

# SUBMISSION

## *Joint Select Committee on Northern Australia Inquiry into northern Australian Workforce Development*

The Local Government Association of the Northern Territory (LGANT) welcomes the opportunity to provide a submission to the inquiry into northern Australian workforce development as it aligns with LGANT's Strategic Priority 2: *Strengthen local government financial sustainability, good governance and develop local government workforce*. More importantly, the difficulty in recruiting and retaining council staff is affecting the ability to provide critical services and the local government sector is keen to partner with the other two spheres of government and the private sector to address this.

We have surveyed our member councils and this submission will draw from their feedback and in particular in parts from the City of Darwin, the Central Desert Regional Council, and the Coomalie Community Government Council.

The following submission will use the four areas of the Inquiry's terms of reference as the structure for a reply by the LGANT for and on behalf of its sixteen member local government councils. It will be more from a local government council perspective and less the macro Northern Territory-wide perspective. This can be provided by the Northern Territory Government.

The Joint Select Committee on Northern Australia inquiry into and report on workforce development in Northern Australia, is considering the impediments to building the economic and social infrastructure and workforce needed to support economic development, with particular reference to:

- a. trends in Northern Australia that influence economic development and industry investment including population growth, economic and business growth, workforce development, infrastructure development, and Indigenous economic participation;
- b. impediments to building the economic and social infrastructure required to support industry and business to expand and create regional jobs;
- c. challenges to attracting and retaining a skilled workforce across Northern Australia; and
- d. empowering and upskilling the local Indigenous population.

With 245,000 people living in the Northern Territory, this low population figure spread over 17% of Australia's land mass and 83% of the quarter million people living in the greater Darwin area, means the largest impediment to economic growth and workforce development is not enough humans.

Local government councils in the Northern Territory have vacancies across at least 42 different functions.

The *2018-2028 Northern Territory Population Growth Strategy* is a framework for attracting people to the Territory and encouraging those already here to stay for the long term.

*More people will mean more jobs, stronger growth, and better services for Territorians.*

*Industry growth, diversification, and delivery of quality services like healthcare and education rely on the availability of skilled workers. This strategy details how, with cooperation from the private sector, non-government organisations and all levels of government, we attract people here and how we retain them.*

LGANT believes that this Northern Territory Government strategy is excellent, but it does not drill down far enough to capture local economies and local attraction and retention challenges and opportunities.

It is also clear that skilled migration is not only part of the short-term answer, but also the long term answer as well. Skilled migration acts as an enabler to fill the jobs that cannot be filled by locals which in turn allows businesses to grow and creating more jobs for locals.

The *Northern Territory Infrastructure Plan and Pipeline 2022* with its focus is on a place-based approach roadmap to the investments that will enact Government's vision of a sustainable and diverse \$40 billion economy by 2030 is also instructive and with its emphasis on liveability, underscores the need for local communities to play their part.

What Local Government can do?

- Promote itself better, tell the local government story via a carefully considered funded campaign
- Prepare a Local Government Strategic Population Plan.
- Focus on liveability and economic opportunity to attract and retain young and working aged people.
- Work more closely with other local government councils, land councils etc and Regional Development Australia Northern Territory to drive economic development and create jobs by promoting an environment for sustainable businesses growth.
- Consider attracting migrants by financial incentives such as rate holidays, targeted migrant settlement services to support new arrivals and connect them into the community.
- Address inadequate physical infrastructure such as roads, utilities, and mobile communications.

What the Northern Territory Government can do?

- Implement the Territory Government Strategic Population Plan
- require workforce planning and development in local government regional management plans
- continued funding of local government Indigenous employment programs
- Support councils to maintain and grow their population by providing adequate infrastructure, effective public services (especially education and training), and sustainable economic development.
- Closer engagement with local government areas and regions.
- Continued and expanded financial incentives, especially for overseas migrants.

