

Overview of demand for professionals, associate professionals and managers: Tasmania – June 2008

Economic Background

Employment growth in Tasmania was above average over the 2007-08 financial year at 4.1 per cent, compared to annual average growth of 2.8 per cent over the previous five years. As a result of strong employment growth, unemployment rates have declined over the last five years at an average of 0.7 percentage points per year, and over the 2007-08 financial year the unemployment rate declined by 0.8 percentage points. In July 2008, unemployment rates were at a record low in Tasmania at 4.3 per cent. After experiencing declines in the 2006-07 financial year, participation rates returned to growth in 2007-08, averaging 60.9 per cent. Compared with the previous year's average of 60.4 per cent.

The Tasmanian State Budget forecasts employment to grow by 2.0 per cent over the 2008-09 financial year, with the participation rate at 60.8 per cent, and the unemployment rate at 5.0 per cent. Overall economic growth is forecast at 3.75 per cent for 2008-09.

The industries that have experienced the largest percentage increase in their workforces in Tasmania over the last five years were mining, which grew by 75.0 per cent (although actual numbers employed are still relatively small at 2800), construction (up 51 per cent), culture and recreational services (up 44 per cent), and health and community services (up 33 per cent). The industries that experienced declines over the last five years were agriculture (down 10 per cent), communication services (down 7 per cent), and manufacturing (down 2 per cent).

Specialist Managers

There was one occupation examined in this group, namely child care coordinators. Demand for child care services is primarily driven by factors such as the population of 0 to 13 year olds, female participation in the workforce and regulatory factors that require specific numbers of qualified carers related to the number of children in care. Female participation rates have been steadily increasing in recent years, rising from 51.0 per cent in 2003 to 54.8% in 2008. Even though the number of 0 to 13 year olds fell by around 4.0 per cent between 2001 and 2006, other data from the *Census of Child Care Services* produced by Department of Families, Housing, Community Services and Indigenous Affairs, shows that the number of 0 to 13 year olds in child care increased by 12.4 per cent between 2002 and 2004. Given that female participation rates have continued to increase since 2004 it seems reasonable to assume that demand for child care services has continued to increase as a result.

Science, Building and Engineering Professionals

There were five occupations examined in this group, namely civil engineers, electrical engineers, mechanical engineers, agricultural scientists and agricultural advisors. Demand for civil engineers is linked to levels of construction in both the domestic and commercial sectors. Tasmania has experienced a significant increase in construction activity since about 2001 which has generated demand for a range of skills and

occupations. This in turn, has resulted in a range of skill shortages across the State. The major demand for electrical engineers is in the electricity generation and supply industries, and Tasmania's hydro-electric schemes require particular skill sets in the power generation field. The linking of Tasmania's electricity grid to the national system, and the general increase in economic activity over the last five to seven years has increased demand for electrical engineers. The number of science, building and engineering professionals in Tasmania has increased by 17.6 per cent over the last five years.

Demand for agricultural scientists and advisors remains strong in Tasmania despite falls in employment in the agriculture industry generally, due mainly to drought conditions in parts of Tasmania. The specialist skills agricultural scientists possess can actually increase in demand during drought as particular crop or herd management techniques are sought.

Health Professionals

There were four occupations examined in this group, namely registered nurses, registered midwives, registered mental health nurses and enrolled nurses (note that enrolled nurses are not generally classified as professionals by the Australian Bureau of Statistics). Demand for health professions is driven by factors such as the level of funding allocated to the health sector by State Governments and the ageing of the population, which increases demand for both health services and aged care services. Employment in the health and community services industry has increased by 32.9 per cent over the five years to May 2008, while employment of health professionals has increased by 20.0 per cent over the same period (*ABS Labour Force Survey, unpublished data*). This latter figure is higher than the 15.5 per cent growth for all occupations, indicating that demand for health professionals is growing at a faster rate than for the rest of the workforce.

