



Local Jobs Plan

Cairns

Queensland

April 2022

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The Department of Education, Skills and Employment acknowledges the traditional owners and custodians of country throughout Australia and acknowledges their continuing connection to land, water, and community. We pay our respects to the people, the cultures and the elders past, present and emerging.

The Local Jobs Program

As part of supporting Australia's economic recovery from the COVID-19 pandemic, the Australian Government's Local Jobs Program (LJP) brings together expertise, resources and access to funding at the local level to accelerate reskilling, upskilling and employment pathways in 51 Employment Regions.

Recognising the importance of local knowledge in getting people back into jobs quickly, the LJP includes the following key elements in each region:

- a local Employment Facilitator
- a Local Jobs and Skills Taskforce
- a Local Jobs Plan
- a Local Recovery Fund to support small scale activities
- access to the National Priority Funding Pool.

The Taskforces, each chaired by the respective region's Employment Facilitator, develop and update a Local Jobs Plan for their region that identifies key employment and training priorities and provides a framework for driving employment outcomes in the context of the local labour market.

This Local Jobs Plan for the Cairns Employment Region identifies the key LJP priorities with a focus on creating employment opportunities, actively upskilling or reskilling local job seekers and meeting local employer demands.

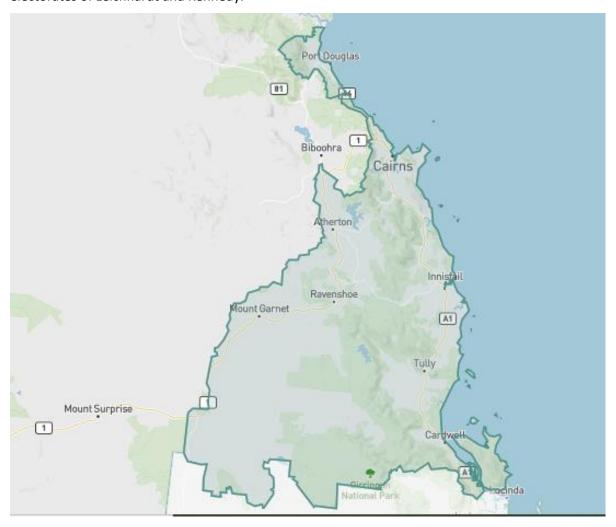
Key employment and training priorities

- 1. Maximising opportunities for local job seekers to fill local positions by ensuring **apprenticeship** opportunities are optimised; locals are **skilled to meet the needs of industry**; and **creating better access** for those most **marginalised** in the labour force.
- 2. Creating **pathways into key industries**, particularly Health Care and Social Assistance, Retail, Construction, Hospitality, Tourism, Marine, Manufacturing, Aviation and Agriculture. This includes cross skilling for multi sectoral application.
- 3. Reducing the labour market disadvantage of **Indigenous Australians**, young people and people with disability and the culturally and linguistically diverse.
- 4. Facilitating and supporting the transition to new employment including **self-employment**, for people whose roles have been impacted in response to COVID-19 restrictions. This priority has a particular focus on **reskilling mature age** unemployed.

A full description of these key priorities, the strategies to address these and a list of key stakeholders can be found at Attachment A.

Employment Region overview

The Cairns Employment Region stretches along 335km of coastline from Wonga Beach in the north to Cardwell and the Hinchinbrook Passage in the south and west to Mt Garnet, 165km inland, covering a total land area of over 73,500km². The region includes six Local Government Authorities (LGAs) of Douglas, Cairns, Mareeba, Tablelands, Cassowary Coast and Yarrabah and the Federal electorates of Leichhardt and Kennedy.



According to the Queensland Government Statistician's Office: Cairns Resident Profile, updated 30 June 2020, the estimated resident population of the Cairns Employment Region was 273,200 with a working age population of 63.6%. 10% or 24,899 persons identified as Aboriginal and/or Torres Strait Islander in this region.

The median age of the Cairns region's population is 39.9 years. Outside of Cairns LGA, the median age increases significantly to mid-40s with the Tablelands having the highest median age of 47.9 years and Yarrabah having the lowest at 23.4 years (as at 30 June 2020).

