



# Profile of the Local Government Workforce

## Context

In 2012-13, the Australian Centre of Excellence for Local Government (ACELG) undertook a survey (the survey) of the local government workforce across the country. Over 160 local governments across metropolitan, regional, rural and remote Australia participated in the survey. Whilst most states and the Northern Territory were well represented in the survey sample, there was low representation from Queensland and Tasmania. The aim of the survey was to support the *National Local Government Workforce Strategy*<sup>1</sup> (the Strategy) through the collection of data describing the local government workforce.

This report contains data drawn from the survey, the Australian Bureau of Statistics (ABS) and other sources such as existing state and territory based workforce surveys.<sup>2</sup> It provides data to inform the future development of the Australian local government workforce. This document provides a summary of some of the key information gathered from the 2013 survey and ABS data, and highlights the most significant challenges and opportunities for local government.

## Introduction

Australia's 556 local governments<sup>3</sup> employ over 192,000 staff<sup>4</sup> in a diverse range of positions across the country, and spend \$30.6 billion annually.<sup>5</sup> The sector is a major employer in regional and rural Australia and a large industry sector, employing more people than both the mining and auto-manufacturing sectors nationally.<sup>6</sup>

Before 2008, when the Local Government and Planning Ministers Council prioritised the development of National Workforce Strategy for Local Government, there had been no significant work undertaken nationally on workforce planning for this important industry sector. The *National Local Government Workforce Strategy* has been prepared by Local Government Managers Australia (LGMA) on behalf of ACELG to address the workforce challenges faced by the sector and to demonstrate the significance of the local government workforce. The Strategy provides the basis for developing workforce capacity and capability to meet the challenges to 2020 and beyond. Extensive and lengthy consultation with the sector, peak bodies,

<sup>1</sup> LGMA and ACELG. 2013. *National Local Government Workforce Strategy 2013-2020*

<sup>2</sup> NSW Division of Local Government. 2010. *Census of Local Government Employees*. Retrieved on 16 October 2013 from <http://www.dlg.nsw.gov.au/dlg/dlghome/documents/Information>; Local Government Association of Queensland. 2010. *Queensland Local Government Workforce Census*. Retrieved on 16 October 2013 from <http://www.lgaq.qld.gov.au>

<sup>3</sup> Department of Regional Australia, Local Government, Arts and Sport. 2012. *2009-2010 Local Government National report*.

<sup>4</sup> Australian Bureau of Statistics. 2012. *Employment and Earnings, Public Sector Australia 2011-2012*, Cat. No. 6248.0.55.002

<sup>5</sup> Australian Bureau of Statistics. 2013. *Government Finance Statistics, Australia 2011-2012*, Cat. No. 5512.0

