

2019

LOCAL GOVERNMENT

INDUSTRY REFERENCE COMMITTEE
INDUSTRY SKILLS FORECAST



CAPABLE PEOPLE MAKE CLEVER BUSINESS

Contents

Executive Summary	3
Administrative Information	4
IRC Sign-off	4
A. Skills Forecast	5
A.1 Sector Overview	5
Introduction	5
The Business of Local Government	5
Workforce Structure	6
Legislative Framework	6
Businesses Involved	7
Stakeholders	7
Challenges and Opportunities	8
Vocational Education and Training (VET) Qualifications Supporting Industry	10
Enrolments and Completions	12
A.2 Employment and Skills Outlook Overview	16
Employment – Current and Projected	16
Future Skills	18
Key Generic Skills – Ranked in Order of Importance	19
A.3 Key Drivers for Change and Proposed Responses Overview	20
Current Projects	20
A.4 Consultation Undertaken	21
B. Proposed Schedule of Work	22
2020–21	22
References	23

Executive Summary

In Australia, local government is the tier of government most closely involved with the community. It plays an important role in establishing leadership, economic development and the provision of social functions for its local area. Local government operates within a legislative framework, and public trust is integral to its effective operation. Issues of transparency, governance and compliance create a specific framework for the services provided and the knowledge and skills requirements of people working and involved in the provision of services by the sector. Local government organisational structures can vary. However, a commonality among all local government structures are both **elected representatives** and **council staff**.

Currently, the sector is comprised of 537 councils, which vary in geographic area, population and demographic base. More than half (55%) of local councils are in regional, rural and remote communities.

The following general functions that operate within the scope of local government have been identified, and it should be noted that the combination of local government services is dependent on each community's specific needs:

- Infrastructure and property services
- Recreation facilities
- Health services
- Community services
- Building services
- Planning and development approval
- Administration of facilities
- Cultural facilities and services
- Water and sewerage services (in some states)
- Other services.

Several challenges are being experienced which are impacting workforce skill requirements across local government, and these include:

- An ageing workforce
- Skills shortages
- Low access to training
- Availability of appropriate training.

There is no new Training Package development work proposed for 2019–2020. Please note that the *Local Government Training Package* is currently undergoing a complete update to ensure it is fit for purpose and aligned to current and future industry skills needs. Consultation to date has highlighted the breadth of the sector across various jurisdictions with varying legislative requirements and reforms. The Training Package was last reviewed in 2004 and significant changes will result from the current update project.

Note: The National Schedule details the Training Package update and development work commissioned by the Australian Industry and Skills Committee (AISC). The National Schedule is informed by this Industry Skills Forecast, which outlines the proposed timing for the update of existing Training Package Products. This Forecast has been compiled using a number of information sources, including academic literature, statistical data, Industry Reference Committee (IRC) member input and expertise, feedback received via public consultation, SkillsIQ's *2019 Future Skills Survey*, and an industry analysis of both new and emerging workforce skills needs overseen by the Local Government IRC.

Administrative Information

Industry Reference Committee (IRC)

Local Government

The Local Government Industry Reference Committee (IRC) is responsible for ensuring that nationally recognised qualifications deliver the skills and knowledge required to equip the sectors under its remit with a highly skilled workforce.

Skills Service Organisation (SSO)

SkillsIQ Limited

SkillsIQ supports 19 IRCs representing diverse 'people-facing' sectors. These sectors provide services to people in a variety of contexts such as customer, patient or client. The IRCs are collectively responsible for overseeing the development and review of Training Package Products, including qualifications, serving the skills needs of sectors comprising almost 50 per cent of the Australian workforce.

SkillsIQ's Industry Reference Committees (IRCs)

- Aboriginal and Torres Strait Islander Health Worker
- Aged Services
- Ambulance and Paramedic
- Children's Education and Care
- Client Services
- Community Sector and Development
- Complementary Health
- Dental
- Direct Client Care and Support
- Disability Support
- Enrolled Nursing
- First Aid
- Local Government
- Personal Services
- Public Sector
- Sport and Recreation
- Technicians Support Services
- Tourism, Travel and Hospitality
- Wholesale and Retail Services.

“ It takes skill to make a difference. We will only get skilled, valued and rounded workers when training provider, employee and employer are connected in their views on continuous learning. ”

SkillsIQ's Cross-sector Skills Committee

IRC Sign-off

Sign-off of this Industry Skills Forecast and Proposed Schedule of Work has been confirmed by the Local Government Industry Reference Committee.

John Roydhouse,
Chair

A. Skills Forecast

A.1 Sector Overview

Introduction

Local government forms the third tier of a three-tier government system (i.e. federal, state and local), which provides infrastructure and services to sustain communities.¹ It is the tier of government most closely involved with the community and plays an increasingly important role in establishing leadership in economic development and the provision of social functions for its local area. Local government operates within a legislative framework through various state and territory Local Government Acts and is mandated to manage local issues and plan for community needs.

'Local government is the government of communities and places. Elected councils are a fundamental element of our democracy, giving expression to people's aspirations for their neighbourhoods, towns and regions.' (NSW Independent Local Government Review Panel 2013)²

Currently, the sector comprises 537 local councils, which vary in geographic area, population and demographic base.³ As a result, the structure, services and priorities will vary across local councils as reflective of those most in demand, and valued, by the population in the local community. Local government revenue is derived from three main sources; taxation (property rates), user charges, and grants from federal and state/territory governments. Council budgets are under increased pressure. As community expectations grow, costs and assets are shifted from other levels of government and own-source revenue-raising capacity is limited through measures such as rate capping or pegging.⁴

More than half (55%) of local councils are in rural, remote or regional communities, and are the epicentres of those communities.⁵ Local government is a key driver of employment in regional and remote areas of Australia, and consequently faces a unique range of workforce challenges.⁶

Local government:⁷

- owns 662,216km of roads
- owns infrastructure to the value of \$428 billion
- has an annual operational expenditure of \$36 billion.

