



CRADLE COAST AUTHORITY

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SUMMARY OF CRADLE COAST AUTHORITY PRESENTATION TO

SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION REFERENCES COMMITTEE INQUIRY INTO CURRENT AND FUTURE SKILLS NEEDS

14 APRIL 2003

INTRODUCTION

The Cradle Coast Authority

The Cradle Coast Authority is a joint authority created to coordinate and drive economic development across the nine local government areas of northwest and western Tasmania.

Its primary role is to identify priorities for economic development and to broker partnerships between levels of government, industry and community groups to address them at regional scale.

The Authority's member Councils contribute to its annual budget for core operations. All regional development activities are funded through partnerships and funding agreements with other bodies.

The Authority is currently engaged in a wide range of regional initiatives including regional tourism, natural resource management, industry development and infrastructure projects. It has formal partnership agreements with all levels of government, including the Federal Government's Sustainable Regions Program, and is continually seeking new opportunities to represent and serve its region's interests.

The Authority welcomes this opportunity to contribute to the Senate Committee's inquiry.

This submission

The Authority does not have a formal role in the delivery of any current Commonwealth or State education, training or employment programs. On this basis, it is not in a position to comment in detail on the operating structures and policies of these programs.

It can, however, offer observations and insights into the performance of current programs from a regional development 'client' perspective, and in the context of specific sector and industry-based development activities it is currently engaged in.

The following comments relate to specific issues encountered during the implementation of the Cradle Coast Sustainable Regions Investment Plan, copies of which will be provided to Committee

members at the public hearing. The Authority is attempting to address these issues at regional scale through its partnerships with relevant State and Commonwealth agencies, but it is possible that other regions have similar problems that may warrant the Committee's attention at national scale.

ISSUES

Tourism

The tourism and hospitality industries in the Cradle Coast region, and Tasmania more generally, are facing unprecedented demand for quality infrastructure, services and experiences due to dramatic increases in interstate visitor numbers associated with the new Bass Strait ferries and subsidies.

There is strong awareness in the region and the industry of the urgent need for increased skill levels and employment in this sector but, as most tourism enterprises are small businesses operated by their owners, many have no personal experience of formal training and are not well equipped to rationalise the cost and time involved in further training for their staff or themselves.

The majority of education and training products currently available in this region are designed for, and promoted to, students and employees. Future skills development in this sector will require programs that target employers more directly and address attitudes to investment in learning.

Manufacturing

The Authority is developing strategies to maximise long-term employment opportunities associated with the manufacture and assembly of windfarm components in this region. A major European company is currently building an assembly plant here, and is considering establishing a blade manufacturing facility for local and export markets.

The Authority is hopeful that this investment can form the nucleus of a 'cluster' of windfarm-related businesses, including local firms, that will establish this region as an export base for specialist manufacturing industries.

Whilst attraction of major new businesses to the region has created new employment opportunities, it also has the potential to cause major skills shifts and shortages in local industries in the short to medium term. There is some concern that new senior management and skilled positions created by new entrants will attract existing staff from established local firms, reducing their skills base and forcing them to recruit and train new staff from outside the region.

The Authority is monitoring this situation to ensure that new industry development does not compromise existing businesses that provide significant employment in the region, and will consider investing in targeted training and recruitment to address specific shortages.

Natural Resource Management (NRM)

Natural resource management (NRM) is a critical component of all major primary industries that have traditionally formed the 'backbone' of this region's economy. There is considerable employment in aspects of forestry, fisheries, agriculture and mining that are directly related to environmental management and protection of the natural resource base.

Over the last decade, large numbers of people have also been employed in NRM roles as part of community projects funded under the Commonwealth's Natural Heritage Trust (NHT). Project-based employment is often short-term or seasonal, and there is a high turnover of staff and skills

moving into and out of the region chasing new projects. It is estimated that up to 50 individuals are currently employed by NHT-funded projects that will cease operation at June 30 2003.

The Federal Government, State and regions are now establishing new regional delivery structures to plan and manage investment in NRM priorities at regional scale. This will result in more targeted and efficient use of public funds, and more strategic outcomes in participating regions.

If regions are to maximise the benefits of this investment, however, they will need to retain and manage the skills-base and workforce required to implement sound environmental management. Current project funding models have encouraged short-term employment and skills-development in community and volunteer sectors, but have not fostered long-term skills retention and employment in rural regions.

There is an urgent need to address the sustainability of NRM in regional areas by treating it as a legitimate service industry and dedicating resources to enhancing skills and staff retention in public and private sector employment and reducing dependence on short-term project funding.

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