

The Northern Territory's Non-resident Workforce - one Census on (Issue No. 201304)

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KEY FINDINGS

- A 35% increase in the number of non-resident workers in the Northern Territory (NT) occurred from 2006 to 2011.
- The NT has the largest proportion of non-resident workers of all States and Territories (5.2% of the workforce in 2011, compared to 4.5% in 2006).
- The Mining industry had the largest proportion (27% in 2011, from 23% in 2006) and absolute numbers (900 in 2011, compared to 450 in 2006) of non-resident workers.
- The non-resident workforce is still male dominated but down from 75% male in 2006 to nearly 70% in 2011.
- Construction, Public Administration & Safety, and Health Care & Social Assistance had large numbers of non-resident workers.
- Female non-resident workers dominate the Health Care & Social Assistance, Education & Training, Retail Trade, and Accommodation & Food Services while males dominate Construction, Mining, and Manufacturing.
- Over 42% of non-resident workers earned over \$1,500 per week, compared with only 24% of resident workers.
- Most non-resident workers came from Queensland, while Perth was the capital city sending most workers to the NT. Most worked in Greater Darwin, but East Arnhem was also prominent.
- There continues to be substantial national discussion on local impacts from non-resident workers, including a Commonwealth's House Standing Committee on Regional Australia 'inquiry into the use of fly-in, fly-out (FIFO) workforce practices in Regional Australia'.

RESEARCH AIM

To examine the size and characteristics of the non-resident workforce in the Northern Territory including changes from 2006 to 2011

This brief analyses the non-resident workforce in the Northern Territory at 2011, compared to 2006. We discuss characteristics of this workforce, focussing on age, sex, Indigenous status, industry of employment, income, usual residence, place of work and mobility of non-resident workers

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1. BACKGROUND

This research brief is an update on the 'Northern Territory's Non-resident Workforce' research brief released in 2012, which looked at people who reported 'usually working' in the Northern Territory but were 'usually living' somewhere else (Carson and Taylor, 2012). At the time of writing their research brief Carson and Taylor were utilising the Australian Bureau of Statistics (ABS) 2006 Census of Population and Housing (Census) data to create a baseline for analysing changes in this workforce group against the data to be released from the 2011 Census.

The Northern Territory (NT) Government, through the Department of Treasury and Finance, has produced some preliminary findings into the non-resident workforce from the 2011 Census for its NT Treasury Economy Book (Northern Territory Government, 2013) as part of the 2013 – 2014 NT Budget. This brief aims to take a deeper look into this workforce and its contribution and significance for the Northern Territory.

2. METHODS

Data were drawn from the 2011 Census and compared to 2006. A 'non-resident' worker was defined as somebody usually resident outside of the Northern Territory, but who said they worked in the Northern Territory at the time of the Census (Carson and Taylor, 2012). The Census definition of 'usually live' means that address at which the person has lived or intends to live for a total of six months or more in 2011 (ABS, 2011).

The style of this brief mimics the one by Carson and Taylor (2012) allowing the reader to make comparisons to their analysis of the 2006 Census. Where possible, in this brief, references have been made to the 2006 Census to show changes over time, however due to significant changes made by the ABS to their geographical outputs in many circumstances, particularly at lower geographical levels, a direct comparison between 2006 and 2011 cannot be made (for further information about these geographical changes see, ABS publication 1270.0.55.001).

A number of variables were analysed: age, sex, Indigenous status, industry of employment, income, usual residence, place of work and mobility of non-resident workers. The data include those employed full-time, casually or on a part time basis.