It is noted that Training Package Products in support of federal and state government workforces are housed in a separate Public Sector Training Package that is overseen by the Public Sector IRC.

The Business of Local Government

The provision of services in local government often involves processes and networks of varying complexity within a strategic context characterised by rapid change. The wide range of processes and networks operating in local government are associated with:

- tendering
- procurement and supply
- contractors
- community engagement
- revenue collection, expenditure and financial management
- governance
- requirements defined in regulatory frameworks.

The Australian Local Government Association (ALGA) has identified the following general functions that operate within the scope of local government:⁸

- **Infrastructure and property services** including local roads, bridges, footpaths, drainage, waste collection and management.
- **Provision of recreation facilities** such as parks, sports fields and stadiums, golf courses, swimming pools, sport centres, halls, camping grounds and caravan parks.
- **Health services** such as water and food inspection, immunisation services, toilet facilities, noise control, meat inspection and animal control.
- **Community services** such as child care, aged care and accommodation, community care and welfare services.

- **Building services** including inspections, licensing, certification and enforcement.
- **Planning and development approval**
- **Administration of facilities** such as airports and aerodromes, ports and marinas, cemeteries, parking facilities and street parking.
- **Cultural facilities and services** such as libraries, art galleries and museums.
- **Water and sewerage services** in some states.
- **Other services** such as abattoirs, saleyards and group purchasing schemes.

The combination of local government service deliveries is dependent on each community's specific needs.

Local government services are not always delivered by local government employees and can involve external contractors or service providers. Robust governance is therefore essential to establishing and maintaining community trust in this far-reaching sector.

Local governments also play significant roles in the implementation of public safety and the water supply. Training Package Products in these areas are covered in different Training Packages, namely the *Public Safety Training Package* and the *National Water Training Package*.

Workforce Structure

Local government organisational structures can vary. However, commonalities across all local government structures are **elected representatives** and **council staff**.

The diversity and breadth of the local government sector presents challenges to national frameworks and highlights the importance of flexibility.

The general framework demonstrates the breadth and diversity of the sector as a necessary precursor to any consideration of the sector on a national basis in relation to workforce planning and skills development.

Legislative Framework

In Australia, there are three levels of government – federal, state and local. Many federal government policy initiatives require implementation by local governments, and authority is therefore shared across the three-tiered government system. There are significant expectations for the role of local

government in supporting areas such as climate change, water management services, environmental management and emergency management, and in supporting the provision and maintenance of infrastructure and facilities.

The legislative framework in which local government operates holds structural, operational and revenue stream implications. State/territory governments define the power of local governments and determine the geographical areas for which these governments are responsible. The states/territories are responsible for the number, population (or catchment areas) and the overarching governance (including performance management) arrangements of local governments.⁹

In addition to state and territory Local Government Acts there are various other instruments that impact local government responsibilities, creating a complex regulatory framework to apply to local government operations and service deliveries. Recent research studies document the ways in which the fragmented and complex framework affects how local government interacts with other governments to achieve economic growth objectives and broader socio-economic outcomes.¹⁰

The strategic planning process and its implementation, which includes workforce planning by local government, is heavily influenced by its financial capacity and the available resources, which are largely outside the direct control of local government.

In summary, the local government sector is a service provider that involves community service streams and, in some areas, commercial business lines. The sector is subject to the disciplines of strategic management within a public governance framework. As a result, there can be issues affecting local government service delivery that are outside the control of municipalities, and this has an impact on workforce planning, skills development and training resources.

Within this context, the Local Government IRC has responsibility for 18 qualifications, packaged in the LGA04 Local Government Training Package. The Training Package Products are currently the subject of a major update to strengthen their alignment to industry expectations in relation to the skills required for job roles now and in the future.

Businesses Involved

In 2017 there were 537 local councils across Australia, with the following state and territory composition:¹¹



Stakeholders

Key stakeholders represent a range of organisations that perform a variety of strategic, regulatory and operational roles in the local government sector. Stakeholders play an important role during Training Package reviews by supplying industry insights to ensure updates are in line with industry needs. Examples of stakeholder organisations include:

- Government departments and agencies (Commonwealth and state/territory-based)
- Peak bodies and industry associations (i.e. across the sectors listed earlier)
- Employee associations
- Registered Training Organisations (RTOs), both public and private and their representative bodies
- Small, medium and large private and public employers across metropolitan, regional, rural and remote areas, including for-profit and not-for-profit organisations.

Challenges and Opportunities

Note: These findings are based on desk research and SkillsIQ's *2019 Future Skills Survey* (conducted between November 2018 and January 2019) which have been filtered to include stakeholders from the Local Government sector only. Insights and advice from IRC members and public consultation have also been used to compile and validate the information provided.

Ageing workforce

The ageing workforce trend presents a new challenge in adopting workplace arrangements that will retain a substantial number of mature-age workers. The Treasury expects the labour force participation rate for people aged 65 or over to increase from 12.9% to 17.3% from 2014 to 2054.¹² Within the local government sector, over half (53.7%) of the workforce are aged over 45 years, compared to 40.6% of the Australian all-industry workforce (2016).¹³

There are various implications of an ageing workforce that local government will need to consider, including:¹⁴

- The need for career transition and succession planning management
- A change of recruitment methods in order to source/ attract new staff from further afield

- The fact that employees in the sector are staying in positions longer, thus limiting the capacity to bring on young trainees
- The retirement of key employees without younger employees having been trained to 'backfill' their positions
- The loss of key corporate knowledge and lack of knowledge exchange
- A high turnover rate and the consequent loss of skills, leading to skill gaps and shortages.

