significantly lower than at the state government level nationally (66.1% female and 33.9% male). However, it is higher than in the private sector (46.3% female and 53.7% male).

TABLE D2: EMPLOYMENT GENDER PROFILE BY SECTOR, 2021

	Local Government		State Government		Private Sector	
State/Territory	Male	Female	Male	Female	Male	Female
Australian Capital Territory	231	228	9,245	15,792	84,595	73,988
New South Wales	27,945	22,287	134,070	252,035	1,644,047	1,427,725
Northern Territory	1,316	1,137	7,288	13,183	43,443	35,555
Queensland	22,759	16,026	94,218	185,708	1,059,578	943,908
South Australia	5,099	4,704	29,772	63,516	373,209	319,260
Tasmania	1,989	1,704	13,083	21,871	108,401	95,200
Victoria	18,281	27,594	98,136	197,211	1,445,477	1,226,138
Western Australia	8,823	9,640	47,529	95,697	606,355	495,934
Other Territories	112	55	61	120	1,058	929
Australia	86,555 (50.9%)	83,375 (49.1%)	433,402 (33.9%)	845,133 (66.1%)	5,366,163 (53.7%)	4,618,637 (46.3%)

Source: ABS, 2021

Diversity

Table D3 below shows the percentage of the local government workforce in each jurisdiction who are Aboriginal and Torres Strait Islander. In 2021, 4.3% of the Australian local government is Aboriginal and Torres Strait Islander.⁵² Similar to the findings of the 2022 Survey, Northern Territory had the highest Aboriginal and Torres Strait Islander workforce in local government (42.3%), compared to 1.1% in Victoria (ABS, 2021). The 2022 Survey also highlighted a much larger representation of Aboriginal and Torres Strait Islander workforce in the Northern Territory compared to other jurisdictions. We note that establishing an accurate picture of participation is difficult because identification in the ABS Census and in the 2022 Survey is voluntary.

⁵¹ 2018 Survey, citing ABS, 2016.

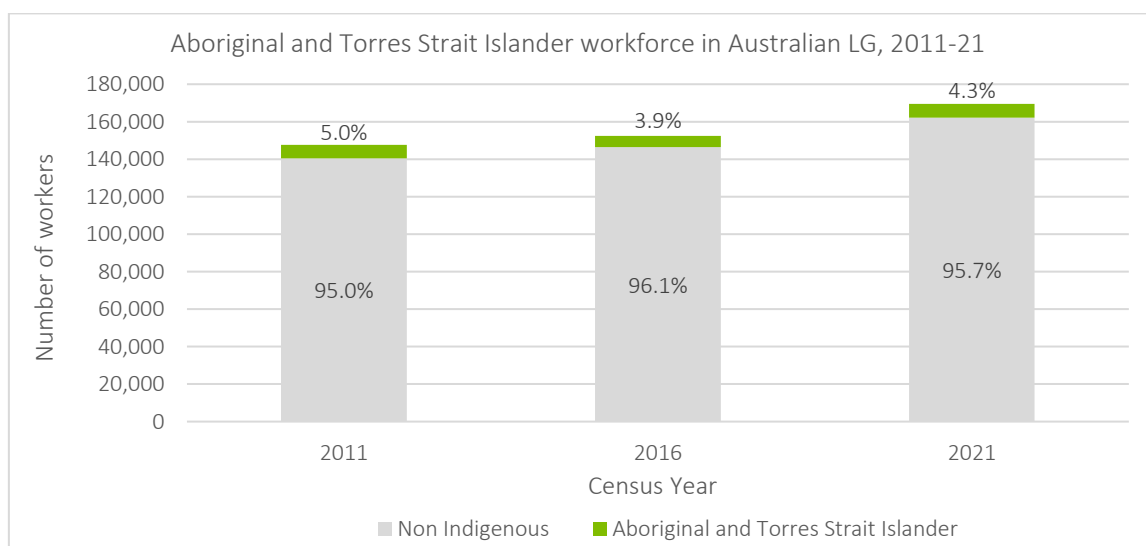
⁵² 2018 National Report on Local Government Workforce Skills and Capability, citing ABS 2006 and 2016.

TABLE D3: ABORIGINAL AND TORRES STRAIT ISLANDER WORKFORCE IN AUSTRALIAN LG, 2021

State/Territory	2022 Survey	2021 ABS Census			
	% of total LG employees who identify as Aboriginal and Torres Strait Islander	Aboriginal and Torres Strait Islander		Non-Indigenous	
		Number	Percentage	Number	Percentage
Australian Capital Territory	-	28	6.1%	433	93.9%
New South Wales	2.5%	2,198	4.4%	47,878	95.6%
Northern Territory	50.2%	1,033	42.3%	1,411	57.7%
Queensland	1.0%	2,520	6.5%	36,145	93.5%
South Australia	0.7%	248	2.5%	9,527	97.5%
Tasmania	0.6%	157	4.3%	3,514	95.7%
Victoria	0.6%	513	1.1%	45,251	98.9%
Western Australia	1.8%	586	3.2%	17,823	96.8%
Other Territories	-	13	7.8%	153	92.2%
Australia	8.2%	7,296	4.3%	162,135	95.7%

Source: 2022 Survey; ABS, 2021. Percentages by jurisdiction may not total 100% due to additional ABS reporting categories not shown (e.g. 'Not Stated', 'Not Applicable').

The proportion of Aboriginal and Torres Strait Islander workforce in the Australian local government sector has remained relatively steady at approximately 4-5% over the years (**Figure D14**). In 2006, 6.6% of the workforce was Aboriginal and Torres Strait Islander.⁵³

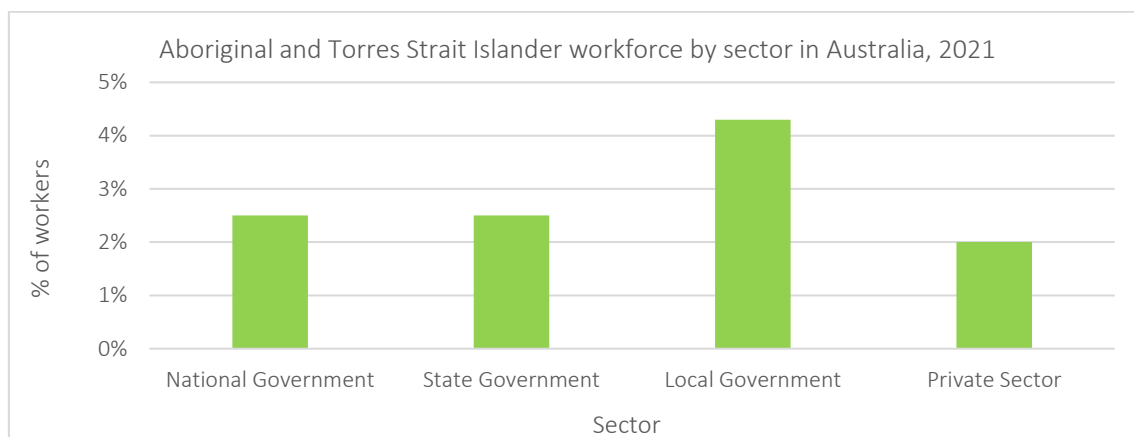
FIGURE D14: ABORIGINAL AND TORRES STRAIT ISLANDER WORKFORCE IN AUSTRALIAN LG, 2011-21

Source: ABS, 2011-21

⁵³ 2018 National Report on Local Government Workforce Skills and Capability, citing ABS 2006.

As in 2016, the Australian local government sector had a higher proportion of Aboriginal and Torres Strait Islander workers compared to other sectors in 2021 (**Figure D15**).

FIGURE D15: ABORIGINAL AND TORRES STRAIT ISLANDER WORKFORCE IN AUSTRALIA BY SECTOR, 2021



Source: ABS, 2021

Based on the 2021 ABS Census, 13.4% of Australia's local government workforce speaks a language other than English at home, compared to 11.4% in 2016.⁵⁴ A comparison to the Culturally and Linguistically Diverse workforce based on the 2022 Survey sample is shown below (**Table D4**).

TABLE D4: CULTURALLY AND LINGUISTICALLY DIVERSE (CALD) WORKERS IN AUSTRALIAN LG, 2021

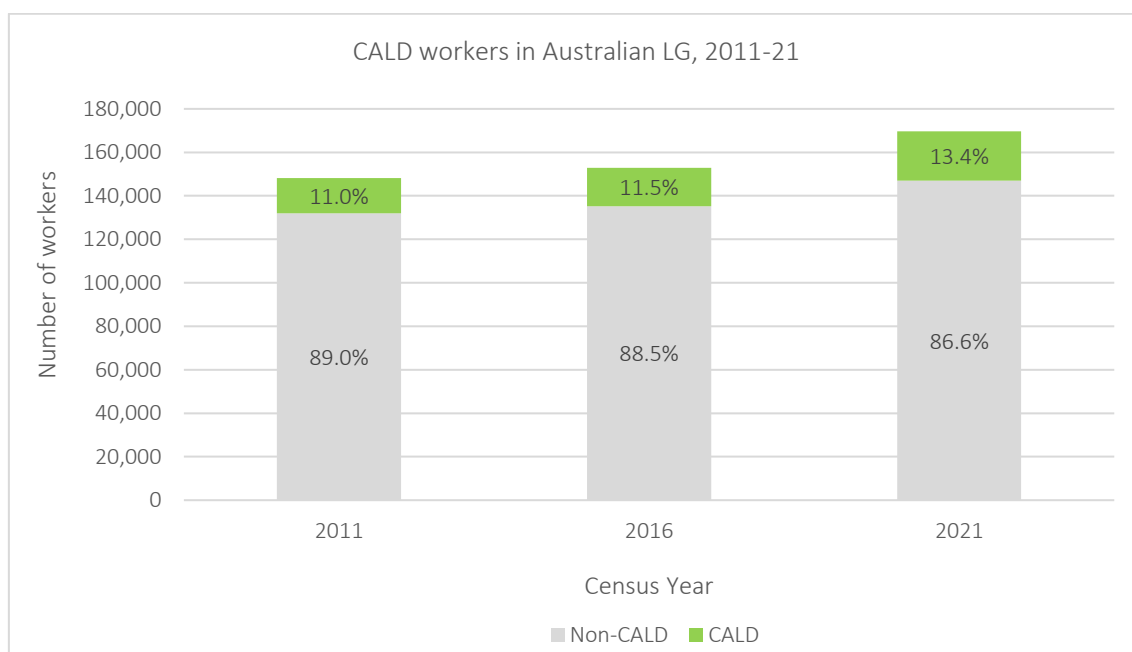
	2022 Survey	2021 ABS Census			
State/Territory	CALD employees as a % of total LG workforce	LG employees who speak a language other than English		LG employees who speak English only	
		Number	Percentage	Number	Percentage
Australian Capital Territory	-	91	19.9%	367	80.1%
New South Wales	10.0%	6,962	13.9%	43,216	86.0%
Northern Territory	26.2%	1,080	44.0%	1,360	55.5%
Queensland	4.0%	3,946	10.2%	34,773	89.7%
South Australia	10.5%	806	8.2%	8,980	91.6%
Tasmania	2.3%	194	5.2%	3,493	94.5%
Victoria	9.1%	7,364	16.1%	38,447	83.8%
Western Australia	10.9%	2,210	12.0%	16,234	87.9%
Other Territories	-	94	58.8%	66	41.3%
Australia	9.2%	22,747	13.4%	146,936	86.5%

Source: ABS, 2021. Percentages by jurisdiction may not total 100% due to additional ABS reporting categories not shown (e.g. 'Not Stated', 'Not Applicable').

⁵⁴ 2018 National Report on Local Government Workforce Skills and Capability, citing ABS 2016.

The proportion of CALD workers in Australian local government has been increasing since 2011 (**Figure D16**):

FIGURE D16: CULTURALLY AND LINGUISTICALLY DIVERSE (CALD) WORKERS IN AUSTRALIAN LG, 2011-21



Source: ABS, 2011-21

In 2021, 1.0% of the Australian local government workforce required assistance for core activities (**Table D5**), a slight increase from 0.83% in 2016. Differences in the wording of questions between the 2021 ABS Census (e.g. 'Does the person ever need someone to help with, or be with them, for self-care activities?') and the 2022 Survey, which asked for the number of employees who identified as living with a disability, may explain some of the discrepancies between the two datasets.

