



# Skills Development in Booming, Shrinking and Global Cities in Australia

**Cristina Martinez-Fernandez**

# Overview

- Global challenges impacting locally
- Skills challenges
- Scenarios for skills and employment development
  - Booming cities
  - Shrinking cities
  - Global cities
- Lessons so far

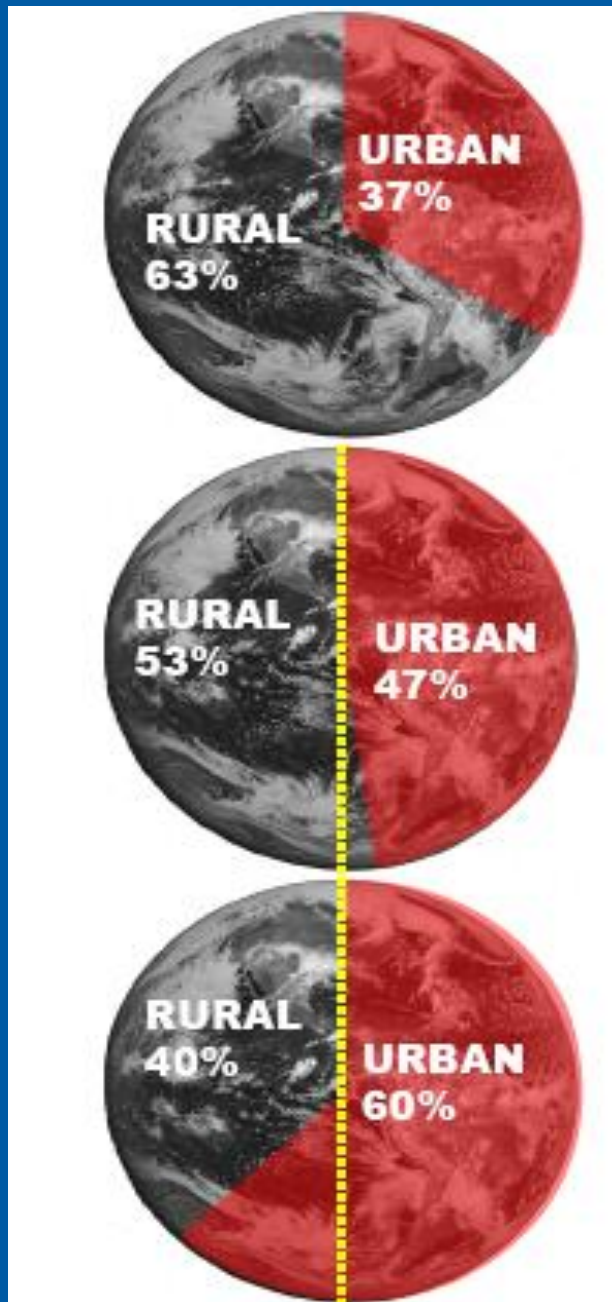
# Global challenges impacting Locally

- **Demographic change:** urbanization dynamics, ageing and diversification of population are not evenly distributed in space
- **Economic change:** expansion of knowledge economy – more jobs in service sectors; more importance of ‘knowledge’ as a determinant of economic activity
- **Climate change:** access to natural resources (e.g. water, green areas, temperate climate) important factors for settlement of skilled workers and migrants
- **Unexpected changes:** global financial crisis, natural disasters, etc.

# Skills challenges

- **More jobs for tertiary-level qualifications** (near 50% in EU by 2010)
- **More difficult to stay in the job for the low skilled** (only 56% of people without secondary qualifications have a job in OECD countries 2006)
- **Weekly earnings are significantly higher for the higher educated** (73% higher than those of high school holders in the US)
- **Older inactive persons per worker almost double by 2050** (from 38% to 70% in OECD and BRICS – Brazil, Russia, India, China and South Africa)