Efforts to retain the ageing workforce will be important to balance the lack of new entrants to the sector and establish valuable mentoring and training opportunities for new graduates from older and experienced workers.

Skills shortages

Similar to other sectors, local government is experiencing significant skills shortages. In a recent ALGA survey, results showed that approximately 70% of councils are currently experiencing skills shortages. The top 10 professional occupations in which skills shortages have been identified showed that some of the occupations are supported by the Training Package, including Environmental Health Officers and Project Managers (see Table 1).

Table 1: Top 10 professional occupation shortages in local government, 2017

Rank	Professional Occupations	Percentage of Local Governments		
		Current Shortage	Forced to Recruit Less Skilled Applicants	Critical Future Issue
1	Engineers	36.3%	14.4%	34.9%
2	Urban & Town Planners	27.0%	11.6%	27.9%
3	Building Surveyors	27.4%	12.1%	31.2%
4	Environmental Health Officers	22.3%	9.8%	28.4%
5	Project Managers	20.5%	11.6%	19.1%
6	Asset & Facilities Managers	18.6%	7.0%	14.4%
7	Computing ICT Professionals	16.3%	7.4%	18.6%
8	Community Engagement Development Officers	16.3%	11.2%	12.6%
9	Engineering Technicians	15.8%	7.9%	14.9%
10	Accountants	14.9%	8.4%	20.5%

Source: ALGA (2018) Local Government Workforce and Future Skills Report Australia (September 2018)



The key reasons cited in the survey behind the current skill shortages include:

- Inability to compete with the private sector on remuneration
- Lack of suitably qualified and experienced applicants
- High demand across the labour market for specific occupations
- Shortage of skilled locals – limited talent pool
- Remoteness – hard to recruit skilled and experienced staff
- Lack of opportunity for career progression, particularly in small councils
- Regional/remote location – lack of facilities/housing.

Local government services are often subject to regulatory and compliance frameworks specific to an area of service (e.g. rates, urban planning, land management, governance, procurement, etc.) and knowledge and skills specific to these framework functions are often missing from technical qualifications.

Access to training

A 2018 report by ALGA found that lack of access to suitable training and development programs is a key driver behind the skills shortages and gaps reported across the sector.¹⁵ Councils indicated that there are several issues regarding the access to and availability of suitable courses for the overall workforce and, as a result, the skills shortages cited have largely remained unaddressed. The report outlines that key concerns regarding training offers include:

- Training is not offered locally, and often not offered at all in the specific state or territory
- Training is not flexible and not offered via multi-modal channels, including online or via remote access
- Training is not specific to local government needs.

Skills strategies applied across the sector to tackle the identified training issues include using targeted training courses (often unaccredited) and/or providing informal on-the-job training. The Training Package update currently taking place is aligning qualifications and Training Package Products, including skill sets, to contemporary job roles to facilitate and promote nationally-recognised VET qualifications as key training options for the sector.

Vocational Education and Training (VET) Qualifications Supporting Industry

The nationally recognised VET qualifications that cater to this sector are:

Local Government

- LGA10104 Certificate I in Local Government
- LGA20104 Certificate II in Local Government
- LGA30104 Certificate III in Local Government
- LGA40104 Certificate IV in Local Government
- LGA50712 Diploma of Local Government

Operational Works

- LGA10204 Certificate I in Local Government (Operational Works)
- LGA20204 Certificate II in Local Government (Operational Works)
- LGA30304 Certificate III in Local Government (Operational Works)
- LGA40404 Certificate IV in Local Government (Operational Works)
- LGA50404 Diploma of Local Government (Operational Works)
- LGA60104 Advanced Diploma of Local Government (Operational Works)

Health and Environment

- LGA30208 Certificate III in Local Government (Health and Environment)
- LGA40308 Certificate IV in Local Government (Health and Environment)
- LGA50208 Diploma of Local Government (Health and Environment)

Regulatory Services

- LGA30404 Certificate III in Local Government (Regulatory Services)
- LGA40504 Certificate IV in Local Government (Regulatory Services)
- LGA50604 Diploma of Local Government (Regulatory Services)

Administration

- LGA40204 Certificate IV in Local Government Administration
- LGA50104 Diploma of Local Government Administration

Land Management

- LGA40604 Certificate IV in Local Government (Land Management)

Planning

- LGA40708 Certificate IV in Local Government (Planning)
- LGA50508 Diploma of Local Government (Planning)

Management

- LGA70108 Graduate Certificate in Local Government Management.

Table 2: Number of Registered Training Organisations (RTOs) by nationally recognised Local Government qualifications on scope – Local Government Training Package Products

Qualification Code	Qualification Title	No. of RTOs with Qualification on Scope
Local Government		
LGA10104	Certificate I in Local Government	0
LGA20104	Certificate II in Local Government	3
LGA30104	Certificate III in Local Government	9
LGA40104	Certificate IV in Local Government	6
LGA50712	Diploma of Local Government	6
Operational Works		
LGA10204	Certificate I in Local Government (Operational Works)	1
LGA20204	Certificate II in Local Government (Operational Works)	3
LGA30304	Certificate III in Local Government (Operational Works)	6
LGA40404	Certificate IV in Local Government (Operational Works)	7
LGA50404	Diploma of Local Government (Operational Works)	5
LGA60104	Advanced Diploma of Local Government (Operational Works)	0
Health and Environment		
LGA30208	Certificate III in Local Government (Health and Environment)	2
LGA40308	Certificate IV in Local Government (Health and Environment)	1
LGA50208	Diploma of Local Government (Health and Environment)	3
Regulatory Services		
LGA30404	Certificate III in Local Government (Regulatory Services)	5
LGA40504	Certificate IV in Local Government (Regulatory Services)	6
LGA50604	Diploma of Local Government (Regulatory Services)	0
Administration		
LGA40204	Certificate IV in Local Government Administration	6
LGA50104	Diploma of Local Government Administration	5
Land Management		
LGA40604	Certificate IV in Local Government (Land Management)	0
Planning		
LGA40708	Certificate IV in Local Government (Planning)	7
LGA50508	Diploma of Local Government (Planning)	4
Management		
LGA70108	Graduate Certificate in Local Government Management	1

Source: Training.gov.au. RTOs approved to deliver this qualification. Accessed 25 February 2019.



