

Creating Jobs for Canberrans



ACT Government

ACT Budget 2001-02

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The 2001-2002 ACT Budget will continue the ACT Government's efforts to create more and better paid jobs for Canberrans, with a coordinated employment creation plan, ACT Chief Minister Gary Humphries said.

"High employment is a major contributing factor to developing a productive society and a high quality of life for individuals. **With this budget, the ACT Government will continue its strong focus on economic growth and creating a favourable climate for employment growth,**" Mr Humphries said.

"The ACT Government's efforts to create a favourable climate for employment growth has produced Australia's lowest jobless rate, at 4.8% - a full 2.0% lower than the Australian rate of 6.8%.

"While there is a level of uncertainty over the future of the national economy, the ACT continues to enjoy strong levels of consumer confidence, retail sales, housing, construction and wage growth. Canberra is well placed to ride out a slowdown in the national economy."

The Chief Minister pointed out that the outlook for new employment in the ACT remains quite positive, with Ansett set to employ around 200 people for its call centre operations, Impulse around 400 and Telstra up to 500 new permanent employees.

"In addition, the February Yellow Pages Index shows 11% of ACT small businesses expect to increase their workforce in the next quarter, the highest expected increase of all the states and territories and against a national average of just 4%," Mr Humphries said.

"The IT industry in particular is experiencing strong growth, with hundreds of jobs expected to be created in the coming months. Around 41% of private IT firms in Canberra will hire extra IT staff in the next three months, creating 221 additional jobs. 68% of firms had employed extra staff in the preceding quarter."

Mr Humphries said industry development has always been a key focus of the ACT Government's approach to employment, and that the 2001-2002 Budget supports various initiatives that will build industry and lead to more jobs for the Territory, including:

- \$600,000 will be provided over two years to support and develop the ACT's cutting edge **photonics industry**. Photonics, or the technology of light, has a broad range of applications, including high-speed communications, data storage, medical imaging systems and sensors.
- \$450,000 over three years to support a bid for a **Global Biodiversity Information Facility**, an OECD initiative that will create an international inter-operable network of biodiversity databases. Australia is competing against the Netherlands, Denmark and Spain to secure this facility. Should Australia be successful, the facility will be located in the ACT.

- \$240,000 over four years for an innovative **Indigenous mentoring program** to support Indigenous people in their employment and leading to higher retention rates. The program will offer Indigenous people mentoring support in their workplace, based on methodology and evaluation from a pilot study conducted in 2001-2002.
- \$2.05 million over four years for **building export capability** of ACT firms. The program will include an export assistance program, export action plans for specific industries, development of an export capability database and a pilot program on e-commerce for exporting.
- \$100,000 for the **Academy of Interactive Entertainment** to develop an incubator facility for multimedia developers at its site at NATSEM. The Academy offers facilities for training, commercial business operations and business incubation services, enhancing development of this high growth industry. It will also assist new and existing ACT businesses to take advantage of business opportunities with access to highly trained graduates; and
- the ongoing **ACT Business Incentive Scheme**, which has attracted to Canberra important job-creating ventures like Impulse Airlines and the Telstra call-centre.

Mr Humphries said another key component of the ACT Government's approach to employment is to foster the development of increased skills in our community. The 2001-2002 Budget supports a number of ongoing employment support programs, including:

- **New Future in Small Business**, which offers a five-week program of intensive, hands-on small business training to unemployed people generally aged 40 and over and who have a business venture in mind. Priority is given to those who have recently been made redundant or retrenched;
- **Pathways into Non-traditional Occupations (PINTO)**, which aims to encourage young women to enter non-traditional fields of employment;
- **the Annual Employment Program**, providing entry-level job skills, targeting older unemployed people women, Aboriginal and Torres Strait Islander and people from a non-English speaking background;
- **the Security Industry Training Program for Indigenous People**;
- **Selfstart**, a motivational program to increase the job prospects of disadvantaged people by boosting self-confidence, self-esteem, presentation skills and a positive attitude;
- **Freshstart**, a program to help ex-remandees and ex-detainees of Quamby obtain suitable employment skills;
- a variety of **Indigenous programs**, including an Indigenous traineeship program, a new Indigenous Business Chamber and an innovative Indigenous mentoring program; and
- a program to assist **students at risk of early school leaving** by improving transitions between education, employment and training activities for young people.

Minister for Education Bill Stefaniak explained that vocational education and training (VET) in the ACT is building on a record of growth and measurable efficiency improvements over the last few years.

"The ACT Government will continue to maintain a wide range of vocational education and training programs, in keeping with its support for cutting edge industry development," Mr Stefaniak said.

Examples of new initiatives and ongoing programs include:

- the coordinated placement of up to 100 **IT Cadets** with local employers;
- \$11.1 million in 2000/2001 for the **Industry Training Program (ITP)** and New Apprenticeships through User Choice which makes publicly funded vocational education and training activity available through competitive tendering, targeting specific training needs which are identified in consultation with industry and training providers;
- a \$250,000 annual competitive grants program for **Adult and Community Education (ACE)** serving health and disability needs, employment skilling, language, literacy, numeracy and IT skills and community support programs, supporting the Government's social capital focus;
- over 4,000 of the ACT's 9,500 **Year 11 and 12 government college students enrolled in nationally recognised vocational education and training** courses;
- some **350 Canberra Institute of Technology (CIT)** courses in further education, initial vocational training, recognised trades, professional, para-professional and technician specialities; and
- **private providers** accounting for 15.7% of ACT Apprentice Training Agreements and 90.3% of Trainee Training Agreements between July 2000 and February 2001. Private providers delivered 70.7% of other programs available under competitive funding.

Mr Humphries said recent reforms to payroll tax conditions, including raising the threshold to \$1.25 million from 1 July 2001, significantly support employment growth by removing the barriers for business to hire more staff.

He said the Capital Works program announced today invests \$214.3 million in the Canberra community and will create work for hundreds of people in the building and construction industry.

"The Capital Works program will provide an important boost to the local construction industry, and is likely to generate work for hundreds of people at a time when the construction industry will be needing it most," Mr Humphries said.

"When the full range of budget initiatives is taken into account, it is clear that the ACT Government is taking the right course in its approach to employment."

Statement ends

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