3. RESULTS

3.1. Numbers and Industry of Employment

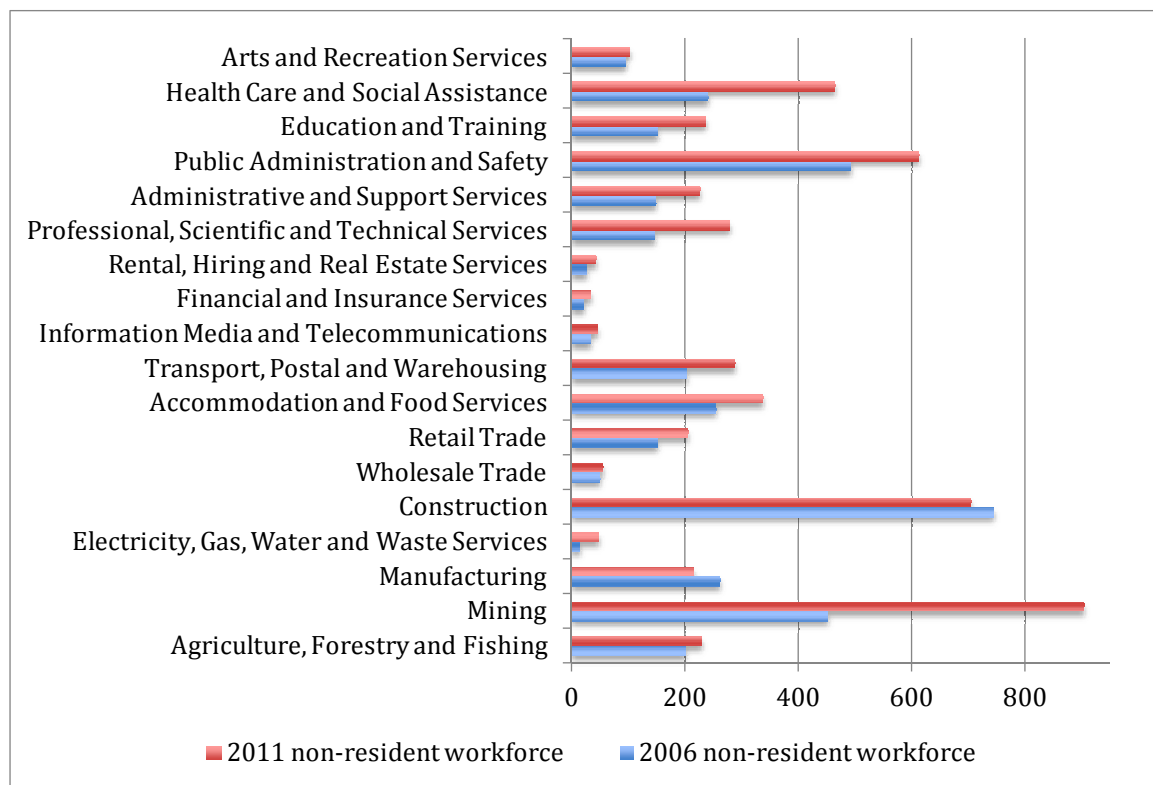
There were approximately 5,200 people who said they worked in the Northern Territory but lived elsewhere at the 2011 Census, compared with 3,800 from the 2006 Census. This equated to about 5.2% of the Northern Territory workforce, up from 4.5% from the 2006 Census, a 35% increase between Censuses. The Northern Territory had the largest proportion of non-resident

workers of all the States and Territories (excluding ACT), followed by Western Australia (1.3%), New South Wales (1.2%) and Queensland (1.1%).

In similarity to 2006, the industry in which non-resident workers were most prominent was Mining where 27% of workers (up from 23% in 2006) were non-resident. However, unlike in 2006 where in absolute numbers Construction and Government administration and defence industries had the largest number of non-resident workers, by 2011 the mining industry also had the largest number of non-resident workers (about 900, compared to about 450 in 2006). This was followed by construction (700 non-resident workers, down from 740 in 2006), and Public administration and safety (610 non-resident workers, up from 490 in 2006).

The chart below (Figure 1) shows absolute numbers of non-resident workers within each industry from the 2011 Census compared with those from the 2006 Census. In general terms there was an increase of non-resident workers in nearly all industries (albeit a small increase in many), excepting Manufacturing and Construction where non-resident numbers reduced, despite an increase in the total workforce size. Manufacturing saw a minimal increase in the total workforce between 2006 (3,900 workers) and the 2011 (4,000 workers) while the NT's construction workforce grew by over 2,000 workers, from 6,300 in 2006 to 8,400 in 2011.