Cairns is the commercial hub of Far North Queensland and gateway to the Asia Pacific region, with Australia's seventh busiest and largest regional airport for international passengers (pre-COVID 19). The Port of Cairns incorporates the HMAS Cairns naval base, fishing fleets and remains home to one of Australia's largest tourism fleets.

Cairns is also home to two universities – Central Queensland University and James Cook University - as well as specialized marine and aviation training centres.

Key employing industries

In the Cairns region, these include healthcare and social assistance, retail trade, accommodation and food services, public administration and safety, and construction. Agriculture and its supply chain are an important employment sector representing 14.7% of businesses. Manufacturing and especially marine related manufacturing is a fast growing sector in the region. Education and training was previously a large employing sector, however many of its workforce were engaged in international education and training, which was been stagnant during the pandemic. Digital technologies is an emerging growth industry with demand for coders, cyber security technicians, web designers and more.

Cairns ER consists of 95% small to medium businesses (23,483 registered businesses, Queensland Regional Profiles Sept21) with 61.1% being non employing, and 25.2% having a workforce between one and four persons. There are 14 large employers in the region.

Key challenges in Cairns Employment Region

Retaining Skilled Workers

Cairns continues its struggle to retain skilled workers in the region, exacerbated by the impacts of COVID-19. Skill level 1 – Bachelor's degree or higher and skill level 4 – Certificates II and III together represent 55% of the job vacancies advertised in the region as at June 2021. The highly volatile nature of tourist activity for 18 months because of southern bushfire disasters followed by COVID-19 and the ongoing travel limitations domestically and internationally will continue to be a challenge for the Cairns ER workforce over the 2021 / 2022 period.

Conversely, it is evident that migration from southern states is increasing, and Cairns' business infrastructure must adapt quickly to ensure skilled workers have a suitable platform to engage in their work activities from the region.

Hidden Unemployment

Hidden unemployment is a significant issue for the Cairns employment region especially amongst young people not in work or study, compounded by a growing number of job seekers on the Cairns caseload who are homeless. The rate of homelessness in the region is 88 persons per 10,000 compared with the Queensland ratio of 45.6 persons per 10,000. Many in these cohorts do not have reasonable access to digital support services.

Engaging First Nations Jobseekers

The discrete Indigenous community of Yarrabah was in lock down for almost 3 months creating additional stressors for those who could not access family and some services, and this tension has pervaded the broader Indigenous community in the region. Engaging the First Nations job seeker cohort is therefore more complex and requires special attention.

Mature Age Unemployment

The continued growth in long term unemployment is of particular concern and poses a challenge for employment service providers to support this cohort towards employment. Unemployment caseload data indicates a significant increase in the number of mature age unemployed persons in the region which aligns with the influence of COVID-19 on the community (*LMIP jobactive Caseload by Selected Cohorts Time Series*).

There is extremely limited public transport in the Cairns ER evidenced by the fact that over 80% of the workers rely on private car to travel to and from work.

Underemployment will continue to be a challenge, particularly in **tourism and hospitality** and **care and support services** which will have flow on effects to other sectors as the current workforce contracts and expands with pandemic response measures.

Industries in the Cairns ER are recovering at differing rates creating under and over supply issues in the broader workforce. Solutions such as cross skilling for multi sectoral placement of workers will be most beneficial for the region's workforce increasing the region's resilience and capability to respond to market demands.

Healthcare and social assistance is experiencing demand far in excess of supply and so non-traditional supply pools are being targeted including jobseekers from culturally and linguistically diverse backgrounds and those with skills in other sectors.

Agricultural output is still strong, however the diverse workforce base previously available for seasonal work has now reduced due to the restricted movement of seasonal workers nationally and the decline in available backpackers. There is a growing demand for technical and scientific support skills in the sector.

While **construction** is highly active, builders are often operating at 0% profit or incurring losses due to supply issues and materials price increases. This could have longer term repercussions although it is tempered by migration from south-eastern Australia which has contributed to an excessively pressurised rental accommodation market which is felt throughout the ER.

Employment opportunities are growing in the **manufacturing** sector and the region will need to develop a range of skilled personnel with specialised and niche skills sets which could be delivered locally in business and training environments. Skills demand is already building driven by major marine infrastructure projects. Improving this workforce pipeline will be key to meeting future demand.

New technologies including digital services, where a small but burgeoning coding community exists and in green energy with solar, wind and water in plentiful supply.

