

Anne Fidler

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To: Economic Development Committee
Subject: ONLINE SUBMISSION - Employment Creation

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Name: Ian Church
Company: Tablelands Regional Council
Position: Chief Executive Officer
Email: info@trc.qld.gov.au
Address: PO Box 573
City: ATHERTON
State: QLD
Postcode: 4883
Phone Number: 07 40434700

Queensland's traditional and emerging economic strengths:

Q 1: There is a significant opportunity to create greater employment by expanding the range and stock of accommodation for the rapidly growing population aged 65 years and older in the Tablelands region of Far North Queensland. The Tablelands population aged over 65 years is forecast to grow by around 2000 persons in the years 2006 to 2011 and by another 2000 between 2011 and 2016 (PIFU,2008). Tablelands Regional Council, in a recent survey, has identified significant unmet demand for retirement village style accommodation in the region: . 616 people said that they would like to live in retirement village style accommodation in the next five years (Tablelands Regional Council, Aged Care in the Tablelands Region, 2009). . As the survey response captured 40% of the Tablelands population aged over 65 years, the potential demand for retirement village style accommodation from residents within the region could be much higher than this. . There is also evidence that retirees from outside the region view the Tablelands as an attractive place to move to, if there were suitable accommodation available. There has been migration to the region of people in the 55 to 64 years age group in recent years. . There is currently only one residential development targeted at the over 50s market, in Mareeba. Reports from the local business community suggest that there is greater demand for retirement village style accommodation in Atherton rather than Mareeba. Attracting investment in retirement village style development to the Tablelands region has the potential to significantly increase employment and workforce participation in the region in the following ways: 1. Construction and fit-out of buildings would employ labourers and tradespeople, many of whom have lost work through the downturn in the mining industry. 2. Greater employment in the construction industry would have flow on effects on employment in the retail and other sectors. 3. The concentration of older people with needs for services such as gardening, domestic help and personal services in medium or high density dwellings in retirement villages in urban areas would enable these services to be delivered more cost effectively than they are at present to the aged living in dispersed rural communities, thus making them more economically viable and potentially leading to greater employment in the services sector. 4. The movement of older people from their rural properties throughout the Tablelands region to retirement villages in or near Tableland towns could create a population flow, with younger families moving into the vacated rural properties from outside the region. This would accommodate population growth, rejuvenate rural communities, possibly lead to greater productivity of rural blocks as younger people with more energy and new ideas utilise the land, without losing the social and economic capital that the older residents contribute to the region in the form of investment, knowledge, experience, family networks, caring roles and voluntary participation in clubs and social activities. 5. It has been identified that "knowledge workers" are attracted to the lifestyle attributes of regions such as the Tablelands (SGS Economics, 2009). Rural blocks vacated through older residents moving to retirement villages could accommodate "knowledge workers" attracted to the region by the emerging bio-industries and research facilities, so boosting the skills base and productivity of the region. . It is recommended that the Queensland Government promotes the Tablelands as a region suitable for investment in retirement style accommodation for seniors . It is recommended that the Queensland Government supports the Tablelands in its efforts to attract investment in retirement village style accommodation to the region. . It is recommended that the Queensland Government enables funding for a dedicated project officer, in partnership with either Tablelands Regional Council or another regional organisation such as Tablelands Futures Corporation, who would work to attract investment in retirement village style or other appropriate accommodation for seniors in the region. . Over-regulation, "red tape" is the main hindrance to business expansion and competitiveness in Queensland. (Please see further comments below). Q 2: . The lifestyle attributes of the Tablelands Region in Far North Queensland are conducive to attracting "knowledge workers" to the region, which will in turn contribute to the development of the knowledge economy on the Tablelands . It is recommended that the Queensland Government supports the development of a "knowledge economy strategy" for the Tablelands region to articulate the region's lifestyle qualities and strategic position in order to attract investment in the form of knowledge workers. . It is recommended that the Queensland Government supports the promotion of the Tablelands region as a "learning centre for environmental education and eco-tourism". The promotion of the region as a centre for field studies for universities from overseas and other areas of Australia will bring investment, employment and business opportunities to the region. . The new DPI bio-research facility in Mareeba could be linked to an environmental education strategy, with facilities and services being offered to university researchers doing field studies in the region. . All the above issues are addressed in relation to the Tablelands Region in Tablelands Regional Council's "Tablelands Regional Economic Development Strategy" (SGS Economics & Planning, January 2009). (See attachment). . It is recommended that the Queensland Government supports Tablelands Regional Council in providing funds for a project officer to develop and implement the strategies contained in the above report. Q3: Comment (Michael Lawrence, Tablelands Futures Corporation): . Yes and No. I believe it is great to have many academics - however we want to develop entrepreneurship and small business as well!!! . maybe by harnessing the research work that comes out of the research of these institutions. develop niche areas of academia and research driven by industry advice and demand???. . The link between research and industry remains closely aligned to funding for the institutions, reducing effectiveness of outcomes. Encourage stronger links between research and commercial operators. Q4: Comment (Michael Lawrence, Tablelands Futures Corporation): . Streamlining the regulatory legislation governing business for starters - there is much legislation that can