Figure 1, Non-resident workers by industry

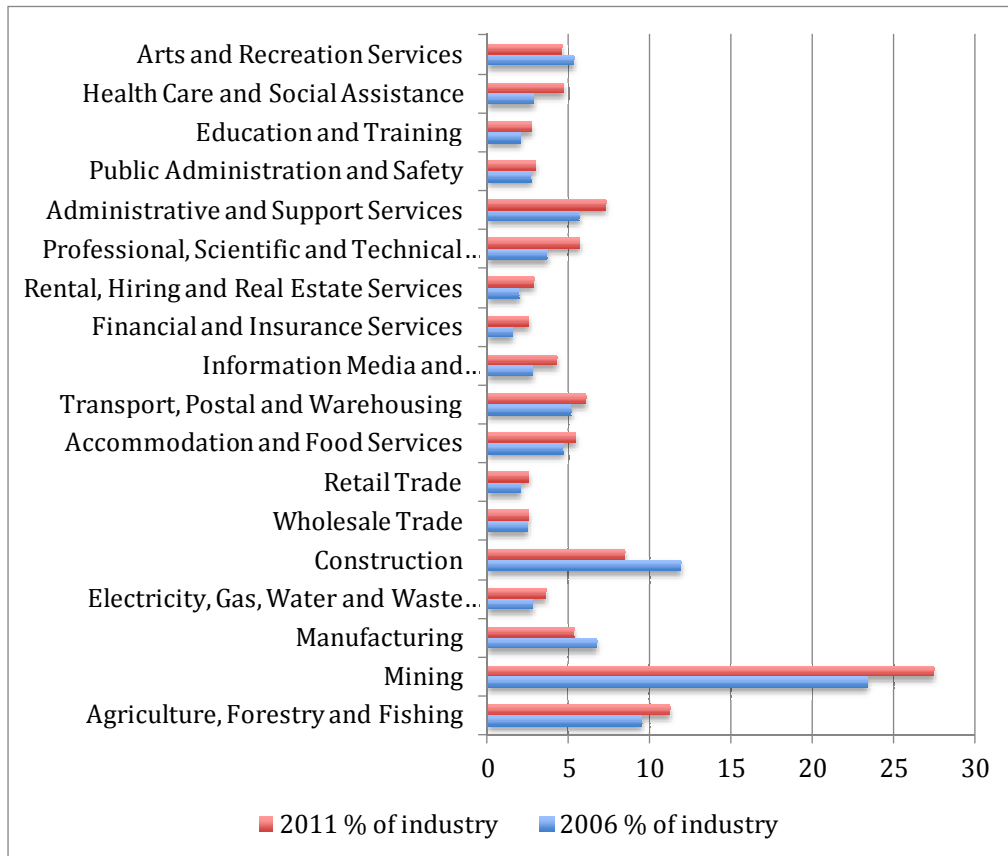


Source: ABS Census 2011 and ABS Census 2006, generated using ABS TableBuilder 2012

Figure 2 is a comparison between the 2011 Census and the 2006 Census showing the proportion of the non-resident workforce within industry. Whilst in Figure 1 mining and construction were the standouts in absolute numbers, and still represent large proportions of

non-resident workforces within their industry (27% for mining and 8% for construction) it is interesting to note that industries like agriculture, forestry and fishing, and administrative and support services have large proportions of non-resident workers (11% and 7% respectively).

Figure 2, Non-resident workers as a proportion of the total industry workforce



Source: ABS Census 2011 and ABS Census 2006, generated using ABS TableBuilder 2012