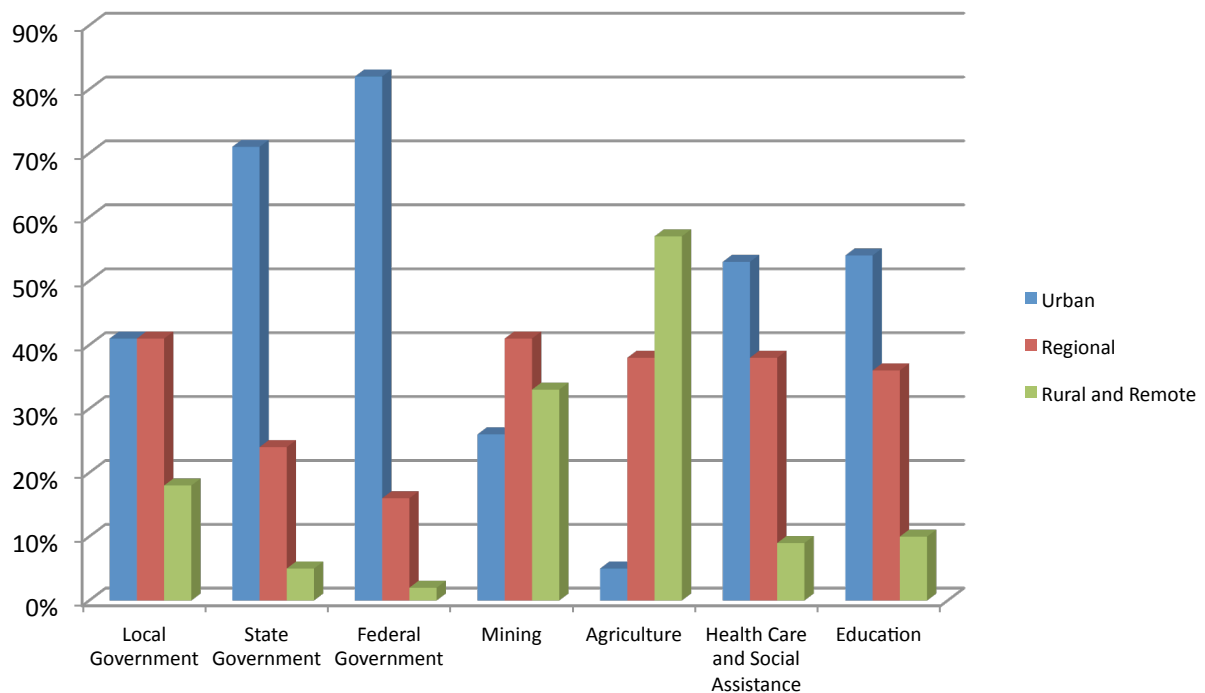
<sup>6</sup> Australian Bureau of Statistics. 2011. *Census of Population and Housing*

local, state, federal and Northern Territory governments was undertaken. It contains eight strategies for workforce retention, attraction and development that can be implemented by local governments according to their particular circumstances and needs.

## Where are local government employees?

Local government employees are everywhere around Australia, and in particular local governments are key employers in regional and remote areas. A higher proportion of the local government workforce is employed in regional and rural areas compared to both other levels of government, and important regional and remote employing industries.<sup>7</sup> Figure 1 shows that, in comparison with other industries, only agriculture and mining have a higher proportion of their workforce employed in rural areas. Although health care, social assistance and education are the other highest employing industries in regional and rural areas, their employment is more concentrated in urban centres compared to local government.

**Figure 1: Workforce distribution by urban, regional and rural areas**



Source: ACLG, based on ABS 2011 Census of Population and Housing

On average, five per cent of the workforce in each local government area (LGA) is employed by local government. In regional and rural LGAs, local government is an even more significant employer. Over 60 regional and rural councils employ at least 10 per cent of the local workforce. In seven LGAs, over half the workforce is employed in local government. In addition to its other functions, local government is playing a

<sup>7</sup> LGMA and ACELG. 2013. *National Local Government Workforce Strategy 2013-2020* calculated by ACELG utilising Australian Bureau of Statistics 2011 *Census of Population and Housing*

major role as an employer in these areas. In fact, in 17 regional and rural communities, local government is the largest employer.<sup>8</sup>

## What do we know about who works in local government?

### The local government workforce is ageing

The local government workforce is ageing and, on average, it is an older workforce compared with other government and industry sectors. As a large number of workers approach retirement at the same time, this has implications for local government in the areas of knowledge retention, recruitment and replacement. Thirty-seven per cent of the local government workforce is aged 50 years or over, compared to the Australian labour force average of 27 per cent.<sup>9</sup> Correspondingly, the proportion of local government employees aged less than 35 years old is much lower than for the Australian labour force average.

