



Northern
Territory
Government

DEPARTMENT OF BUSINESS AND EMPLOYMENT

NORTHERN TERRITORY EMPLOYMENT STRATEGY

2009 – 2012

Discussion starter

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How you can contribute to the Northern Territory Employment Strategy 2009–2011

Your responses to this Discussion Starter will help to create a strategy that can improve employment opportunities and outcomes for Territorians, including businesses and individuals. Written and verbal feedback is welcome.

To respond in writing, email employmentstrategy@nt.gov.au or mail your submission to:

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Written responses have been extended and are due by COB **Monday 11 May 2009**.

1 Introduction

This Discussion Starter provides a framework for consultation on the development of a new Northern Territory Employment Strategy. It acknowledges the importance of employment in enabling individuals to fully participate in the social and economic life of their communities.

In developing a new employment strategy, the Northern Territory Government seeks to continue supporting businesses, industry, community, employers and employees through the changes and challenges that lie ahead. It aims to improve employment outcomes for disadvantaged and remote Territorians, and to continue to support businesses to take advantage of economic opportunities.

This paper introduces discussion on the challenges in workforce development. The aim of the paper is to stimulate thinking and discussion around the directions the government should take in maintaining, growing and skilling the Territory workforce now and into the future.

2 Context

Supporting jobs is a major priority for this Government. During the life of Jobs Plan, the Northern Territory Government Employment Strategy experienced the lowest unemployment rates ever recorded and economic growth rates that outstripped most other jurisdictions.

Key achievements under Jobs Plan include:

- Reaching the target of 10 000 new apprenticeship/traineeship commencements over four years.
- Territory employers are benefiting directly with the allocation of around 1 400 incentives to businesses and organisations that employed apprentices and trainees in skill shortage areas, the small business sector or from disadvantaged groups.
- Significant progress in the areas of school to work transition, providing young Territorians with multiple career pathways through vocational training and school.

The Territory economy is not immune to the current economic climate. The labour market environment across the world is changing. Access Economics has forecasted that unemployment in the Territory will rise from 3.7% to 6% by 2010/11¹. The impact of the economic climate will affect industry and regions differently.

The Workforce NT Report highlights the Territory's unique demographics. The Indigenous population accounts for a large proportion of the population, many of who are not engaged with the labour market. We also have a young population however, many industries are facing the prospect of losing skills through an ageing workforce.

Now more than ever, planning for employment is important. The challenges facing the Territory mean that we must focus our resources on programs that will retain, grow and skill our workforce during these uncertain times. This discussion starter will give business, industry, unions, community, employers and employees the opportunity to help shape the future of employment in the Northern Territory.

¹ Does not include major projects such as INPEX and ConocoPhillips stage two.

3 Developing the strategy

Initial work has commenced on the development of the new employment strategy which will be completed in 2009. There are four stages to the development detailed in the table below.

Stage	Timeframe
Environmental scan, identification and analysis of major issues	October – December 2008
Preliminary consultation with stakeholders about the proposed employment strategy	January – May 2009
Development of the draft employment strategy	April – May 2009
Final employment strategy endorsed and launched in October 2009	June – October 2009

Stage one has been completed. The Department of Business and Employment identified a number of employment related issues raised through the Business Round Table, Business Agenda Northern Territory forums and Business Liaison Officers. Research undertaken in 2008 for the Workforce NT Report has also provided information about labour market trends and issues that affect Territorians.

Through the preliminary research the following main themes were identified as areas needing to be addressed:

- Training must be better aligned to available jobs so that people's skills match the needs of employers. Jobs should be identified by industry; training designed to match the job requirements; and people matched to the jobs.
- New ways of doing business are necessary if employers want to attract and retain staff. Strategies for supporting and developing businesses and their workers are needed if they are to reach their full capacity and take advantage of economic opportunities.
- A strong focus on developing the Indigenous workforce and creating sustainable employment opportunities in regional and remote areas is needed. This is particularly important because of the high proportion of Indigenous people among our population.

Consideration of the current economic climate and its effect on the Territory is to be included in the development of the strategy.

In October and December 2008, the Department undertook an environmental scan and analysis of employment and workforce development issues, policies, programs and initiatives across several Australian jurisdictions. A summary of these findings are detailed in section five.

Five action areas have been identified in developing the new strategy:

1. **Growing** the workforce
2. **Skilling** the workforce
3. **Supporting** the workforce
4. **Coordinating** the workforce
5. **Strengthening Regional** workforce.