Cairns ER Labour Market

Considerable labour market disparity exists within the Cairns ER. *Small Area Labour Markets* data show that in the March quarter 2021, the unemployment rate in the Cairns region ranged from just 2.6% in the suburb of Redlynch, to 14.2% in the suburb of Manoora and 49.5% in Yarrabah.

Please refer to Attachment B - Labour Market Data Dashboard for detail as at March 2022. The LMIP portal provides monthly updates to these sets of data at: Welcome to the Labour Market Information Portal. (Imip.gov.au)

Utility services (electricity, water, gas, waste, etc) had the highest percentage of full-time workers at 87% followed by manufacturing at 81%. Accommodation and food services and retail trade experienced the highest percentage of part time or casual workers at 49% and 48% respectively.

Construction and manufacturing had the highest representation of persons employed in blue collar occupations, while financial services and education and training industries employed the highest percentage of workers in white collar occupations in the Cairns ER.

Education

53.7% of the Cairns region's population had Year 11 or 12 as their highest level of schooling with the Cassowary Coast having the highest level of those who did not progress beyond Year 8 (9.2%). 13.8% of children have developmental vulnerability in two or more of the five developmental assessment domains.

According to the Queensland Office of Economic & Statistical Research, Cairns ER has 197,727 persons aged 15 and over, of which 117,623 or 59.5% have a non-school qualification.

Engineering and related technologies was the largest non-school qualification at 16.3% and this growth trend is expected to continue as manufacturing and marine maintenance activity increases in the region.

The region has 10 State Secondary schools and 12 private secondary schools including a small number that specialise in Indigenous education. A new school (Newman Catholic College) is currently being built and is scheduled to be operational in 2022. Additional schools are planned for the growing southern corridor, but none are under construction.

There is a diverse vocational education and training (VET) sector with TAFE and a range of local, group training and nationally registered training organisations represented.

Accessibility

The region has many outlying areas which lack (or have very limited) public transport making it difficult, or infeasible, for some seeking work to access job opportunities or training in the major centres. This is exacerbated in Port Douglas and Mossman currently where there is fluctuating demand for short term jobs which cannot be entirely met by the local job seeker pool.

Internet access is patchy ranging from Cairns, where access is strongest, to parts of the Tablelands, where access relies on satellite and mobile phone coverage and is intermittent. Additionally, many young people and those on the jobactive caseloads either do not have their own mobile phones or do not have sufficient data capability to utilise online support.

Local stakeholders and opportunities

Key stakeholders in recovery comprise the regional Councils, employers in the growth industries of healthcare and social assistance, manufacturing and retail and representative bodies including Advance Cairns, Cairns Chamber of Commerce, Workforce North, Cairns Alliance of Social Services, Queensland Agricultural Workforce Network, Master Builders Qld (FNQ), Cairns Regional Jobs Committee and the Workability Consortium. Government departments including State Development Infrastructure Local Government and Planning and Employment Small Business and Training (incorporating TAFE) provide the policy framework to support the economic recovery.

Jobs Queensland provides a research capacity specific to Queensland and its regions which should offer a level of detail and allow a 'deeper dive' into data identified by the National Skills Commission as important for the Cairns region.

Ever increasing health needs are driving the growth of the **health sector** and are reflected in the focus on health-related qualifications at the region's universities. Allied health roles are in demand both in hospital settings and throughout the community (supported by NDIS need). Additionally, there are 64 aged care services in the region supporting 2,598 patients/residents and more being planned and built. This increases the opportunities for skilled nurses, care workers, allied health and service staff.

Additionally, there continues to be a growing demand generated in **health care and social assistance** across a diverse range of smaller employers in the sector. While this cannot be identified as a tangible major project, it is sufficiently important to the regional economy and future growth to mention here and for the taskforce to focus on as a priority sector.

COVID-19 has decimated the **tourism and hospitality sector** in the region which had a partial reliance on transient workers, however the above opportunities offer transition without significant lead time for additional training.

The tourism sector is also key, presenting the greatest opportunity for entry level jobs and as a growth stimulator. While employment in this sector is not recognised as secure, there are many introductory level opportunities which can develop skills in new entrants to the workforce and help.

orient them for working life. Skills developed in hospitality are beneficial to health and social assistance, retail and much more.

