

Vice-Chancellor and President

Committee Secretary
Joint Select Committee on Northern Australia
PO Box 6100
Parliament House
Canberra ACT 2600

9 December 2022

Dear Committee members,

RE: NORTHERN AUSTRALIA WORKFORCE DEVELOPMENT INQUIRY

I write to invite further consultation on the Northern Australia Workforce Development Inquiry and to provide a copy of Charles Darwin University's (CDU) Submission to the Treasury Employment White Paper process.

Charles Darwin University's vision is to be Australia's most connected university by being courageous and making a difference in the Northern Territory (NT), Australia and beyond. Being a dual sector university allows CDU to meet the education needs of Territorians in campuses in Darwin, Alice Springs, Palmerston and Katherine and in study centres in Nhulunbuy, Jabiru and Tennant Creek. CDU has a proud history of delivering on country in some of the NT's most remote locations.

Providing CDU's expertise within the unique education and training environment of the NT, our submission to the Treasury Employment White Paper process covers topics relevant also to the Joint Select Committee's Inquiry. It canvasses demographic considerations, including the case for international migration; how education and training are fundamental enablers of employment; the importance of unlocking potential in remote Australia, especially for First Nations people; and the opportunity for place-based approaches as a key solution for employment and training.

CDU has focused on areas of strength and great importance to the NT and its people. As well as our contribution as a dual sector university to developing the human capital necessary to take the NT forward, CDU has significant relevant research expertise. In particular, CDU's Northern Institute has an accomplished research focus on the demographic challenges of the North.

We welcome any opportunity to be involved in further consultations with the Joint Select Committee as it undertakes this Inquiry. Please feel free to contact me directly, or via Ms Bree Willmore, Director Government Relations on

Yours sincerely

~~Professor Scott Bowman~~ AO
Vice-Chancellor and President

Charles Darwin University

Submission to the Treasury Employment White Paper

November 2022

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Australia's most connected university

Charles Darwin University's (CDU) vision is to be Australia's most connected university by being courageous and making a difference in the Northern Territory (NT), Australia and beyond.

Being a dual sector university allows CDU to meet the education needs of Territorians in campuses in Darwin, Alice Springs, Palmerston and Katherine and in study centres in Nhulunbuy, Jabiru and Tennant Creek. CDU has a proud history of delivering on country in some of the NT's most remote locations, bringing training to communities who need it in places such as Galiwinku, Maningrida, Borroloola, Wadeye and Hermannsburg.

At the heart of CDU is to engage First Nations students and support their attainment of vocational and higher education. The NT spans approximately one sixth of Australia's landmass and yet is home to just one per cent of the population, of whom 30 per cent are First Nations peoples. CDU is committed to reaching students from remote areas, who are predominantly First Nations students.

We embrace the vitality and resilience of the Northern Territory, which is the focus of the nation's most ambitious plans for future development – to unlock the vast potential of Northern Australia and to engage with our neighbours in the Asia Pacific. Due to our location, we are in an enviable position to contribute to the future prosperity of Northern Australia through innovative and impactful training, education and research.

CDU supports the NT Government's ambitious goal of reaching a \$40 billion economy by 2030 by leveraging the strengths of the NT and its people.

CDU has established itself as an exciting and progressive research-intensive university with a regional focus that prioritises the complex issues facing Northern Australia and the Asia-Pacific. Research Institutes at CDU including the Research Institute for the Environment and Livelihoods, the Menzies School of Health Research, the Northern Institute, Energy and Resources Institute and their collaborative research networks, provide a strategic framework for research engagement.

CDU's research outputs consistently outperform for its size and are evaluated as being well above world standards in areas of importance to Northern Australia. In 2022, Stanford University included 24 CDU scientists within the top two per cent of most Influential Scientists in the world.

The Times Higher Education World University Rankings list CDU within the top 400 universities internationally, with CDU research ranking at 348 globally. Within Australia, this places CDU 28th of 37 ranked universities, despite being one of the smallest. The Times Higher Education Impact Rankings, which assess universities against the United Nations' Sustainable Development Goals, saw CDU ranked within the top 200 participating universities in the world.

