

Core Skills Occupations List (CSOL)

Submission by the Northern Territory Government

Department of Industry, Tourism & Trade

Northern Territory Context

The Northern Territory (NT) Government appreciates the opportunity to submit feedback on the Draft Core Skills Occupations List (CSOL). This submission outlines the unique workforce challenges and opportunities in the NT, emphasising the need to maintain critical occupations within the Core Skills Occupation List (CSOL) that are essential to the economic stability and community well-being of the NT. We aim to align the CSOL with the NT's strategic priorities to bolster economic growth, support our local industries, and enhance the quality of migrants moving to the Territory.

The Northern Territory (NT) labour market is currently experiencing several distinct trends that are crucial for understanding the regional economic and workforce environment. In March 2024, the NT saw an unemployment rate decrease to 4.4% and a participation rate increase to 73.9%, indicating a relatively engaged workforce compared to the national average (Northern Territory Economic Snapshot, 2024).

The one-size-fits-all approach of previous migration programs and occupation lists have often overlooked the distinct needs and opportunities of regions like the NT. The occupation lists must support industries and sectors that are pivotal to our growth strategy, from renewable energy and mining to tourism and agriculture, ensuring a diversified and resilient economy with a skilled workforce to match.

The NT is characterised by a high dependency on sectors such as hospitality, healthcare, education, and trades which face significant skills shortages. Key roles in these sectors are not merely jobs but are cornerstones of our community's functionality and growth. These occupations have been consistently highlighted as priorities in regional strategic plans, labour market analyses and economic modelling. This submission advocates for the retention of specific ANZSCO occupations that are vital to the NT's socio-economic stability.

Critical Occupations

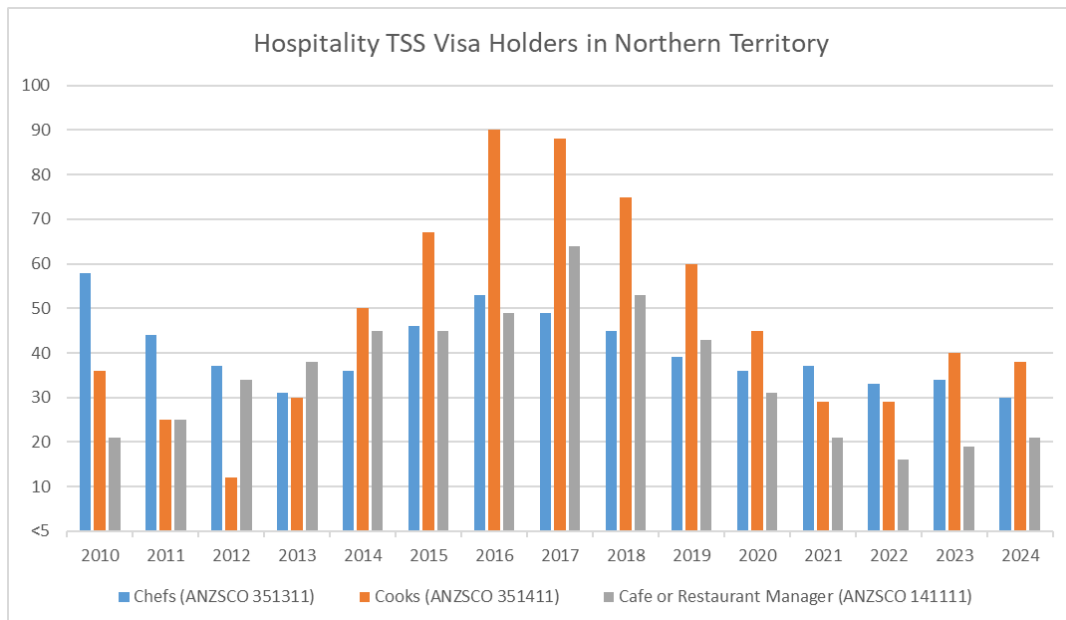
This section focuses on selected occupations included in the CSOL consultation and off lists. These have been organised into industry sectors.

Hospitality

The hospitality sector in the NT significantly relies on chefs (ANZSCO 351311), cooks (ANZSCO 351411), and cafe or restaurant managers (ANZSCO 141111), which are essential for both tourism and local employment. Excluding these occupations from the CSOL would severely impact the NT's ability to meet its service demands. These roles have been identified in the top 15 in-shortage occupations the ranking undertaken to inform the Northern Territory Skilled Occupation Priority List (NTSOPL) 2023. These occupations have been consistently listed on the NTSOPL as priority occupations for over a decade indicating a long term need for these occupations. Chefs and cooks in the NT earn 22% to 23% higher salaries compared to other regions, highlighting the significant local demand (Taylor et.al, 2024). Data from various studies, including those by Taylor et al. (2024), the Australian Bureau of Statistics (2021), Deloitte Access Economics (2024), and the NT Department of Treasury and Finance (2023), consistently indicate the need for these workers to sustain the hospitality sector, which experiences fluctuations with the tourism industry's cyclical booms and busts. The historical visa numbers for TSS visa holders migrating to the NT further confirm the ongoing need to maintain a baseline of these skilled workers to support the sector. Moreover, under the Northern Territory Designated Area Migration Agreement II (NT DAMA II), significant vacancies have been observed over the last 5 years, with the NT government endorsing 294 vacant positions for cooks, 161 for chefs, and 79 for cafe or restaurant managers. These endorsements were made following robust assessment as to genuine

need and domestic labour market testing. This underscores the persistent shortages that necessitate the recruitment of migrant workers due to the insufficiency of the local workforce.