The Cairns ER had the 5th largest uptake of JobKeeper in Australia and the significant number of people receiving JobKeeper (1,367 according to Economy ID data for Cairns Regional Council) is largely attributable to tourism related businesses. While the tourism and hospitality sector has a fluctuating workforce, it is nonetheless important to retain the skilled operators and workforce in the region as losing them will limit the entry level opportunities available when demand in this sector accelerates. The development of the fledgling skills retention and transition model initiated by Workforce North could see workers with hospitality experience repositioned into roles in the broader health sector. There are also opportunities for this group of impacted workers in the agricultural sector – especially for those who seek short term work while waiting for the tourism sector to re-establish as it will over the next two years.

Manufacturing in Cairns is specialised and has the potential to provide technical skill development. Jobs in this sector are forecast to increase by at least 200 in the next two years. Digital technologies will also feature as part of this growth.

There is a renewed focus on **marine manufacturing** in Cairns with internationally acknowledged marine re-fit, maintenance and shipbuilding, as well as provedore services. This is a growing sector with over 100 businesses, supporting a growing white boat fleet, marine tourism fleet and HMAS Cairns with its 900 staff and nine vessels. Opportunities exist both in the construction of new buildings and facilities for HMAS Cairns and the Port of Cairns, but also for longer term shipbuilding and maintenance in the region. The Great Barrier Reef International Marine College at Portsmith in Cairns provides an increasing range of courses and accreditation.

The Queensland Advanced Manufacturing Hub, Cairns and its incubating activities has supported the generation of more than 60 jobs over the past 12 months.

Surrounding Cairns via Cassowary Coast, Tablelands, Mareeba and Douglas LGAs, **agriculture** is still a mainstay with over 1,300 farms employing more than 4,000 people. Bananas, sugarcane and avocados are the main crops. Value adding the primary produce is a small growth area for the Tablelands. Wild catch fishing and aquaculture account for 43% of Queensland's total production value for this commodity and aquaculture continues to expand in the Cairns ER. Beef and poultry are also produced in the region. While the seasonal nature of much primary produce provides opportunities for those seeking short term work options, there is also a growing demand for technical and scientific support for the agricultural sector for which Cairns with its international airport presents as a strong base. Beef, sugarcane and bananas are currently experiencing strong prices at market.

With the combination of the First Homeowners Grant and the Home Builders Grant in Queensland, residential **construction** has experienced a boost which will be maintained through 2021. The uptake of apprentices may slow due to the 'profitless bubble' in which construction employers now find themselves exacerbated by supply chain limitations. There is also work continuing over 2022 and 2023 in civil construction with the Smithfield Bypass, Bruce Highway Southern Access, Kuranda to Mareeba and Western Arterial duplication projects all active which will assist to extend activity.

Apprenticeship and traineeship commencement has strengthened in construction trades, retail, electrotechnology and air-conditioning and refrigeration. There have been \$11,000 worth of enrolments in the free training support provided as a COVID-19 response including Job Trainer (DESBT data).

Current major infrastructure projects active in the Cairns employment area include:

- Kaban Windfarm 150 jobs in construction phase (\$380M) Commenced, completion 2022
- Botanica residential construction at Caravonica (\$95M) Commenced
- HMAS Cairns redevelopment (\$300M) Design phase commenced
- Convention Centre upgrade (\$176M) Commenced, completion 2022
- Bentley Park State College Health Precinct (completed)
- Paradise Palms master planned estate(\$300M) Committed
- Cairns Port upgrade and Marine Precinct (\$30M) Commenced
- Regional roads projects in Cairns, Mareeba, Douglas (\$0.5B) Commenced
- Cairns & Hinterland Hospital Health Service works (~\$295M) Commenced
- Cairns Mental Health Unit (\$70M) Committed
- Wangetti Trail (\$41M) Commenced
- Cairns Airport distribution centre (\$10M) Committed for 2022
- Woolworths Gordonvale (\$20M) Commenced
- Police facilities upgrade (\$20M) Commenced

Major Regional Projects also proposed include:

- Nova City Stage 1 (\$100M), Development Approval
- Mt Carbine Tungsten (\$51M), Committed
- Tableland Mining Group facility construction, Planned
- Cairns Gallery Precinct (\$40M), Committed
- Fairmont Accor Port Douglas (\$300M), Committed

Attachment A – Key employment and training priorities: strategies and stakeholders

Priority One: Maximising opportunities for local job seekers to fill local positions by ensuring apprenticeship opportunities are optimised; locals are skilled to meet the needs of industry; and creating better access for those most marginalised in the labour force.