- Advocate to Commonwealth Government for recommended policy changes that allow tailored migration policies to support population growth and economic activity where it's needed most.
- Ensure carrying capacity to meet any migration increases through policy change, including a detailed understanding of state, region and local level needs and constraints, best achieved through close engagement with local government areas and regions.

What Commonwealth Government can do?

- Prepare a Federal Government Strategic Population Plan.
- Review policies and legislation to encourage economic development in regional and remote Northern Territory e.g., Aboriginal Land Rights (Northern Territory) Act 1976
- Review its Migration and Visa system.
- Funding for local government to deliver migrant settlement services
- Long-term funding commitments for local government to service, program and infrastructure that will contribute to an increase in liveability, including health, transport, education, connectivity, housing affordability and availability, sport, and recreation facilities etc.
- Invest in traineeships for local people to enter local government and continued and increased support for intensive Indigenous mentoring. For example, funding for buddy programs in local government to promote greater Indigenous employment in leadership positions allowing for job shadowing

LGANT is seeking funding to deliver a *Careers in Local Government* campaign to explain what local government councils do and the types of jobs available.

Achieving the targets of Closing the Gap, an awareness campaign on jobs in local government, liveability, greater concentration on work experience, traineeships/apprenticeships, and a focus on skills-sets, a CDP-type program linked to real jobs, continuation of zone allowances, prisoners working in communities, capturing ex-military personnel, and attracting skilled migrants are the key components in retaining who we already have in our communities and attracting the skills that we need.

## **LGANT**

LGANT is the voice of local government in the Territory, representing the 16 municipal and regional councils, 63 local authorities, 66 remote communities with a physical council presence, and 614 homelands with over 100 Aboriginal languages and dialects.

We provide leadership, support, representation, and advocacy on behalf of our member councils for the benefit of their communities.

Local government makes a significant contribution to the NT economy as they collectively employ around 3,000 Territorians. Councils are the largest employer of Indigenous people in remote and regional areas, manage and control assets and infrastructure valued at \$2.57 billion, are responsible for over 13,000 kilometres of roads and receive and expend over \$505 million in the NT annually.

Local government councils look after matters close to our homes including local roads, street signage, lighting, footpaths, parking, cycle ways, parks and playgrounds, sporting fields and swimming pools, pet control, land and coast care programs, libraries, waste management, and community programs such as child and aged care – and in some places, act as Centrelink and Australia Post.

## **2022 Local Government Workforce Skills and Capability Survey**

LGANT and its member councils contributed to the *2022 Local Government Workforce Skills and Capability Survey*, funded with \$250,000 from the Australian Government and completed by 210 local governments through engagement with ALGA.

Some of the key national findings from the survey are:

- 91 per cent of councils reported difficulty recruiting suitably qualified talent to fill advertised job vacancies in 2022, a figure that is up from the 69 per cent reported in 2018.
- Local governments continue to experience critical shortages in several occupations including engineers, town planners, building surveyors, environmental health officers and accountants. This has been exacerbated by the pandemic, successive natural disasters, impacts of climate change, the accelerated take-up of technology and the digitisation of services.
- Resourcing, organisational capacity, supply constraints and cultural barriers are longstanding challenges facing local governments.
- Local governments increasingly need workforces that are equipped to manage changing environments and transitioning economies both in the regions and cities.

Workforce profile of the Northern Territory local government sector:

- Employment size among the 8 responding local governments varied significantly, ranging from 4 to 376 FTEs.
- The employment size distribution of participating local governments was split 50:50 between local governments with <100 FTEs and local governments with between 100-500 FTEs.
- Gender equity: The workforce is 52.3% male and 47.7% female.
- There is a higher proportion of males in full- and part-time employment as well as in traineeship and apprenticeship programs, while more females are working in casual roles.
- Turnover: Planned turnover, which includes retiring employees and redundancies as well as departures on casual and limited tenure employees, in the year to 30 June 2021 ranged between <1% and 4.4% among the 8 responding local governments. Average turnover was not calculated due to the small survey sample.
- Length of service: 41% of the combined workforce of the 8 respondent local governments had been working 1-5 years at their local government, followed by 32% who had been employed for less than a year, and 13.8% for 6-10 years. Only one local government had workers with more than 20 years of service.
- Workplace diversity: Over 50% of the combined 886 employees in the 8 respondent local governments identified as Aboriginal and Torres Strait Islander, the highest proportion nationally. Rural local governments tended to employ a higher proportion of Aboriginal and Torres Strait Islander workforce.
- 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.