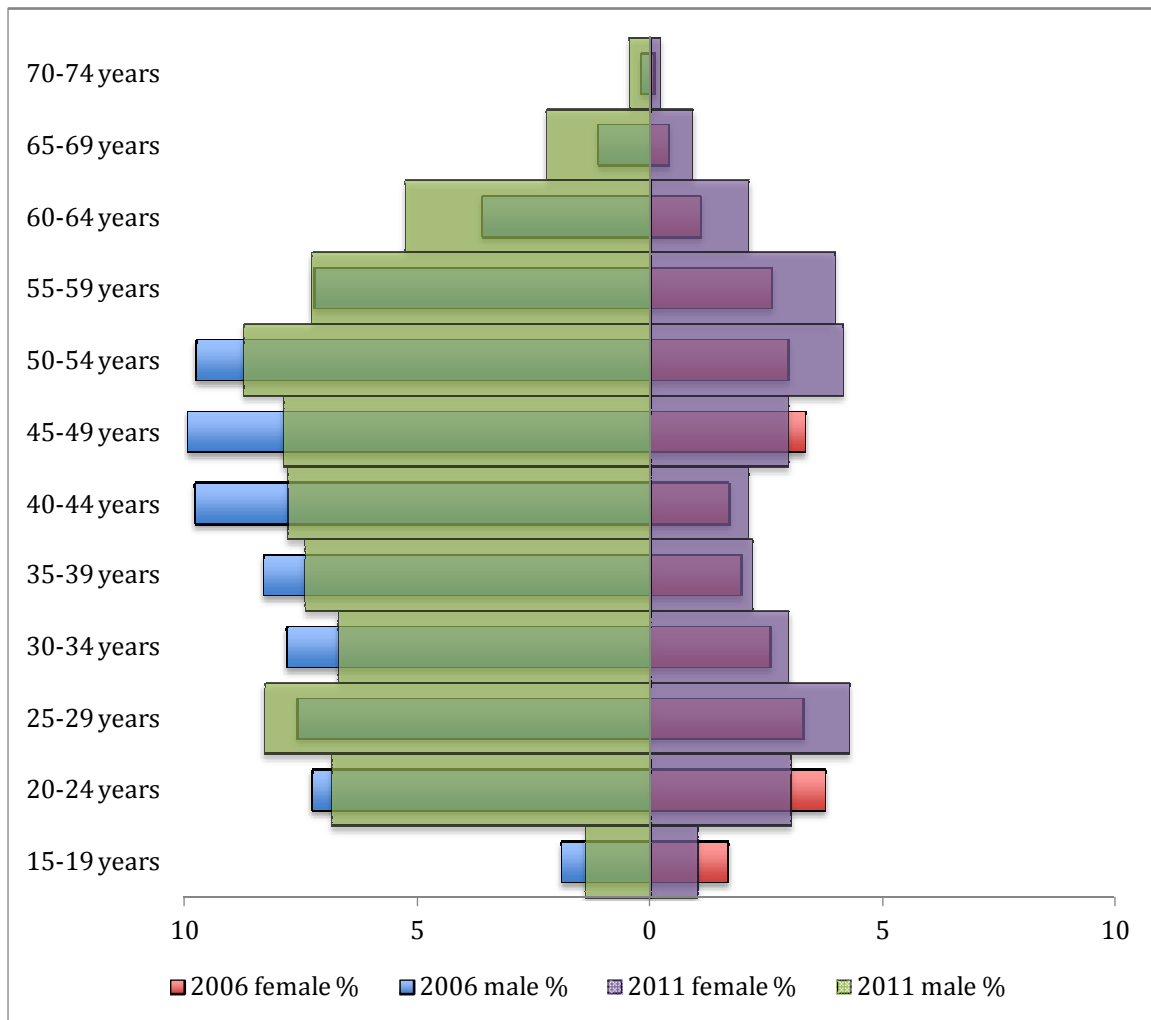
The mining industry has been a stand out both in absolute numbers and in the proportion of non-resident workers within this industry. Its total workforce numbers increased by 70% (from 1,930 in 2006 to 3,300 in 2011) while a 100% increase in the absolute numbers of non-resident workers between Censal periods was experienced, highlighting the importance of non-resident workers within this industry. This increase occurred before the 2012 announcement by Japanese INPEX Corporation that it had finalised arrangements to construct and operate a major LNG processing plant near Darwin (ABC, 2012). The impacts to the non-resident workforce in the Northern Territory and the positive and negative outcomes from this sort of major project are explored by Taylor A & Winter J (2013).

3.2. Age and Sex

The non-resident workforce was slightly less male dominated in the latest Census, down from nearly 75% in 2006 to nearly 70% in 2011. This decrease in male dominance was also true of

the total workforce, however not to the same extent, down from 55% in 2006 to 54% in 2011. The age sex pyramid below (Figure 3) shows there is male dominance across all age ranges. Between 2006 and 2011 there was a significant reduction in the proportion of males between the ages of 30 to 54 and an increase in females aged 50 plus. 2011 also saw an increase in the proportion of males and females in the 25 to 29 year age bracket.

