

# **Overview of demand for managers, professionals and technicians in the Northern Territory – July 2009**

## **Economic background**

The national economy, in the midst of a global recession, has fared relatively well in comparison to developed nations generally and within Australia the Northern Territory economy has performed well in comparison to Australian states and territories. The NT has had an annual average Gross State Product (GSP) growth rate of 5.3 per cent over the four years from 2004-05 to 2007-08. The GSP for 2008-09 is estimated to have remained at a healthy 4.9 per cent; however, continued growth is forecast to be significantly more subdued over the three year period to 2011-12. The NT's resilience to the wider economic downturn has been supported by momentum built when resource and commodity demand was booming at the international level.

The NT's economic strength is significantly influenced by the introduction and timing of major investment projects (such as the planned Inpex Alpha gas processing plant). Federal Government spending for the NT Intervention (\$1.3 billion over 4 years from 2007/08), will continue to provide some stimulus for the NT economy, particularly for remote areas. Government economic stimulus packages will also help buoy the economy, particularly the construction sector.

The strong economic growth of recent years has led to strong jobs and population growth for the NT. Over the 12 months to July 2009, employment in the NT increased by 5.1 per cent. The number of people unemployed also increased over this period with a growing participation rate (close to record levels) and the labour force surpassing 125 000 people for the first time (ABS Labour Force Survey for July 2009). While the strength in demand for workers has held, on the supply side there has been marked improvement with people migrating from interstate for work leading to a general alleviation of labour shortages. After strong growth in employment over the first half of 2009, there are now signs of weaker conditions with employment levelling off and the unemployment rate increasing. However, the unemployment rate (at 4.2 per cent in July) remains relatively low and below the national rate of 5.9 per cent.

Trading conditions for small and medium enterprises in the NT are not as strong as they were 12 months ago, but they have remained healthy considering the deterioration of the Australian and the world economy (June 2009 Sensis Business Index). Business confidence for the next 12 months has remained positive and has increased so far this year following a low in November last year. Job vacancy advertisements in the NT declined throughout 2008 and in early 2009. The growth trend has been positive since April; however, advertisements remain 35 per cent below the 2007 peak (ANZ job advertisements series to July 2009). Advertised vacancies for professional occupations (DEEWR's skilled vacancy index (SVI)), although falling over the past year have not declined as steeply other occupations.

## **13 Specialist Managers**

This occupational group includes Construction, Distribution and Production Managers; Education, Health and Welfare Services Managers; ICT Managers and Miscellaneous Specialist Managers. Three occupations under this occupational group, Production (Mining), Construction Project and Engineering Managers, have been separately assessed for the NT. A broad summary, covering more Specialist Managers occupations, is included as part of assessments undertaken at the national level.

Demand for Specialist Managers is not expected to have grown this year with the global recession putting the brakes on growth for this occupational group. Turnover of people employed in this occupational group tends to be lower than for most professional or trade occupations. For Production (Mining), Construction Project and Engineering Managers roles there is a strong reliance on interstate applicants and all three occupations received a recruitment difficult rating. Vacancies for both Engineering and Production (Mining) Managers do not arise frequently and when they do they are particularly hard to fill unless fly-in-fly-out from a capital city is part of the package. Although employers have commonly held back recruitment for Construction Project Managers with delays in project starts due to the economic conditions, senior roles with specific industry experience (e.g. utilities experience) were considered to remain particularly difficult to fill.

## **22 Business, Human Resource and Marketing Professionals**

This occupational group includes Accountants, Auditors and Corporate Secretaries; Financial Brokers and Dealers and Investment Advisors; Human Resource and Training Professionals; Information and Organisation Professionals; and Sales, Marketing and Public Relations Professionals. There were no occupations separately assessed within this group of professionals specifically for the NT; however, a summary of occupations assessed at the national level for this occupational group is available.

## **23 Design, Engineering, Science and Transport Professionals**

This occupational group includes Air and Marine Transport Professionals; Architects, Designers, Planners, Surveyors and Engineers; and Natural and Physical Science Professionals. Five occupations under this occupational group, Surveyors and Civil, Mechanical, Electrical and Mining Engineers, have been separately assessed for the NT. Demand for many roles within this occupational group has been adversely affected by the global recession this year. Although demand for work generally in the NT has remained stronger than other regions, employers of these occupations commonly have held off role expansion.

An improvement in the quantity and quality of applicants for vacancies for occupations within this group was noted by employers. As a result, employers' expectations and requirements have also lifted with the improved supply. However, employers continued to find it difficult to secure people with a strong match of skills and experience with the role requirements.

Charles Darwin University offers engineering degrees; however, historically enrolments have been low, and a high reliance on sourcing candidates from interstate for vacancies remains. There are no local training courses that cover complete requirements for graduate entry into most other roles within this occupational group (such as geologists, agricultural scientists, surveyors and architects) and so there is a greater reliance on interstate recruitment for these roles. The difficulties in being able to attract suitable professionals to relocate from interstate remain due to perceived size and remoteness detractions. However there has been a significant shift in the labour market for these occupations with easing recruitment difficulties. Only a shortage rating for surveyors and civil engineers remained justified.

Exploration and engineering construction work is also expected to grow over the coming year. Continued economic recovery is also expected nationally leading to demand for professionals and supply loss for the NT with people returning interstate. As a result the current improvement in the labour market for these occupations is expected to be short lived.