The ageing profile for local government workers is not the same for men and women. On average, male employees are older than female employees. Forty-one per cent of the men working in local government are aged 50 years or more compared to just 32 per cent of women.<sup>10</sup> The ageing workforce is also not evenly distributed across the range of occupations represented in the local government workforce. Table 1 shows the occupations in local government with the highest and lowest numbers of employees aged 50 years or over.<sup>11</sup>

**Table 1: Local government employees aged 50 years or more by occupation**

Occupations with the <i>highest</i> proportion of employees aged 50 years or more	Occupations with the <i>lowest</i> proportion of employees aged 50 years or more
<ul style="list-style-type: none"> <li>■ CEO/general manager</li> <li>■ Labourers/plant operators</li> <li>■ Community transport operators/bus drivers</li> <li>■ Home and community care/child care/community services</li> <li>■ Works/infrastructure managers</li> <li>■ Finance/payroll</li> </ul>	<ul style="list-style-type: none"> <li>■ Communications/media</li> <li>■ Urban planners/environment</li> <li>■ Community engagement</li> <li>■ Lifeguards/fitness instructors/pool attendants</li> <li>■ IT/GIS</li> <li>■ Greenkeepers</li> <li>■ Arts/culture</li> </ul>

Source: ACELG 2013 survey of local governments

### The balance of male to female workers varied by state

Overall, local government employs a slightly higher proportion of males (54 per cent) than females (46 per cent).<sup>12</sup> However, in Victoria, 61 per cent of local government employees are women. These differences are largely due to local governments employing workers across a range of occupations according to their strategic priorities, and there are some occupations in which either men or women are over-represented. Local governments in Victoria, for example, have a high level of expenditure on early childhood education, social security and welfare compared to other states<sup>13</sup>, and the largely female workforce within these service industries contributes to Victoria's higher than average percentage of women in the workforce. Local

<sup>8</sup> ACELG 2013 Survey of local governments

<sup>9</sup> Australian Bureau of Statistics. 2011. *Census of Population and Housing*

<sup>10</sup> *Ibid.*

<sup>11</sup> ACELG 2013 Survey of local governments

<sup>12</sup> Australian Bureau of Statistics. 2011. *Census of Population and Housing*

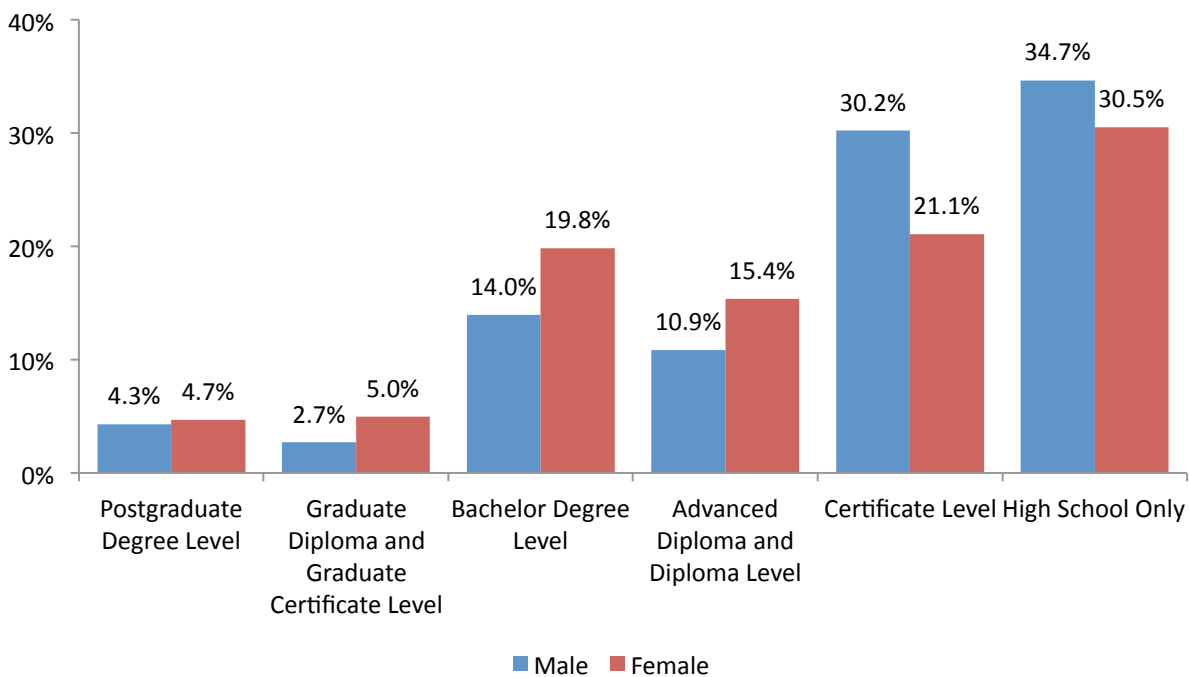
<sup>13</sup> Dallery, B., Kortt, M. & Grant, B. 2013. *Funding the Future*. The Federation Press, Glebe. p. 54

