



## 2 REGIONAL SKILLS SHORTAGES

The Australian Government will work with regional stakeholders such as industry, education providers and the broader community to profile existing and potential industries in a region, identify common factors and solutions to skills issues, engage relevant national, state and local industry and training bodies, identify skills and training needs, and pilot practical strategies that could be used in other regions.

Since 1999, the Australian Government has approached skill shortages on an industry by industry basis.

Over the last five years, we have assisted the Electrotechnology, Engineering, Retail Motor, Food Trades, Rural, Building & Construction, Emerging Technologies, Retail, Road Freight Transport, Aerospace and Marine Manufacturing industries to analyse skill needs, and identify and implement actions to attract new entrants into each industry.

But today, skills shortages are not just felt on an industry by industry basis. Today, skill shortages occur on a region by region basis. This happens in some areas where a new industry comes into town, such as the Alice to Darwin railway from 2002 to 2004, or where an existing industry closes down, and new industries, such as tourism or business services, spring up where old industries existed and their skills are no longer in demand.

Under the *National Skills Shortages Strategy*, the Australian Government will undertake regional skills pilots to identify and develop practical strategies to address a region's current and future skills.

In each pilot, the Australian Government will work with regional stakeholders such as industry, education providers and the broader community to:

- profile existing and potential industries in a region;
- identify common factors and solutions to skills issues;
- engage relevant national, state and local industry and training bodies;

- identify skills and training needs; and
- pilot practical strategies that could be used in other regions.

It is expected that each pilot will require a coordinated approach which may involve State and Territory and local agencies, local government, group training organisations, local community partnerships, the Australian National Training Authority, the Department of Transport and Regional Services, Area Consultative Committees, the Department of Employment and Workplace Relations, Job Network and the Department of Family and Community Services and their funded community organisations.

As a pilot, the Australian Government will work with the Australian Chamber of Commerce and Industry to tackle skill shortages in the Townsville region which has a diverse and rapidly expanding industry base – creating severe skills shortages. The regional pilot would identify areas of skill needs and forge partnerships between government, industry and the training sector to address these needs.

The Townsville region is a major centre for manufacturing industries such as metals processing, aviation and aerospace, marine, engineering and textiles and clothing. In addition, the region is a hub for transport, communications and community services.

Townsville is now suffering from acute skills shortages in the traditional trades and related occupations following a boom in the local building and construction sector. The boom has been driven by the housing construction sector and construction work associated with major projects such as Queensland Nickels' plan to upgrade their Townsville operation with a \$400 million project linked to the further processing of mine products.