



**State
Training
Plan**

2018–2021

State Training Plan 2018–2021

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Chairman's Message



Planning for Western Australia's future workforce needs is not an easy task.

The uncertainty of the future can make it difficult for government, industry and employers to determine the supply and demand for skills, the size of a workforce and the training needs for that workforce.

The State Training Board's role is to establish, enable and support policies, strategies and activities that will help ensure the vocational education and training sector develops and delivers the skills needed by Western Australian industries for Western Australian jobs.

Well-targeted training programs will provide the workforce required by industries both in Perth and regional Western Australia, enabling the economy to become stronger and more resilient to fluctuations and global pressures. The State Government's *Plan for Jobs* aims to create a vibrant and diversified economy with a broader range of industries and jobs.

The State Training Board supports the State Government in meeting its obligations contained in the *Plan for Jobs*:

- to build strong partnerships with industry;
- to increase training options; and
- create apprenticeships and traineeships at every opportunity.

Industry is crucial to the success or failure of training and skills development. Industry can provide students, apprentices and trainees with the practical hands-on experience that cements the learning from the classroom. For successful outcomes industry needs to articulate their skills and training needs, providing input into training curriculum, qualifications and competency standards and assessing training outcomes.

Businesses which are successful make the effort to invest in the skills of their employees. Training increases productivity, improves the quality of products, builds better customer relationships and ultimately helps achieve profits and supports a business to grow.

Disappointingly, our State's apprenticeship and traineeship commencements have been in decline since 2012. If industry and private enterprise are not willing to invest in training, there will be no skilled workforce.

The State Training Board believes that the VET system is a shared responsibility. The State Government, industry and business must come together to address the decline in apprenticeships, develop vibrant pathways within the VET sector and take all the necessary steps to grow apprenticeships and traineeships again.

The State Government has emphasised the importance of creating a vibrant and diversified economy with a broader range of industries and jobs for Western Australians. This will involve greater effort in the areas of science, technology, manufacturing, tourism, services, education services, agriculture and other industries.

Western Australia has confirmed that it will join the Australian Government's National Disability Insurance Scheme which will require the State to grow its disability support and allied health workforce to meet the demand. This will require the State to offer additional training places for courses leading to these important occupations.

The State Training Board acknowledges the State Government and TAFE have committed to return apprenticeship training delivery for craft industries to Western Australia. North Metropolitan TAFE has already commenced the return of delivery for timber and composites, manufactured textiles, flooring, upholstery, furniture finishing and automotive and marine trimming to its campuses.

The immediate funding priorities for the vocational education and training system must ensure Western Australia's industries have access to highly skilled workers in areas where they are most needed. To achieve this, the State Training Board recommends maximum government subsidies and funding is directed to:

- State priority occupation list qualifications;
- Apprenticeships and traineeships;
- Social assistance and allied health skills and qualifications; and
- Diversifying and broadening Western Australia's skill base.

To help achieve these targets and contribute to the State Government's major goals and visions for the Western Australian economy and labour market the State Training Plan 2018–2021 contains the following strategic policy priorities for the next four years:

- Increasing the number of Western Australians with post-school qualifications;
- Enhancing links between Western Australia's industries and the VET sector;
- Meeting the growing skill demands of Western Australia's social assistance and allied health workforce; and
- Being responsive to emerging industries, technology and innovation advances.

I would like to thank the Department of Training and Workforce Development and the industry training councils for their input into the development of the State Training Plan 2018–2021.



Jim Walker
Chair, State Training Board

About the State Training Board

The State Training Board is the peak industry training advisory body to the Minister for Education and Training in Western Australia. The State Training Board's functions are set out in Part 3 of the *Vocational Education and Training Act 1996*.

The Board's role is to provide independent high level expert advice to the Minister on matters relating to VET including preparing policy which aims to improve the links between specific industry developments and VET to ensure optimum employment for Western Australians.

Our members come from a range of industries and are dedicated to training and skills development. The Board provides a direct link between industry and government. We are committed to fostering strong partnerships with industry, unions, peak bodies, and employers to identify training and skills needed by Western Australian industries for Western Australian jobs.