governments in the Northern Territory, Queensland, Tasmania and New South Wales employ a proportion of men above the national average, which can in part be explained by higher spending on transport, mining, manufacturing, construction and housing.<sup>14</sup>

### Women in local government are relatively more educated

Women employed by local governments are on average more educated than men. Nearly a third (30 per cent) of female employees have a bachelor’s degree or higher qualification, compared to 21 per cent of male employees.<sup>15</sup>

**Figure 3: Local government employees’ educational attainment by gender**



Source: ACELG, based on ABS 2011 Census of Population and Housing

### Women in local government are more likely to be working part-time

Nearly 40 per cent of female employees in local government are employed part-time, compared to 11 per cent of male employees.<sup>16</sup>

The pattern of hours worked by local government employees varies by state and territory. In part this is because of the gender composition of the workforce. Victoria, with its larger female workforce (61 per cent), has a higher proportion of employees working part-time. Queensland and New South Wales (where 60 per cent of the local government workforce are male), have a very low proportion working part-time.<sup>17</sup> The differences between the states and the Northern Territory in terms of the hours worked by their employees can be seen in Figure 5 below.

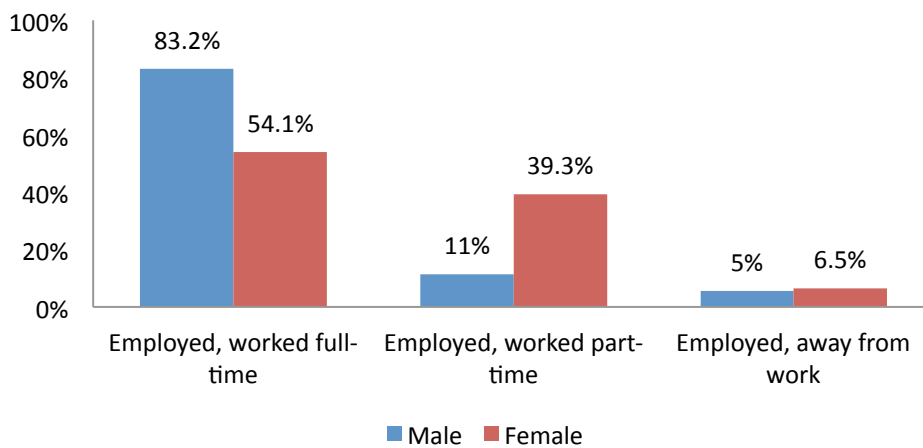
<sup>14</sup> *Ibid.*

<sup>15</sup> *Ibid.*