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"hiccup" the development of business initiatives - any investment must have a strong commercial or long-term community outcome (see front page of courier mail today - private philanthropist investing in Qld medical research) . Provide base level support for new business ventures, many have the technical skills but not the business acumen to succeed in the competitive environment that they find themselves in. The face to face services have been withdrawn and are only now just starting to reappear, it is essential that on the ground support is available for committed start up ventures and expanding businesses Q5: Comment: . Support the employers in building better businesses via business upskilling, financial knowledge and increased efficiencies, this will create employment opportunities naturally (Michael Lawrence, Tablelands Futures Corporation)

Support for industry:

Q6: No comment provided Q7: Same as answer to Q2. Q8: . Trade Qld should be supported to look at opportunities as well as Austrade, Invest Qld . Discuss the needs of industry with industry before deciding on the strategies, work out what the industry strengths and needs are. (Michael Lawrence, Tablelands Futures Corporation) Q9: . Promotion of areas should be governed by regional competitive advantages ie. Mt ISA/Townsville Mining, Tropical Science - Townville/Cairns- Tropical Expertise, Tourism, Agribusiness Aviation, Marine . Depending on the regional advantages; each region should be promoted based on competitive advantage, better outcome when greater focus. If a broad approach is taken the overall effect can be diluted. (Michael Lawrence, Tablelands Futures Corporation)

Unemployment in Queensland:

Q10: . The need for new large houses to accommodate the Indigenous population in the Tablelands region has been identified at the recent Tablelands Regional Council community information session on Affordable Housing, March 2009. (Please see attachment) . If capital funding were available to build such houses, it would provide significant employment opportunities for Indigenous youth, in conjunction with appropriate traineeships, in the construction industry. . The Queensland Government could provide funding for the implementation of an Indigenous Business Development Strategy as outlined in the Tablelands Regional Council's "Tablelands Regional Economic Development Strategy" (SGS Economics & Planning, January 2009). (See attachment). Q11: No comment provided Q12: Same as Q9 answer.

Government role in job creation:

Q13: Comments from Maryanne Tranter, VPG - a youth vocational training organisation based in Atherton and Cairns: The current youth focused employment programs 'Get Set For Work' definitely assists in developing employability skills in young people. As with most funding, each round over the past 3 years has seen a reduction in available places and funding. One dramatic change in the last 12 months has seen Community Literacy Programs only made available for 17 years and over. The reason for this was that DEEDI decided that the literacy levels of young people were the responsibility of Education QLD. Whilst I agree with this in theory, the young people participating in our programs have often been disengaged from education for a number of years and have many barriers to overcome before transitioning back into school/employment/training - withholding literacy support for this group is limiting. It is essential that over the next few years, employment programs for young people are expanded to reflect the increase in youth unemployment. Q14: No comment provided. Q15: Comments from Maryanne Tranter, VPG - a youth vocational training organisation based in Atherton and Cairns: . Comment by one Operations Manager in a vocational training organisation: "No, Queensland government employment programs are not working in terms of real work outcomes for people." There is too much training for training's sake, for example barista training for Indigenous people who have no opportunity to use such skills in their communities (Steve Moon, Skills360) . Apprentices and trainees are finding it difficult to obtain placements in the current economic climate. . Some employers are taking on apprentices to access Queensland government incentives and reduce costs. Well established and larger businesses, such as Rio in Weipa, are keeping on apprentices as they recognise the importance of having enough skilled staff ready for when the economy picks up. . Many small businesses and services do not have the capacity to take on apprentices. Employers are taking on more responsibilities themselves rather than employing others or outsourcing and so cannot afford and do not have the time to supervise apprentices and trainees. . Unassigned apprenticeships to community projects would have a better outcome for individuals and communities, for example, building community halls, upgrading sports facilities (Steve Moon, Skills360) . Southern firms are getting contracts for projects under the federal government's economic stimulus nation building and school projects, rather than employing locals. The Queensland government has given the contract to build the new wing of the Lotus Glen correctional centre to a southern company which is not employing as much local labour as it possibly could. . In the aged care and health services sector, trainees are finding it very hard to find placements, despite the recognised need for more skilled staff to service the growing needs of the aged population. Again, senior nurses and aged care staff do not have the time to supervise trainees (Q.I.T.E.) . With the number of employment opportunities for young people decreasing, these Govt programs need to allow greater flexibility with outcomes such as 'further training' and 'return to school' considered as beneficial as employment. Engagement in these programs is essential to avoid young people becoming long term unemployed and the victims of the GFC. Q16: No comment provided. Q17: No comment provided.