The graph below shows the average number of Temporary Skilled Shortage (TSS) visa holders in the NT from 2010 to 2024 in the occupations of Chef (36 visas), cook (35 visas) and cafe or restaurant manager (31 visas). This high averages show a clear need to continue to include these occupations as the long-term shortage is seen in the continued reliance on TSS visa classes to fill these occupation gaps.



Reference: Department of Home Affairs. (2024). *Temporary visa holders in Australia*. data.gov.au. Retrieved from <https://data.gov.au/data/dataset/ab245863-4dea-4661-a334-71ee15937130>

Child care

Child Care Centre Managers (ANZSCO 134111) and Child Care Workers (including Group Leaders) (ANZSCO 421111) are vital, particularly in remote communities where child care services are limited. Their inclusion on the CSOL is vital for the well-being of the NT population and economic growth, facilitating employment opportunities for families. In regions like the NT, the challenge of attracting and retaining workers at all skill levels is significant. For many families desiring to return to or enter the workforce, the availability of reliable child care represents a significant barrier. This issue is compounded in remote areas, where professionals and higher-skilled workers are often distant from extended family support networks, making it difficult to find childcare solutions. As such, retaining these child care roles on the CSOL is essential to enhance economic participation and promote community health throughout the NT. The NT Skilled Occupations Priority List (compiled annually based on independent labour market analysis) has consistently classified these occupations as Priority and High Priority for more than 10 years as these continue to be in need especially in the more remote areas.

Trades

Trade occupations such as Painters (ANZSCO 332211), Bricklayers (ANZSCO 331111), Carpenters (ANZSCO 331212), Plumbers (ANZSCO 334116), Wall and Floor Tilers (ANZSCO 333411), and Motor Mechanics (ANZSCO 321211) are indispensable for ongoing construction projects and routine maintenance across the NT. The Infrastructure Market Capacity 2023 report, released in March 2024, reveals a significant shortfall of 229,000 workers in the construction sector, underscoring the urgent need to keep these trades listed on the CSOL for migration purposes. This stance is supported by the Australian Government,

economists, and population experts who emphasize that construction and housing are critical for both economic and population growth. Media coverage over the past year has extensively reported these shortages.

Removing these crucial construction occupations from the CSOL would deepen shortages and hinder the achievement of construction and population goals nationwide, particularly impacting regional areas like the NT, where shortages in urban centres often lead to even larger deficits in less populated areas.

[REDACTED] from the Grattan Institute has voiced support for this economic outlook, pointing out the clear shortage of carpenters and painters in light of continuous housing projects. [REDACTED] advocates for a more flexible approach to temporary migration to specifically address these construction shortages, as reported by ABC News on April 13, 2024.

Furthermore, TSS visa data for the NT reveals consistent shortages, with carpenters and motor mechanics averaging 35 visa holders over the past 14 years. This trend is reflected in NT DAMA II endorsements, with 36 carpenters and 55 motor mechanics included under the agreement. Employers are leveraging all available migration avenues to address these shortages when local workers are not available to fill these roles.

Despite the NT's small population, the presence of an average of 1,103 Temporary Resident (Skilled) visa holders over the past 18 years (Department of Home Affairs, 2024) underscores the ongoing necessity for certain occupations. The ratio of TSS visa holders to the overall working population in the NT aligns with the trend of persistent shortages in specific occupations. This trend highlights the importance of maintaining diverse occupational categories on the CSOL to support economic and demographic development in the Northern Territory.

Summary of recommendations

The tables below contain the occupations that are sought to be retained on the CSOL and the respective rationale. The labour market analysis that supports this is informed by:

- Number of endorsements made by the NT Government under the NT DAMA program
- Feedback received from industry groups
- Categorisation in the NT Skilled Occupations Priority List, based on qualitative and quantitative labour market analysis. Quantitative assessment used in the development of the annual NT Skilled Occupations Priority List involves ranking of occupations against four primary indicators:
 - employment level (ABS Census)
 - employment growth (most recent Victoria University Employment Forecasts)
 - net replacement rate (most recent Victoria University Employment Forecasts)
 - skill level (ABS ANZSCO 2013 Version 1.2)

(For full details on quantitative assessment methodology, please see NTSOPL Information Paper available here: https://nt.gov.au/_data/assets/pdf_file/0007/267298/ntsopl-information-paper.pdf?v=0.5.0)