<sup>16</sup> *Ibid.*

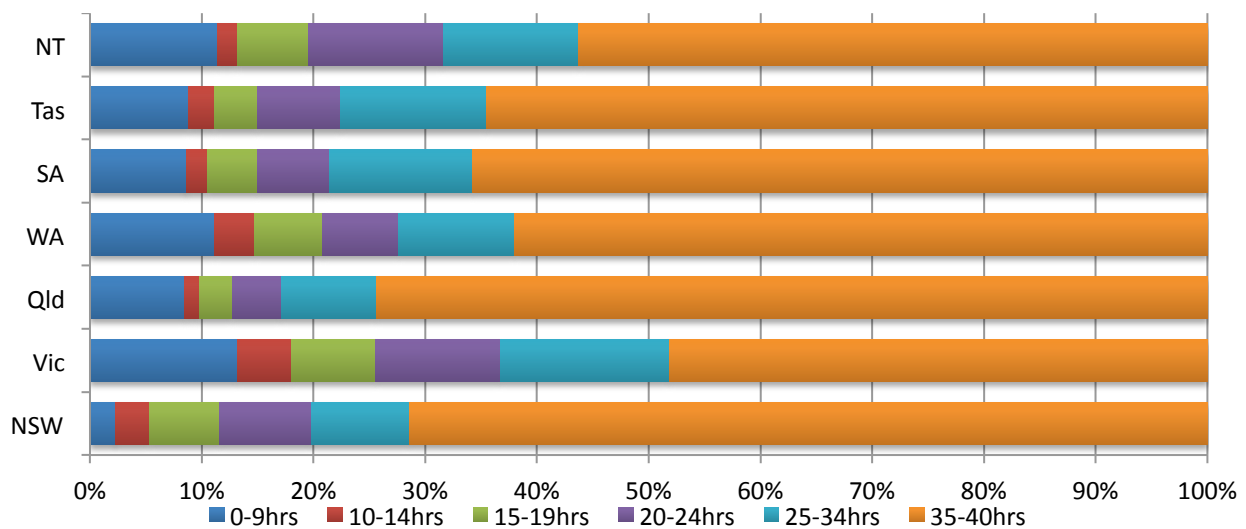
<sup>17</sup> *Ibid.*

**Figure 4: Employment status of local government employees by gender**



Source: ACELG, based on ABS 2011 Census of Population and Housing

**Figure 5: Hours worked by local government employees by state**



Source: ACELG, based on ABS 2011 Census of Population and Housing

### Local government employs Aboriginal and Torres Strait Islander peoples

In 2008, the Council of Australian Governments (CoAG) agreed on six targets to address the disadvantage faced by Indigenous Australians in life expectancy, child mortality, education and employment.<sup>18</sup> As part of this agenda, the federal and all state and territory governments (except Tasmania) committed to increasing Indigenous employment in the public sector to 2.6 per cent by 2015.<sup>19</sup>

Local governments employ a large number of Aboriginal and Torres Strait Islander people. Nationally, 4.6 per cent of local government employees identified as Indigenous in 2011, already exceeding the 2.6 per cent

<sup>18</sup> Council of Australian Governments *Closing the Gap in Indigenous Disadvantage* Retrieved on 16 October 2013 from [http://www.coag.gov.au/closing\\_the\\_gap\\_in\\_indigenous\\_disadvantage](http://www.coag.gov.au/closing_the_gap_in_indigenous_disadvantage)

<sup>19</sup> Australian Public Service Commission *Indigenous employment strategy 2012-2016*. Retrieved on 16 October 2013 from <http://www.apsc.gov.au/publications-and-media/current-publications/indigenous-employment-strategy>