Figure 3, Age / sex breakdown of non-resident workers



Source: ABS Census 2011, generated using ABS TableBuilder 2012

Non-resident workers made up nearly 7% of the total male workforce (up from about 6% in 2006 Census), but only 3% of the female workforce (similar to 2006 Census). In the 65 to 69 years age group, non-resident workers made up over 10% of the total male workforce and over 7% of the total female workforce, the highest of all age ranges. The contribution of non-resident workers in the total workforce broken down by gender can be seen in Figure 4.

Figure 4, Non-resident workers as a proportion of total workforce



Source: ABS Census 2011, generated using ABS TableBuilder 2012

There were only 4 industries in which females made up a higher proportion of non-resident workers than males. These were; Health care and social assistance (71% of non-resident workers were female), Education and training (60%), Retail trade, and Accommodation and food services (both just over 50%). These were the main female biased industries in 2006, with the Rental, hiring and real estate services industry also predominantly female (52%) but no longer so.

Construction had the highest proportion of male non-resident workers (93% of non-resident workers) in 2011, closely followed by Mining (92%) and Manufacturing (nearly 90%). These industries also had similar strong gender representation in the 2006 Census, however in 2006 Electricity, gas, water and waste services was a completely male dominated industry (100%), whereas in 2011 this dominance had reduced to 86%.

3.3. Indigenous Status

In 2011 about 3% of the non-resident workforce were Indigenous, equating to about 160 Indigenous non-resident workers (up from 120 in 2006). This represented just over 1% of the Indigenous workforce, compared with 6% of non-Indigenous workers. The most common sectors of employment for Indigenous non-resident workers were Mining (28 workers), Construction (22 workers), Public administration and safety (21 workers) and Health care and social assistance (19 workers). The highest proportions of non-resident Indigenous workers were in Greater Darwin (21%), Alice Springs (16%) and East Arnhem (14%).

3.4. Incomes

Non-resident workers are generally in the higher income brackets with a quarter (25%) of non-resident workers earning over \$2,000 per week (\$104,000 or more per annum) compared to less than 10% of the resident workforce. In fact over 42% of non-resident workers earn over \$1,500 per week compared to only 24% of resident workers. Conversely, non-resident workers made up a lower proportion of lower income earners with less than a third (32%) earning under \$1,000 per week (under \$52,000 per annum) compared with 47% of resident workers.

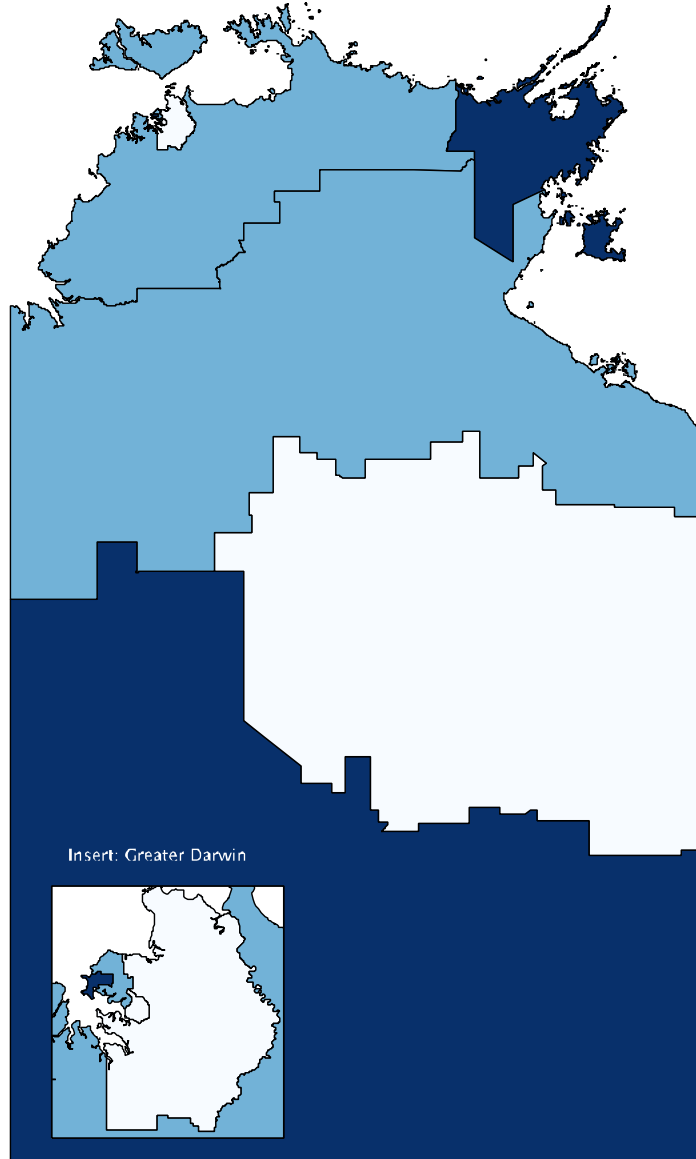
The highest earners come from the Mining, and Electricity, gas, water and waste services industries with over half of the non-resident workers (54% and 52% respectively) earning over \$2,000 per week (\$104,000 or more per annum).