Skills requirements for the Queensland economy:

Q18: Skills in the Health and Community Services sector, especially Aged Care: . It has been identified by the Queensland Department of Education Training and Arts that there will be a need for 2000 more health and community services workers in the Far North Queensland region by 2013. . The Tablelands region has a rapidly ageing population where demand for aged care workers will also increase rapidly. In 2006 15% of the Tablelands population was aged over 65 years compared with 12% in Queensland. It is forecast that the population aged over 65 years will form 22% of the Tablelands population in 2016 (PIFU, 2008). . The biggest block to the expansion of the aged care workforce in the Tablelands region is the inability of aged care facilities and aged care services providers to expand their capacity to meet demand. Facilities and providers do not have access to enough capital and operating funding to expand their services despite recognised need and demand in the community (TRC Aged Care in the Tablelands Survey Report, 2009). . If capital funding were made available to expand aged care facilities to meet identified demand, and operating funding were increased to a level that made aged care service provision economically viable, then employment in the aged care sector could also expand to meet the significant unmet demand. . Employment in the aged care sector could potentially significantly increase workforce participation rates, especially in the Indigenous community. . One of the largest aged care training providers in the region, Quite, which trains predominantly indigenous students in aged care, reported that it has problems with vocational placements for its students and also with employment after placement, as described below. . At a recent meeting of the DETA Skilling the Tablelands - Health and Community Services - Aged Care Cluster (11 June 2009), aged care training service providers reported that despite having good relationships with aged care facilities which fully supported placing students in theory, those facilities do not have the staff available to supervise, mentor and buddy up with students. Students are therefore unable to find vocational placements. Other service providers report that they can provide mentoring but cannot provide employment after placement. . It was also

reported at the above meeting that aged care facilities have a large number of mature age, well-experienced and skilled people without formal qualifications. It was reported that there is no funding for upskilling existing workers except at a diploma level which was too high a level for the majority of workers, many of whom needed literacy and numeracy support. There needs to be more recognition of prior learning. Some facilities were reluctant to release experienced staff to undertake the training needed to upgrade their qualifications. Aged care workers reported that the cost of training to upgrade their qualifications was prohibitive. At the above meeting, a representative of one of the aged care facilities with 97 beds and 120 staff, reported that they did not have enough funding to employ more staff to care for residents. Their greatest needs were for staff trained in food handling, administration and hotel-standard cleaning services. Q19: Provide incentives for employers to allow existing staff to take time off to undertake training courses, rather than lay those staff off, so that their skills are enhanced on returning to work when the economy picks up and demand returns. Large businesses that can provide supervision should be encouraged to keep on trainees and even given incentives to keep on experienced staff in order to train new apprentices. If young people are not given the opportunity to practice the skills they have learnt in vocational training in the workplace there is a danger that they might leave the Tablelands region to go where there are relatively better opportunities. This would be detrimental to the region and would leave the area short of young skilled employees when the economy picks up, so hampering economic development of the region. Q20: No comment provided.

Interaction between regulation and economic growth and recovery:

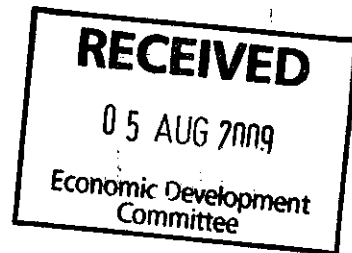
Q21: Regulation is the main hindrance to business expansion and competitiveness in Queensland, according to Peter Radke, Chairman of Tablelands Futures Corporation and Director of Yuruga Nursery. For example, the native foliage industry, a relatively new and innovative industry sector that has much potential for expansion, is subject to five government permits which cost Yuruga \$20,000 per year in administration costs. While this employs one person part-time, the increase in competitiveness with the exotic flower and foliage industry, which is not subject to so many permits, that a reduction in red tape would allow would generate more business and a greater level of employment. Peter was unaware of the proposed regulatory reforms and of the Queensland Office of Regulatory Efficiency (QORE), suggesting that there needs to be greater community engagement by QORE with the business community if it wishes to gain an understanding of how Queensland Government regulations affect businesses across Queensland. Q22: No comment provided. Q23: No comment provided.