Members of the State Training Board are:



Jim Walker (Chair)



Vanessa Davies



Chris Hall, AM



Professor Cobie Rudd



Wayne Muller



Meredith Hammat



Ray Sputore



Captain Angela Bond



Fran Kirby

Industry Training Advisory Bodies

The State Training Board recognises industry training advisory bodies from which the Board takes advice in relation to VET matters, including the establishment of apprenticeships and traineeships. The current industry training advisory bodies recognised by the State Training Board are:

- Community Services, Health and Education Training Council
- Construction Training Fund.
- Financial, Administrative and Professional Services Training Council.
- Food, Fibre and Timber Industries Training Council
- FutureNow: Creative and Leisure Industries Training Council
- Logistics Training Council
- Resource Industry Training Council
- Retail and Personal Services Training Council
- Utilities, Engineering, Electrical and Automotive Training Council
- Public Sector Commission
- WA Local Government Association

Introduction

Section 21(1)(a) of the *Vocational Education and Training Act 1996* requires the State Training Board to provide a State Training Plan for the Minister's approval.

Western Australia's economy relies on industry to be productive, efficient and innovative to compete with domestic and international markets. The State's industries require and demand a skilled workforce. A skilled workforce is developed and supported through a robust and responsive vocational education and training (VET) system. Without it, the State would face significant skill shortages and be dependent on skilled migration to meet the skill demands of industry.

In Western Australia, the VET sector is guided by the *Vocational Education and Training Act 1996* (the VET Act). The key objective of the VET Act is to establish a training system that is responsive in meeting the current and future training and skill development needs of industry and the community.

The State Training Plan draws upon detailed economic and labour market trends and forecasts. It is also informed by industry intelligence and other relevant research such as key strategic projects undertaken by the State Training Board.

The State Training Plan 2018–2021 identifies the training and skill development priorities for Western Australia's industries and guides the State Government's investment under the VET Act over the next four year period.

These priorities inform the parameters for policy development and funding of the training system and ensure Western Australia is able to meet the demand for priority skills required by industry. These training priorities are reflected in the Delivery and Performance Agreements for TAFE Colleges, and for the tender process for competitively allocated funds¹.

Through careful planning we can ensure that the State's training system is able to meet the demand for skills in the labour market by offering training places in priority courses. This includes all apprenticeships and eligible

traineeships, qualifications identified as priorities by industry and access to essential literacy and numeracy training through foundation skills courses.

The identification of priority courses is primarily driven by the alignment of qualifications to the State Priority Occupational List (SPOL). The SPOL is an annual list of jobs that are considered critical to the State and/or have demonstrated significant unmet demand.

This State Training Plan is supported by the work of the Department of Training and Workforce Development. The Department has prepared two documents to assist the State Training Board in its work:

- **Background paper:** A comprehensive analysis of Western Australia's economy and labour market and the VET policy parameters at both the State and National levels. This paper should be read in conjunction with this document.
- **Regional Labour Market Profiles:** An overview of the labour market conditions in Western Australia's regions.



Priorities for the State Training Plan 2018–2021

VISION

A well-funded, responsive and innovative VET sector that provides the skills required by WA industries for WA jobs and enables people to realise their full potential.

FUNDING PRIORITIES

State Priority Occupations

Apprenticeships and traineeships

Social assistance and allied health

Diversify and broaden WA's skill base

POLICY PRIORITIES

Increasing the number of Western Australians with post-school qualifications

Enhancing links between WA's industries and the VET sector

Meeting the growing skill demands of WA's social assistance and allied health workforce

Being responsive to emerging industries, technology and innovation advances

ACTION

Increase the number of Western Australians participating in VET through TAFE and private training providers

Make VET more adaptive to industry needs and foster enduring partnerships with local industries

Develop and implement a coordinated workforce development plan and VET pathways for the social assistance and allied health workforce

Develop and implement a workforce development plan and VET pathways to respond to technology and innovation advances

Immediate funding priorities

The State Government must prioritise funding to ensure Western Australia's industries have access to highly skilled workers in areas where they are most needed.

State Priority Occupation List

The State Training Board supports the prioritisation of State Government subsidies for qualifications and courses that lead to occupations on the State Priority Occupation List. This will ensure Western Australia can maximise employment and investment opportunities as the economy rebounds.