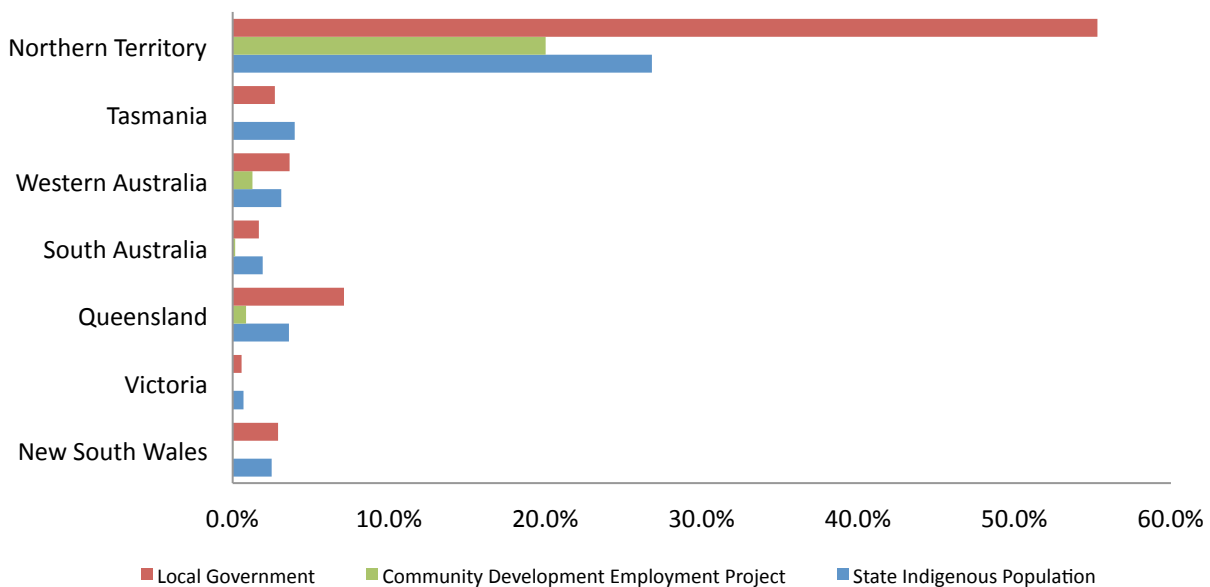
CoAG target.<sup>20</sup> Across Australia, almost two thirds of Indigenous employees are male, and Indigenous males are significantly more likely to be employed full-time than Indigenous females. As with the overall local government workforce, the balance of male to female Indigenous workers also varies by State. For example, in Victoria almost 60% of the Indigenous workforce is female, whilst in Queensland this figure is much lower at around 33%.

Around 20% of the Indigenous local government workforce are employed under Community Development Employment Projects (CDEP) which are a subsidised, and are therefore a less secure and sustainable form of employment. Indigenous persons employed under CDEP are particularly concentrated in part-time positions in the Northern Territory, Western Australia and Queensland. This pattern reflects provider take up of the CDEP scheme, with a number of local governments in these states and territories being involved in the scheme. Comparatively, there are very few local governments in other states and territories who are CDEP providers.

State by state, the story is more complex. In the Northern Territory over 50 per cent of local government employees are Indigenous. In South Australia and Victoria the proportion of Indigenous employees is less than the CoAG target of 2.6 per cent.

Figure 2 below enables a comparison of the proportion of employees in local government that identify as Indigenous, to the proportion of the total Indigenous population in each state and the Northern Territory. The Northern Territory and Queensland employ a larger proportion of Aboriginal and Torres Strait Islander workers than in their population as a whole.

**Figure 2: Proportion of local government employees and population who are Indigenous by state**



Source: ACELG, based on ABS 2011 Census of Population and Housing

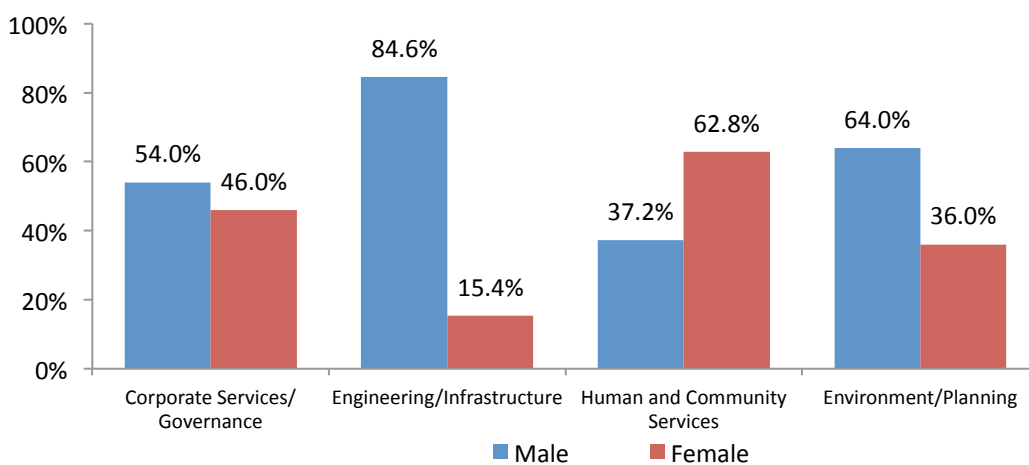
<sup>20</sup> Australian Bureau of Statistics. 2011. *Census of Population and Housing*

## Who's running local government organisations?

Three quarters (75 per cent) of local government directors<sup>21</sup>, CEOs and managing directors are male.<sup>22</sup> The proportion of women in leadership roles increases for managers<sup>23</sup> (33 per cent) and coordinators<sup>24</sup> (43 per cent).