Any other Comments:

Overview of Current Economic Climate and Employment Situation in the Tablelands Region at July 2009 The Tablelands Region is part of the Far North Labour Force Region which as a whole has experienced an increase of 5 percentage points in the unemployment rate in the year to March 2009, from 5.7% to 10.7%. Recent figures for small area labour markets are not yet available, but in the year to December 2008 all the former Tablelands shires showed an increase in unemployment rates, as shown in the table below: Comparison of Unemployment Rate, Dec 07 qtr/ Dec 08 qtr, TRC area, former LGAs Statistical Local Areas (SLAs) Unemployment Rate Unemployed Unemployment Rate Unemployed Name ec-07 Dec-07 Dec-08 Dec-08 Atherton (S) 4.80% 284 5.70% 356 Eacham (S) 4.10% 143 5.00% 183 Herberton (S) 1.80% 43 2.50% 62 Mareeba (S) 4.80% 471 6.00% 626 Source : DEEWR Small Area Labour Markets estimates, smoothed series (from Table 3 in the Small Area Labour Markets publication). For further information on the methods used to produce these estimates, please refer to the latest PDF publication at workplace.gov.au/SALM Anecdotal evidence suggests that unemployment in the Tablelands region has increased in the year to July 2009. A job advertisement for a part-time administration worker recently placed in the local newspapers has attracted over 50 enquiries while a similar advertisement placed 18 months ago attracted only 12-14 enquiries. Peter Radke, Director of Yuruga Nursery Pty Ltd & Clonal Solutions Pty Ltd and Chairman of Tablelands Futures Corporation, reports that as a result of the collapse of one of his company's major clients, Great Southern, he has had to temporarily lay off about 20 staff out of a workforce of 40-50 persons. Yuruga Nursery has had many more enquiries from jobseekers in recent months than previously, suggesting a rise in unemployment in the region. Steve Moon, Operations Manager of Skills360, an employment and training agency with an office in Atherton, reports that employment opportunities are few and far between at the moment. Employers are taking on more responsibilities themselves rather than employing others or outsourcing and so cannot afford and do not have the time to supervise apprentices and trainees. There is a perception that some sectors of the Tablelands economy are relatively well insulated from the global financial crisis, such as farmers. However, the dairy industry is experiencing lower farm gate prices for milk. Tourism in the Tablelands is benefiting from domestic tourists who are opting for self-drive holidays, rather than taking tours on the coast. Visitor centres report an increase in visitor numbers in the months of April and May this year compared with last year. Bed and breakfast and self-catering accommodation businesses report an increase in stays. Such an increase in visitor numbers boosts revenue in food retail sales, tourist attractions and fuel service stations. The retail sector, especially vehicle sales, is feeling the downturn with sales and confidence down. Michael Lawrence of Inspire Business Consulting and a Director of Tablelands Futures Corporation, says: "I am seeing the commencement of staff layoffs, it is a last resort for many and they have tried to not do this, but overall confidence and income is down." In answer to the question "Are employers able to take on any apprentices and trainees?" Michael Lawrence says: "I have seen some consider this, but only to access incentives to try and reduce costs. Well established businesses continue to do so as they recognise that they need to continue to do this." Further comments from Maryanne Tranter, VPG - a youth vocational training organisation based in Atherton and Cairns, in answer to questions put forward by the Social and Community Planner: How are young people going at the moment? Are they able to find placements easily or not? Historically the majority of our young people have been able to enter the workforce through unskilled positions. These positions have become increasingly competitive over the past 6 months with skilled more mature workers taking up these positions. Young People are going to require further support, training and work placements to ensure that they do not become long-term unemployed. Are more staying at school rather than trying for an apprenticeship or traineeship? There is a percentage of young people who continue to struggle to remain engaged in formal education. The number of full time/school based apprenticeships/traineeships on offer has reduced dramatically in 2009 - there are very few available for young people who have not completed year 12. The young people in our employment programs usually require a great deal of assistance to become employable and are a long way from being able to compete for an apprenticeship. A high percentage of participants have not completed year 10 and do not satisfy the minimum education requirements for an apprenticeship.