Summary of submission and recommendations

The NT in particular, and Northern Australia more broadly, has for decades been considered a land of great untapped potential. A renewed focus in recent years, especially in light of Australia's geopolitical national interests, necessitates developing the North.

The NT Government is rising to the challenge and has an ambitious but achievable agenda to lift both the NT's economy and its population base. A capable workforce is critical to this agenda and a vibrant training, education and research economy is a fundamental enabler.

In line with the Employment White Paper Terms of Reference, this submission focuses predominantly on labour force participation and seeks to provide CDU's expertise within the unique education and training environment of the NT.

This submission canvasses demographic considerations, including the case for international migration; how education and training are fundamental enablers of employment; the importance of unlocking potential in remote Australia, especially for First Nations; and the opportunity for place-based approaches as a key solution for employment and training.

CDU has also contributed to and supports the Universities Australia submission to the Employment White Paper. A process to develop a Universities Accord was announced by the Minister for Education, the Hon Jason Clare MP on 16 November 2022. Similarly, the Minister for Home Affairs, the Hon Clare O'Neil MP announced a comprehensive review of Australia's migration system on 2 September 2022. The themes of each of these processes have the potential to be highly complementary and shape the future of labour force participation in Australia.

Recommendations

Acknowledging the demographic considerations of Northern Australia, CDU recommends that:

1. the Employment White Paper acknowledge the importance of Northern Australia as a key priority for Australia's labour force development and examine ways to incentivise the mobilisation of older workers, particularly families, to Northern Australia;
2. international migration be incentivised in remote and very remote Australia where patterns of demographic, economic and workforce trajectories are fundamentally different to what is generally described as 'regional Australia';
3. the White Paper consider options to establish migration targets for the NT for skilled migration visas so that Northern Australia can grow; and
4. the White Paper support options for attracting and retaining international student graduates on permanent visas where students have a commitment to the NT, including reviewing the Genuine Temporary Entrant criteria.

Given education and training is a fundamental enabler of Australia's workforce, CDU recommends that:

5. the White Paper acknowledges the role of education and training as fundamental enablers of workforce participation and canvases the sectors' contribution to shaping the future Australian workforce.

To unlock potential in remote communities, especially for First Nations, CDU recommends that:

6. the White Paper notes that higher and vocational education funding models must address differently the increased costs of infrastructure to deliver education in regional and remote Australia; and costs associated with supporting students identified in equity cohorts throughout a course of study.

Building on the strength of place-based approaches, CDU recommends that:

7. place-based workforce planning should be adopted in remote areas to allow effective training and recruitment; and
8. place-based approaches have the potential to unlock First Nations workforces and should be supported by innovative funding mechanisms.

Demographic considerations for Northern Australia

There has been a long-term erosion in the competitiveness of the NT and Northern Australia as a destination for internal workers in Australia, alongside a reduction in the average 'length of stay' in the North. This has contributed to pre and post-pandemic acute shortages of skilled and other workers which has not been fully compensated for by international migration.

There is an increasing dependence on early career workers in the workforce whose dominant migration pattern is to enter the Territory workforce aged in their early to mid-20s and exit at early to mid-30s. The Territory is a prime example of part of regional Australia which is locked into this pattern of population and workforce dependence.

The NT is Australia's fastest ageing state or territory proportionally, albeit from a low base of population in older ages. It is approximately 20 years behind the rest of Australia. Impending, inevitable structural ageing will significantly reduce the ratio of workforce to older population (age dependency ratio) in coming decades and this will generate long-term constraints on the capacity to grow the workforce unless international migration competitiveness is enhanced.

Technological developments and a decline in relative demand for transport and other services from a loss of share of national population (for the NT and Northern Australia as a whole) are reducing connectivity to southern cities. Aviation is an example with costs, timetabling attractiveness and route variety diminishing. Coupled with rising temperatures and increased severe weather events from climate change, these are likely to affect the perceived and actual lifestyle attractiveness for workers in Australia in coming decades. Incentivising workers to move to the NT could include ideas to enhance lifestyle aspects for families.

Recommendation 1

That the Employment White Paper acknowledge the importance of Northern Australia as a key priority for Australia's labour force development and examine ways to incentivise the mobilisation of older workers, particularly families, to Northern Australia.