The five key action areas are detailed in the following pages, providing examples of programs and initiatives which aim to improve business and employment outcomes.

Your feedback is sought about employment and workforce development issues affecting Territorians; and about policies, programs and initiatives that could be incorporated within the strategy, which contribute to improving employment opportunities and outcomes. Discussion questions have been provided as a guide only.

4 Action areas, programs, and initiatives under the new employment strategy

1. Growing the workforce

Northern Territory businesses face unique challenges in attracting workers - skilled and unskilled. The government has implemented a number of strategies to recruit workers and assist businesses in expanding their workforces. Labour market research has highlighted a fundamental need to engage more Indigenous, medium to long term unemployed, and mature aged people in the Northern Territory workforce.

Some examples of present policies, programs and initiatives include:

- **School to Work Transition strategy**

The School to Work Transition strategy supports young people as they move from school to work, and provides opportunities such as career pathways guidance, industry visits, Try a Trade, Workready Program, school-based apprenticeships/traineeships, and Vocational Education and Training (VET) in Schools.

- **Industry-specific recruitment campaigns**

These campaigns are designed to attract people who are either considering pursuing a career in a particular industry or are qualified but not currently working in that particular field. Examples include the recent campaigns promoting careers in the core services, policing, and the Indigenous teacher campaign.

- **Northern Territory Business and Skilled Migration Strategy and the interstate Skilled Worker Campaign (Northern Territory Job Show)**

Focusing on the growth of the Northern Territory workforce, these strategies aim to bring identified skilled shortage labour to the Territory. The interstate NT Job Shows that occurred in Melbourne and Wollongong in 2008 offered Territory businesses the opportunity to promote their job vacancies interstate, while the international skilled migration programs attract overseas workers to the Northern Territory in skills shortage areas to boost local workforce capabilities.

Discussion questions

- 1.1. How well do the programs/strategies help to grow the Northern Territory workforce?
- 1.2. Are there other options you believe would provide a better result in growing the workforce? If so, what do you suggest?

2. Skilling the workforce

The Northern Territory Government is committed to developing skills and training to meet workforce and employer needs; in particular, improving the skills of Indigenous Territorians, and creating training opportunities in regional and remote areas. It is a key requirement that jobs need to be identified and then people skilled or trained to be employed in those jobs.

The following are some initiatives and programs that focus on training and skills development as a way to improve employment outcomes:

- **Strategies that facilitate the uptake of apprenticeships and traineeships**

These include pre-employment training programs to assist people in developing fundamental skills; the Northern Territory Public Sector apprenticeship/traineeship program; and various promotional activities to raise the profile of vocational education and training.

- **Programs that assist in the up-skilling or re-skilling of workers**

Build Skills NT program aims to up-skill or re-skill existing workers in skills shortage occupations, or workers affected by licensing or legislative requirements.

The Territory business up-skills workshops provide Northern Territory businesses with professional development to strengthen their management skills.

- **Indigenous Training and Employment Program (ITEP)**

ITEP provides funding to support practical, flexible and integrated projects to ensure Indigenous adults in regional and remote areas can pursue pathways to employment and careers.

- **Northern Territory Government scholarships and graduate programs**

These include scholarships offered to school leavers who wish to study in the Territory or a course interstate that is not offered in the Northern Territory, e.g. student teacher bursaries and vocational education and training scholarships. The graduate development program offers graduates from diverse backgrounds the support to begin their career in an environment that continues their professional training within a supervised workplace.

- **Programs targeted at enabling Indigenous and remote Territorians to access training and employment opportunities**

Flexible Response Funding provides on-site accredited and non-accredited short courses that deliver specific training for Indigenous people, leading to employment in Indigenous communities.

Discussion questions

- 2.1 Are the programs/strategies helping to skill the Northern Territory workforce?
- 2.2 What can be done to ensure that the training outcomes for individuals and enterprises translate into appropriate employment outcomes?
- 2.3 What are the best ways of achieving skills development for people who are disengaged from the world of work and have low skills or face other barriers to employment?

3. Supporting the workforce

It is vital that the Northern Territory Government provides an attractive investment and business environment. A particular priority is to further strengthen programs that support and develop Indigenous businesses and the Northern Territory's remote workforce. A range of incentives and services are in place to build industry capacity and facilitate workforce growth and skills development across a range of industries and sectors.

