



NEWSLETTER AUGUST 2013

NATIONAL STRATEGIC PARTNER



NT DIVISION NEWS

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In the August edition of the NT Division E-Newsletter:

- Policy Update
- Events
- FutureNet to launch in Darwin
- Member benefit spotlight
- Division News

Policy Update

SELF EDUCATION TAX CHANGES

On 25 July State Manager Jan Irvine attended a small workshop to express the views of Consult Australia regarding self education tax changes outlined in the Federal Budget. **The Hon Christopher Pyne MP, Shadow Minister for Education** met with the representatives of 16 members of the Scrap the Cap alliance who are calling for the Rudd Government to reverse the introduction of a \$2,000 cap on tax deductibility of self-education expenses. Consult Australia are one of the few business bodies actively opposing the changes because we recognise the impact on firms where this is an implication either that firms will fill the gap created by this policy with their own training, or that firms will suffer the drop in skills associated with less trained, educated staff. To read the Consult Australia submission to the Treasury consultation on this proposal CLICK [here](#). Latest news is the Rudd Government announced on 2 August a deferral of the introduction of the cap, delaying the proposal until May 2014 when a formal decision on the cap will be made.

INDUSTRY CRITICAL SURVEY – NT CONSULTING INDUSTRY

The NT Division has written to the Chief Minister to bring to his attention, and request a meeting to discuss, the current critical state of the consulting industry in the Northern Territory, and the significant concern being expressed by member firms relating to the apparent lack of a sustainable pipeline of project opportunities going forward and the impact of this on their business and on the industry as a whole.

As a matter of some urgency, the NT Division of Consult Australia conducted a survey of our member firms during the first two weeks of July 2013 in order to gauge, from their perspective, the current status of the consulting industry within the Northern Territory.

The survey results represent a response rate of 65% of our member firms with a working office based in the NT, including three respondents with 20 – 50 staff, and two with 10 – 20 staff. The figures suggest the industry is in fact in a critical condition. A snapshot of responses shows that:

- Compared with 12 months ago, 90% of respondents believe the consulting industry servicing the built and natural environment is in a significantly “worse shape now”
- In the past 12 months 70% of respondents have had to make staff redundant
- 50% of respondents will need to make further staff redundant within the next month (August 2013), and 60% of respondents consider it highly likely they will need to make more staff redundant in the coming year (2013)
- 60% of respondents do not anticipate taking on any graduates from tertiary institutions within the NT at the end of the year (2013) or the beginning of 2014





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- Overwhelmingly – 100% of respondents – feel the government could be doing more to stimulate the economy, with 90% not feeling the Federal or Territory Governments have been doing enough to stimulate the economy in the past 12 months
- Resoundingly – 100% of respondents do not believe there is a sufficient pipeline of opportunities available in the next 12 months to keep the consultancy industry in the NT buoyant

From the above, it is also worth noting that the redundancies quoted above are a small representation of the overall consulting industry in the NT. Only 65% of the Consult Australia membership responded and there are many other consulting companies not represented within our membership, hence the latter were not surveyed. Similarly, planners, architects, landscape architects, urban designers, project managers, surveyors, cost consultants, building surveyors etc. are also not represented within this survey other than through some of the largest consulting firms that may have those disciplines within their companies. This clearly paints the prospect of a vastly larger redundancy number and a lack of confidence scenario than our survey identifies. Overwhelmingly, respondents DO NOT BELIEVE a high enough percentage of work is awarded to local NT companies.

The Broader Picture

The impacts on those graduating from university– the survey points out that few graduates were employed at the beginning of this year and very few companies anticipate employing graduates next year. This means that it will be extremely difficult for grads wanting to enter our industry to secure employment. Their options will be minimal, other than perhaps by entering the Asian market (as most of the rest of the world is in recession). This will mean that there will likely be a large number lost to the industry. The lack of projections for engineering, planning, architecture etc. to deliver employment will naturally result in less school leavers entering tertiary courses. This will create a greater shortage of professionals once the difficult economic environment recovers.

We acknowledge the NT Government's policy of the minimum 20% assessment criteria in all open government tenders – a great incentive to keep local business operating, with the added return to government that local businesses, who know the local regulations, issues and communities will deliver on government projects, with reduced costs in the development of Territory communities and infrastructure. The local development assessment criteria has allowed for locally based companies to keep their offices in the Territory during past economic boom and bust cycles, **however with the high number of projects awarded to interstate and overseas companies we believe once construction work has been completed on the Ichthys project, these companies will once again leave the NT – taking with them the skills and population much needed by the NT for economic success.**

The survey also requested constructive suggestions as to how our industry can also assist Government, and a number of suggestions for Government to consider were put forward to assist in navigating a more positive outcome for organisations operating within the infrastructure industry and therefore also the wider community going forward. The survey results were also handed to the Minister for Infrastructure, The Hon Peter Styles MLA, and we look forward to continuing dialogue with government. As this is an issue of major concern for our members Consult Australia continues to push this agenda.