International Migration

To compensate for the long-term population trends described above, which are anticipated to continue into the foreseeable future, the scale of international migration must increase beyond a population-based share. International migration plays a crucial role and governments should focus on attracting international migration from source countries where migrants have demonstrated a penchant for coming to and staying in the territory and northern Australia over the past 15 years. These source countries are an opportunity to grow the workforce and population of the north. Skilled migration visas are likely the key lever for a targeted approach towards 'going north'.

The NT has typically been allocated around one per cent of the national migration intake, in line with its population base, however this should be more than 2.5 per cent in order to address population needs. This target-based approach should be considered in the White Paper as a means for compensating the erosion in the capacity for Northern Australia to attract and retain Australian born and post-visa permanent residents or citizens. This would not only address workforce and population challenges but would strengthen the strategic positioning of Australia in the geopolitical pivoting towards the Asia Pacific.

Recommendation 2

That international migration be incentivised in remote and very remote Australia where patterns of demographic, economic and workforce trajectories are fundamentally different to what is generally described as 'regional Australia'.

Recommendation 3

That the white paper consider options to establish migration targets for the NT for skilled migration visas so that Northern Australia can grow.

Concerns about the timeliness, complexity, changing requirements and unnecessary burden of migration pathways are well described elsewhere and CDU supports any opportunity to simplify and streamline visa processing.

International students provide an important contribution to the population of the NT and the benefits are wide-reaching. International students contribute to the NT as a source of part-time employment whilst studying, and contribute towards our skilled workforce upon graduation by obtaining employment in areas of demand in a wide range of occupations such as chefs, teachers, nurses, accountants, social workers and more. International students are also active volunteers in the NT, supporting the local community via a range of initiatives and not-for-profit organisations including the Red Cross, the Melaleuca Refugee Centre, and the Kindness Shake.

Study NT's International Education and Training Strategy has a goal to increase the number of international students choosing to study in the NT to 10,000 by 2025. In parallel, CDU's plan for international student growth would see the current 2,000 international students grow to 4,000 in 2025 and then 8,000 in 2027. If successful and sustained, this growth in international students will significantly contribute to the NT's target of reaching a \$40 billion economy by 2030.

Before being granted a student visa, the Genuine Temporary Entrant criteria require students to describe a range of personal circumstances including that they have significant incentives to return home. While preserving the objective of students visas, the Genuine Temporary Entrant criteria could be reviewed so that it is not a disincentive to attracting students open to staying to Australia after their studies.

CDU supports the recently announced extension of post-visa work rights for international students, which is presently six years in the NT. However, consideration should be given to easing further the migration pathways for international students, who can spend around 10 years participating in their Australian communities with no guaranteed pathway to citizenship.

Recommendation 4

That the White Paper support options for attracting and retaining international student graduates on permanent visas where students have a commitment to the NT, including reviewing the Genuine Temporary Entrant criteria.

Education and training as a fundamental enabler

To meet the needs of the NT, CDU is a comprehensive dual sector university offering both higher and vocational education and training. While the Territory's thin and ultra-thin markets make this a challenging task, CDU is committed to providing Territorians an opportunity to train and study locally so they can continue their working lives in the NT. This drives, for example, CDU's investment in broadening its health and allied health courses where professional gaps persist in the NT, especially in remote and very remote communities.

The NT population is dispersed across 1.4 million square kilometres with only 70 per cent of university eligible NT school leavers living within proximity of a university campus. In addition to the small size of the NT population, there are high levels of disadvantage, resulting in lower levels of tertiary aspiration and academic preparedness out of school. Traditionally about 45% of Northern Territory Certificate of Education and Training completers receive an minimum Australian Tertiary Admissions Rank sufficient to apply directly to university after high school.

These factors have driven CDU to develop and deliver flexible models of delivery, and to draw on a wider student base, leading to a high proportion of mature age students (51% are over the age of 30) and a high proportion of part-time students. CDU students are more likely to have children of school age or younger, primarily support their own studies, and work significant hours alongside study.

As a publicly-funded VET provider, CDU works closely with the NT Government to respond to workforce needs.