Apprenticeships and Traineeships

The State Training Board supports the prioritisation of State Government subsidies for apprenticeships and traineeships. Western Australian businesses must be encouraged to employ apprentices and trainees.

Social assistance and allied health

The State Training Board encourages the State Government, TAFE and industry to explore options, including review of current fee structures, to increase student enrolments and completions in critical qualifications needed to meet the growing demands for aged care, disability care, mental health, Aboriginal health, community services and allied health in Western Australia.

Diversify and broaden Western Australia's skill base

Training places must be available across a broad spectrum of industries and occupations. Training places must be prioritised for the following areas:

- infrastructure and manufacturing projects such as METRONET and defence industry contract work;
- tourism, hospitality, events, cultural and creative skills to provide a rewarding, culturally-rich and meaningful experience for visitors to Western Australia; and
- science, technology, engineering, mathematics skills to ensure Western Australia's global competitiveness and to enable our State to address social, economic and environmental challenges into the future.



Strategic policy priorities

The State Training Board recommends the following key strategic policy and strategies to increase the participation in training and maximise employment opportunities for Western Australians.

Increasing the number of Western Australians with post-school qualifications

Completing a VET qualification or higher education is becoming increasingly important

to access jobs and grow successful careers. It is predicted that 90 percent of new jobs created will require a post-school qualification.

The consequences of declining VET participation will be felt by Western Australian industries in their inability to access local skilled labour, reducing their productivity and competitiveness in global markets.

VET participation will only increase through an effective and inclusive education and skills strategy to equip workers and jobseekers with the knowledge and skills needed to operate in the labour market, building resilience, adaptability and promoting mobility of employment. Educating key influencers such as parents, schools and career advisors will be a key component of helping young people make good choices about participating in VET.

To support an increase in VET participation the State must ensure that TAFE colleges and private providers take necessary steps to improve flexibility in delivery of apprenticeships and traineeships to meet the operational and business needs of local employers, especially employers in regional and remote Western Australia.

TAFE colleges and private training providers are encouraged to work with industry to develop pathways for students that lead to enduring employment. Training providers must be encouraged to explore opportunities for students to gain valuable learning opportunities through:

- on-the-job work placements with employers in local industries; and
- researching and collaborating with local industries to solve real-world problems; and
- developing partnerships with universities to provide seamless pathways to higher learning.

The State must also investigate participation in training in Western Australia, including the identification of any known or perceived barriers to participation of under-represented groups and ensure funding priorities in training are appropriate and targeted.

TAFE and private training providers must work with students and consumer groups to address barriers that constrain access and choice for students, particularly for students with special needs.

The State Training Board also supports specific targeted programs to increase the participation of under-represented groups participating in VET including people with disabilities, Aboriginal and Torres Strait Islanders, older jobseekers, and people from culturally and linguistically diverse backgrounds.



Enhancing links between industry and the VET sector

Enhancing links between industry and the VET sector will help increase VET participation and completion rates. Through greater engagement with industry the State Training Board believes that courses can be designed to meet the immediate, middle and long-term skill needs of Western Australia's industries, thus ensuring optimal employment for Western Australians and reducing the reliance on skilled migration.

The State Training Board believes TAFE and private training providers need to listen closely to the needs of local industry and develop courses or skill sets that address their skill requirements. There is also a role in promoting the merits of VET with new and emerging industries and businesses to increase the VET participation rate.

Meeting the growing skill demands of the social assistance and allied health workforce

The State's health system will face many skilling challenges in the next few years including a growing ageing population, the rollout of the NDIS, increased complexity in medical needs and diagnosis, rising expectations of consumers, limited funding and resources and rising costs.

The State Training Board's Social Assistance and Allied Health projects is researching the specific skills needed for a highly skilled aged care workforce and develop an inclusive workforce development plan for aged care and disability sector through a collaborative approach involving industry, aged care providers, advocacy and advisory bodies. This report is expected to the State Government by middle of 2018.

There will be a need to increase the number of skilled workers in this industry. The State Training Board suggests an awareness and recruitment campaign about the varied career opportunities available in the aged care, disability and community services sectors to help grow the sector.