- Urban and Urban Fringe local governments in the Northern Territory have a higher proportion of older workers, while Rural local governments had the highest proportion of workers aged between 30-44 years.
- Aboriginal and Torres Strait Islander workforce: All 8 respondents in the Northern Territory said they employed Aboriginal and Torres Strait Islander workers, representing over 50% of their combined workforce. The highest proportions of Aboriginal and Torres Strait Islander participation are in the 30-44 year and 20-29 year age groups in Operational and Trade positions.
- Local governments who responded said they have at least one Aboriginal or Torres Strait Islander trainee or apprentice. Across the 8 respondent local governments, almost 60% of the 31 trainees and apprentices identify as being of Aboriginal and Torres Strait Islander origin

## **Inquiry Terms of Reference**

### **a. trends in Northern Australia that influence economic development and industry investment including population growth, economic and business growth, workforce development, infrastructure development, and Indigenous economic participation;**

In terms of economic development, the Northern Territory suffers from a lack of scale and the tyranny of distance. Of course, the Northern Territory is not alone this, indeed over 70% of Australia is “desert” arid or semi-arid.

The Northern Territory Government have committed to a \$40 billion economy by 2030 and growing local economies, via their Regional Development Framework, in places where Territorians want to live. Growing the Northern Territory’s population is critical to growing our economy.

The Northern Territory Government believe:

*“a larger, more diverse population will mean better services, a stronger retail sector, more opportunity, more jobs, more significant private investment, and more revenue for the Territory. We are implementing local priorities and delivering increased investment, prioritisation and decision making in each region.”*

They are doing this via:

- Regional Economic Growth Planning
- Barkly Regional Deal
- Revitalise Alice Springs CBD
- Local Decision Making
- Darwin City Deal

The Northern Territory Government is currently seeking views about whether changes to land use planning, land tenure and ownership arrangements for Community Living Areas and Town Living Areas could aid in facilitating investment and community development and what those changes may entail.

Local Government Councils are invariably the largest employer in their region and the biggest spenders. They are perfectly placed to assist in the retention of its young people.

LGANT is seeking funding from the Commonwealth Government for a *NT Regional Indigenous Local Government Traineeship program*. It is envisaged this would involve funding for a full-time program coordinator, two trainees per local government council each year for three years. This would mean in three years’ time six per council or 96 across the NT.

The cost of living and the cost of doing business in the NT is a major factor in recruitment and retention and as one of our member councils said:

*'Attracting qualified, skilled staff is difficult and retaining them is even more difficult. Better conditions would help but how do we afford them?'*

*'It is great that we get a reduced FBT bill with housing and vehicle exemptions, but we still have costs to do our business. We estimate the cost of doing business is about 20% higher than in Darwin.'*

**b. impediments to building the economic and social infrastructure required to support industry and business to expand and create regional jobs;**

The majority of remote communities are still without mobile coverage or reliable telecommunications infrastructure which makes it challenging to run a service let alone attract a suitable qualified workforce.

For regional councils there is a heavy reliance on satellite-based ICT infrastructure such as Starlink or Sky Muster technology. For example, the Central Desert Regional Council currently has five of its nine communities still using a mix of satellite based ICT infrastructure – vendors are moving to the cloud however the reliability, consistency and latency of their current ICT infrastructure is not conducive to support the new technology. This results in staff experiencing slow and clunky systems whilst most government entities have fibre installed which is costly for local government.