Case Study: responding to Aged Care workforce needs

With the demand for workers in the aged care sector being driven by an ageing workforce in the NT, CDU worked with the NT Government to design a \$1.7 million new aged care training facility at its Casuarina, Darwin campus. Funded by the NT Government, the facility is a unique training environment for up to 24 students at a time. It includes a traditional classroom, along with four aged care beds and equipment which mimics an aged care environment. The facility opened in February 2022 and provides opportunities to train more aged care carers and is in line with the Royal Commission into Aged Care Quality and Safety's recommendations for ongoing aged care workforce planning.

The National Skills Commission projects nine in ten jobs created in Australia over the next five years will require post-secondary education, and half of the projected employment growth will be in occupations requiring a Bachelor degree or higher.

CDU welcomed the Government's commitment to 20,000 new university places in 2023 and 2024, of which CDU has received 831 places. Despite the tight labour market dampening demand for university places in the short-term, there remains a rigidity in the historical funding model which caps university funding. In the medium and long-term, given especially the demand for jobs requiring university level qualifications, universities will play a critical role in providing higher education to immediate school leavers, as well as reskilling and upskilling mature workers.

As described above, the NT provides evidence that education and training can be effective enablers to work across a person's lifetime. There are several examples of vocational and higher education operating in a complementary way to achieve better labour force participation outcomes.

Case Study: improving teacher education pathways in remote communities

Remote Aboriginal Teacher Education (RATE) is a Northern Territory Government commitment to support capacity building of First Nations educators in remote NT education settings at every step of their careers, while creating opportunities for those who aspire to become qualified teachers. RATE delivers a targeted suite of professional development opportunities, including initial teacher education (ITE) courses, Vocational Education and Training (VET) and non-accredited training.

In 2021, the RATE higher education pilot program commenced in Angurugu, Galiwinku, Mililingimbi and Yuendumu, with 22 Aboriginal Assistant Teachers enrolled in the Undergraduate Certificate of Remote Educators at CDU. In 2022, the RATE pilot continued, expanding to engage Assistant Teachers based in Nyirripi, Yipirinya (Alice Springs), Woolianna and Adelaide River schools, with 30 RATE students enrolled in higher education courses across all sites as of July 2022. In 2023, CDU will commence offering a Bachelor of Teaching.

Local First Nations teachers increase student engagement, provide continuity for student learning through an ongoing commitment to their communities, and make learning more meaningful, relevant, accessible and culturally responsive. Increasing the number of local First Nations educators in remote schools is already having an impact, and is expected to result in improved student engagement, learning and outcomes; support culturally and contextually responsive pedagogy; and learning in first language and both ways learning.

Recommendation 5

That the White Paper acknowledges the role of education and training as fundamental enablers of workforce participation and canvases the sectors' contribution to shaping the future Australian workforce.

Unlocking potential in remote Australia, especially for First Nations

It is well recognised that the fixed costs of delivery in regional and remote settings are higher, and the individual costs to students from these areas is also higher. However, the grouping together of remote and very remote with regional areas, especially major regional centres, is not informative. The challenges of remote and very remote service delivery are more difficult by several magnitudes.

This is recognised by the VET sector funding model in the Northern Territory where regional delivery (which is aligned to the ABS Remote category) is funded with a 15 per cent loading whilst remote delivery (which is aligned to the ABS Very Remote category) is funded with a 70 per cent loading. The flexibility afforded by the NT Government allows CDU to be responsive to communities.

Case Study: delivering effective training on country

In 2023, CDU will commence offering a Certificate II in Construction Pathways on country in remote Ramingining. Construction is a key workforce in Ramingining and CDU has worked with industry and the NT Government to develop a local training model. Over six months in 2023, 10 intensive units will be taught by CDU on country to an expected seven participating students. The Certificate II has the opportunity to unlock future pathways into apprenticeships for these trainees, such as a Certificate III in Carpentry.

Supporting students from disadvantaged backgrounds to attain higher and vocational education leads to better outcomes for those individuals and society more broadly. Barriers to engagement, participation and attainment persist and require various interventions and supports.

The higher costs associated with scaffolded and relevant support are genuine challenges faced by regionally located higher and vocational educational providers. These supports are especially important for First Nations students, which comprise 7.9 per cent of the higher education and 26.4 per cent of the VET students at CDU.