TABLE D5: AUSTRALIAN LG WORKFORCE NEEDING ASSISTANCE WITH CORE ACTIVITIES, 2021

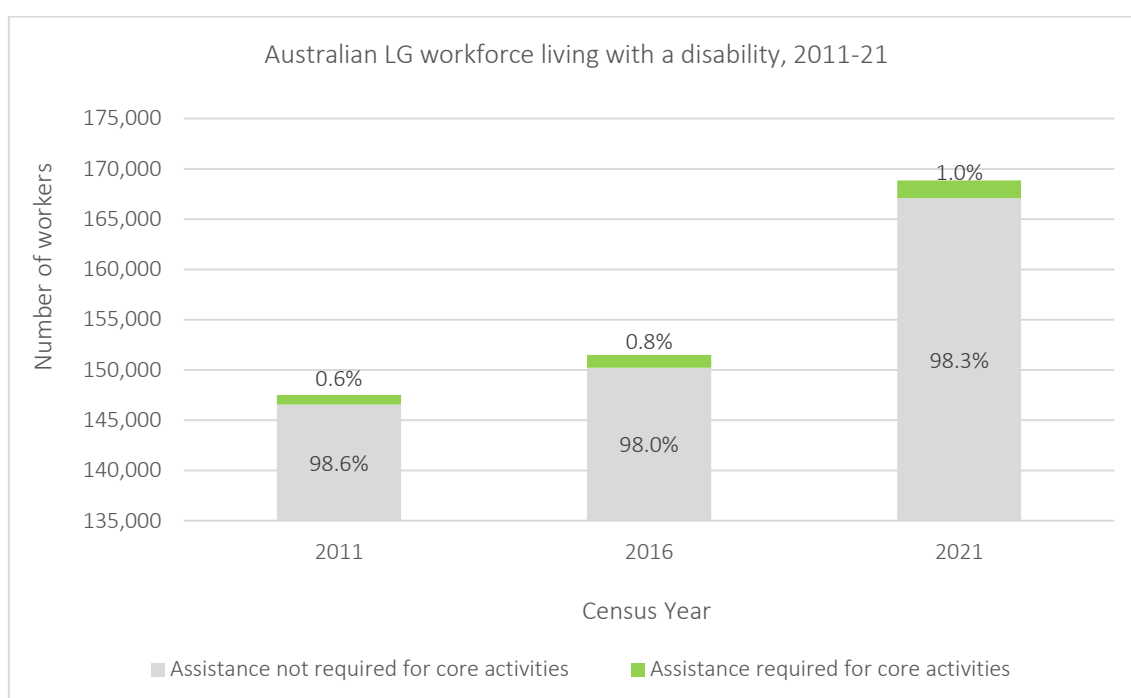
State/Territory	2022 Survey % LG workforce living with disability	2021 ABS Census			
		Has need for assistance with core activities		Does not have need for assistance with core activities	
		Number	Percentage	Number	Percentage
Australian Capital Territory	-	13	2.8%	446	96.5%
New South Wales	1.4%	467	0.9%	49,461	98.5%
Northern Territory	11.6%	29	1.2%	2,374	97.2%
Queensland	0.9%	305	0.8%	38,216	98.6%
South Australia	0.9%	63	0.6%	9,684	98.8%
Tasmania	1.7%	41	1.1%	3,624	98.0%
Victoria	1.3%	581	1.3%	45,022	98.2%

Western Australia	1.4%	226	1.2%	18,112	98.1%
Other Territories	-	5	3.0%	162	97.0%
Australia	1.4%	1,730	1.0%	167,101	98.3%

Source: ABS, 2021. Percentages by jurisdiction may not total 100% due to additional ABS reporting categories not shown (e.g. 'Not Stated', 'Not Applicable').

Since 2011, the proportion of the Australian local government workforce who reported needing assistance with core activities has increased slightly, from 0.6% to 1% (Figure 4 D4). Overall, people living with disability still represent a very small percentage of the Australian local government workforce.

FIGURE D17: AUSTRALIAN LG WORKFORCE NEEDING ASSISTANCE WITH CORE ACTIVITIES, 2011-21



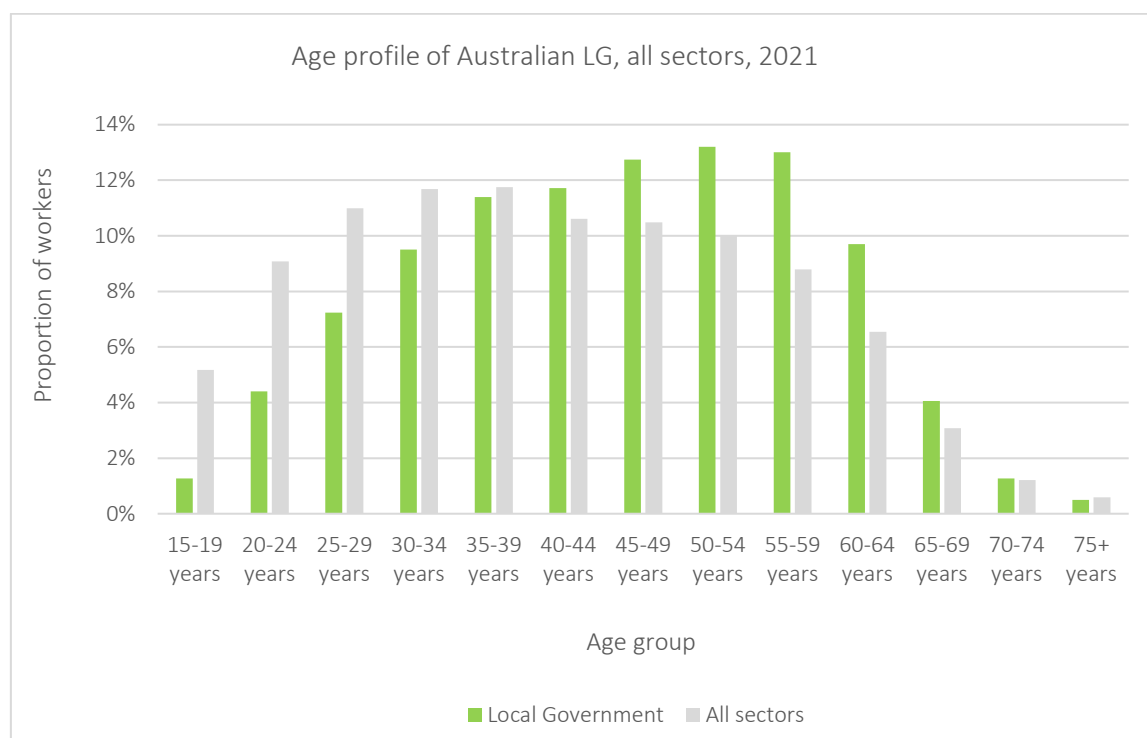
Source: ABS, 2011-21. Percentages may not total 100% due to additional ABS reporting categories not shown (e.g. 'Not Stated').

Age profile

The chart below shows that the Australian local government workforce is older than the all-sector average (Figure D18), particularly for the 55-59 year age group. There is also a significantly lower proportion of younger workers aged between 15 and 34 years of age (Table D6).

Similarly, a comparison of the workforce aged under 30 years old by State and Territory shows that in every jurisdiction, the local government sector has significantly lower representation of under 30 year olds compared to the all-sector proportion. For this analysis, 'All sector' comprises the total of the National Government, State/Territory Governments, Local Government and Private sectors. This trend was also observed in the 2016 ABS Census.⁵⁵

⁵⁵ 2018 National Report on Local Government Workforce Skills and Capability, citing ABS 2016.

FIGURE D18: AGE PROFILE OF AUSTRALIAN LOCAL GOVERNMENT, ALL SECTORS, 2021

Source: ABS, 2021

TABLE D6: PROPORTION OF WORKFORCE UNDER 30 YEARS OF AGE BY SECTOR, 2021

State/Territory	Local government	All sectors
Australian Capital Territory	13.1%	27.6%
New South Wales	13.7%	24.8%
Northern Territory	17.9%	25.4%
Queensland	12.9%	26.1%
South Australia	11.4%	25.3%
Tasmania	13.4%	24.9%
Victoria	11.3%	25.3%
Western Australia	14.7%	24.4%
Other Territories	18.4%	26.0%
Australia	12.9%	25.2%

Source: ABS, 2021

The chart below shows the age profile of the Australian local government sector over the last decade (**Figure D19**). Since 2011, the proportion of workers aged 40 to 54 years has continued to decrease, while the proportion of workers aged 55 and over has continued to increase. The latter is more pronounced in the 60 to 69 year age group.

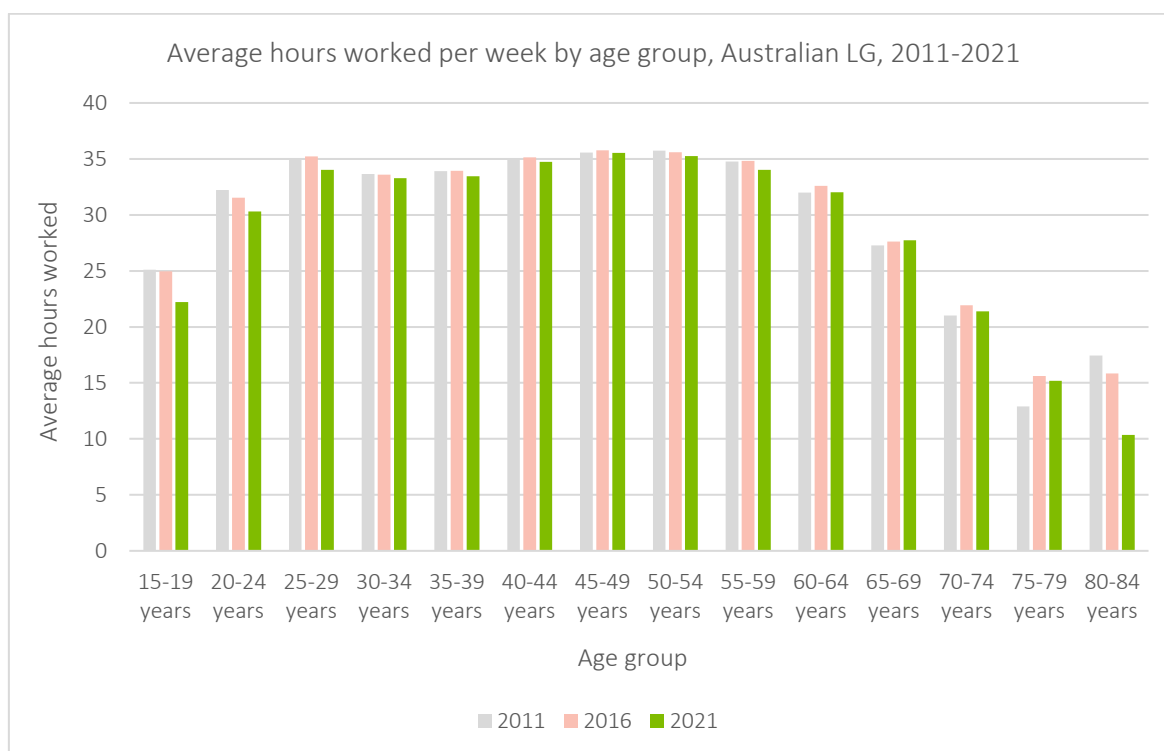
At the same time, there is a decreasing proportion of younger workers in the 15-29 year age group. Together, these trends suggest that the sector continues to face dual challenges in expanding its future workforce pipeline and in responding to the challenges and opportunities of an ageing workforce.

FIGURE D19: AGE PROFILE IN AUSTRALIAN LG, 2011-21



Source: ABS, 2011-21

The number of hours worked per week has remained relatively consistent over the past decade for each age group in the Australian local government sector (**Figure D6**). The average hours worked peaks at around 35 hours per week in the 40-44 year age group, and is sustained until the 55-59 year age group, after which the average hours worked falls to just over 20 hours per week among 70-74 year olds.

FIGURE D20: AVERAGE HOURS WORKED PER WEEK BY AGE IN AUSTRALIAN LG, 2011-21

Source: ABS, 2011-21. Not that the 2021 ABS data for the 75+ year group is based on a smaller sample than other age categories, and may therefore not be as representative of weekly hours worked among this age group.

Occupational profile

The greatest shifts in employment numbers by occupation between the 2011 and 2021 Census years are (Table D7):

- Specialist Managers (+5,615)
- Business, Human Resource and Marketing Professionals (+4,212)
- Design, Engineering, Science and Transport Professionals (+3,467)
- Carers and Aides (-1,631)
- Other Clerical and Administrative Workers (+1,407)

The greatest shifts as a proportion of 2011 employment numbers are highlighted in the table below. They include Specialist Managers (+71.5%), Professionals (+60.2%), Electrotechnology and Telecommunications Trades Workers (-65.6%), and Food Preparation Assistants (-46.7%). They also include occupations such as Community and Personal Service Workers which have experienced a high proportionate change since 2011 (+75.6%) due to a low 2011 baseline (45 workers).