Major infrastructure projects valued at more than \$2 billion are underway or scheduled for commencement in 2021/2022. The Healthcare sector continues to grow, and tourism will require an adaptable and skilled workforce as the country is re-opened to domestic and international travellers. There are opportunities for both skilled workers and those entering the workforce in health, tourism, manufacturing, construction, retail and transport and logistics.

Strategies

- Encourage apprenticeships, wage subsidy and training programs uptake to increase local job seeker engagement.
- Seek out opportunities for skilled workers to use their skills in other industry sectors with effective transition preparation.
- Continue to map major projects lead times, skills requirements and sub-contracting schedules (parcelling) to better link overall opportunity and the connection of local job seekers to those opportunities in a timely manner.
- Strengthen integrated service models to improve outcomes for job seekers, through collaboration and coordination recognising complex needs and multi-agency contribution.
- Support the development and implementation of a regional workforce strategy and actions through data, engagement and aligning project concepts to the identified actions.
- Creating multiple access points for marginalised job seekers.

- Employment services providers
- Registered Training Organisations
- Education institutions
- School Vocational Education Training and Transition officers
- Prime contractors and their sub-contractors
- Local employers including Local Government Authorities
- Sector and network representatives (e.g.: Construction Skills Queensland, Marine, Aviation)
- Department of State Development, Tourism and Innovation
- Locally based Australian Apprenticeship Support Network
- Group Training Organisations
- Labour Hire organisations
- Community organisations

Priority Two: Creating **pathways into key industries**, particularly Health Care and Social Assistance, Retail, Construction, Tourism, Marine, Manufacturing, Aviation and Agriculture. This includes cross skilling for multi sectoral application.

Demand will outstrip supply in growth sectors including health and social assistance, manufacturing and digital technologies unless the region provides a comprehensive plan to develop the skill 'inhouse'. Ongoing development of the Agriculture and Food, Marine and Aviation industries present significant employment opportunities.

Strategies

- Support the development of a regional workforce plan treating all sectors in the Cairns ER
- Engage with key industries to map the midterm employment opportunities
- Develop strategies that are co-designed with industry sectors identified in this priority to ensure
 the creation of relevant and flexible training offers that meet employer needs and that will
 include local employment service providers.
- Develop strategies that will address the identified needs as they arise.
- Identify strategies that will increase opportunities for local job seekers in the above sectors.
- Develop industry specific strategies that are collaborative and meet specific industry and employer needs.

- Employment services providers
- Registered Training Organisations
- Education institutions
- School Vocational Education Training and Transition officers
- Universities
- Major projects proponents
- Department of Employment, Small Business and Training
- Department of State Development, Manufacturing, Infrastructure and Planning
- Manufacturing Hub Cairns
- Jobs Queensland
- Advance Cairns
- Chambers of Commerce
- Local Government Authorities
- Business and Industry bodies
- Construction Skills Queensland
- Local Level Alliances

Priority Three: Reducing the labour market disadvantage of **Indigenous Australians**, young people, and people with disability.

There are approximately 7,600 Indigenous job seekers and 2,300 people living with disabilities on the jobactive caseload in the Cairns ER. LMIP data indicates 3,467 young job seekers were actively looking for work as at 31 July 2021. As much as 13% of these are or have experienced homelessness.

At 11.7% the Cairns ER youth unemployment rate is significantly higher than the total unemployment rate (6.8%). Approximately 12.5% of young people are neither studying nor looking for work.

Strategies

- Encourage the development of Indigenous specific support services through inclusion in strategic activities, project engagement and culturally appropriate promotion.
- Ensure young people have access to rapid engagement with youth employment and skilling services offering tailored support, opportunities, resources and networks to address the specific set of challenges that they face in their transition to work.
- Support access to all young people to have an offer of tailored, face to face skilled careers guidance that assists them to navigate the changed labour market and training contexts post COVID-19.
- Develop coordinated and co-designed training options with employers and RTOs that allow for flexible qualification completion, so that young people can be earning and learning at the same time.
- Develop skilling and employment responses that include the perspective and needs of job seekers with differing cultural backgrounds, abilities and complex needs.