3.5. Place of Work of Non-resident Workers

In 2011 Greater Darwin (comprising Darwin, Palmerston and Litchfield Local Government Areas) accounted for over a quarter of the non-resident workforce in the Northern Territory (26%), however the non-resident workforce only accounted for just over 2% of the total workforce in Greater Darwin (meaning non-resident workers were greatly under-represented here). However, the non-resident workforce of the East Arnhem region was nearly 13%, but this non-resident workforce contributed to nearly 13% of East Arnhem's total workforce (meaning non-resident workers had a stronger representation here).

The map below (Figure 5) shows the distribution of non-resident workers around the Northern Territory, the darker the blue the more non-resident workers in that area. The map insert highlights the distribution of non-resident workers in Greater Darwin

Figure 5, Distribution of non-resident workers in the Northern Territory



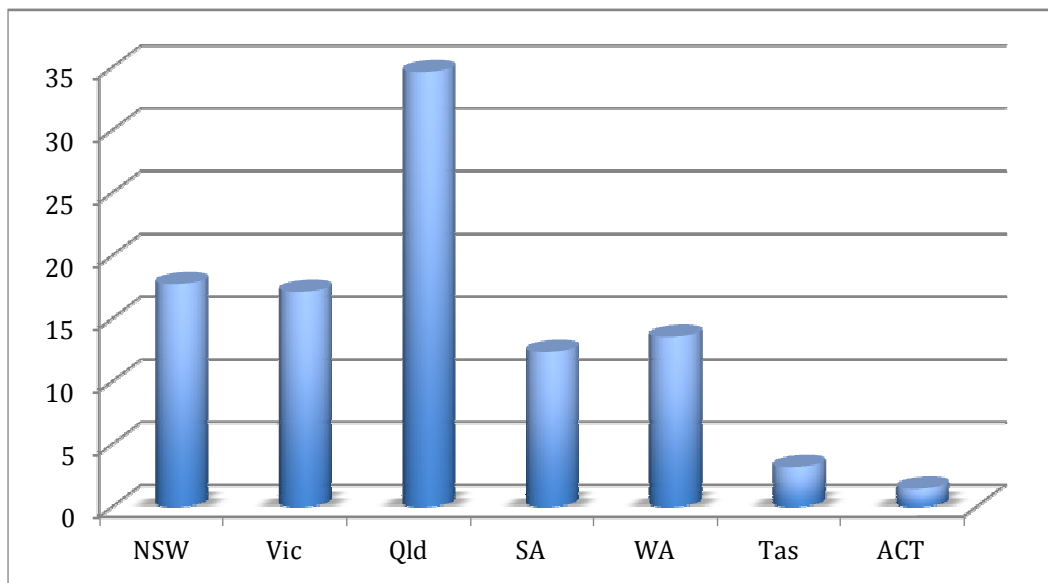
Source: ABS Census 2011, generated using ABS TableBuilder 2012 & QGIS

In Greater Darwin numbers of non-resident workers increased by 78% over 5 years to comprise 38% of all non-resident workers in the NT (includes people living within Northern Territory that work, but don't live, in Greater Darwin). While 70% were from interstate, 22% were from within the Territory. Nearly a third (30%) of interstate residents were from QLD (especially outside Brisbane) and NSW (excluding Sydney) and about a quarter from remote areas of Australia. Non-resident workers in Darwin were male dominated, and the Public Administration and Safety Industry dominates. Mining accounted for just 2% of Darwin's non-resident workforce, highlighting the extensive engagement of non-residents in the Northern Territory's mining workforce outside of Darwin.