In 2019 LGANT provided the example below to the Federal regional telecommunications inquiry which gave the cost of telecommunications between various locations in the Northern Territory:

Remote Community	2 Mbps	\$911.82
Tennant Creek	10 Mbps	\$977.27
Darwin	20 Mbps	\$134.00

Roads and housing in most remote communities is aging with no standard in place for what constitutes staff housing minimum standards that is comparable across all levels of government.

Land release and housing shortages, particularly on Aboriginal estate is a growing concern and one the Commonwealth Government and Land Councils need to consider sooner rather than later. Inadequate housing is interlinked with anti-social behaviour.

The majority of remote community main access roads are unsealed and flat blade roads which when it rains it invariably results in flooding and communities become isolated leaving residents with no access to essential services.

The Coomalie Community Government Council's comments in a larger context, the concern is connected to the need for broader planning for growth in the Shire when it comes to the provision of permanent housing. This is again an issue at the NTG level that we have been discussing with DIPL in particular.

In addition, it is challenging to attract a workforce if grants are short term (for example CDP and CSP contracts). The nature of these contracts makes it difficult to fill roles/vacancies as people are not willing to take up employment which is not permanent.

Lack of indexation is also a challenge which cannot be understated as it impacts the quality of services or the size of workforce available to deliver the service into the future as councils have to do more with less funding.

LGANT would like to work with the Commonwealth and Northern Territory Governments on a review into management fees or service fees including in Commonwealth and Northern Territory tied-funding programs.

### **c. challenges to attracting and retaining a skilled workforce across Northern Australia**

The Northern Territory's population turns over by one-third every five years, the highest in Australia according to the Australian Bureau of Statistics (ABS). Data sourced from the 2021 census shows that in the five previous years, population turnover was 333 per 1000 residents. This indicates that one in three Northern Territory residents aged five years and over was replaced as a result of interstate migration. Those who arrived in the Northern Territory from a different state or territory were generally younger than those who departed.

The next closest was the ACT with 257 per 1000 and the lowest resident turnover was 60 in Victoria and Western Australia.

This high turnover and the transient nature of the Northern Territory has been a feature for many years and impacts all sectors including local government. This has been exacerbated recently by:

- Downturn in the economy post the construction phase of the Impex Project in Darwin
- COVID-19 and staff returning from whence they came
- Spike in Antisocial Behaviour and Crime
- Climate change and the hotter climate
- Lack of housing, high price for homes and high rent rates
- Competition from the other two spheres of government
- Competition from the private sector
- Difficulty in attracting overseas workers due to restrictive Visa requirements and time lags
- Increased employee costs

Fifty nine percent of councils in the Northern Territory are [have] some of the most disadvantaged Local Government Areas in Australia. The Socio-Economic Indexes for Areas (SEIFA) 2016 lists ten of the 17 NT councils within the top thirty most disadvantaged regions in Australia.

Front of mind for our regional councils is the high levels of turnover with the increasing antisocial behaviour, home invasions, personal safety threats, erosion of quality lifestyle and work life balance.

The majority of current and potential staff do not feel safe, and this also impacts our local staff who actively try and be independent of the unrest however are affected by the excess workload due to increase non-attendance/work claims by non-local staff, lack of adequate supervision, unrealistic external stakeholder expectations including from community members.

There is inadequate access to or follow up support from Police to deal with the vandalism and violence and employees feel like 'they are at it alone.'

A collaborative approach with other levels of government is required to deal with matters of security or safety and explore tailored training with NT Police to equip community safety officers to be a referral pathway or deputised where there is no local police station.