*Source: Designing Skills Strategies, OECD 2008*



1970

2000

2030



### Population differences between 2000 and 2005

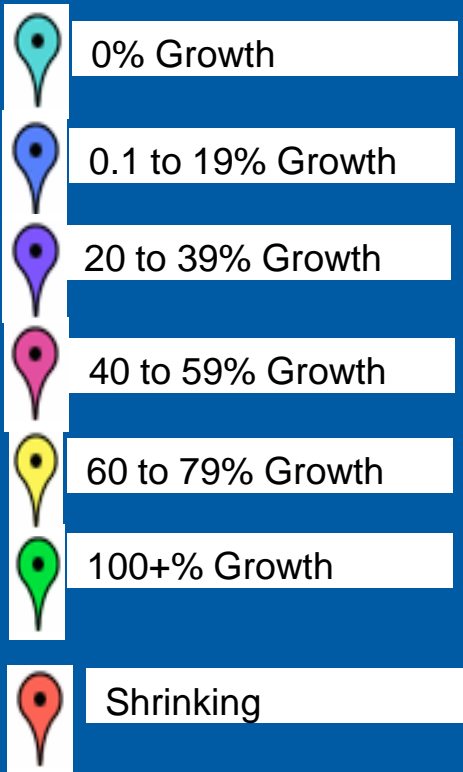
|  |                   |  |                  |  |           |
|--|-------------------|--|------------------|--|-----------|
|  | 0% Growth         |  | 40 to 59% Growth |  | Shrinking |
|  | 0.1 to 19% Growth |  | 60 to 79% Growth |  |           |
|  | 20 to 39% Growth  |  | 100+% Growth     |  |           |

Population figures analysed from:  
City Populations Website  
(<http://www.citypopulation.de/cities.html>) [accessed 26/11/2008]

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# The PHILIPPINES

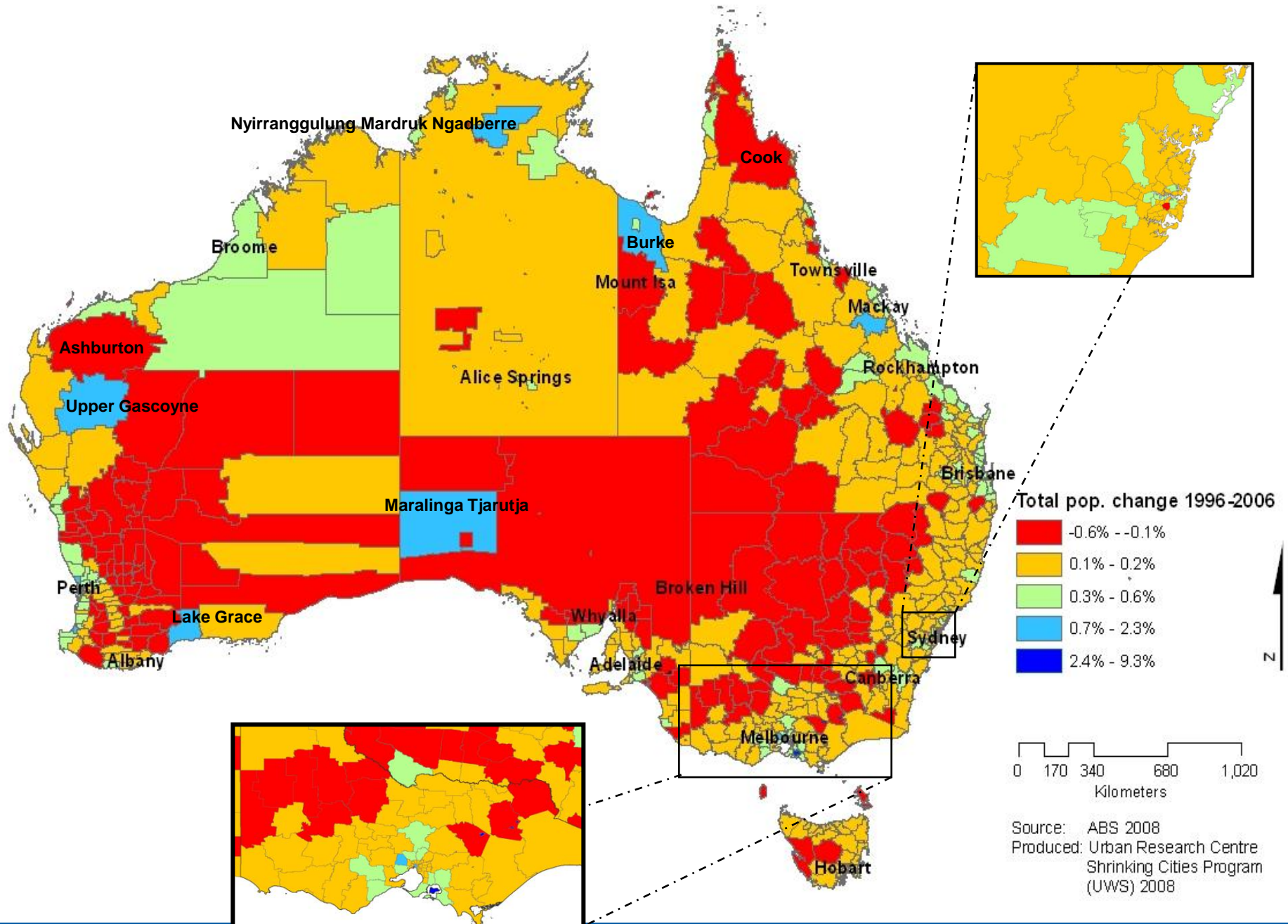
## Population differences between 2000 and 2007