Supports available to students are critical for their success, and include pathways programs, mentoring, additional numeracy, literacy and language support and financial support for cost prohibitive course requirements such as placements or block study. Students with cumulative disadvantage face multiple barriers that require additional support.

Case Study: additional student support

CDU uses the Equity Initiatives Framework to plan support for equity cohorts across the student lifecycle: pre-access, access, participation, and attainment/transition out. For example, intensive pathway programs that include industry mentoring components have proven to be a successful entry to further study for First Nations students. Over the past three years CDU has implemented pathways programs in discipline areas of Business, Law, Health, Arts and STEM aimed at First Nations students.

Recommendation 6

That the White Paper notes that higher and vocational education funding models must address differently the increased costs of infrastructure to deliver education in regional and remote Australia; and costs associated with supporting students identified in equity cohorts throughout a course of study.

Place-based approaches

While population-wide targets may be useful for jurisdictional policy-makers, place-based workforce planning can provide localised solutions. For example, workforce planning for a remote community may identify with specificity how many nurses, allied health workers, retail workers or otherwise are required. Such region-level planning has been undertaken in the Barkly region in the NT and has the potential to facilitate targeted training and recruitment into specific communities.

Recommendation 7

That place-based workforce planning should be adopted in remote areas to allow effective training and recruitment.

When empowered by local decision-making, place-based approaches can be very effective in identifying and meeting community wide infrastructure, service-system and workforce needs. However, in order to develop local, place-based solutions, it is usually training and/or employment providers, along with business and non-government organisations that are responsible for navigating systems. Place-based partnerships could be supported with more innovative funding mechanisms.

Despite skill shortages common across North Australia in many sectors, First Nation residents remain statistically and institutionally excluded from labour markets for a variety of reasons well-identified by CDU researchers. In accordance with the codesign approach adopted by the recently refreshed Closing the Gap policy, and congruent with the regionalisation commitments of the NT Government to let remote populations decide and participate in key areas of services delivery (NT Local Decision-Making), CDU workforce initiatives have focused on remote regions aspiring to create Aboriginal employment (and business) opportunities. These typically involve:

- integrating diverse and complex data sources as well as legitimate local opinions about appropriate work aspirations and skills transferability; and
- undertaking planning work to create flexible 'pathways to work' (from foundational to high levels) which involves blending local knowledge of VET and higher education institutions with sectoral expertise associated related to Northern Australia's main industry sectors.

Case Study: Engaging remote First Nations in the workforce

The 'Workforce Planning in the Tiwi Islands and Development of Employment Pathways for the Tropical Forestry Sector' funded by the Cooperative Research Centre for Developing Northern Australia demonstrates principles of local decision-making. CDU's participation was solicited by the Tiwi Plantation Corporation representatives (TPC Traditional Owners) of the eight Tiwi landowning groups. The TPC leads the project which involves technical forestry expertise from partners at the University of Melbourne, private industry partners (Midway Limited, Forestry & Wood Products Australia), the Northern Territory Department of Industry, Tourism and Trade, and Port Melville Pty Ltd (controlled by the TPC).

The project itself complements 'The Tiwi vision' of using a proportion of their land to 'create an economy for their children' and address 'reliance on welfare and its associated poverty'. The local Tiwi TPC Directors have recognised the lack of exposure of their young people to mainstream work available on their own lands, their lack of awareness of ongoing business and supply chain opportunities.

The CDU Northern Institute research team is working with VET and Careers Coordinators in schools from Year 7, both on the Tiwi Islands and those boarding in Darwin to develop and share visible pathways and opportunities to work in the forestry industry and in those industries that utilise compatible skill and knowledge sets. A wide array of programs incorporating mentors, champions, school-industry collaborations, VET Delivered in Secondary Schools programs as well as School-Based Apprenticeships and Traineeships are being coordinated with the hope of gradually transforming the existing FIFO workforce.

Training must be fit-for-purpose and focus on its sociocultural fit, be adaptive and responsive using local content and delivery and have strong applied learning outcomes. Appropriately designed and supported training, pre-employment and employment programs will facilitate successful transitions from school to work for Tiwi students.

Recommendation 8

That place-based approaches have the potential to unlock First Nations workforces and should be supported by innovative funding mechanisms.