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Events...upcoming

Consult Australia NT Division is bringing the FutureNet initiative to the Top End, with Darwin being the next location.

Launch Networking Event – October 2013 (details TBC)

FutureNet is a proud initiative of Consult Australia, is **FREE to join**, and open to all young or emerging professionals associated with the built environment - Architects, Interior Designers, Planners, Engineers, Cost Consultants (Quantity Surveyors), Projects Managers, Construction Professionals, Lawyers, Developers, Accountants, Finance Officers and Government Employees.

Since 2004, FutureNet has been helping young professionals who work in the built and natural environment develop the valuable networks and non-technical skills that are essential to success in today's competitive marketplace. Consult Australia first launched FutureNet in Perth and the initiative now has chapters in Newcastle, Melbourne, Brisbane, Adelaide, Toowoomba, Canberra and Sydney.

Emerging professionals directly benefit from:

- networking amongst professionals associated with the built environment employed in the Northern Territory - Architects, Interior Designers, Planners, Engineers, Cost Consultants (Quantity Surveyors), Projects Managers, Construction Professionals, Lawyers, Developers, Accountants, Finance Officers and Government Employees involved with the Built Environment.
- developing opportunities for your business to attract new customers, or further develop existing relationships with enthusiastic young professionals.

We are in the planning stages and we are calling on you for assistance. What do we want?

- ✓ To increase our database of **contacts** in Darwin
- ✓ To create a passionate small **committee** of young professionals, who are keen to create stronger networks with their peer and are interested in assisting with planning and running events
- ✓ To attract an initial core group of **sponsors** to partner with us on this new initiative

Please assist us by passing this email on to anyone you know in the Darwin who may be interested in attending events, joining a committee or sponsoring. Anyone with interest in being involved at any level (attendance, committee, sponsor) should simply email jan@consultaustralia.com.au indicating areas of interest.

Events....past

Member Only Breakfast Series

The Hon Peter Styles MLA, Minister for Infrastructure

Members met with The Minister on Tuesday 30 July. Discussions focussed on procurement processes and methods. Minister Styles indicated ongoing meetings between the NT Department of Infrastructure (DoI) and Consult Australia would be welcomed to obtain an outcome beneficial to both industry and government. We will be in ongoing contact with the Minister's office and have an agenda going forward to meet with key stakeholders within the DoI.

Consult Australia Member Benefit spotlight

PI Pathway

Consult Australia believes that it is important to support members in all aspects of their business. We also recognise the impact that the insurance market has on Consult Australia member firms in terms of availability, affordability and quality of Professional Indemnity Insurance.

Our members have been consistently telling us that PI Insurance is a critical business issue. By opening the PI Pathway, Consult Australia is pleased to provide its membership with a referral service that provides access to broking services and a range of associated support services, which will be provided by a Panel of two Brokers selected by Consult Australia.





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Please Note: This is a service available only for Consult Australia members, members will need their Consult Australia username and password to access certain parts of this website. If you do not have a username and password, or have forgotten your username, please contact the Consult Australia National Office on 02 9922 4711.

[Click here for further info](#)

Consult Australia represents an industry comprising some 48,000 firms across Australia, ranging from sole practitioners through to some of Australia's top 500 firms. Collectively, our industry is estimated to employ over 240,000 people, and generate combined revenue exceeding \$40 billion a year.

Are you a member yet? Contact Jan Irvine, State Manager SA/NT for further information on membership services and benefits at

E: jan@consultaaustralia.com.au

Division News

The [NT Division Sponsor Package 2013/2014](#) has been released.

Our membership is corporate rather than individual, so we provide support to the entire business on issues such as risk management, contractual issues, professional indemnity insurance, workplace health and safety, procurement practices, workplace/industrial relations, client relations, marketing, education and business development.

Some of the benefits of becoming involved

- High level peer to peer networking and business relationship building
- Establishment of new business networks
- Establish and maintain brand awareness
- Maximise your marketing investment through our cost effective communication channels
- Create brand experience by participating in activities
- Communicate a commitment to the consulting profession

Sponsoring the NT Division ensures we can continue with our **successful events program**, and **speak loudly** on behalf of our members across **varied, critical advocacy issues**. If you would like further information or would like to discuss opportunities to work with the NT Division please contact jan@consultaaustralia.com.au or PH (08) 8216 1177