TABLE D7: OCCUPATIONAL PROFILE OF AUSTRALIAN LG, 2011-21

Occupation (ANZSCO)	2011	2021	% change
Design, Engineering, Science and Transport Professionals	10923	14390	31.7%
Business, Human Resource and Marketing Professionals	9541	13753	44.1%
Specialist Managers	7856	13471	71.5%
Other Clerical and Administrative Workers	7716	9123	18.2%
General Clerical Workers	7373	8528	15.7%
Inquiry Clerks and Receptionists	5615	6752	20.2%
Engineering, ICT and Science Technicians	5614	6580	17.2%
Carers and Aides	8191	6560	-19.9%
Office Managers and Program Administrators	5919	6535	10.4%
Road and Rail Drivers	5180	5560	7.3%
Skilled Animal and Horticultural Workers	5107	5538	8.4%
Other Labourers	4634	5172	11.6%
Mobile Plant Operators	5260	4477	-14.9%
Health Professionals	3492	4249	21.7%
Construction and Mining Labourers	4923	4227	-14.1%
Health and Welfare Support Workers	4117	4113	-0.1%
Hospitality, Retail and Service Managers	3266	4107	25.8%
Numerical Clerks	3893	3922	0.7%
Sports and Personal Service Workers	3135	3847	22.7%
Farm, Forestry and Garden Workers	3638	3473	-4.5%
Labourers nfd	2575	2848	10.6%
Chief Executives, General Managers and Legislators	2106	2622	24.5%
Other Technicians and Trades Workers	2128	2511	18.0%
Cleaners and Laundry Workers	2420	2494	3.1%
Legal, Social and Welfare Professionals	1878	2363	25.8%
Automotive and Engineering Trades Workers	2502	2329	-6.9%
ICT Professionals	1698	2290	34.9%
Personal Assistants and Secretaries	2443	2223	-9.0%
Machine and Stationary Plant Operators	1711	2201	28.6%
Clerical and Office Support Workers	2136	1687	-21.0%
Construction Trades Workers	1764	1663	-5.7%
Education Professionals	936	1420	51.7%
Managers nfd	646	913	41.3%
Electrotechnology and Telecommunications Trades Workers	1762	606	-65.6%
Machinery Operators and Drivers nfd	439	572	30.3%

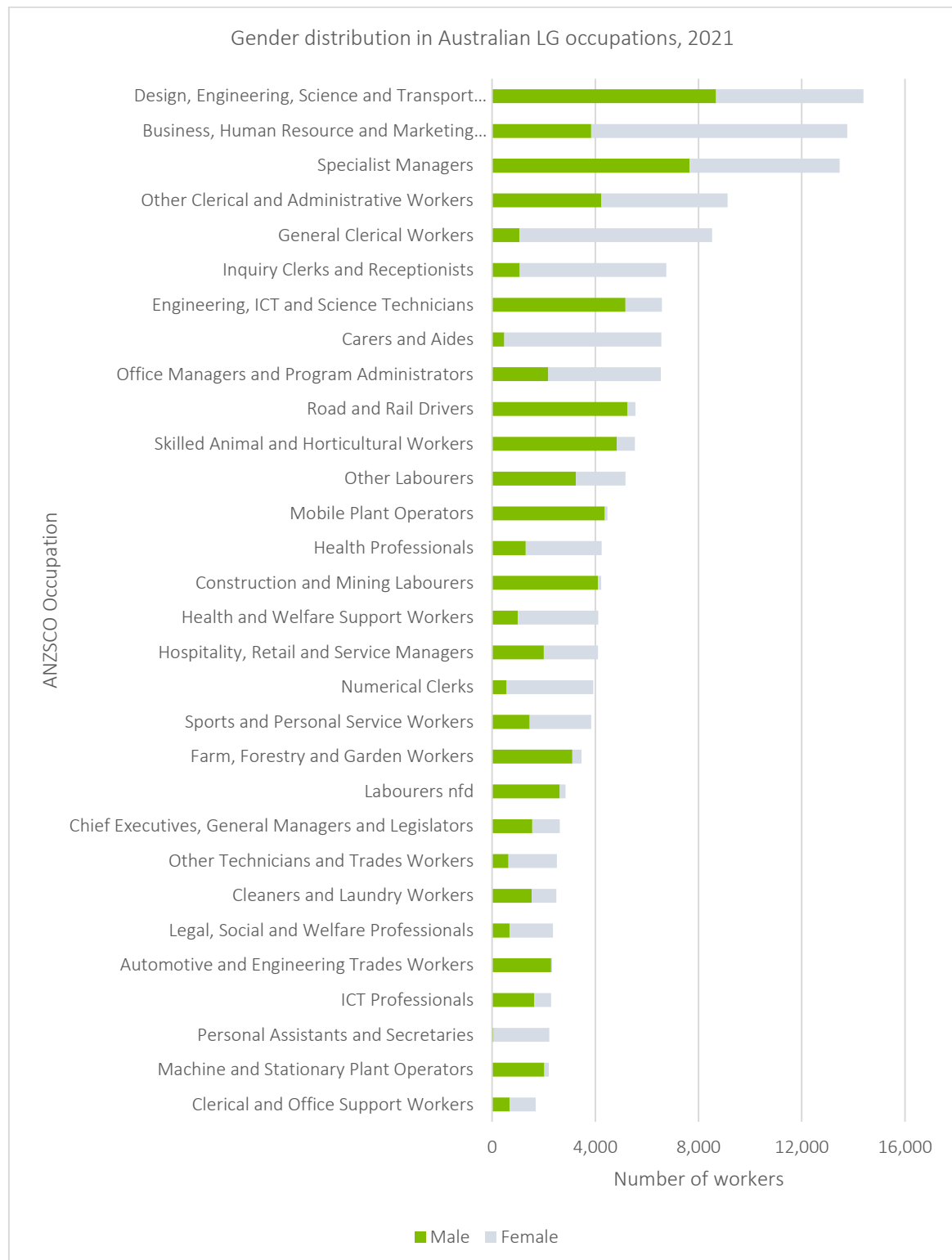
Professionals nfd	289	463	60.2%
Protective Service Workers	325	433	33.2%
Technicians and Trades Workers nfd	289	406	40.5%
Sales Assistants and Salespersons	316	386	22.2%
Storepersons	378	326	-13.8%
Sales Support Workers	332	310	-6.6%
Arts and Media Professionals	238	292	22.7%
Clerical and Administrative Workers nfd	219	269	22.8%
Sales Representatives and Agents	160	243	51.9%
Food Trades Workers	253	233	-7.9%
Factory Process Workers	168	181	7.7%
Hospitality Workers	217	176	-18.9%
Food Preparation Assistants	212	113	-46.7%
Community and Personal Service Workers nfd	45	79	75.6%
Farmers and Farm Managers	44	38	-13.6%

Source: ABS, 2011-2021

An analysis of the top 30 largest employing occupations in the Australian local government sector illustrates that there is a clear gender bias in some occupations (**Figure D7**):

- Occupations where employees are mostly male include: Automotive and Engineering Trades Workers, Machinery Operators and Drivers, Construction Trades Workers, Mobile Plant Operators, Construction and Mining Labourers, Electrotechnology and Telecommunications Trades Workers, Road and Rail Drivers, and Machine and Stationary Plant Operators, among others.
- Meanwhile, there is much greater female representation in occupations such as: Personal Assistants and Secretaries, Personal Assistants and Secretaries, Carers and Aides, Education Professionals, Sales Support Workers, General Clerical Workers, Numerical Clerks, Food Preparation Assistants, and Inquiry Clerks and Receptionists, among others.

FIGURE D21: GENDER DISTRIBUTION IN AUSTRALIAN LG OCCUPATIONS, 2021



Source: ABS, 2021

Since 2011, there have been substantial increases in female participation in the following occupations:

- Business, Human Resource and Marketing Professionals (+3,266)
- Specialist Managers (+2,782)
- Design, Engineering, Science and Transport Professionals (+1,964)
- General Clerical Workers (+1,100)
- Other Clerical and Administrative Workers (+1,038).

Table D8 also highlights the largest proportionate changes in female participation by occupation since 2011. These include Specialist Managers (+91.8%), Managers (+79%), Chief Executives, General Managers and Legislators (+60.9%), and Clerical and Office Support Workers (-23.9%). They also include occupations such as Farmers and Farm Managers which have experienced a high proportionate change since 2011 (+180%) due to a low 2011 baseline (5 workers).

TABLE D8: CHANGES IN FEMALE PARTICIPATION BY OCCUPATION, AUSTRALIAN LG, 2011 AND 2021

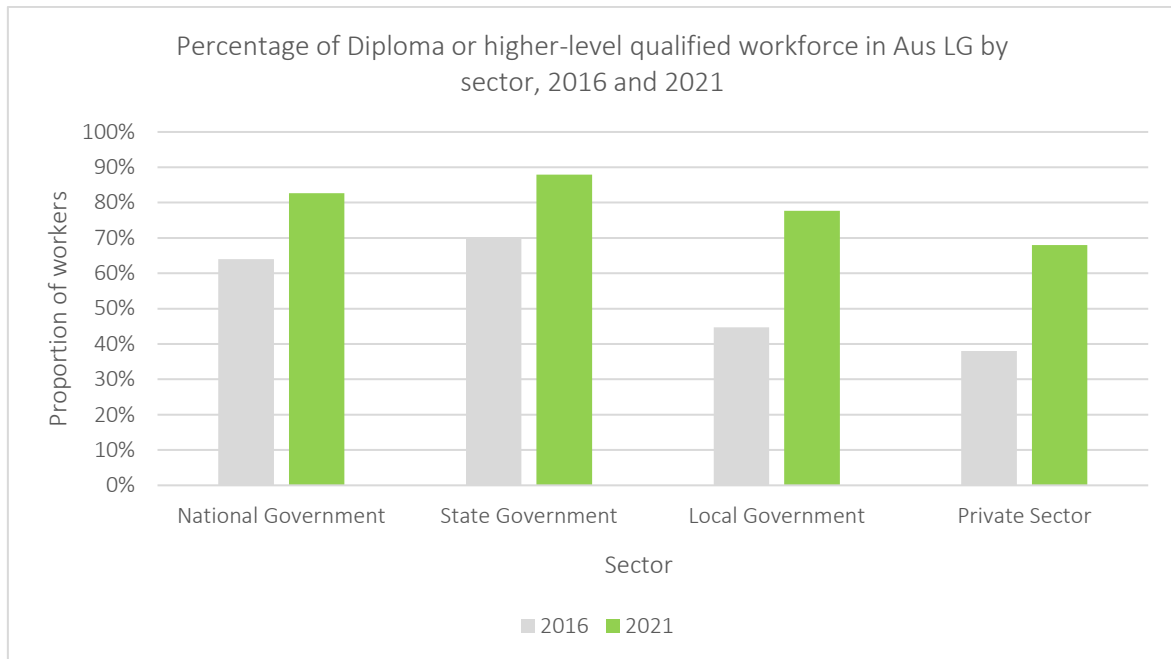
Occupation (ANZSCO)	2011	2021	% change
Business, Human Resource and Marketing Professionals	6655	9921	49.1%
General Clerical Workers	6356	7456	17.3%
Carers and Aides	7597	6085	-19.9%
Specialist Managers	3032	5814	91.8%
Design, Engineering, Science and Transport Professionals	3745	5709	52.4%
Inquiry Clerks and Receptionists	4846	5687	17.4%
Other Clerical and Administrative Workers	3852	4890	26.9%
Office Managers and Program Administrators	4150	4363	5.1%
Numerical Clerks	3152	3355	6.4%
Health and Welfare Support Workers	3124	3112	-0.4%
Health Professionals	2226	2947	32.4%
Sports and Personal Service Workers	1947	2384	22.4%
Personal Assistants and Secretaries	2406	2166	-10.0%
Hospitality, Retail and Service Managers	1384	2105	52.1%
Other Labourers	1655	1918	15.9%
Other Technicians and Trades Workers	1579	1870	18.4%
Legal, Social and Welfare Professionals	1271	1683	32.4%
Engineering, ICT and Science Technicians	897	1414	57.6%
Education Professionals	845	1282	51.7%
Chief Executives, General Managers and Legislators	660	1062	60.9%
Clerical and Office Support Workers	1334	1015	-23.9%
Cleaners and Laundry Workers	1071	946	-11.7%
Skilled Animal and Horticultural Workers	587	705	20.1%