- Young people
- Youth service providers
- Employers
- Registered Training Organisations
- Schools (including Transition officers)
- Disability sector
- First Nation businesses and services
- Community services organisations (supporting homeless and ex-offenders)
- Local Government Authorities
- Queensland Government Department of Seniors, Disability Services and Aboriginal and Torres Strait Islander Partnerships
- National Indigenous Australians Agency

Priority Four: Facilitating and supporting the transition to new employment including **self-employment**, for people whose roles have been impacted in response to COVID-19 restrictions. This priority has a particular focus on **reskilling mature age** unemployed.

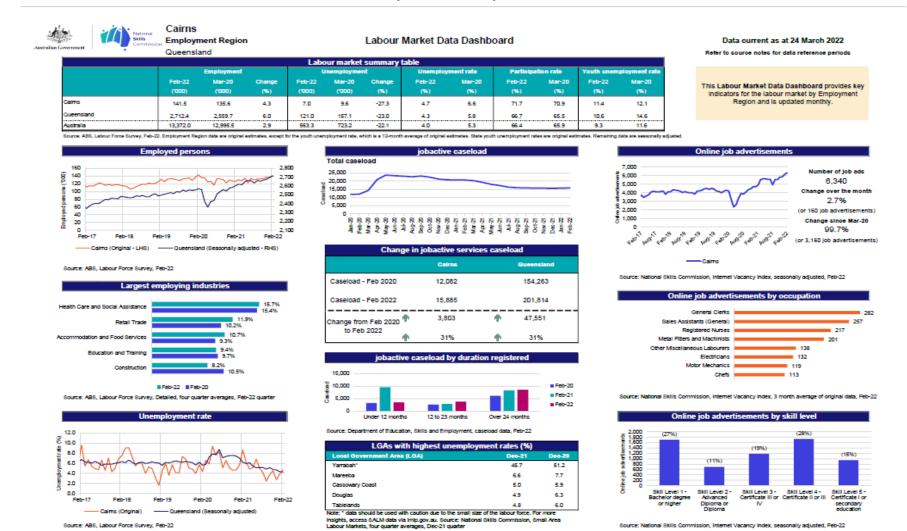
The Cairns ER has more than 24,000 registered businesses, over 61% of which are non-employing businesses. Mature aged unemployment has grown from 3,000 to almost 5,000 in the last 12 months and were most impacted through structural adjustments made as a result of COVID-19 impacts.

Strategies

- Develop skilling and employment strategies that better link businesses and employers with job seekers.
- Develop and deliver workshops to educate employers on the benefits of minimum 20 hours in workforce to take advantage of new government stimulus programs (see recent budget measures).
- Series of forums with panels to advise employers on how to take advantage of programs to grow business and increase their workforce.
- Support COVID-19 impacted workers and other job seekers to develop viable selfemployment responses through education of available programs and services and targeted activities to enhance these.

- Job seekers
- Employment service providers
- Employers
- Australian Apprenticeship Support Network
- Registered Training Organisations
- School Transition officers
- Entrepreneur Facilitators
- Innovation hubs
- James Cook University and Central Queensland University
- Arts and Cultural sector
- Australian Seniors network

Attachment B – Labour Market Data Dashboard (March 2022)



Note: Data are not readily available for all sources by Employment Region. ABS Labour Force Survey data are based on the Caims SA4. The Internet Vacancy Index (IVI) uses a unique geographical approach. For this region, the IVI Far North Queensland region has been used. Jobactive caseload reports at the Employment Region level and includes participants receiving both digital and provider servicing lit excludes other programs, such as ParentsNext or Transition to Work (TTW)). For caseload data, the Employment Region is based on (1) the location of the provider for jobactive provider servicing participants; (2) where the participants (2) where the participants (2) where the participant is Employment Services (DES) participants; (3) the NEST Employment Regions of Adelaide South or Mild North Coast for NEST participants, jobactive caseload data, are based on the participant's time registered in employment services. Caseload data are based on current methodology which has been retrospectively applied to historical jobactive caseload data, as such, the data may not align with earlier figures.