The Central Desert Regional Council replied to our survey with:

*Council employs a mix of local staff and those who relocate to remote communities. Councils are by far the largest employer in remote Central Australia and worker safety remains the forefront in our service delivery challenges. Council employs a workforce ranging from 24-55 year olds. The attraction is linked to worker safety, housing quality and access to reliable mobile/telecommunications infrastructure and availability of social infrastructure.*

*Councils currently employ through the Community Development Program (CDP) the majority of its local staff and we are exploring the offender post-release employment program to fill our large vacancy rates. Councils also develop skills and assist local residents in getting tickets or licences to work for Council. Our council is also exploring grow your own workforce through increased flexibility in casual roles,*

*immigration options for skilled roles and working with Charles Darwin University and other universities for placement support which also extends to traineeships for school leavers.*

LGANT would like to explore the opportunity for a *Sentencing to Work program* to be trialled. This would assist councils in the short term, but the offender will also gain skills and confidence to remain on country and fill the vacant jobs in the mid to long term.

Salary and conditions for local government lags behind other service providers as mainstream local government services are grant funded which has not had indexation placed on it for a number of years and those that have had indexation is far below CPI – Councils are expected to do more with less.

There is also the 5% increase in minimum wage rates from the Fair Work Commission earlier in the year which only increases council's employee costs. Conditions for employees working remote is less attractive for regional councils who have aging infrastructure used for staff housing and offices – these facilities are not competitive with other service providers and the NTG.

Regional councils experience challenges attracting a suitably skilled workforce to remote communities and do not have the additional benefits such as additional leave, bonuses, allowances, and flights that are loaded onto packages by other service providers and government.

Fringe Benefits Tax exemptions help councils offer non-cash benefits at a lower cost by making salary packaging more attractive for employees. From a corporate point of view this reduces cost and enables councils to provide (more) appealing employment packages than they would otherwise be able to.

LGANT advocates for the retention of *Remote Area Tax Concessions and Payments* as a recruitment and retention tool.

#### **d. empowering and upskilling the local Indigenous population.**

The ability of remote communities to fully develop a participatory economy that is self-sufficient is a challenge as majority of industry or services is funded by government for example major road works or housing projects are funded by government and where there are mines there is limited reinvestment in nearby remote communities. Land tenure is the major issue, but so is a latent, engaged, and skilled workforce.

*People in remote areas frequently have poor access to basic services, suffer from high living costs, limited job and entrepreneurial opportunities, and poverty. Their communities are isolated and vulnerable to environmental disasters. A participatory economy is a good concept however the existence, or lack thereof, of enabling infrastructure, support, maturity of the region needs to be taken into consideration.*

[2][https://www.apec.org/Meeting-Papers/Sectoral-Ministerial-Meetings/Trade/2018\\_trade](https://www.apec.org/Meeting-Papers/Sectoral-Ministerial-Meetings/Trade/2018_trade)

Many communities, be they homelands, town camps and the like were not established for commercial reasons with availability of water, utilities, and proximity to markets, they were established in the main for cultural reasons. This will make it difficult for many communities to be fully engaged with any of the Northern Territory Government initiatives aforementioned. Any move for greater self-determination driven local economic development must be explored with local government councils who are the largest employer and the biggest spenders in regional and remote Northern Territory.

The implied and explicitly stated position is that there is a direct link between self-determination and local decision making and economic development. What is missing from the Northern Territory Government's discussion paper is the role of local government.

With the Uluru Statement from the Heart, a referendum on an Indigenous Voice to Parliament, Closing the Gap, the Northern Territory Government's Local Decision making program, Northern Territory Treaty Commission recommendations and many Commonwealth and Northern Territory Government employment and small business programs the challenge is confusion in the public policy marketplace



and for those the initiatives are meant to assist. The coordination of the effort is key. Realising Closing the Gap socio-economic targets for example will be a massive enabler to empowering and upskilling the local indigenous populations.

LGANT is requesting that the Australia Government provide recurring funding for a LGANT-based Aboriginal Affairs Coordinator and financial pool for initiatives to help local government councils transform and assist in achieving the Closing the Gap targets.