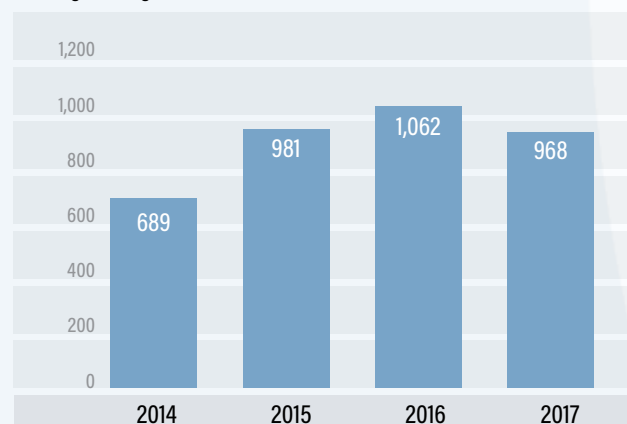
Enrolments and Completions

In 2017, there were **968 enrolments** across all VET qualifications catered for by the Local Government Training Package Products. This represents a decrease of 9% (equivalent to 94 enrolments) from the previous year (see Figure 1).

The most popular qualifications in 2017 were:

- LGA40504 Certificate IV in Local Government (Regulatory Services) (408 enrolments)
- LGA50104 Diploma of Local Government Administration (127 enrolments).

Figure 1: Total number of enrolments (Total VET Activity [TVA]) by nationally recognised qualifications on scope – Local Government Training Package Products, 2014-2017



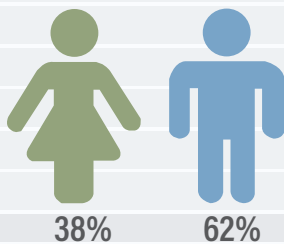
Source: NCVET VOCSTATS. Program enrolments 2014-2017.

A snapshot of key traits of the *LGA Training Package - Local Government* enrolments for 2017 is provided below, followed by a breakdown of enrolments and completions for individual qualifications (see Table 3 and Table 4).

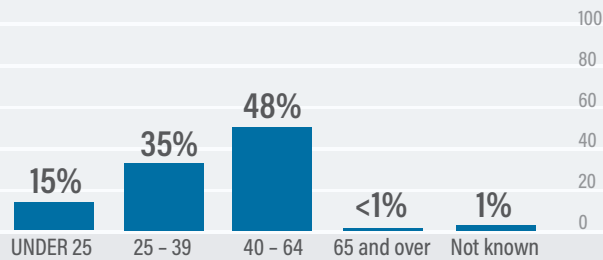
2017 ENROLMENT SNAPSHOT

LOCAL GOVERNMENT TRAINING PACKAGE PRODUCTS

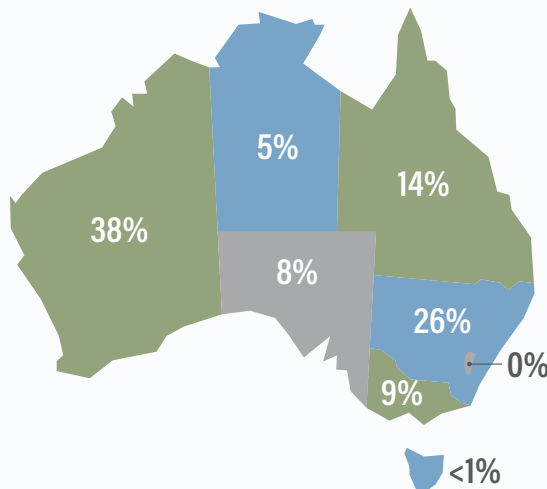
GENDER



AGE

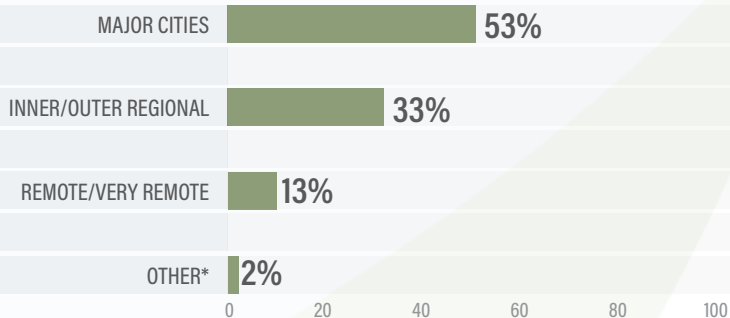


STATE/TERRITORY OF RESIDENCE



STUDENT REMOTENESS REGION

2011 Accessibility and Remoteness Index of Australia (ARIA+)



Source: NCVER VOCSTATS. Program enrolments 2017 by various breakdowns.

*Includes 'Outside Australia' and 'Not known.'