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## Total Population Change 1996-2006





# Booming Cities: Mackay

- 85,000 people;
- Continuous growth from 1996 to 2026;
- 20 coal mines;
- Hay Point – biggest coal exporter port in the southern hemisphere;
- Unemployment rate 3.5%;
- Mismatch of skills (sugar industry) and skills shortages in most occupations.
- Industry lead network – trades for SMEs



# Shrinking Cities: Broken Hill



- 20,000 people;
- Declining from 30,000 people in 1952 to 15,000 by 2031;
- Former mining city in outback NSW;
- Unemployment rate 8.3%;
- Acute loss of skills: knowledge workers, computer professionals and trades (up to 40%);
- Growth of Aboriginal population → low qualified, low income, marginalised communities;
- Limited knowledge infrastructure.
- Government-led business network

# Global Cities: Sydney



- 4.5 million people;
- Additional 1.1 million & 500,000 jobs by 2031;
- Multicultural-hub: 31% born overseas;
- The 'City of Cities': specialised centres and employment lands;
- High cost of living in key employment areas;
- Marginalised communities: low skills;
- 77.7% NSW refugees live in Western Sydney (38% Australia wide).

# Sydney Metropolitan Strategy 2006-2031

## 7 interconnected sub-strategies:

1. Economy & Employment
2. Centres & Corridors
3. Housing
4. Transport
5. Environment & Resources
6. Parks & Public Space
7. Implementation & Governance

### Uneven distribution of skills

- Professional & Managerial – global economic corridor CBD (40%);
- Manufacturing – Western Sydney (8% professionals);
- Skills shortages: building & construction (trades), nursing & medical, science teachers, toolmakers & machine operators;
- New skills: nanotechnology, bioinformatics, computer-aided manufacturing, computer-aided design, mechatronics.

# Lessons

## Skills & Employment Development (SED)

- Complexity of scenarios for management of workforce development (skills mismatch/insufficient education/excluded from labour market)
- Local Intelligence Base to map and measure local skills ‘ecology’:
  - Industry sectors/firms rapid evolution
  - ‘Knowledge base’/occupation determines skills
  - New occupations – convergence of disciplines
- Training activities linked to capacity building / KISA
- Training policies oriented to SMEs

# Lessons

## Skills & Employment Development (continue)

- Skills and Employment strategies embedded in 'local' conditions → need to 'customise' labour policies (decentralisation);
- Local Governments shift from 'number' of jobs and 'land resources management' towards SED planning;
- SED concerned with 'type' of jobs and skills, 'where' they are located, and for 'whom';
- SED concerned with development of pools of available human capital;
- Need for partnerships: government, industry, education, community;
- Policies and actions on the labour market should be built in the framework of broader area-based strategies.