## **24 Education Professionals**

This occupational group includes School Teachers, Tertiary Education Teachers and Miscellaneous Education Professionals. Within this occupational group, School Teachers were specifically assessed for the NT. The overall demand for teachers has not increased this year in the NT and total student enrolments in schools (including pre-primary, primary and secondary) decreased in 2008–09.

There is a higher local training rate for teachers in the NT, compared to professional occupations generally and there has also been growth in student enrolments in teaching degrees over the past four years. Employers tended to source teachers from within the NT; however, commonly need to supplement supply from interstate for more difficult to fill vacancies such as for remote schools.

The large majority of general teaching vacancies are able to be filled and there is not considered to be a shortage of teachers at the pre-school, primary or secondary level. However, there are much greater difficulties when recruiting for schools in regional and remote areas and at the secondary level for teachers specializing in science, mathematics or niche specialist teaching areas.

## **25 Health Professionals**

This occupational group includes Health Diagnostic and Promotion Professionals; Health Therapy Professionals; Medical Practitioners; and Midwifery and Nursing Professionals. Within this occupational group six occupations, Registered Nurses, Midwives, Pharmacists, Dentists, Occupational Therapists and Physiotherapists, were specifically assessed for the NT. A broad summary, covering more health professional occupations, is included as part of assessments undertaken at the national level.

There has been little impact on the growth in demand for health professional services in the NT as a result of the global recession. Labour market conditions within this group of occupations has remained tight with high staff turnover, skills wastage (to occupations offering less stress, better pay and improved work life balance) and a reliance on short-term locums to cover some roles remaining as issues. There is a reliance on recruiting interstate professionals; however, there are difficulties attracting people to relocate due to perceived size and remoteness detractions.

There is a higher local training rate for nursing professionals than typical for other professions in the NT; however, there remains a reliance on sourcing nurses from both interstate and overseas and some employers undertake international recruitment drives to attract people. Supply for base level nursing roles has improved and can be attributed to local training and a successful qualification bridging program linked to overseas skilled migration. There is limited local training available for other health professions in the NT and hence there is a strong reliance on supply from interstate.

Skill shortages have remained prevalent for Health Professionals in the NT. Each of Registered Nurses, Midwives, Dentists, Occupational Therapists and Physiotherapists were assessed to be in shortage. Pharmacists have been the exception and, with improved supply from increased training nationally and soft economic conditions affecting demand, were not considered to be in shortage.

## **27 Legal, Social and Welfare Professionals**

This occupational group includes Legal, Social and Welfare Professionals. Within this occupational group one occupation, Solicitors, was specifically assessed for the NT. A broad summary, covering

more Legal, Social and Welfare Professionals occupations, is included as part of assessments undertaken at the national level.

The NT branch of the Law Society has issued more practising certificates in 2008–09 than 2007–08 and SVI results put advertised vacancies for legal professionals at a new peak. Demand for Solicitors in the NT has not been adversely affected by the global recession and the NT Emergency Response has been a continued driver for demand. Solicitor vacancies arose due to both increased demand and staff turnover. There was considered to be plentiful supply at the graduate level; however, experienced commercial, civil and family lawyer roles were more difficult to fill. Darwin based employers tended to be more successful in attracting interstate applicants to difficult to fill roles than elsewhere. The difficulty filling non-Darwin based roles warranted a regional shortage rating for Solicitors.

### **31 Engineering, ICT and Science Technicians**

This occupational group includes Agricultural, Medical and Science Technicians; Building and Engineering Technicians and ICT and Telecommunications Technicians. Within this occupational group seven occupations; Architectural Draftsperson, Building Associate, Metallurgical or Materials Technician, Construction Estimator, Civil, Electrical and Mechanical Engineering Draftspersons and Technicians, and Mine Deputy; were specifically assessed for the NT.

Diploma level courses are available at Charles Darwin University that are relevant for some occupations in this occupational group (such as in the building and architectural design areas). Employers for engineering associate roles sometimes recruit students from these courses and independently provide their own engineering focus. Employers often resort to recruiting people as trainees and provide in-house training and part-time course work by correspondence. For experienced technicians, parent company transfers tend to be a common supply source for vacancies.

There has been varying impact on demand for occupations within this occupational group as a result of the global recession. Demand for mining industry roles experienced a significant change reversing the boom demand of recent years. Demand for construction industry roles has held relatively well in the NT and employers commonly noted improved supply with interstate jobseekers relocating for work. However, difficulty matching applicant skills and experience to role requirements for some occupations remained. In particular, Construction Estimator and Civil Engineering Draftspersons and Technicians were considered to remain in shortage. Also, within the Metallurgical or Materials Technician Occupation, a shortage of Non-Destructive Testing Technician Specialists was identified. No shortages were identified for other occupations assessed in this category, which is a significant labour market shift from the previous year.

### **41 Health and Welfare Support Workers**

This occupational group includes ambulance officers, dental health workers, enrolled nurses, indigenous health workers, massage therapists and welfare support workers. Within this occupational group, enrolled nurses were specifically assessed for the NT. A broad summary, covering more health and welfare support worker occupations, is included as part of assessments undertaken at the national level.

Demand for enrolled nurses was not as high as for registered nurses and when vacancies did arise the majority were easily filled. Enrolled nurses were assessed not to be in shortage in the NT.