The number of women in management positions varies according to the occupation stream in which they are working. Women in all leadership roles (directors, managers and coordinators combined) are over-represented in human and community services (63 per cent), and under-represented in engineering/infrastructure (15 per cent) and the environment and planning (36 per cent)<sup>25</sup> which reflects the gender profile of these professions.

**Figure 6: Proportion of occupation stream in management by gender**



Source: ACELG 2013 survey of local governments

## Key sector-wide issues

### The workforce is ageing

Councils responding to the workforce survey reported that their greatest challenges include concerns over the ageing workforce, high levels of impending retirement, retention of corporate knowledge, and the difficulty in attracting younger workers.<sup>26</sup>

### Skills shortages

Local governments experience skills shortages and recruitment difficulties for occupations including engineers, surveying/drafting, early childhood care and education, senior management, planning, and leisure sector workers.<sup>27</sup> The Commonwealth Department of Employment also identifies these occupations as national skills shortage areas in several states and territories, with many relevant across multiple industries

<sup>21</sup> Directors: Level 2 – Directors/Senior Executives, report to the CEO and have managers/team leaders report to them

<sup>22</sup> *Ibid.*

<sup>23</sup> Managers: Level 3 – Senior Managers/Managers, report to Level 2 and have Level 4 report to them

<sup>24</sup> Coordinators: Level 4 – Coordinators/Line Managers/Team Leaders, report to Level 3 or 2 and have staff report to them

<sup>25</sup> ACELG 2013 Survey of local governments

<sup>26</sup> *Ibid.*

<sup>27</sup> *Ibid.*

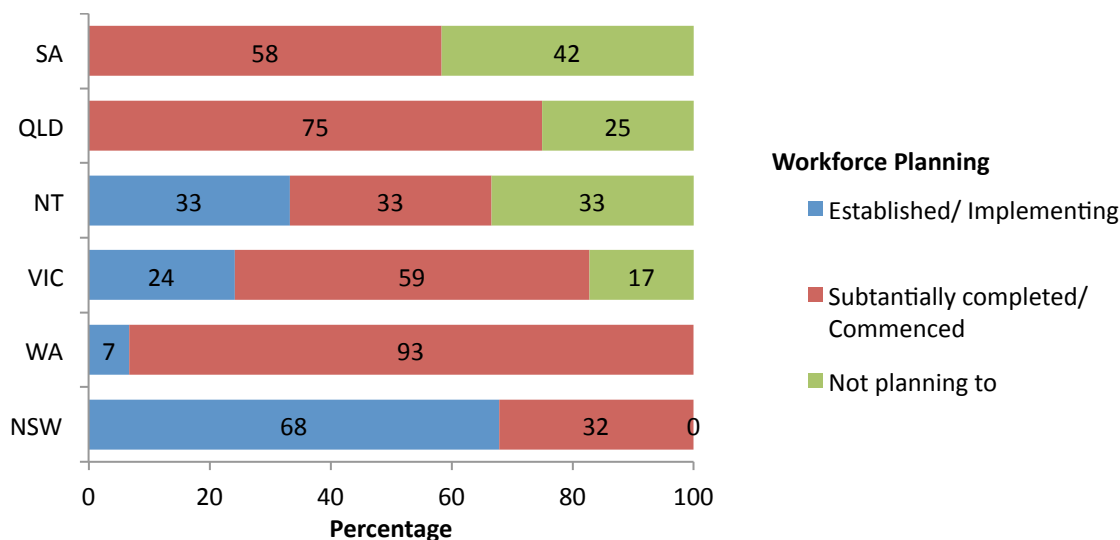
and not just local government.<sup>28</sup> This means that, in areas where local government has difficulty recruiting staff due to skills shortages, it is also in competition with other industries for these workers.