### **The way forward**

LGANT has been working to achieve real change for and with member councils to address the increasing difficulty in workforce capability to deliver services. In the new year LGANT will announce various partnerships that provide the local government sector greater options for attracting employees.

Local government is major national employer with over 190,800 workers in almost 400 occupations and are grappling with significant challenges relating to recruitment, retention, of skilled staff and accessing training opportunities to enhance workforce skills and capability.

Employee attrition and an aging workforce are ongoing and an escalating difficulty for local government.

Local Government Councils across the Territory face increased pressures to retain and recruit skilled workers. These include remoteness and the shortage of housing. In the first instance however, the issue is more about the lack of understanding what local government does and what are the roles and occupations within local government. Given the current paradigm is that most people will have five “careers” in their lifetime, local government needs to compete with other industries for the available workforce.

We need to work with our competitive and comparative advantages. In the Northern Territory we have already seen an increase in defence spending on infrastructure and the increase in military presence by the Australian Army, US Army, and British Army.

LGANT is developing a strategy to attract and retain employees and develop our workforce. Initiatives include:

- Partnering with Soldier On (Spouses of Military personnel) and the Veterans Employment Program (Rank2Grade Guide)
- Expanding the use of ‘Careers at Council’ platform
- Partnering with Treeti Consulting to assist councils source workers from overseas via its new Workforce Abundance initiative
- Regional collaboration and shared services
- Partnering with LGPro and other relevant organisations to deliver professional development and mentoring.
- Developing volunteer programs (e.g., NORFORCE)
- Exploring long service leave portability between all three spheres of government.

Soldier On is a not-for-profit veteran support organisation delivering a range of services to enable serving and ex-serving veterans and their families to thrive.

The Defence forces presence in the Northern Territory provides an opportunity for local councils being an employer of choice for their spouses.

Soldier On’s Pathways Program provides free practical support for veterans and their family members, as they transition from the Australian Defence Force. Whatever stage of the transition process a “serviceman” is at, they can assist with practical career advice and employment assistance.

The Campbelltown City Council in NSW has developed the Veterans Employment program transitioning veterans into jobs in local government. We recognise the unique skills and attributes demonstrated by service personnel in their service to our country. These same skills and attributes are valued by Councils in serving our local communities.

There is an opportunity for LGANT and our member councils to adapt and adopt what the City of Campbelltown have done for our own purposes.

Workforce Abundance is a program from TREETI Consulting and ACET Migration Services, providing full-service employer sponsored visa assistance to simplify the successful sourcing, hiring, and integration of skilled workers filling critical skills shortages. Their Australian based team provide additional interview and screening services, cultural awareness training to prepare the team and business owner/ manager for their new recruit/s, HR compliance services and up to three months post placement support for both the employer and employee.

We will work with the local providers on a Northern Territory local government specific sub-program to assist councils meet the current and future needs.

## Closing

LGANT's submission has not only identified the key issues, barriers and impediments but also offered some recommended courses of action. In summary and on behalf of its member councils LGANT would like to see the following:

- Funding for a *NT Regional Indigenous Local Government Traineeship program*
- The Australia Government provide recurring funding for a LGANT-based Aboriginal Affairs Coordinator and financial pool for initiatives to help local government councils transform and assist in achieving the Closing the Gap targets.
- Funding to deliver a Careers in Local Government campaign
- Retention of *Remote Area Tax Concessions and Payments*
- *Sentencing to Work* to be trialled
- Local Government involvement in replacements for *CDEP/CDP* programs
- *Management Fees* or Service Fees including in Commonwealth and NT tied-funding programs
- Greater emphasis on skills sets rather than full qualifications and accreditations
- Local Government Councils promoting service with the Australian Army via Norforce and the Army Reserve

In conclusion, LGANT wants to be part of the answer. The sector's problems are significant but not insurmountable and we are looking to collaborate and partner with the to grow local economies, create jobs and promote liveability.