ICT Professionals	418	651	55.7%
Farm, Forestry and Garden Workers	428	356	-16.8%
Managers nfd	195	349	79.0%
Road and Rail Drivers	238	301	0.0%
Professionals nfd	163	291	78.5%
Sales Support Workers	272	275	1.1%
Sales Assistants and Salespersons	178	245	37.6%
Labourers nfd	130	226	73.8%
Clerical and Administrative Workers nfd	159	182	14.5%
Food Trades Workers	208	177	-14.9%
Machine and Stationary Plant Operators	81	172	112.3%
Arts and Media Professionals	146	171	17.1%
Sales Representatives and Agents	86	157	82.6%
Hospitality Workers	164	126	-23.2%
Construction and Mining Labourers	72	124	72.2%
Mobile Plant Operators	86	110	0.0%
Protective Service Workers	65	102	56.9%
Food Preparation Assistants	177	96	-45.8%
Community and Personal Service Workers nfd	34	53	55.9%
Factory Process Workers	40	46	15.0%
Technicians and Trades Workers nfd	21	42	100.0%
Storepersons	27	41	0.0%
Automotive and Engineering Trades Workers	25	39	56.0%
Construction Trades Workers	25	36	44.0%
Electrotechnology and Telecommunications Trades Workers	25	29	16.0%
Farmers and Farm Managers	5	14	180.0%
Machinery Operators and Drivers nfd	5	12	140.0%
Sales Workers nfd	7	3	-57.1%

Source: ABS, 2011-21

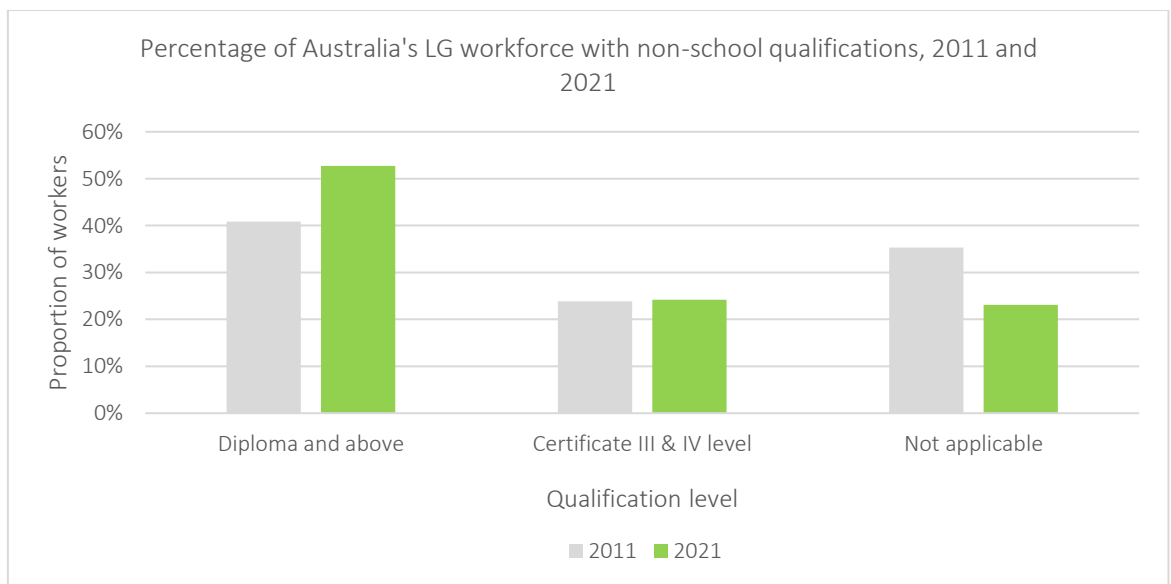
Education

Compared to other spheres of government, the local government workforce has a lower proportion of employees with a Diploma or higher-level qualification (**Figure D8**). Across all sectors, the proportion of Diploma or higher-level qualified workers has increased since the 2016 Census.

FIGURE D22: PERCENTAGE OF AUSTRALIAN LG WORKFORCE WITH A DIPLOMA OR HIGHER-LEVEL QUALIFICATION, 2021

Source: ABS, 2021

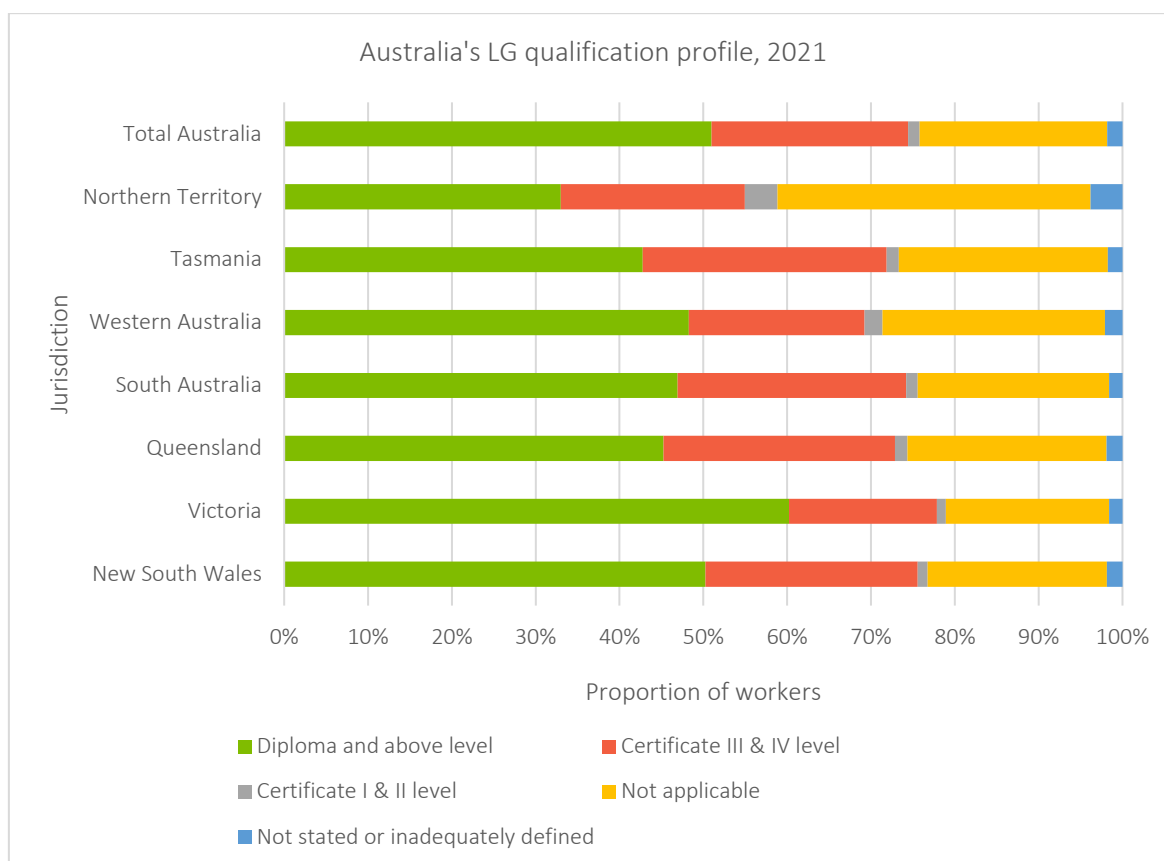
A comparison of the proportion of Australia's local government workforce with a Diploma across the last decade shows that it has increased by approximately 10%, while the proportion with Certificate III and IV has remained stable, increasing slightly by 0.4% in the decade to 2021 (**Figure D23**).

FIGURE D23: PERCENTAGE OF AUSTRALIA'S LG WITH NON-SCHOOL QUALIFICATIONS, 2011 AND 2021

Source: ABS 2011-21

An analysis of the types of qualifications held by the Australian local government workforce in 2021 shows a different distribution across the States and Territories. For example, Victoria has the largest proportion of workers with a Diploma and above level (over 60%), followed by New South Wales (50%). Certificate III and IVs were the second most qualification type in every jurisdiction, shown by the red bars in the chart below (**Figure D24**). The Tasmanian local government workforce had the highest proportion of workers with this qualification type (almost 30%).

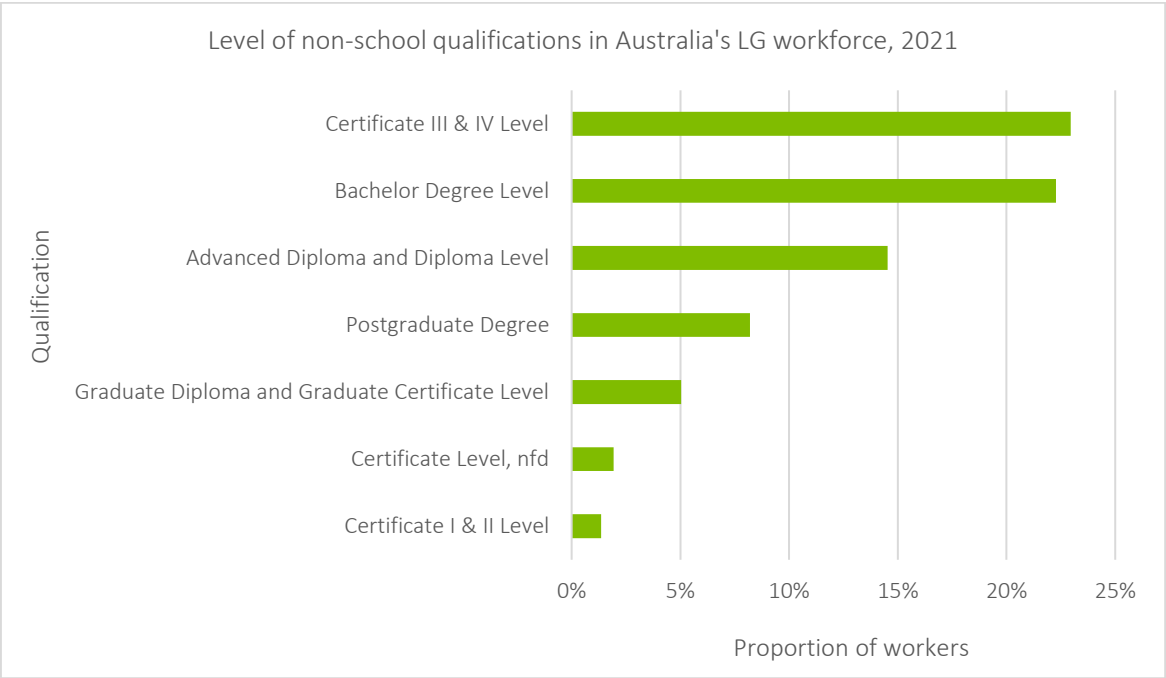
FIGURE D24: AUSTRALIAN LG QUALIFICATION PROFILE, 2021



Source: ABS, 2021. 'Diploma and above' includes: Graduate Diploma, Advanced Diploma and Diploma Level, Bachelor Degree, and Postgraduate Degree level qualifications.

In 2021, Certificate III and IVs were the most common qualification in the Australia's local government sector (held by 23.0% of workers), followed by Bachelor degrees (22.3%) and Advanced Diplomas and Diploma level qualifications (14.5%) (**Figure D25**).

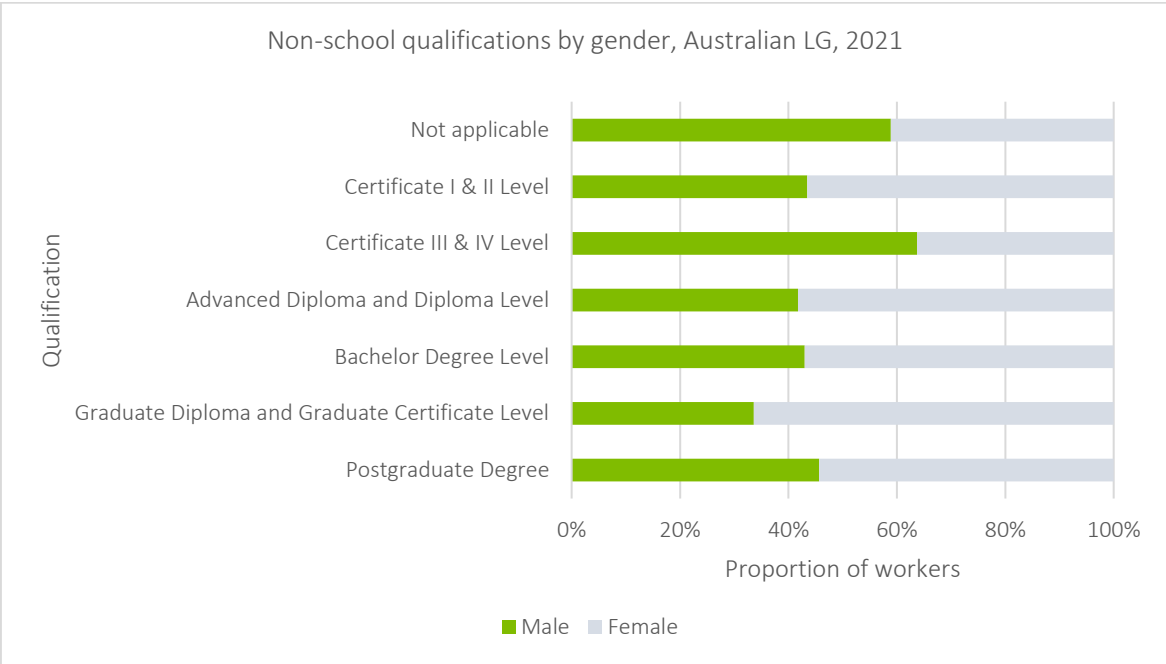
FIGURE D25: NON-SCHOOL QUALIFICATIONS IN AUSTRALIAN LG, 2021



Source: ABS, 2021

More females hold tertiary qualifications (i.e. Diplomas and above) than males, whereas there are more males with Certificate III and IV level qualifications (**Figure D26**). Similar to 2016, there were more males than females with no qualifications (see 'Not Applicable') category.