Some existing programs and initiatives include:

- **Territory Business Growth Program**

Northern Territory registered businesses have access to a range of services that seek to build their capability, profitability and sustainability. The program provides professional consultative services on a range of business matters including financial and business planning.

- **Indigenous Business Development Program**

The program aims to assist Indigenous people to enter or expand commercial business arrangements that will generate employment and/or wealth creation opportunities. It seeks to provide flexible funding to meet Indigenous business needs while being based on sound business practice.

- **Support for industry apprenticeships/traineeships**

- *Northern Territory Employer Incentive Scheme*

Under this scheme employer incentives are offered to employers to support and encourage the uptake of apprentices/trainees that fit within the occupational shortage area and identified disadvantaged group.

- *Workwear/Workgear Bonus*

This initiative provides financial assistance to apprentices and trainees in the form of a one-off payment for the purchase of clothing or tools needed for their apprenticeship or traineeship.

- *Off-the-job training*

The Government provides funds for training organisations that operate industry driven, off-the-job training for apprentices and trainees.

- *Travel and accommodation subsidy*

Assistance provided to apprentices and trainees towards travel and accommodation costs for those who undertake off-the-job training away from home.

Discussion questions

- 3.1 Are the current programs supporting business and employees?
- 3.2 How effective are employment incentives for taking on apprentices and trainees and can they be better targeted?
- 3.3 What can government do to increase the private investment of individual, business and industry in workforce planning and development?

4. Coordinating the workforce

The Northern Territory Government endeavours to create a policy environment in which businesses can operate at their full potential and continue to grow, while balancing the employment needs of disadvantaged Territorians. The Northern Territory Government will, in partnership with the Australian Government, streamline delivery of initiatives, reduce duplication of effort and improve outcomes for Territorians. One of the major objectives will be in closing the gap between Indigenous socioeconomic outcomes and those of non-Indigenous Australians. This will require coordinated programs and policies to align economic and social priorities and objectives.

Some policies and activities that have a direct impact on employment in the Northern Territory include:

- **Partnering with the Australian Government**

This would involve strengthening collaborative arrangements to effectively deliver programs and services that create job opportunities for the most employment disadvantaged people. This includes a particular focus on innovative ways to improve remote and Indigenous employment outcomes.

- **Strategic partnerships with business and industry**

Through stronger formal and informal partnerships with business and industry associations and advisory bodies, specific employment and workforce development issues can be addressed more effectively. For example the Territory Worker Database which connects potential employees with employers.

- **Coordinated responses to major projects such as INPEX**

The NT Government analyses the impact of major projects in order to design and implement responses to labour market trends and issues. Organisations such as the Northern Territory Industry Capability Network (NTICN) are engaged to facilitate maximum local content purchases on major projects.

- **Procurement and its relationship to apprentices and trainees on government contracts**

The Northern Territory Government encourages the engagement of apprentices and trainees on government contracts, particularly those that have the potential to improve remote and Indigenous outcomes.

- **Coordinate evidence-based approach to Government funded training programs.**

This ensures that resources are targeted to areas with the greatest training needs and helps to address negative workforce issues utilising the Workforce NT reports.

Discussion questions

- 4.1. Do current Northern Territory Government policies and activities help to create or inhibit an environment in which employers can take advantage of and benefit from economic opportunities?
- 4.2. In what way can the programs and services be changed to deliver better employment outcomes for all Territorians?
- 4.3. Partnerships between industry and training organisations can produce good outcomes - what can be done to extend their use?
- 4.4. How should government coordinate with major projects?

5. Strengthening Regional workforce

The Northern Territory Government has a strong focus on regional development. Businesses face a number of challenges relating to the small size of our population, which is dispersed over more than 1.3 million square kilometres. Understanding and targeting opportunities for regional employment and business development are critical to the Northern Territory's ongoing economic advancement.