In May 2007 the State Government has also launched a rationalisation of health service delivery in Tasmania, under the banner of "Future Health". One of the major aspects of this rationalisation is the centralisation of specialist services in the three regional centres of Hobart, Launceston and Burnie. Part of the reason behind this is the belief that specialist professional recruitment and retention will be improved due to the removal of duplication of services.

The demand for health services created by the ageing of the population, combined with an ageing health workforce approaching retirement means that demand for health professionals is likely to remain strong well into the future.

Social Professionals

There were two occupations examined in this group, namely social workers and clinical psychologists. Demand for social workers and clinical psychologists is linked to aspects of social dysfunction, such as child abuse, drug and alcohol abuse, family breakdown, and the prevalence of various psychological disorders such as depression and other mood disorders. Demand for these professions is also influenced by levels of government funding for health and other support services where psychologists and social workers are employed. There have been large increases in the numbers in both these occupations suggesting significant increases in demand for their services between the 2001 and 2006 Censuses.

At the 2006 Census, 42.0 per cent of social workers were employed by government, while 26.3 per cent of clinical psychologists were also employed by government. There are also significant numbers of psychologists employed in the broader health and education sectors and it is likely that at least some of those are also employed by government.

Education professionals

There were five occupations examined in this group, namely pre-primary school teachers, primary school teachers, secondary school teachers, special needs teachers and student counsellors. The major demand factor for teachers is the size of the population in specific age groups. For example, the demand for pre-primary teachers is driven by the size of the population aged between four years and around six years. Data from the former Department of Education Science and Training (DEST) shows that the number of children in kindergarten and grade one fell by 3.9 per cent between 2001 and 2005, and is forecast to fall by another 3.0 per cent over the five years from 2005 to 2010. The number of children in grades two to six has also fallen between 2001 and 2005, by 1.1 per cent, and is predicted to fall by a further 0.7 per cent by 2010. These figures indicate that demand for pre-primary and primary school teachers is likely to be at best static over the coming years, although the high average age of the teaching workforce means that the replacement of retiring teachers may ameliorate the drop in demand caused by falling student numbers.

The number of secondary students increased by 1.6 per cent between 2001 and 2005, but is projected to fall by 0.2 per cent between 2005 and 2010. Again, even though the number of students is projected to fall, the number of retiring secondary teachers is also expected to increase over the next 10 years. In addition, the situation is somewhat different for secondary teachers, in that there are differences in supply and demand in different subject areas. For example recruiting maths/science teachers to regional areas has proven difficult in recent times, but teachers of other subject areas have generally been in balance.

The demand for special needs teachers is influenced by the number of children attending schools with a physical or mental disability. The demand for student counsellors (usually called guidance officers in Tasmania) is also driven by the number of students who have particular learning needs or behavioural difficulties. Demand for both these occupations currently outstrips supply in Tasmania.

Other professionals

There were three occupations examined in this group, namely accountants, external auditors and solicitors. In general, demand for these three occupations is linked to overall economic conditions in that accountancy and auditing services are in more demand when there are more businesses operating, which tends to be the case under more prosperous conditions. Demand for solicitors is a little more varied although in a buoyant economy, commercial and property transactions increase demand for their services. Crime rates and divorce rates also indicate demand for legal services.

Associate professionals

There were five occupations examined in this group, namely agricultural technical officers, civil engineering associate professionals, dental technicians, primary

products inspectors and child care workers (note that child care workers are not classified as associate professionals by the Australian Bureau of Statistics). This group of occupations is quite diverse and therefore different demand factors influence the different occupations. For example, demand for agriculture technical officers and primary products inspectors are generally linked to activity in the agriculture industry, levels of government regulation, and the movement interstate and overseas of primary produce. The labour market for civil engineering associate professionals is heavily influenced by activity in the construction industry and also levels of maintenance and construction in the local government sector. Demand for dental technicians is driven by demand for dental prostheses, primarily in the form of dentures. Demand factors for child care workers are the same as those for child care co-ordinators, above.