FIGURE D26: NON-SCHOOL QUALIFICATIONS IN AUSTRALIAN LG BY GENDER, 2021

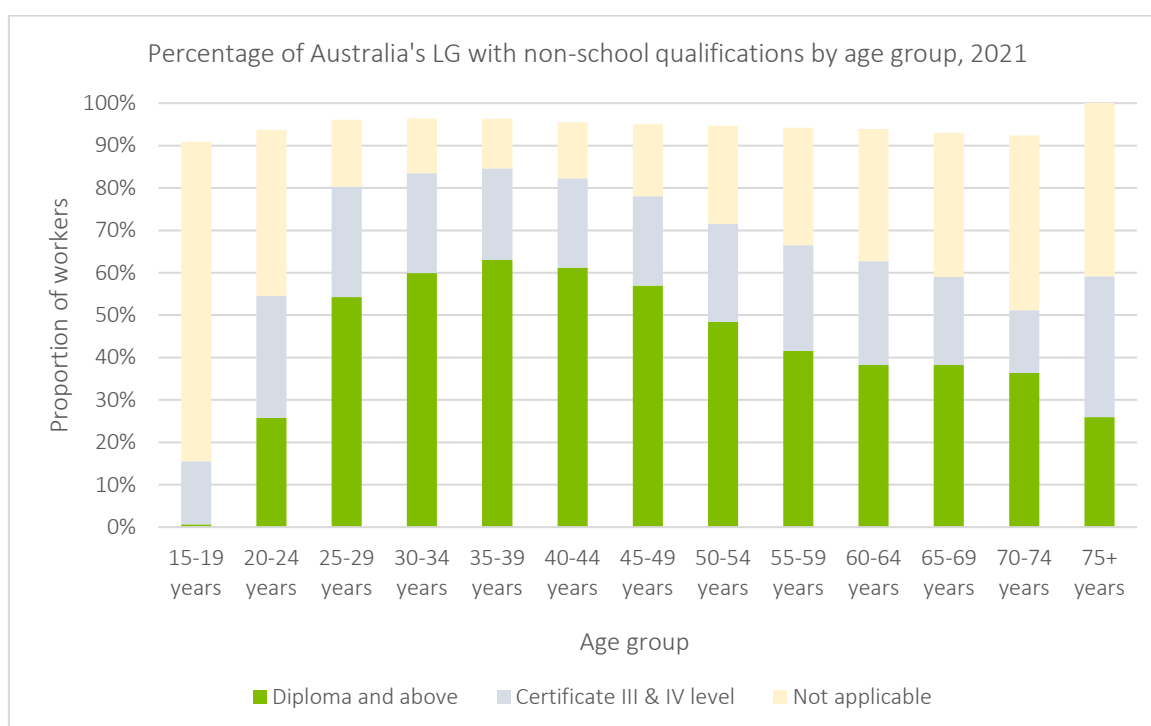


Source: ABS, 2021

Figure D27 shows that the level of qualification by age group peaks at 35-39 years, and declines for older age groups. This trend is also reflected in the 2016 Census data,⁵⁶ and suggests a need to ensure that the workforce is suitably skilled and qualified to adapt to changing roles and skills requirements.

Nonetheless, a comparison to the 2016 figures indicates that in 2021, there is a higher proportion of older workers who hold non-school qualifications. For example, over 60% of the Australian local government workforce aged 60-64 years old hold either a Certificate III or IV or a Diploma and above, compared to just over 55% in 2016.⁵⁷

FIGURE D27: PERCENTAGE OF AUSTRALIAN LG WITH NON-SCHOOL QUALIFICATIONS BY AGE GROUP, 2021



Source: ABS, 2021. Percentages may not total 100% due to additional ABS reporting categories not shown (e.g. 'Not Stated') in each age group.

⁵⁶ 2018 National Report on Local Government Workforce Skills and Capability, citing ABS 2016.

⁵⁷ Ibid.

Appendix E: Details of Joint Training and Development Opportunities and Partnerships with Aboriginal Community Controlled Organisations (ACCOs)

The survey included a question about whether local governments had undertaken joint training and development opportunities with Aboriginal Community Controlled Organisations (ACCOs).

29 local governments said they had undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs), predominantly to offer cultural awareness training to council staff. 25 of the responding local governments provided further information on their partnerships with ACCO. This information is provided below.

New South Wales

Six local governments said that they had undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs) and four of them provided details of partnerships with:

- Bara Barang to provide mentoring for Aboriginal and Torres Strait Islander trainees, and to work with local government's supervisory staff;
- Yarn Up to provide online awareness training to the Senior Management Team in 2021;
- Murrook - Worimi Local Aboriginal Land Council.

Northern Territory

Seven of the eight responding local governments said that they had undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs). One local government did not respond to this question.

Queensland

Six local governments said that they had undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs). Four local governments described their partnerships:

- With Minjerribah Moorgumpin Elders-in-Council, which had a positive effect on council's cultural competency and its creation of an inclusive, respectful and knowledgeable workplace;
- With TribalLink Blackcard, Biral Tours, Mooloolah Kabi Kabi Lands Council for the provision of First Nations Cultural Awareness training and On-Country experiences;
- Between Torres Strait Island Regional Council and Yarrabah Aboriginal Shire Council to co-deliver a Cert IV in Social Housing as well as co-training with the Torres Strait Regional Authority (TSRA) and Torres Shire Council for Environmental Health Workers.

South Australia

Two local governments said that they had undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs).

Another local government listed the following initiatives it was involved in:

- Establishing a First Nations People Advisory Group to Council;
- Procuring professional services from RAWsa, an Aboriginal Business Enterprise creating opportunities to grow the Aboriginal workforce and to provide economic independence and social inclusion for Aboriginal and non-Aboriginal people;⁵⁸
- Partnering with Neporendi Aboriginal Forum Inc;
- Working with Kurna Yerta Aboriginal Corporation (KYAC), which manages native title rights and interests in parcels of reclaimed Kurna land in Tarntanya Country;⁵⁹ and
- Recognising the community role of Southern Traditional Owners Meyunna Patparta.

Tasmania

Only one local government responded they had undertaken a joint training program with an Aboriginal Community Controlled Organisation and that the exercise was beneficial to the local government, however no further detail was provided.

Victoria

Eight local governments said they had undertaken joint training and development with the following Aboriginal Community Controlled Organisations (ACCOs):

- First People Millewa Mallee Aboriginal Corporation;
- Djaara (Dja Dja Wurrung Clans Aboriginal Corporation).

Their feedback indicates that these have been beneficial for staff, helping to raise organisational cultural competency in the workforce

Western Australia

Six local governments said that they had undertaken joint training and development with Aboriginal Community Controlled Organisations (ACCOs), including Jalyardi Aboriginal Corporation.

In addition, in the Western Australian Local Government Association Salary and Workforce Survey for 2022, survey respondents were asked to prioritise 15 workforce topics for the 2021/22 financial year. The highest priorities the respondent local governments identified were workplace health and safety, and organisational culture and change, and workforce planning. The most noticeable change was wellness and mental health, moving from 12th place in 2018/19 to 4th place on 2020/21. Aboriginal cultural awareness was ranked 15th in both the 2019-20 and 2021-22 survey, but was not ranked at all in the 2018-19 survey.

⁵⁸ RAWsa (2022), *Changing lives: empowerment through economic independence*, <https://rawsa.com.au/>

⁵⁹ Australian Government (2021), *ORIC Spotlight On: Taking care of elders, past and future*, <https://www.indigenous.gov.au/news-and-media/stories/oric-spotlight-taking-care-elders-past-future>

Appendix F: Australian Local Government Workforce Development Initiatives

SGS undertook a scan of Australian Local Government workforce development initiatives to ascertain what is happening across the country. Based on the information available online and our consultation for the project, a selection of initiatives is highlighted below.

NSW Local Government Capability Framework

The Local Government Capability Framework, authored by Local Government NSW, is a document which sets out the core capabilities, described as behaviours and attributes of all employees and elected members. It responds to a desire for a more consistent foundation on which to conduct recruitment, workforce planning and staff development.⁶⁰

The Local Government Capability Framework is divided into four 'capability groups': Personal Attributes, Relationships, Results and Resources. There are also two other thematic headings, titled 'Workforce Leadership', which is for employees in management positions, and 'Civic Leadership', which is for elected members. As such, the Framework is applicable to the Mayor and Councillors in addition to council employees at all levels of seniority.

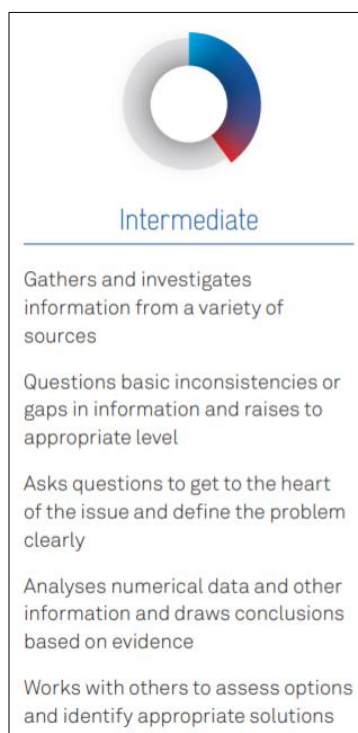
Individual capabilities sit under each of these group headings and refer to specific knowledge or skill areas of focus. Each capability is then detailed on a separate page within the Framework. This page describes the capability and respective levels of advancement, which it calls 'level descriptors'. These range from 'foundational' to 'highly advanced'. 'Behavioural indicators' offer a means of evaluation under each level descriptor, and are in the form of written statements.

An example of the level descriptor and behavioural indicators for the 'Think and Solve Problems' capability is shown in **Figure F1** below.

Use of the Framework is optional for NSW local governments, although LGNSW acknowledges that its sector-wide influence will be magnified if at least some employees and councillors in a wide range of LGAs are familiar with the Framework. Collaborative development of the Framework with 'elected and workforce representatives across the state' is one way in which LGNSW has tried to create buy-in from its member local governments.

⁶⁰ Local Government NSW (2017), 'Local Government Capability Framework', https://capability.lgnsw.org.au/local_government_capability_framework.pdf

FIGURE F1: EXAMPLE OF LEVEL DESCRIPTOR AND BEHAVIOURAL INDICATORS



Source: Local Government New South Wales, 2017.

The Capability Framework's traction in NSW has been difficult to measure. Initially, LGNSW had roughly 50% of local governments participate in introductory courses on the Framework. LGNSW has continued to run a couple of courses per year focusing on different aspects of the Framework – e.g. writing Position Descriptions, Implementing the Framework, Applying it to Recruitment etc. After four years, 10-15% of local governments in NSW (up to 20 of 128 member local governments of LGNSW) have fully implemented the Framework and about one-third have started to introduce the Framework (e.g. writing Position Descriptions aligned with the Framework, and to determine training for elected members). Most local governments seem to support the Framework in principle, but lack of resources (time) and competing priorities are hindering its widespread implementation, including the impacts of COVID-19, recent bushfires and floods. LGNSW reports that a couple of the local governments have employed staff dedicated to implementing the Framework across the organisation.