Hospitality

ANZSCO Code	ANZSCO Description	Skill Level	Major Group	Rationale
351411	Cook	3	Technicians and Trades Workers	The Northern Territory Skilled Occupation Priority List (NTSOPL) classifies these roles as High Priority to enhance economic participation and community health in the NT. This is based on labour market analysis.
351311	Chef	2	Technicians and Trades Workers	
141111	Cafe Restaurant Manager or	2	Manager	<p>These occupations rank among the top 15 most crucial for the NT's growth. Notably, salaries for chefs and cooks in the NT are 22% to 23% higher than in other regions, reflecting a significant shortage. These roles have remained on the NTSOPL as priority occupations in shortage for over a decade.</p> <p>From 2010 to 2024, the NT has averaged 36 TSS visa holders for chefs, 35 for cooks, and 31 for cafe or restaurant managers, indicating a long-term reliance on these visas to fill critical gaps in the local workforce. NT DAMA II endorsing 294 positions for cooks, 161 for chefs, and 79 for cafe or restaurant managers, reflecting persistent shortages.</p>

Child Care

ANZSCO Code	ANZSCO Description	Skill Level	Major Group	Rationale
134111	Child Care Centre Manager	1	Manager	The Northern Territory Skilled Occupation Priority List (NTSOPL) classifies these roles as Priority and High Priority to enhance economic participation and community health in the NT. This is based on labour market analysis. These occupations have been on the NTSOPL as a priority occupation in shortage for over 10 years.
421111	Child Care Workers (including Group leaders)	3	Community and Personal Service Workers	

Trades

ANZSCO Code	ANZSCO Description	Skill Level	Major Group	Rationale
332211	Painter	3	Technicians and Trades Workers	TSS visa data for the NT shows consistent shortages, with carpenters and motor mechanics averaging 35 visa holders over the past 14 years.
331111	Bricklayer	3	Technicians and Trades Workers	The NT DAMA II endorsements reflect this trend, including 36 carpenters and 55 motor mechanics.
334116	Plumber (General)	3	Technicians and Trades Workers	The Infrastructure Market Capacity 2023 report highlights a shortage of 229,000 workers, emphasizing the need for these trades to remain on the CSOL to support migration.
331212	Carpenter	3	Technicians and Trades Workers	
333411	Wall and Floor Tiler	3	Technicians and Trades Workers	The Northern Territory Skilled Occupation Priority List (NTSOPL) classifies these roles as Priority and High Priority to enhance economic participation and community health in the NT. This is based on labour market analysis. These occupations have been on the NTSOPL as a priority occupation in shortage for over 10 years. Only exception is Wall and Floor Tiler which has been on the list for last 3 years.
321211	Motor Mechanic (General)	3	Technicians and Trades Workers	

Conclusion

The NT Government strongly advises against the removal of these critical occupations from the CSOL, highlighting their significance to the region's economic and social infrastructure.

Further Information

For further information or assistance relating to the Northern Territory Governments CSOL submission paper, please contact:



Department of Industry, Tourism and Trade
Northern Territory Government of Australia



Disclaimer

The Northern Territory of Australia, through the Department of Industry, Tourism and Trade, has exercised due care and skill in preparing and compiling the information and data in this publication. While all efforts have been made to ensure the information is accurate and current at the time of publication, it should not be relied upon as a comprehensive source of technical or scientific advice or for commercial purposes.

The Northern Territory provides no warranty, guarantee, or representation as to the accuracy, completeness, or suitability of the information for any purpose. To the maximum extent permitted by law, the Northern Territory disclaims all liability for any loss, damage, injury, expense, or cost incurred by any person arising from the use of, or reliance on, the information contained in this publication, whether caused by negligence or otherwise.

Sources

Taylor, A., Gamble, H., Cebula, A., & Tan, G. (2024). Market Salary Report for selected occupations in the Northern Territory of Australia. Northern Institute, Charles Darwin University; Australian Industrial Transformation Institute, Flinders University; Adelaide University.

Australian Bureau of Statistics. (2021). Australian Census and Migrants Integrated Dataset (ACMID). Retrieved from <https://www.abs.gov.au/about/data-services/data-integration/integrated-data/australian-census-and-migrants-integrated-dataset-acmid>

Deloitte Access Economics. (2024). The economic impact of business and skilled migrants in the Northern Territory Report.

Northern Territory Department of Treasury and Finance. (2023). 2023-24 NT Economy. Retrieved from <https://nteconomy.nt.gov.au/>.

Infrastructure Australia. (2024). Infrastructure Market Capacity 2023. Retrieved from <https://www.infrastructureaustralia.gov.au/listing/media-release/infrastructure-market-capacity-2023-0>

ABC News. (2024, April 13). Chefs could be on chopping block in migration shake-up. Retrieved from <https://www.abc.net.au/news/2024-04-13/chefs-could-be-on-chopping-block-in-migration-shakeup/103697872>

Department of Home Affairs (2024). BP0014 Temporary Work (skilled) visas granted pivot table report at 2024-03-31(XLSX). Retrieved from <https://data.gov.au/dataset/ds-dga-2515b21d-0dba-4810-afd4-ac8dd92e873e/details>