3.6. Place of Residence of Non-resident Workers

Of the main urban areas in Australia, Perth was the most popular place of residence for non-resident workers in the Northern Territory (nearly 10% of the total), followed by Melbourne then Brisbane (with nearly 9% each). This saw a change from 2006 Census where Brisbane was the most popular place of residence. However, Queensland remains the state where most non-resident workers in the Northern Territory reside; with Cairns (6%), Sunshine Coast (4%), Gold Coast-Tweed Heads (3%) and Townsville (2%) all being key providing areas for Territory non-resident workers. The Greater Capital cities (excluding Canberra) contribute to over 40% of the non-resident workers in the Northern Territory.

Figure 5, Origin of non-resident workforce



Source: ABS Census 2011, generated using TableBuilder

3.7. Mobility of Non-resident Workers

Nearly half (over 45%) of the non-resident workforce of the NT lived in the same location in 2006 as in 2011. This is at similar levels to other states with large non-resident workforces (Queensland 48% and Western Australia 46%) and signifies that the Northern Territory has a strong permanent workforce that resides outside of the NT. Carson and Taylor (2012) were able to analyse the mobility of non-resident workers, unfortunately due to limitations with the outputted 2011 Census data it is difficult to delve into the movements of non-resident workers to see whether there were a similarly large proportion that used to be resident (and presumably workers) in the Northern Territory that are now non-resident workers in the NT.

4. SUMMARY AND CONCLUSIONS

In the Northern Territory the non-resident workforce has increased its prominence considerably between the 2006 and the 2011 Census, up 35%. Whilst this has been from a diverse cross-section of people; males and females, young and old and across a broad range of industries, Mining grew in size and prominence. With the development of the Japanese INPEX Corporations liquid natural gas project underway since the 2011 Census results the reliance on non-resident workers in the Northern Territory is likely to have increased significantly.

Carson & Taylor (2012) delve into some of the issues specific to the Northern Territory, citing a number of literary papers and raising questions about the impact of non-resident workers taking away opportunities from the resident workforce and reducing opportunities for potential new permanent resident workers. Adding to the difficulty in understanding this non-resident workforce the Northern Territory Government in its 2013-2014 Budget outlines concerns it has with the ABS monthly Labour Force survey reporting the jurisdiction where workers usually reside rather than where they usually work (Northern Territory Government, 2013).

There continues to be substantial national discussion around local and national impacts of non-resident workers; often referred to as fly-in/fly-out (FIFO), bus-in/bus-out (BIBO) or drive-in/drive-out (DIDO), as well as those on short-term contracts or work placements (usually for months at a time before returning to their 'residence'). What is not clear is how the non-resident workforce can be more accurately measured between Censuses. So much so that a Commonwealth 'Inquiry into the use of fly-in, fly-out (FIFO) workforce practices in Regional Australia' was called in 2011. The inquiry report, released in 2013, has as its first recommendation that 'the Australian Bureau of Statistics establish a cross-jurisdictional working group to develop and implement a method for the accurate measurement of:

- the extent of fly-in, fly-out/drive-in, drive-out workforce practices in the resource sector;
- service populations of resource communities.'

And as its second recommendation; 'in consultation with state and territory governments, review allocation of funding for communities that receive fly-in, fly-out/drive-in, drive-out workforces so that funding is based on both resident and service populations.' (House Standing Committee on Regional Australia, 2013).

Along with the Northern Territory, Western Australia and Queensland have been strong voices in this discussion; with the Australian Centre of Excellence for Local Government being commissioned to see whether it might complement the Inquiry activities (Morris, 2012), and the Queensland Government Statistician producing projected numbers of non-resident workers in key local government areas due to concerns that the 'non-resident population is not included in the Australian Bureau of Statistics' (ABS) official resident population estimates' (Queensland Government, 2013). As discussions continue at the national level to determine ways of accurately measuring the non-resident workforce and the impacts on residents, the Northern Territory will continue to grapple with increased numbers of non-resident workers particularly in the Mining and Construction sectors, which is likely to create an even more male-biased population overall.

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