NSW Local Government Skills Strategy

The Local Government Skills Strategy was a program funded by the NSW Government (Training Services NSW) and managed by the NSW Office of Local Government. It involved the allocation of approximately \$5 million in Smart and Skilled funding for vocational education and training for local government employees. It aimed to build the workforce capability of the NSW local government sector by offering local governments improved access to professional training.⁶¹ The program had three main objectives underneath this broad aim:

⁶¹ NSW Office of Local Government (2018) 'Circular to Councils; Local Government Skills Strategy', <https://www.olg.nsw.gov.au/wp-content/uploads/2020/02/18-13.pdf>

- Facilitate pre-vocational training programs targeting local government skill priorities.
- Encourage and support local governments to increase their intake of apprentices and trainees, including upskilling their supervisors and managers.
- Facilitate training in skill priority areas for existing local government employees.

The program ran from 2018 – 2020 and funds were fully allocated, mainly to upskilling existing workers.

Central NSW Joint Organisation (CNSWJO)

Central NSW Joint Organisation is a body corporate established on 11 May 2018 under Part 7 Chapter 12 of the *Local Government Act 1993* (NSW). The CNSWJO represents over 157,000 people covering an area of more than 47,000 sq kms, and includes the Local Government Areas of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Oberon, Orange, Parkes, Weddin, and Central Tablelands County Council.⁶²

The Central NSW JO's vision is to reflect the collective regional priorities and aspirations of its Member Local governments. In accordance with the *Local Government Act 1983* (NSW), its principal functions are:

- to establish strategic regional priorities for the joint organisation area and to establish strategies and plans for delivering those priorities;
- to provide regional leadership for the joint organisation area and to be an advocate for strategic regional priorities; and
- to identify and take up opportunities for inter-governmental cooperation on matters relating to the joint organisation area.

CNSWJO has established the following operational teams to manage workforce skills and capability matters in the region:

- Human Resources Managers Group (HR);
- WHS/Risk Management Group; and
- Training, Learning & Development (TLD) Working Group.

The HR Managers Group meets quarterly to provide advice to the CNSWJO on the full spectrum of HR matters of interest/concern to its member Local governments.

Over the past 7 years the CNSWJO has identified the training needs of 46 Water Operators and 52 Wastewater Operators across 9 of its member Local governments and sourced and co-ordinated the delivery of accredited training in the region for a total of 767 units of competency from the nationally accredited training system. In addition, the CNSWJO has sought training to the requirements of the National Certification Framework administered by the Water Industry Operators Association of Australia (WIOA). The HR Managers Group has recently decided to extend the water and wastewater training to include support for other skills shortages being experienced by local governments in the health and building surveying profession, critical to all Council's core operations. Initial scoping has been undertaken in collaboration with the HR Group and a working party has been formed which will examine how the skills shortages across the region could be addressed.

⁶² <https://www.centralnswjo.com/about>.

In 2022, the HR Managers Group will be looking at sharing recruitment policies and procedures so as to avoid reinventing the wheel, and at models for succession planning and talent management.

The TLD Group is a sub-group of the HR Managers Group and focusses on training and skills and typically meets three times per year. The TLD Working Group focusses on networking and opportunities for sharing training activities to minimise costs and increase outcomes for the region, including by liaising with NSW TAFE and other RTOs to seek out any training opportunities, and sometimes funding. CNSWJO will also often reach out to neighbouring local governments (who are not members of the CNSWJO) to offer places in training programs that the CNSWJO has scheduled to ensure an adequate number of enrolments to keep costs down.

The TLD Group also has carriage of the Safety Compliance Contract for the region. There are 10 training providers on the panel to deliver safety compliance training to CNSWJO member local governments and local governments can organise to have the training delivered directly or the training can be coordinated via CNSWJO's Training & Program Support Officer.

The WHS/Risk Management Group has carriage of the Councils' WHS induction program, which is now delivered online. Once a contractor completes the induction, the induction is valid for 5 years. Currently, just over 3,000 contractors hold a current WHS induction. The induction allows contractors to undertake the general WHS induction once and then it is valid across all participating member local governments; it does not replace a site-specific induction. The WHS/Risk Management Group is also currently focussing on mental health first aid training and WH&S compliance training. However, delivery has been stalled due to the lack of availability of suitable trainers arising from the implications of the Covid-19 pandemic. The WHS/Risk Management Group also receives regular presentations and updates from key WHS agencies in NSW, including Statewide Mutual, SafeWork NSW and StateCover. The HR and WHS/Risk Management Groups share each other's meeting minutes to increase transparency and coordination.

Careers at Council

Careers at Council is a strategic response by the Local Government Associations to attract staff to local government and to develop an employee brand for the sector. This need was identified in the 2013-2020 National Local Government Workforce Strategy and the 2016-2020 NSW Local Government Workforce Strategy.

Careers at Council was established in late 2019 to encourage active and passive candidates to work in local government via informative content, social media (LinkedIn and Facebook), Google advertising and links with a wide range of government, industry and career sites. Careers at Council is now recognised by the Commonwealth and NSW Governments as the careers and jobs portal for local government, with listings on the Jobs Hub, Australian Apprenticeship Pathways and Careers NSW websites. The jobs of approximately 200 local governments are listed on the site which attracts around 1,000 visitors per day.

To raise awareness amongst graduates of the career opportunities in local government, Careers at Council has established a partnership with GradConnection which holds the largest national database of university students and graduates. Roles suitable for graduates are sent to prospective candidates undertaking or completing degrees in areas of skills shortage (engineering, planning and development, environment, project management and human resources).

Careers at Council also actively promotes employment opportunities to veterans through its participation in monthly ADF Transition seminars and to careers advisors via participation in industry information update events.

Careers at Council provides a foundation from which the sector could leverage recruitment advertising campaigns on a sector/regional/occupation basis and more detailed information about career pathways into and within local government.

UTS Centre for Local Government

The Centre for Local Government is a section of the UTS Institute for Public Policy and Governance. The Centre has provided various training and advisory services to Australian local governments for over 30 years.⁶³ It is an example of a partnership between the local government sector and a major educational and research institution to extend local government's capability. In its heyday, the Centre had quite a strong research and policy development output, as well as tertiary education and broader public education about local government's role in Australian society and democracy.

Currently, there are three main streams of services offered by the Centre:

- **Training and short courses.** The Centre offers several training modules in subjects related to local governance, such as development assessment, community engagement and project management. These can be delivered 'in-house', meaning that their content can be customised according to the organisational objectives of a particular local government.
- **Formal local government qualifications.** These include graduate certificates, graduate diplomas and masters degrees in principles and practices of local government.
- **Advisory and research.** The Centre offers fee-for-service research and consultancy services in a range of local government functions. This includes both internal business governance and inputs to strategy development.

The Centre is currently restructuring to update its staffing and the range of services it offers. Its website states that this revamp will involve some kind of engagement with the local government sector to align its new program with the development needs of the sector. It may be worth re-engaging with UTS to see if they may be able to take up some of the challenges identified from the results of this survey.

Workforce Planning Guidelines for Local Government in Tasmania

In 2016, the Local Government Association Tasmanian (LGAT) partnered with Burnie City Council, Circular Head Council, Waratah-Wynyard Council and the UTS Centre for Local Government to develop Workforce Planning Guidelines for local government in Tasmania.⁶⁴ A Reference Group established to shape and tailor the guidelines included: Break O'Day Council, Burnie Council, Circular Head Council, Glamorgan Spring Bay Council, Hobart City Council, Kingborough Council, and Waratah-Wynyard Council.

⁶³ UTS (n.d.) 'Centre for Local Government', <https://www.uts.edu.au/research/institute-public-policy-and-governance/centre-local-government>

⁶⁴ UTS (2016), Workforce Planning Guidelines for Local Government in Tasmania, https://www.skills.tas.gov.au/__data/assets/pdf_file/0004/174937/Workforce_Planning_Guidelines_for_Local_Government.pdf

The guidelines propose six steps to workforce planning and provide detailed descriptions, key questions to ask, case studies, and other resources to equip councils who are preparing a workforce plan:

- 1: Starting out – This section guides councils to consider the scope and scale that is relevant to their local context of workforce planning. It also provides guidance on internal and external stakeholders, and relevant data and information sources when undertaking workforce planning.
- 2: Where are we now? – This section guides councils to gather information about the current state, i.e. current workforce profile, current macro-trends and strategic context in which the council operates.
- 3: Where might we be in the future? – This section provides guidance on qualitatively forecasting the external context, having regard to political, economic, social, technological, legal and environmental considerations.
- 4: What are the gaps? – This section guides councils to assess current and future workforce gaps, and to prioritise these for action via a ratings-based risk matrix or other framework.
- 5: Strategies to assess the gaps? – This section guides councils to identify strategies and actions that respond to the current and future gaps. It also provides a list of common gaps and issues, and potential strategies and actions in response to these.
- 6: Monitoring and evaluation – This section highlights the ongoing and iterative nature of workforce planning, which suggests a need for workforce plans to be reviewed and outcomes to be evaluated.

Appendix G: Local Government Workforce and Capability Planning: International Examples

Brief to Local Government Information Unit (LGIU), United Kingdom

SGS Economics and Planning commissioned the Local Government Information Unit (LGIU) to review international best practice policy for workforce and skills/capability development in the Local Government sector. In particular, how the Local Government sector around the world is:

- Innovating to close skills gaps and shortages;
- Leveraging creative partnerships to identify future workforce needs and streamline training opportunities;
- Remaining agile through crises (e.g. Covid-19 pandemic, climate change) to support longer-term recovery;
- Responding to macrotrends (e.g. an ageing workforce, digital transformation, structural changes to local economies) that are shaping the expectations and needs of the future workforce.

Review of international practice

In the countries reviewed, a range of activities have been deployed to build capacity in local government workforces, including:

- Providing advice, toolkits and consultancy support for workforce planning;
- Training or retraining the unemployed/under-employed and embedding a culture of improvement/career development at all levels;
- Redesigning jobs to remove non-essential requirements and allow optimal use of available expertise;
- Bringing back retired personnel with a focus on mentoring/knowledge transfer (as in this example of civil engineer shortages for public works in South Africa);
- Leveraging infrastructure investment/public procurement to fund and provide local jobs/apprenticeship opportunities;
- Marketing local government/sub-national government as an attractive career choice (see the Yukon (Canada) government's People Plan for a discussion about branding – the Yukon government has been a Top 100 employer in Canada since 2014);
- Outreach into schools and universities to improve knowledge and appeal of construction or other shortage sectors, including internships and cadetships;
- Expanding the recruitment pool, by targeting under-represented groups such as women and minorities or recruiting skilled migrants; and

- Adopting innovation/new technologies to reduce demand for workforce and increase productivity (for example, offsite construction, pre-cast concrete or automation).

Case studies - Developing workforce plans

UK - Local Government Association Workforce Planning Support

The LGA in England support local authorities with strategic workforce planning. As well as providing guides and tools, they are running a project providing more intensive capacity building to around 70 local governments, including:

- Interactive workforce planning workshops for senior leaders and managers;
- Reviews of talent management and workforce plans;
- Support with developing career pathways;
- People analytics; and
- Online Knowledge Hub forum for workforce planning professionals.

The support program has received good feedback, as shown in a recent Impact Report, with the vast majority of participating local governments reporting a positive impact on their organisations. The impact on 'delivering organisational priorities' and 'recruitment and retention' was particularly high.

For example, the LGA's Workforce Planning team recently supported two local governments in the Midlands to tackle difficulty in recruiting planning officers through redesigning jobs to separate out elements requiring a local on-site presence and specialist expertise that could be delivered remotely. This allowed them to share local planning officer resource and jointly recruit a senior planner who is based in another part of the country.

UK – London Councils

London Councils is one of local government's regional employers' organisations. It is supporting London borough local councils with a workplace planning tool, a spreadsheet which captures workforce data and helps local governments analyse demand, supply, gaps and scenario planning. The spreadsheet helps ensure data is robust and collected consistently.

London Councils also has a Workforce Planning & Intelligence Network (for sharing best practice amongst HR professionals) and a Recruitment Managers Network which reviews common areas of staff shortage and initiates joint projects and shared solutions to recruitment issues. For instance, London Councils ran a £1.85 million Employment Construction Careers programme (funded through European Social Fund) with seven boroughs and the City of London, which helped unemployed Londoners gain construction skills and qualifications across a range of areas, from site management to administration and security.

Case studies - Bridging the skills gap

UK – Scottish Roads Collaboration Project

The Scottish Improvement Service is the national improvement organisation for local councils in Scotland. It provides capacity building support and facilitates collaboration between councils. One project is the Roads Collaboration Project bringing together the 32 Scottish roads authorities and Transport Scotland to deliver a well maintained road network. Through a workforce planning strand the

roads authorities are working with education providers and industry bodies such as the Institute of Civil Engineers to address labour shortages, through:

- Routes into leadership, a short course for aspiring roads managers;
- Work-based learning and apprenticeships, including graduate apprenticeships;
- Outreach to schools to market roads and civil engineering as a career choice; and
- Shared approach to delivering training to roads staff.