General notes on statistics:

1. Enrolment data is sourced from NCVER VOCSTATS (program enrolments 2014–2017), accessed August 2018.
2. It is important to note that not all training providers were required to submit enrolment and completion data at the time of collection, and some figures presented may therefore under-represent the true count of enrolments and completions for a qualification. From 2018, **all** training providers were required to submit data, and current discrepancies noted in the national NCVER figures versus actual attendance should therefore be minimal in future releases. The data presented in this report is shown for indicative purposes.
3. Figures reflect public and private RTO data.
4. Completion data for 2017 represents preliminary outcomes (i.e. not a full year).
5. '-' symbol indicates that the qualification was not listed in NCVER data at the time of reporting.
6. Superseded qualifications, and their respective enrolment data, are not tabled.

Table 3: Total number of enrolments (Total VET Activity [TVA]) by nationally recognised qualifications on scope – Local Government Training Package Products, 2014–2017

Qualification	2014	2015	2016	2017	TOTAL
Local Government					
LGA10104 Certificate I in Local Government*	-	-	-	-	-
LGA20104 Certificate II in Local Government	10	1	0	3	12
LGA30104 Certificate III in Local Government	103	66	65	68	298
LGA40104 Certificate IV in Local Government	10	5	8	6	25
LGA50712 Diploma of Local Government	22	56	44	28	149
Operational Works					
LGA10204 Certificate I in Local Government (Operational Works)*	-	-	-	-	-
LGA20204 Certificate II in Local Government (Operational Works)	1	0	18	34	59
LGA30304 Certificate III in Local Government (Operational Works)	168	70	47	95	383
LGA40404 Certificate IV in Local Government (Operational Works)	46	38	80	71	232
LGA50404 Diploma of Local Government (Operational Works)	4	4	10	9	21
LGA60104 Advanced Diploma of Local Government (Operational Works)	0	2	0	1	4
Health and Environment					
LGA30208 Certificate III in Local Government (Health and Environment)	6	2	0	2	5
LGA40308 Certificate IV in Local Government (Health and Environment)	0	4	7	13	24
LGA50208 Diploma of Local Government (Health and Environment)	2	11	16	20	49
Regulatory Services					
LGA30404 Certificate III in Local Government (Regulatory Services)	5	37	56	25	124
LGA40504 Certificate IV in Local Government (Regulatory Services)	209	372	411	408	1,398
LGA50604 Diploma of Local Government (Regulatory Services)	4	0	0	0	4
Administration					
LGA40204 Certificate IV in Local Government Administration	43	32	17	17	113
LGA50104 Diploma of Local Government Administration	19	192	209	127	546
Land Management					
LGA40604 Certificate IV in Local Government (Land Management)*	-	-	-	-	-
Planning					
LGA40708 Certificate IV in Local Government (Planning)	34	40	30	18	127
LGA50508 Diploma of Local Government (Planning)	3	49	44	23	113
Management					
LGA70108 Graduate Certificate in Local Government Management*	-	-	-	-	-

Source: NCVET VOCSTATS. Accessed August 2018.

Note: *LGA10104 Certificate I in Local Government, LGA10204 Certificate I in Local Government (Operational Works), LGA40604 Certificate IV in Local Government (Land Management) and LGA70108 Graduate Certificate in Local Government Management were not listed in the NCVET data at the time of reporting.

Table 4: Total number of completions (Total VET Activity [TVA]) by nationally recognised qualifications on scope – Local Government Training Package Products, 2014–2017

Qualification	2014	2015	2016	2017	TOTAL
Local Government					
LGA10104 Certificate I in Local Government*	-	-	-	-	-
LGA20104 Certificate II in Local Government	0	0	0	0	0
LGA30104 Certificate III in Local Government	52	29	26	21	128
LGA40104 Certificate IV in Local Government	0	7	0	0	7
LGA50712 Diploma of Local Government	3	27	10	19	59
Operational Works					
LGA10204 Certificate I in Local Government (Operational Works)*	-	-	-	-	-
LGA20204 Certificate II in Local Government (Operational Works)	2	0	0	19	21
LGA30304 Certificate III in Local Government (Operational Works)	132	42	7	17	198
LGA40404 Certificate IV in Local Government (Operational Works)	17	16	19	30	82
LGA50404 Diploma of Local Government (Operational Works)	3	4	2	5	14
LGA60104 Advanced Diploma of Local Government (Operational Works)*	-	-	-	-	-
Health and Environment					
LGA30208 Certificate III in Local Government (Health and Environment)	0	3	0	0	3
LGA40308 Certificate IV in Local Government (Health and Environment)	0	0	3	0	3
LGA50208 Diploma of Local Government (Health and Environment)	0	6	7	0	13
Regulatory Services					
LGA30404 Certificate III in Local Government (Regulatory Services)	0	1	9	4	14
LGA40504 Certificate IV in Local Government (Regulatory Services)	65	61	80	72	278
LGA50604 Diploma of Local Government (Regulatory Services)*	-	-	-	-	-
Administration					
LGA40204 Certificate IV in Local Government Administration	5	5	12	1	23
LGA50104 Diploma of Local Government Administration	5	106	114	39	264
Land Management					
LGA40604 Certificate IV in Local Government (Land Management)*	-	-	-	-	-
Planning					
LGA40708 Certificate IV in Local Government (Planning)	19	15	7	5	46
LGA50508 Diploma of Local Government (Planning)	0	28	23	12	63
Management					
LGA70108 Graduate Certificate in Local Government Management*	-	-	-	-	-

Source: NCVET VOCSTATS. Accessed August 2018.