Some ways to achieve this include:

- **Increase the Government's support and presence for regional businesses**

Territory Business Centres operate out of Darwin, Katherine, Tennant Creek and Alice Springs and are the initial point of contact for starting a business, obtaining licence information and planning assistance.
- **Regional Job Hubs**

The new Regional Job Hubs in Nhulunbuy and Tennant Creek will be a one stop shop for information on training and employment. Regional staff will coordinate and facilitate access to resources so that employees and training can be matched to real job opportunities in the regions. The hubs will provide local knowledge to underpin strategy and program development, and ensure that locals are aware of, and matched to, the services available to assist them in gaining employment.
- **Shires and Local Government**

Shires and regional councils recognise the importance of having a reliable and skilled workforce to deliver the range of local services required in remote communities and regional towns. Attracting, retaining and developing employees from within communities and towns will continue to be a priority.
- **Strategic Indigenous Housing and Infrastructure Program (SIHIP)**

Working cooperatively with the Australian Government to deliver the SIHIP will contribute to a number of social and economic outcomes for Indigenous people, including sustainable employment. The program will provide considerable economic activity in regional areas within the Northern Territory.
- **Regional Economic Development Officers**

Operating out of Alice Springs, Tennant Creek, Katherine, Nhulunbuy and Darwin, the officers foster local Indigenous economic activity, developing and monitoring local job creation and business growth opportunities through the facilitation and negotiation of appropriate support services. The officers mentor clients whilst also assisting existing businesses, the establishment of new businesses, business planning and feasibility studies and the referral of businesses and individuals to other agencies for further assistance.

Discussion questions

- 5.1 What is the best way to ensure that local content is included in government planning and programs?
- 5.2 How can government encourage businesses to invest in, develop and better utilise regional areas in the Northern Territory?

5 Overview of interstate programs

Initial research on strategies around Australia provided valuable input to, and recognition of, potential programs that may enhance employment, up-skilling and training of the Territory workforce. These strategies included:

- Queensland Skills Plan
<http://www.trainandemploy.qld.gov.au/resources/about/pdf/skills-plan-2008.pdf>
- The Tasmanian Skills Strategy 2008 – 2015
<http://www.skills.tas.gov.au/home>
- Better Skills. Better Work. Better State: A Strategy for the Development of South Australia's Workforce to 2010
<http://www.workforceinfoservice.sa.gov.au/strategytools/strategy>

From these strategies the following programs were identified:

Skills Formation

This program focuses on engaging and creating partnerships with industries and community to address skilling needs and gain understanding of skills and labour shortages as a workforce planning and development issue, rather than entirely a skilling issue. The plan uses a collaborative approach to minimise skill shortages and focuses on a process of change that encourages participants to be responsible for the attraction, development, utilisation and retention of staff.

Better Workplaces resource kit

The Better Workplaces kit contains six key elements, drawing on human resource management principles to, provide information and resources to assist small businesses with modern employment and workplace practices. These key elements are:

1. Workforce planning
2. Attract, Recruit and Select
3. Induct, Train and Develop
4. Motivate, Manage and Reward
5. Retain and Support
6. Lead and Communicate

Also included in the kit are referral points and case studies.

<http://www.development.tas.gov.au/betterworkplaces>

Workforce Development Fund

This program supports industry wide projects that focus on developing high performance workplaces, assist workforce planning, and provide assistance with issues that are restricting industry growth.

Labour Market Adjustment Initiatives

As part of this program, alternative employment and training opportunities are negotiated for workers following retrenchment due to company or industry downsizing, closure or restructure. The program supports the development of new jobs in emerging industries, and provides training and skill development support for, eligible individuals to aide their transition into new employment.

Works in the Regions

A formation of networks, comprised of local stakeholders with representation from state and local government, was established to consult with the local community on employment and skill formation issues; development of plans that address the local training and employment needs of individuals and industry; and development of partnerships which ensure that all the expertise and resources available in the region are used, while responding effectively and quickly to changes in local conditions.

Community based employment programs

The Community Jobs Plan – Employment Assistance program supports projects run by community organisations with specialised knowledge of employment disadvantaged groups, offering services tailored to their needs. Assistance can include a combination of skills audits, training, job preparation, and work experience, to enable them to “break down the barriers” in accessing employment.

Discussion questions

- 6.1** Which of the above programs are suitable for implementation in the Territory?
- 6.2** What other programs/initiatives could the Government invest in to assist with growing, maintaining and skilling the Territory workforce?

6 Moving forward

The effectiveness of the employment strategy will be determined largely by the extent to which Territory business, industry, unions, community, employers and employees are involved with its development.

Following the consultation stage (stage two), the Department of Business and Employment will collate the feedback provided by stakeholders, develop the draft employment strategy and offer stakeholders an opportunity to comment before the strategy is finalised and launched in late 2009.

There will be forums held in Alice Springs and Darwin during April at which your attendance and input will be highly valued.

Essentially, this consultation will open up conversation with industry, government agencies, unions and other stakeholders allowing suggestions on how we can improve upon what we currently do and introducing new ideas.

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