United States – NextGen Silicon Valley

NextGen is a commission of local governments in the region, including two county organisations and 36 cities, representatives of workforce investment boards, local government professional organisations and university career centre staff from San Mateo and Santa Clara Counties. Local government faces intensive competition from the private sector and a ‘baby boomer’ retirement wave, leading to labour shortages. NextGen runs a variety of programs every year to enhance knowledge about local government agencies, career opportunities and skill advancement. Programs upskill current employees with potential and attract young and diverse talent from universities, through:

- Management Talent Exchange - three-month placements in another local agency;
- Regional internships and outreach to university students;
- Tomorrow’s City-County Manager forum: one-day intensive workshop for emerging leaders; and
- Fellows Programme bringing specific expertise from universities into local government – benefiting the host organisation and growing a talent pipeline.

United States – Coconino County, Arizona

Coconino is the second largest county in US by area (outside Alaska). Serving a vast remote and rural area, the county has 1200 employees. Following serious budget cuts in the early 2010s, the county developed innovative cost-saving solutions to improve retention of skilled employees. The activities, which won two national awards, focused on work-life balance and employee engagement through:

- Flexible work arrangements: job sharing, phasing into retirement, flexible benefits such as staff being able to purchase up to 10 personal days a year, and tele-commuting (using technology to work from home);
- Employee involvement in workforce planning and an employee suggestions scheme; and
- Access to training and education for employees at every career stage, including classes for new/experienced supervisors; leadership training for managers; free online training; cross training; developing internal talent through the knowledge and experience of employees near retirement; and retirement planning classes.

Employees shaped the county’s recruitment and retention strategies. These have attracted a large and diverse pool of internal applicants (filling 40% of vacancies); reduced turnover by 6%; streamlined personnel policies; formed a pool of employees willing to work in other departments to decrease the use and cost of temporary employees; introduced teleconferencing options for employees in outlying areas who cannot travel to meetings due to budget cuts.

United States - UpSkill Houston

The Greater Houston Partnership established UpSkill Houston as an industry-led partnership of employers, trade associations, education, government and non-profit/community organisations, using a model developed by the US Chamber Foundation's Talent Pipeline Management. The aim was to strategically expand the talent pipeline and attract talent to technical careers in sectors considered the drivers of the region's economy, including construction and petrochemicals. Activities include:

- Collaborations with community-organisations, public workforce systems and employers to attract and screen potential recruits, including those from low-income families;
- Women into Construction programmes (such as on-the-job training for three months trained 20 women to become pipefitter helpers);
- Partnering with schools to recruit juniors into pre-apprenticeship programmes; and
- Raising awareness of vital middle-skill (more than high school diploma but less than four-year degree) job opportunities in construction which employers struggle to fill.

Themes/learning points

The following themes and learning points can be drawn from these and other experiences:

- Successful strategic workplace planning uses data and insight about the workforce to design and implement solutions: Action plans typically need a mix of short-term fixes and long term, sustained activities to 'grown our own' or expand the talent pool.
- Local councils can compete with the private sector on wider benefits and employee experience: Reviewing these and listening to employees' changing expectations sends a clear message that people are valued.
- Collaboration across local councils, tiers of government, other agencies and industry can unlock innovative solutions and, over time, build a talent pipeline that benefits the wider local economy as well as increasing local government's capability.
- Technology will bring about new ways of working (even in 'outdoor' roles) and open up alternative channels for delivering training and development: the pandemic may have overcome (some) employees' resistance to online/distance learning, teleconferencing and remote management.

Appendix H: OECD Report Future-Proofing Adult Learning Systems in Cities and Regions: Summary

Foreword

The Organisation for Economic Co-operation and Development (OECD) is an international organisation that works to build better policies for better lives. The OECD's goal is to shape policies that foster prosperity, equality, opportunity and well-being for all, drawing on 60 years of experience and insights to better prepare the world of tomorrow.

In 2022, the OECD prepared a Policy Manual for Local Government on future proofing adult learning systems in cities and regions in recognition of the long term economic, social and health consequences of the COVID-19 pandemic, ongoing structural changes including automation and digitalisation, demographic changes and the transition to a “green” economy.

The OECD believes that in coming years, labour markets will face significant challenges. In this context, re- and upskilling of adults is an urgent priority for all at national, regional and local levels. To turn challenges into opportunities and to ensure that the supply of local skills matches constantly changing skills demands, there is a need to create strong adult learning systems for a more resilient and empowered society and productive economy.

Future-ready adult learning systems should provide clear re- and upskilling pathways for all individuals in need of training. This is especially important for groups that have a weaker attachment to the labour market such as the low-skilled, workers on non-standard contracts, long-term unemployed, individuals with a migration background, and youth not in employment, education or training.

Local governments have a critical role to play. As the level of government closest to citizens, they are well-placed to identify challenges faced by employers in the labour market as well as by workers falling through the cracks, which can vary significantly by locality. Indeed, current and potential workers, as well as employers, typically look for jobs and training opportunities in their neighbourhoods.

In addition, local governments can create a strong culture of adult learning that is effectively tailored to local needs, challenges and opportunities – a culture that is difficult to create through national initiatives alone. While there is growing awareness of this role, and many countries are decentralising responsibilities including those of adult learning, local governments still do not necessarily have the means and competences to respond to medium- and long-term needs.

To support local governments in their efforts to future-proof adult learning systems, this Policy Manual presents a range of policy options and concrete actions that can inspire and guide work at the local level. It is designed for both policy makers and practitioners at the local and regional level, but also for national policy makers to support their efforts in supporting the diversity of local needs.

Definition of Adult Learning

For the purposes of the OECD Policy Manual, adult learning is defined as follows:

- Adult learning refers to adult education and training that is job-related and is expected to have a positive effect on performance and productivity at work.
- Adult learning includes three different types of education and training: 1) formal education and training, which leads to a formal qualification; 2) non-formal education and training that does not necessarily lead to formal qualifications, such as structured on-the-job training, open and distance education, courses and private lessons, seminars and workshops; and 3) informal learning, i.e. unstructured on-the-job learning, learning by doing or learning from colleagues.
- Adult learners are defined as individuals aged 25+ years who have left the initial, “first chance” education system (either primary, secondary, post-secondary or tertiary level) but are engaged in learning (OECD, 2001[1]; Werquin, 2010[2]; OECD, 2019[3]; OECD, 2019[4]).

Introduction

Labour markets across the world are changing due to population ageing, increasingly rapid digitalisation and automation, evolving supply chain dynamics and the green transition.

With the COVID-19 crisis, many of the ongoing labour market changes are accelerating. Digitalisation and automation have picked up speed due to social distancing requirements as well as changing work habits and preferences. As well as the transition to more sustainable economies.

In this context of rapidly changing labour markets, adult learning systems are increasingly important. The extent to which individuals, firms and local economies can reap the benefits of ongoing changes and minimise the negative impact on workers will largely depend on the readiness of local adult learning systems.

Local governments are stepping up their efforts to make local economies more resilient and future-ready. The consequences of changing skills needs are felt acutely at the local level, through skills mismatches and skills shortages, as well as the displacement of workers without the skills sought by their employers.

Policies, regulations and funding for adult education and training are typically managed at the national level, yet needs can vary widely on the local level. Because skills needs differ across regions and local areas, national efforts can also only go so far in changing learning habits.

There are many reasons why local governments can make a difference in the development of future-ready adult learning systems, including:

- Understanding local skills demand;
- Cultivating/Promoting inclusive cultures of lifelong learning; and
- Strategically tailoring needs and bridging gaps.

Some groups are more at risk of experiencing job losses and long-term unemployment (or inactivity) due to changing skills requirements. Despite their obvious need for training, groups with weaker attachment to the labour market continue to be less likely to participate in adult learning programmes. For career guidance to be effective, its content must be adjusted to the specific needs of the individuals that participate and be linked more directly to the many local stakeholders involved in adult learning.

Structure of the Policy Manual Key policy areas and actions

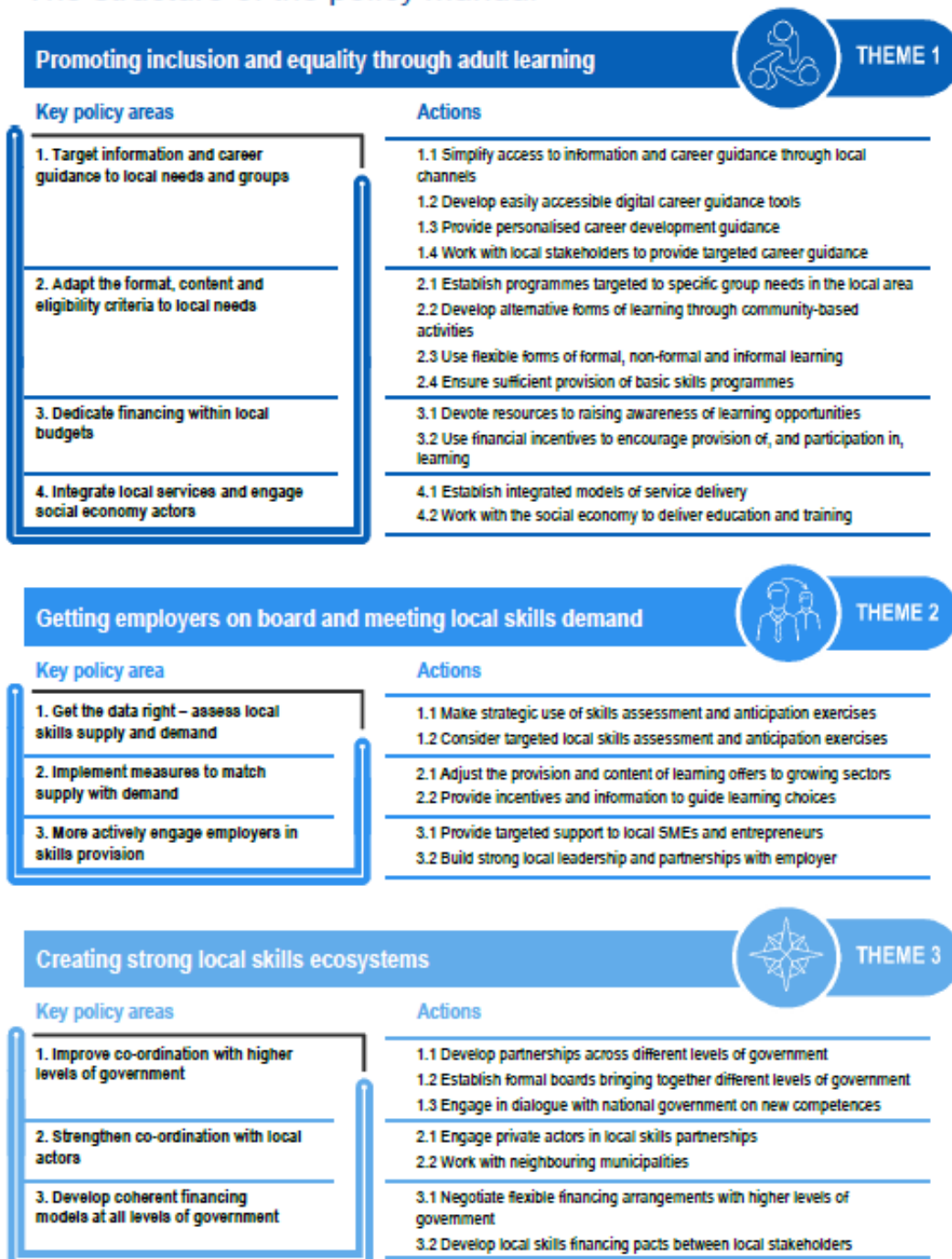
The Policy Manual is structured into three themes: Promoting inclusion and equality through adult learning; Getting employers on board and meeting local skills demand; and Creating strong local skills ecosystems, as shown in **Figure H1**.

Each theme includes key policy areas with suggestions as to how local governments can address issues with adult learning. Overall themes and suggestions include:

- Better coordination between levels of government and other stakeholders in the adult learning sector including financial and program-based coordination;
- Understanding and meeting local skill needs;
- Attempt to reach those marginalised as they are less likely to engage in adult learning; and
- Simplify access to adult learning information and programs.