Note: LGA10104 Certificate I in Local Government, LGA10204 Certificate I in Local Government (Operational Works), LGA40604 Certificate IV in Local Government (Land Management), LGA50604 Diploma of Local Government (Regulatory Services), LGA60104 Advanced Diploma of Local Government (Operational Works) and LGA70108 Graduate Certificate in Local Government Management were not listed in the NCVET data at the time of reporting.

A.2 Employment and Skills Outlook Overview

Employment – Current and Projected

Note: The principal data sources that provide workforce data and trends regarding roles of relevance to this Training Package at a national level are Census data collected by the Australian Bureau of Statistics (ABS) and the *Local Government Skills Shortage Survey 2017* produced by the Australian Local Government Association (ALGA). The workforce statistics and projections presented in this section are based on Census collections and the *Local Government Workforce and Future Skills Report Australia*.

The local government sector provides services that span across 394 different occupations, or approximately 83% of all occupations in the Australia and New Zealand Standard Classification of Occupations (ANZSCO) classifications. The demand for certain occupations in local government changes over time due to a range of factors that include changes to legislation; increasing levels of governance, compliance and integrated reporting requirements; increased devolution of services from state to local government; changes in the scope and level of services delivered; population growth; population demographics (notably an ageing population); and changes in technology.¹⁶

Table 5 lists the key occupations that have increased in significance for the local government sector.

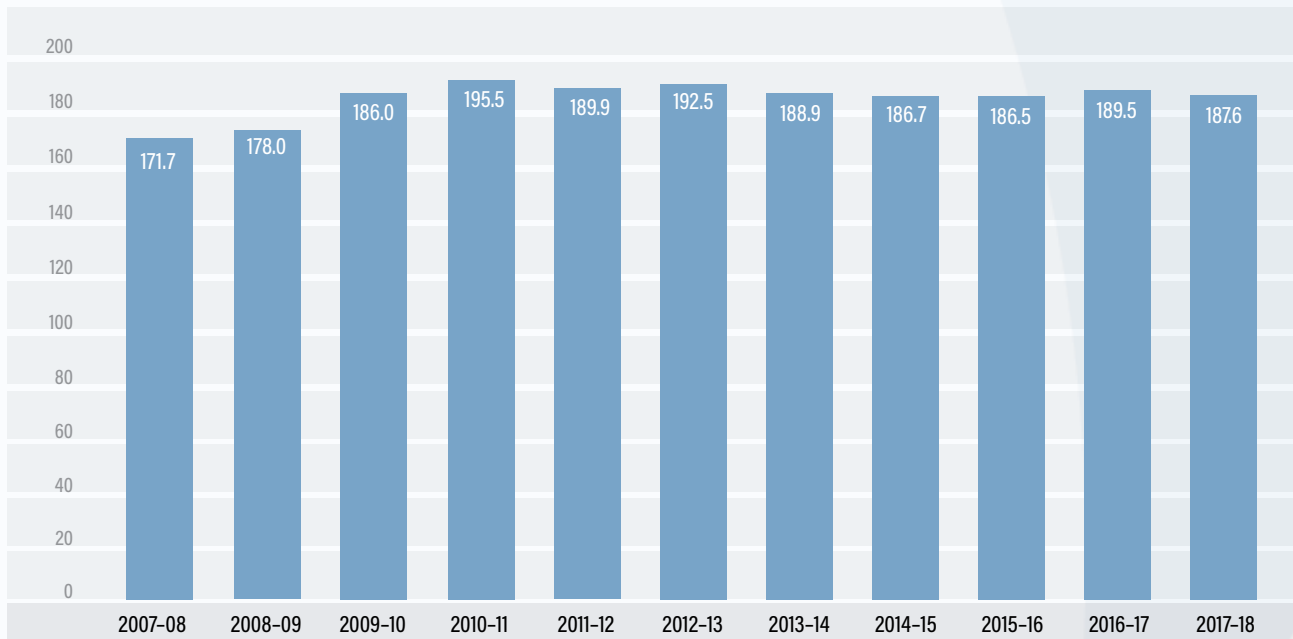
Table 5: Local government occupations with significant change in employment levels, 2006–16

Occupation	Change in employment level 2006–2016
Specialist Managers	+4,125
Design, Engineering, Science and Transport Professionals	+3,749
Business, Human Resource and Marketing Professionals	+2,622
Sports and Personal Service Workers	+1,174
Inquiry Clerks and Receptionists	+1,856
Other Clerical and Administrative Workers	+1,409
General Clerical Workers	+1,191
Engineering, ICT and Science Technicians	+971
Electrotechnology and Telecommunications Trades Workers	+919

Source: ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)

The Australian local government workforce employed 187,600 people in 2017–18 (see Figure 2). The level of employment in local government has steadily increased since 2007–08, with an overall increase of 9.3% over the past ten years.

Figure 2: Number of Employees in Local Government, 2007-08 to 2017-18 ('000)



Source: ABS (2018) Employment and Earnings, Public Sector, Australia, 2017-18. Cat. No. 6248.0.55.002. Canberra.

Local governments vary in workforce size, ranging from 11 to 8,500 employees. Other traits of the workforce (in 2016) indicate that:

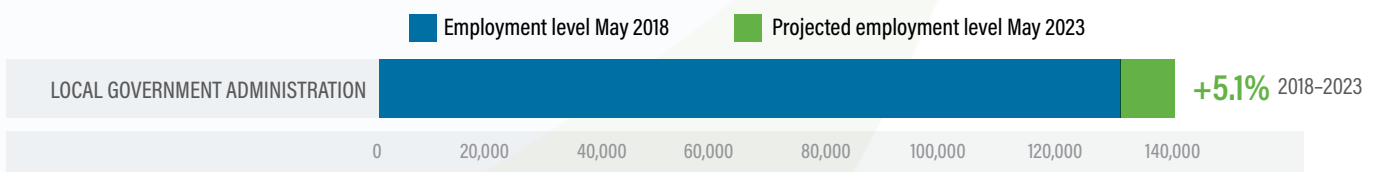
- 52.6% were males and 47.4% were females
- 44.7% of employees held a Diploma or a higher qualification
- 68.1% were full-time employees.