Anne Fidler

From: webmaster@parliament.qld.gov.au
Sent: Wednesday, 5 August 2009 4:04 PM
To: Economic Development Committee
Subject: ONLINE SUBMISSION - Employment Creation

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Name: Ian Church
Company: Tablelands Regional Council
Position: Chief Executive Officer
Email: info@trc.qld.gov.au
Address: PO Box 573
City: ATHERTON
State: QLD
Postcode: 4883
Phone Number: 074043 4700

Any other Comments:

ADDENDUM TO PREVIOUSLY LODGED SUBMISSION ON 5/8/09: OTHER POINTS OF INTEREST IN RELATION TO JOB CREATION: Tablelands' Competitive Advantages: . High quality agricultural land . Abundant water resources . Government funded bio research centres . Abundant mineral resources . proximity to other important mining regions such as Weipa and Cape York and PNG . Mareeba Airport with 60 acres of freehold land available for lease to eg, general aviation service companies . Proximity to Cairns International Airport . Industrial parks with plenty of available land for further development of industry, including toxic and hazardous . Natural attractions: World Heritage areas, rainforest, outback, country towns, open agricultural areas, proximity to coast . Lifestyle attracts knowledge workers Information gained at Mareeba Chamber of Commerce Economic Forum on Friday 31st July 2009: Growth Industries: . Renewable energy: o Wind farms (possible new wind farm at Springmount? - Morris developers) o Solar thermal in Northern Economic Triangle - possible employment in construction of components and service o Biomass - sugar cane cogeneration □ - biodiesel, ethanol . Mining - much exploration done, evidence that prices rising making it feasible to start/resume production . Aviation services at Mareeba Airport: eg, pilot training, general aviation maintenance services o Simon Wild of Skytrans says we are on cusp of huge resources boom in PNG, for example the LNG project worth \$15 billion. o 7000 people are moved by air per month to and from Cairns to PNG, Cape York, Mt Isa - this will become much higher o Huge potential for general aviation services in Mareeba, especially as Cairns airport does not have much space for expansion in this area and is not conducive to services such as pilot training o A pilot training centre in Mareeba could support 30 to 50 jobs and families o Services such as refurbishment of Dash 8s - interior fit-outs, seatbelts, seat covers etc, painting o Need to work with government for funding partnerships . Bioindustries o New DPIF research centre in Mareeba - attracting global interest in projects, eg bioplastics o Biofuels - cogeneration from bagasse, ethanol from syrup and molasses, ethanol from bagasse, biodiesel o Biopharmaceuticals . Tropical Expertise - new network, being promoted with website o www.australian-tropical-expertise.com.au . Food Tourism - need to develop more "hero products" as has been done with coffee o Potential for growth in value adding - small food processing plants attached to farms - employment o Need to capitalise on current trend for organics and native foods o Project with Advance Cairns, TTT and Southern Cross Uni Challenges for Tablelands/Factors hindering economic development: . Commodity movement is hindered by: o Transport routes: o Hann Highway connecting Tablelands with Melbourne, Adelaide and Sydney - still 150kms of bitumen sealing to do - will take a few more years to do o Kuranda range upgrade shelved o Other roads from Tablelands to Sea ports in Cairns and Mourilyan need to be upgraded to withstand heavy vehicle traffic carrying commodities o Rail transport is limited

Social Housing Dwelling Types, Target Groups and Priority Locations in the Tablelands Region

Queensland Department of Housing preferred social housing developments to be funded under the Nation Building and Jobs Plan:

- Modest detached houses containing two, three, four or five bedrooms
- Low to medium density apartment complexes with preference for one and two-bedroom units or mix of same
 - Complexes can range between duplex buildings to medium size projects

Tablelands Priorities

Type of Social Housing Development	Target Group	Priority Location
Low to medium density duplexes or apartment complexes with: <ul style="list-style-type: none"> • One bedroom units • Two bedroom units • Mix of both 	<ul style="list-style-type: none"> • Low income singles • Youth • People with disabilities • Seniors • Low income couples • Single parent families (small) • Transitional tenants • Crisis tenants 	Atherton Mareeba Malanda Ravenshoe Kuranda Chillagoe
Modest detached houses with: <ul style="list-style-type: none"> • Two bedrooms • Three bedrooms 	<ul style="list-style-type: none"> • Low income families • Single parent families 	Atherton Mareeba Malanda
Modest detached houses with <ul style="list-style-type: none"> • Four or five bedrooms 	<ul style="list-style-type: none"> • Large Indigenous families • Other large families • Youth, if accommodation is supported 	Mareeba Kuranda Ravenshoe Atherton Chillagoe Mt Garnet Herberston

These developments are to be:

- Conveniently located to provide occupants with easy access to public transport and community infrastructure
- Widely dispersed through residential areas
- Well designed internally and externally to suit the needs of the occupants, incorporating universal design features where appropriate