FIGURE H1: OECD FUTURE PROOFING ADULT LEARNING – STRUCTURE OF THE POLICY MANUAL FOR LOCAL GOVERNMENT

The structure of the policy manual



Promoting inclusion and equality through adult learning

This theme is important because the pandemic exacerbated already polarised labour markets in many cities and regions. While the ongoing changes to skills requirements have the potential to affect all workers, automation and digitalisation are skill-biased technologies that favour high-skilled workers at the expense of middle- and low-skilled workers. Especially vulnerable are workers in jobs that are characterised by simple and repetitive tasks. They are likely to bear the brunt of these changes, calling for more training to maintain labour market attachment.

Key policy area 1: Target information and career guidance to local needs and groups:

- Career guidance is a fundamental policy lever to help individuals successfully navigate a constantly evolving labour market.
- Many of the groups who face disadvantages in the labour market, including the low-skilled, use career guidance services less often than the reference population.
- One way to increase the use of career guidance among groups with weaker attachment to the labour market is to make it more easily accessible.
- Another way to ensure that information and career guidance is provided to the groups most in need is through mobile outreach services that are accessible for hard-to-reach groups and places.
- For career guidance to be effective, its content must be adjusted to the specific needs of the individuals that participate.

Key policy area 2: Adapt the format, content and eligibility criteria to local needs:

- The willingness to participate in adult training varies across groups, with lowskilled, workers in jobs at high risk of automation and older workers showing significantly less willingness to train than their counterparts
- One way to overcome the low willingness to train is through the provision of targeted adult learning programmes that take into account the specific characteristics and learning needs of certain groups.
- To make the targeting effective it should be data-driven to identify groups for whom targeted measures may be relevant and based on evaluations on what works.
- Another way to get groups with weaker attachment to the labour market engaged in adult learning programmes is through the development of alternative forms of learning.

Key policy area 3: Dedicate financing within local budgets:

- Financial issues present one of the main obstacles preventing adults from taking part in adult learning activities.
- Financial incentives directed at individuals or employers may come in many forms, e.g. wage and training subsidies, training vouchers, tax incentives, loans and individualised learning account schemes.
- The demand for training has increased significantly in the context of the COVID-19 pandemic.

Key policy area 4: Integrate local services and engage social economy actors:

- While adult learning is vital to improve labour market attachment among groups with weaker attachment to the labour market, additional support services may be necessary to reduce barriers to their participation in education and training.
- Responsibilities for these services tend to be divided between levels of government and often measures to ensure co-ordination are lacking.
- An important way of providing learning through integrated service models is through non-formal adult education or community education. Non-formal and community-based education is education that takes place outside the formal education sector and which aims at enhancing learning, fostering empowerment and contributing to civic society.

Getting employers on board and meeting local skills demand

This theme is important because global megatrends, including digitalisation, the green transition and the ageing of societies, are changing the demand for skills. These transformations will destroy, transform and create jobs, but often not in the same place or time, or requiring the same type of skills. With COVID-19, many of the ongoing changes are likely to accelerate. Digitalisation and automation are likely to pick up in speed due to the introduction of social distance requirements among other things, and the green transition is likely to receive momentum as part of stimulus packages.

The effects of global changes vary significantly across local economies. Often labour market changes are concentrated in specific regions or sectors, and often there is a significant time gap between the destruction and creation of jobs – resulting in geographically concentrated skills mismatches. Compared to other sub-national areas, large cities tend to host substantial shares of high-skilled workers that work under standard contracts and with good teleworking options, which makes cities more resilient to ongoing changes. Yet, cities also host many low-skilled workers with little opportunity for teleworking. Many local areas show signs of misalignment between the provision of skills and the actual skills needed in the labour market. One such sign is the self-reported training needs among workers. Across OECD countries, 35% of workers report that they do not have all the skills needed to do their current tasks and need more training.

Key policy area 1: Get the data right – assess local skills supply and demand:

- Policy makes to understand local market needs skills assessment and anticipation (SAA).
- SAA often done at national or regional level can be intensive for local regions but may be required.

Key policy area 2: Implement measures to match supply with demand:

- Adjust adult learning policies in line with SAA findings.
- Importance of information.
- Local governments may regulate the provision of courses, course content and curricula to meet local skills demand and steer skills production towards those sectors.
- Another way to steer the choice of individuals and employers towards in demand skills is through information.
- Steering towards digital and green economies.

Key policy area 3: More actively engage employers in skills provision:

- Employers play a key role in the provision of adult training not least because a large share of training and education takes place in the workplace
- There are many ways that local governments can engage employers in adult learning policies. Includes lower costs, financial benefits and information of benefits
- SMEs, entrepreneurs and starts-up all face special challenges when it comes to the provision of training to their employees.
- Development of local employment partnerships.

Creating a local skills eco system

This theme is important because adult learning systems funding and responsibilities are split across multiple levels of government and agencies. Adult learning systems also encompass a range of policies and programmes with different objectives and different target groups – including basic skills courses for the low-skilled, professional training for workers, activation and training for the unemployed, re- and upskilling of workers, or language classes for migrants. In addition, adult learning policies often overlap with other policy sectors including social, employment policies, economic development as well as other skills policies including higher education (HE) and vocational education and training (VET). At the local and regional level, the fragmentation of responsibilities and the broad range of stakeholders involved presents both a challenge and an opportunity.

Key policy area 1: Improve co-ordination with higher levels of government:

- In any system where responsibilities for adult learning policies are spread across levels of government, vertical co-ordination mechanisms are important.
- Many countries have taken steps to improve the co-ordination of adult learning systems across all levels of government. These includes pursuing collaborative partnerships across government levels and engaging in dialogue on the adjustment and transfer of responsibilities to lower levels of government.
- Multi-level partnerships.

Key policy area 2: Strengthen co-ordination with local actors:

- Within any given region or city, many different actors are involved delivering adult learning policies- These often include local government departments and authorities, public employment services, universities and schools, social partners, private training providers, and local businesses. All these actors have different responsibilities, pursue different goals, administer separate budgets, and often do not perceive themselves as being a part of a joint “system” (see Box 30). Alignment of interests among actors is unlikely to happen spontaneously; rather it requires effective co-ordination.
- Engaging with non-government stakeholders and collaborating through local skills partnerships is a vital tool for local governments to deal with the inherent complexities of adult learning systems -The positive benefits of well-functioning local partnerships and skills ecosystems include:
 - Providing valuable information to the policy-making and implementation process through experiences with the real-world effects of policies,
 - Creating commitment and buy-in among relevant stakeholders to work towards a joined up local skills strategy,

- Mobilising and involving employers in the financing and provision of training, and
- Ensuring that the training provided meets the demand of the local economy.
- Cities can also look beyond their own administrative boundaries in developing partnerships by working with neighbouring municipalities or regions.

Key policy area 3: Develop coherent financing models at all levels of government.

- The financing model influences the quality and quantity of adult learning programmes, the behaviour and choice of providers, individuals and businesses, and the ability of local skills systems to match the local demand for skills.
- For local practitioners, the alignment of decision-making and financing responsibilities is crucial for their ability to put in place policies that work.
- The possible benefits from investment in adult learning are distributed among the public, individuals and businesses, but the incentives for these actors to invest in skills development are not always clear.
- Local skills financing pacts, signed by government actors as well as other stakeholders such as social partners, employers and training providers, can help overcome some of these challenges.

Case Studies

- Micro-credentials – which may be defined as short, targeted and flexible non-degree learning programmes – are gaining increasing policy traction in many countries in the face of rapidly shifting skills demand. These shorter skills-focused courses are often stackable, relatively cheap and fast, and aligned to the specific needs of industries/employers, which makes them an easy way for individuals in the working age to re- and upskill to meet immediate skills gaps in the labour market. Pg.24.
- In Canada, the federal government uses bilateral agreements between federal government, provinces and territories to allocate large amounts of annual funding to lower levels of government in the area of adult learning. The bilateral agreements stipulate the agreed-upon objectives that the funding should achieve and establish key features of the programmes to be delivered pg.47.
- Humber skills pledge. The main objective of the Skills Pledge is to encourage and help businesses access vital skills and training organisations to help them succeed and grow. More specifically, the ongoing partnership campaign seeks to encourage joint working between education and training providers, employers, local councils and organisations, including local public employment service offices. Pg.47.
- In co-operation with the Fundación Adsis and the JPMorgan Chase Foundation, the city of Madrid has developed a comprehensive training and employment project with the purpose to improve the employability opportunities of young people (18-30 years old) in the community of Madrid. The project includes 12 training itineraries that all relate to the “Circular Economy” and seeks to enable young people to have a quality job that contributes to the ecological transition. Pg.42.
- Excelsior is a skills assessment system created in co-operation between the Italian Ministry of Labour and UnionCamere (Italian Union of Chambers of Commerce, Industry, Handicrafts and

Agriculture) in 1997 with the support of the European Union. Through a co-operation with the network of regional and local Chambers of Commerce in Italy, the system provides data at regional and local levels on labour market trends, and the professional and training needs of companies across the country. Pg 37.

- Workforce Planning Ontario, a network of workforce planning boards, has the mandate to connect labour market stakeholders within the Canadian province of Ontario. Through a network of 26 planning boards that covers four regions across the province, Workforce Planning Ontario seeks to conduct localised research of ongoing labour market changes and identify skills shortages and future training requirements throughout Ontario pg.37.
- Through its Local Development Agency, Barcelona Activa set up the Barcelona IT Academy in 2017 to develop and upgrade the digital skills of professionals in the city. The main objective of the academy is to promote job opportunities, reinforce competitiveness, promote social inclusion, and reduce the gender gap in the digital sector. The IT Academy collaborates with IT companies to define training modules and provide job opportunities, and with academic institutions to promote Barcelona's work in this sector pg.41.

The full report can be found here:

- https://www.oecd-ilibrary.org/employment/future-proofing-adult-learning-systems-in-cities-and-regions_11fa26cc-en;jsessionid=tvaWQwqjhJGTEA2qdQW3i6xS.ip-10-240-5-167.

Appendix I: Further Reading

2018 Local Government Workforce and Future Skills Reports

ALGA (2018) *Local Government Workforce and Future Skills Report Australia*, available at:
<https://alga.com.au/local-government-workforce-and-future-skills-report-australia/>

LGAQ (2018) *Local Government Workforce and Future Skills Report – Queensland*, Unpublished.

LGASA (2018) *Local Government Workforce and Future Skills Report – South Australia*, Unpublished.

LGANT (2018) *Local Government Workforce and Future Skills Report – Northern Territory*, available at:
<http://www.lgant.asn.au/wp-content/uploads/2019/05/LGWFSR-Report-September-2018.pdf>

LGAT (2018) *Local Government Workforce and Future Skills Report – Tasmania*, available at:
https://www.lgat.tas.gov.au/__data/assets/pdf_file/0028/662329/LG-Workforce-and-Future-Skills-Report-Tasmania-Sept-2018-FINAL.pdf

LGNSW (2018) *Local Government Workforce and Future Skills Report – New South Wales*, Unpublished.

MAV (2018) *Local Government Workforce and Future Skills Report – Victoria*, available at:
https://www.mav.asn.au/__data/assets/pdf_file/0010/21889/Local-Government-Workforce-and-Future-Skills-Report-Victoria-Dec-2018.pdf

WALGA (2018) *Local Government Workforce and Future Skills Report – Western Australia*, Unpublished.

Skills shortages and workforce development

OECD (2001) *Education Policy Analysis 2001*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/epa-2001-en>

OECD (2019[3]) *OECD Skills Outlook 2019 : Thriving in a Digital World*, OECD Publishing, Paris,
<https://dx.doi.org/10.1787/df80bc12-en>

OECD (2019[4]) *Getting Skills Right: Future-Ready Adult Learning Systems, Getting Skills Right*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264311756-en>.

OECD (2022) *Future-Proofing Adult Learning Systems in Cities and Regions. A Policy Manual for Local Government*. https://www.oecd-ilibrary.org/employment/future-proofing-adult-learning-systems-in-cities-and-regions_11fa26cc-en;jsessionid=tvaWQwqjhJGTEA2qdQW3i6xS.ip-10-240-5-167

RAI (2022) *Rebalancing the Nation Regionalisation Consultation paper*,
<https://www.regionalaustralia.org.au/home/wp-content/uploads/2022/03/Regionalisation-Consultation-Paper-RAI-2022.pdf>

Werquin, P. (2010) *Recognising Non-Formal and Informal Learning: Outcomes, Policies and Practices*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264063853-e>

Key Reports

Regional Australia Institute (2022) *Rebalancing the Nation. Regionalisation Consultation Paper*. RAI, Canberra. <https://apo.org.au/sites/default/files/resource-files/2022-03/apo-nid317212.pdf>

LGIU Australia (2022) *Flooding in Australia: councils supporting each other*. Blog by Sid Hayward. Flooding in Australia: councils supporting each other – LGIU.

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