Note: The workforce statistics and projections presented in this following section are based on Census collections and are reported according to prescribed Australian and New Zealand Standard Industrial Classification (ANZSIC) and Australian and New Zealand Standard Classification of Occupations

(ANZSCO) classifications. The current definitions, and the labelling used for some ANZSIC and ANZSCO codes, as well as the aggregation of roles across codes, can be limited in providing a true picture of some sectors' workforces. Sectors can host a multitude of job functions, and consequently be comprised of job titles which go beyond the categories listed in ANZSCO. The statistics in this section are provided as an indicative overview of the sector only.

The Department of Jobs and Small Business forecasts **5.1% employment growth (increase of 6,786 jobs) in the local government sector over the next five years** (see Figure 3).

Figure 3: Employment levels (May 2018 and May 2023) and forecasted % growth to May 2023 - Local Government



Source: Department of Jobs and Small Business, 2018 Industry Projections - five years to May 2023.

Future Skills

Note: These findings are based on desk research as well as SkillsIQ's *2019 Future Skills Survey* (conducted between November 2018 and January 2019) which have been filtered to include stakeholders from the Local Government sector only. Insights and advice from IRC members and public consultation have also been used to compile and validate the information provided.

The work environment across all industries is continuously evolving to adapt to external and internal industry trends. Technology, automation, Artificial Intelligence (AI), globalisation, an ageing population, shifts in workforce demographics and industry (i.e. the transition from manufacturing and production to a largely service-based economy)¹⁷ are just some of the ongoing trends driving change. Within the local government sector, ALGA reports that the top internal and external factors that will impact future skill needs are:

- new legislation/regulation changes in state governments and increases in governance and compliance levels

- technological change and digitisation (e.g. computerisation, use of drones, advances in data)
- technological change relating to services and planning, including infrastructure to support autonomous vehicles and transport systems
- government funding
- local government area growth and amalgamations
- ageing workforce
- major infrastructure projects
- road safety
- counter-terrorism.

Whilst technical skills to perform job tasks are imperative, employers in the short-to-medium future will be looking beyond these and have indicated that it will be important for workers in their organisations to be **equipped with key soft skills**.¹⁸



RESILIENCE, STRESS TOLERANCE AND FLEXIBILITY



TEAMWORK AND COMMUNICATION



ANALYTICAL THINKING AND INNOVATION



EMOTIONAL INTELLIGENCE

These results are in line with wider studies, including the World Economic Forum and its *Future of Jobs Survey 2018* which indicates that the top skills in demand in 2022 will include **analytical thinking** and **innovation, creativity, originality** and **initiative, critical thinking, complex problem-solving, leadership** and **emotional intelligence**.¹⁹

Future leadership priorities which have been identified include the ability to:²⁰

- lead and manage change
- communicate and engage
- manage and develop people
- inspire direction and purpose.

Community trust is imperative in local government, and state legislation relating to local government is increasingly incorporating specific training and professional development requirements for elected officials and, in some cases, for people considering nominating for election.²¹

The 12 generic skills listed below, including the descriptors, were provided by the Department of Education and Training for the purpose of being ranked by industry representatives. For the 2019 ranking exercise, an 'Other' generic skill option was included in the list to capture any additional key skills considered important for an industry. Please note that, in this case, no other generic skills were identified.

Key Generic Skills – Ranked in Order of Importance

1	Communication / Collaboration including virtual collaboration / Social intelligence - Ability to understand and apply the principles of creating more value for customers with fewer resources (lean manufacturing) and collaborative skills. Ability to critically assess and develop content that uses new media forms and leverage these media for persuasive communications. Ability to connect to others in a deep and direct way, to sense and stimulate reactions and desired interactions.
2	Learning agility / Information literacy / Intellectual autonomy and self-management - Ability to identify a need for information. Ability to identify, locate, evaluate, and effectively use and cite the information. Ability to discriminate and filter information for importance. Ability to do more with less. Ability to quickly develop a working knowledge of new systems to fulfil the expectations of a job.
3	Managerial / Leadership - Ability to effectively communicate with all functional areas in the organisation. Ability to represent and develop tasks and work processes for desired outcomes. Ability to oversee processes, guide initiatives and steer employees toward achievement of goals.
4	Customer service / Marketing - Ability to interact with other human beings, whether helping them find, choose or buy something. Ability to supply customers' wants and needs both via face-to-face interactions or digital technology. Ability to manage online sales and marketing. Ability to understand and manage digital products.
5	Technology use and application skills - Ability to create and/or use technical means, understand their interrelation with life, society, and the environment. Ability to understand and apply scientific or industrial processes, inventions, methods, etc. Ability to deal with increasing mechanisation and automation and computerisation. Ability to do work from mobile devices rather than from paper.
6	Design mindset / Thinking critically / System thinking / Solving problems - Ability to adapt products to rapidly shifting consumer tastes and trends. Ability to determine the deeper meaning or significance of what is being expressed via technology. Ability to understand how things that are regarded as systems influence one another within a complete entity, or larger system. Ability to think holistically.
7	Data analysis skills - Ability to translate vast amounts of data into abstract concepts and understand data-based reasoning. Ability to use data effectively to improve programs, processes and business outcomes. Ability to work with large amounts of data: facts, figures, number crunching, analysing results.
8	Financial - Ability to understand and apply core financial literacy concepts and metrics, streamlining processes such as budgeting, forecasting, and reporting, and stepping up compliance. Ability to manage costs and resources, and drive efficiency.
9	Language, Literacy and Numeracy (LLN) - Foundation skills of literacy and numeracy.
10	Science, Technology, Engineering and Maths (STEM) - Sciences, mathematics and scientific literacy.
11	Environmental and Sustainability - Ability to focus on problem solving and the development of applied solutions to environmental issues and resource pressures at local, national and international levels.
12	Entrepreneurial - Ability to take any idea, whether it be a product and/or service, and turn that concept into reality and not only bring it to market but make it a viable product and/or service. Ability to focus on the very next step to get closer to the ultimate goal.