### Workforce planning

In the ACELG survey, a quarter of local governments reported either having an established workforce plan (10 per cent) or being in the process of implementing one (17 per cent), and the majority of local governments (61 per cent) are developing a plan. The remaining 12 per cent reported that they have no current plan to develop a workforce strategy.<sup>29</sup>

In New South Wales and Western Australia, where workforce plans are mandatory for local government, all local governments that responded to the survey have or are developing a plan. The requirement for a workforce plan was introduced earlier in New South Wales (2009) compared to Western Australia (2013), and workforce planning is therefore more developed in that state. Currently 68 per cent of local governments in New South Wales have established or are implementing a workforce plan, compared with the national average of 17 per cent.<sup>30</sup>

**Figure 7: Percentage of local governments and their workforce planning status**



Source: ACELG 2013 survey of local governments

Note: Tasmania has not been included in Figure 6 because of insufficient responses in this state.

Funding workforce planning and strategy in the local government sector is a challenge due to resourcing constraints. The Australian Public Service Commission has been allocated \$25 million for implementation of its reform blueprint for the Commonwealth public sector employment, although the total Commonwealth public servant workforce at 160,000 is smaller than of local government. ACELG has been allocated \$120,000 per year for two years to play a critical coordinating role implementing the local government Strategy.

<sup>28</sup> DEEWR (2013) *National Skills Shortage List September 2013* Retrieved on 17 October 2013 from <http://docs.employment.gov.au/system/files/doc/other/skillshortagelistaus.pdf>

<sup>29</sup> ACELG 2013 Survey of local governments

<sup>30</sup> *Ibid.*





## Spending on training

Local governments are spending, on average, only 1.1 per cent of their payroll on training. The maximum amount reported was 3.5 per cent and the minimum close to zero per cent.<sup>31</sup> Of the training provided, 49 per cent was classified as mandatory (training required by staff to continue in their position) and the remaining was classified as discretionary (which included the provision of study leave). Government Skills Australia's E-Scan in 2012 reported that 43 per cent of local governments are prevented from offering training to their employees by limited training budgets.<sup>32</sup>

## Implications

Local governments are particularly important employers in rural and regional areas and the economic strength of these regions is increased by the capacity of local governments. Not only is the national local government workforce significant in numerical terms compared with other levels of government and other sectors, it also offers a range of high quality jobs and long term career opportunities across Australia. Employment in a regional or rural local government has the potential to offer significant flow on effects. It offers opportunities for on-going training and career path development, and will keep a young family in the area and a part of the community.

Although the local government workforce is ageing, there are opportunities over the next five to ten years to support local government to lead the public sector with respect to providing quality employment opportunities for women. With the more senior male cohort fast approaching retirement age and the number of women currently in middle management, women will soon appear in the most senior management roles in local government if they are supported with continued flexible work opportunities.

Not only does the local government workforce provide quality employment opportunities in regional and remote areas contributing significantly to the economic and social wellbeing of these areas, they also support diversity and Indigenous employment more actively than other spheres of public sector employment.

As a national workforce sector, local government needs continued support to plan for its workforce needs and to continue to invest in training and development. An opportunity exists to invest in, educate, and strengthen the capability of the local government workforce which will contribute to every community in Australia.

## Next Steps

In preparation for release of the full data report, LGMA and ACELG will:

- Prepare a series of workforce snapshots and focus pieces, such as this one, highlighting key issues arising from the survey and other key data sources
- Provide a series of briefings and presentations to key stakeholders and the wider sector on workforce survey outcomes

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<sup>31</sup> *Ibid.*

<sup>32</sup> Government Skills Australia. 2012. *The Environmental Scan* Government and Community Safety Industry Skills Council, Adelaide, SA

- Use findings of the survey process to inform further data collection that can contribute to local government workforce planning and development.

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