A.3 Key Drivers for Change and Proposed Responses Overview

Current Projects

The *Local Government Training Package* is currently undergoing a complete update to ensure it is fit for purpose and aligned to current and future industry skill needs. Consultation to date has highlighted the breadth of the sector across various jurisdictions with legislative requirements and reforms. The Training Package was last fully reviewed in 2004 and significant changes will result from the current update project.

Significant changes in job roles related to health and environment, waste management, water management, procurement, and commissioning and controlling assets have been identified within a framework of governance and regulatory parameters. These contribute to some of the unique features of the skills and knowledge requirements within the local government sector.

A.4 Consultation Undertaken

A widespread **multi-channel consultation** involving the following stakeholders has been conducted to identify and substantiate the key skills gaps and training needs of the sector, and to determine whether or not there is a need to update the respective Training Package Products:

- All Local Government Industry Reference Committee (IRC) members representing the following key bodies:
 - Institute of Public Works Engineering Australasia
 - Wollongong City Council
 - WA Local Government Association/Local Government Association of NT
 - Local Government Professionals Australia
 - City of Albany
 - Fairfield City Council
 - Hinchinbrook Shire Council
 - Port Stephens Council
 - Australian Services Union
 - Australian Workers Union
 - United Services Union.
- Networks of the Local Government IRC members
- A national online survey (*2019 Future Skills Survey*) was distributed via the SkillsIQ database between November 2018 and January 2019 which sought to identify top skills needs and priority industry issues
- Public consultation on the draft Industry Skills Forecast took place in early 2019, and notifications of this were distributed by email to over 17,000 stakeholders registered in SkillsIQ's database network
- The Industry Skills Forecast, including the Proposed Schedule of Work, was promoted to stakeholders and made available via SkillsIQ's website.

B. Proposed Schedule of Work

2020–21

YEAR	PROJECT TITLE AND DESCRIPTOR
2020-21	No new work is proposed

References

- 1 Australian Local Government Association (ALGA) (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 2 Productivity Commission (2017) *Local Government, Shifting the Dial: 5 year Productivity Review, Supporting Paper No 16*. Canberra
- 3 ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 4 Local Government Professionals Australia (2019) *Committing to Communities: The Importance of Commonwealth funding for Australian Communities*
- 5 Local Government Professionals Australia (2019) *Committing to Communities: The Importance of Commonwealth funding for Australian Communities*
- 6 ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 7 Local Government Professionals Australia (2019) *Committing to Communities: The Importance of Commonwealth funding for Australian Communities*
- 8 ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 9 Productivity Commission (2017) *Local Government, Shifting the Dial: 5-year Productivity Review, Supporting Paper No 16*. Canberra.
- 10 Pugalis, L. Tân, SF. (2017) *The Role of Local Government in Local and Regional Economic Development*. University of Technology Sydney; Productivity Commission (2017) *Transitioning Regional Economies, Study Report*. Canberra; ALGA (2017) *Submission to the Productivity Commission* (31 July 2017)
- 11 ALGA (2017) *2018 -19 Federal Budget Submission, Invest in Australian Communities Make it Local* [Available at: https://alga.asn.au/site/misc/alga/downloads/submissions/2018/ALGA_Budget_Submission_2018_2019.pdf] [Accessed 25 February 2019]
- 12 Commonwealth of Australia Treasury (2015) *2015 Intergenerational Report Australia in 2055* [Available at: https://static.treasury.gov.au/uploads/sites/1/2017/06/2015_IGR.pdf] [Accessed 4 February 2019]
- 13 ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 14 ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 15 ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 16 ALGA (2018) *Local Government Workforce and Future Skills Report Australia* (September 2018)
- 17 Payton, A. Knight, G. (2018) *Skills for a global future*. NCVET. Adelaide [Available at https://www.ncver.edu.au/_data/assets/pdf_file/0041/3179885/Skills-for-a-global-future.pdf]
- 18 SkillsIQ (2019) *Future Skills Survey*
- 19 World Economic Forum (2018) *The Future of Jobs Report 2018*. Centre for the New Economy Society, Switzerland [Available at: http://www3.weforum.org/docs/WEF_Future_of_Jobs_2018.pdf]
- 20 UTS Institute for Public Policy and Governance (2018) *Strengthening Leaders: Learning and Development Options for Senior Staff in Local Government*
- 21 See for example - <https://www.olg.nsw.gov.au/news/18-46-new-councillor-induction-and-professional-development-requirements>; <https://www.dlgrma.qld.gov.au/local-government-reform.html>

STAKEHOLDERS



OUTCOMES



INTEGRITY



BOLDNESS



TEAMWORK



SKILLSIQ LIMITED

ADDRESS Level 1, 332 Kent Street, Sydney NSW 2000

POST GPO Box 4194 Sydney NSW 2001

TELEPHONE 02 9392 8100

FAX 02 9392 8199

WEB www.skillsiq.com.au

FIND US ON:   



SKILLSIQ

CAPABLE PEOPLE MAKE CLEVER BUSINESS