Being responsive to technology and innovation advances

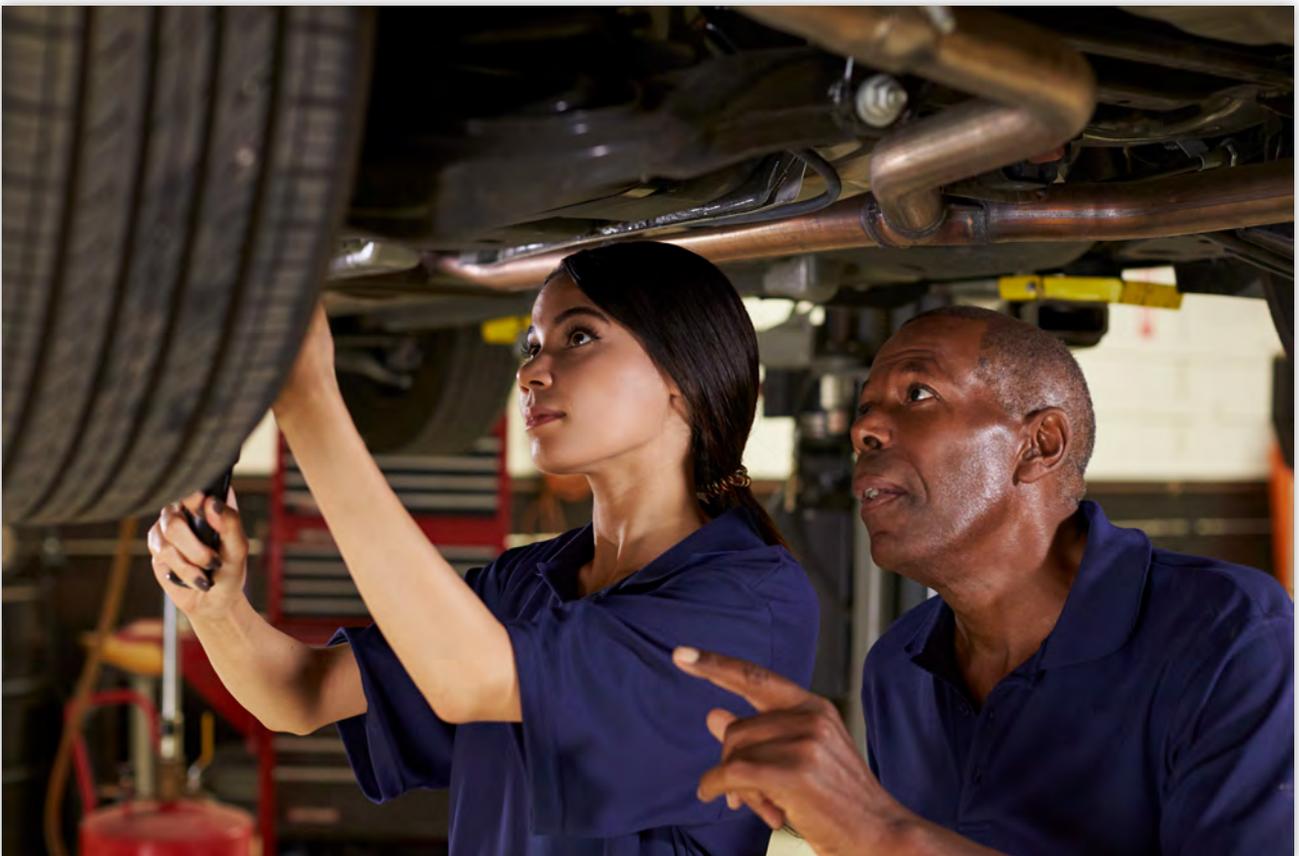
One of the single biggest challenges facing skilled workers is the emergence of new technology and innovation, such as automation. The State Training Board is keen to ensure that the VET sector remains responsive to the different needs of industry as technology changes the way people work and gain skills.

The State Training Board supports fostering, supporting and promoting innovation and technology within Western Australia's tertiary sector; building capacity and capability of teaching staff; attracting and retaining new talent; building resilience; adopting new products/services or practices to increase responsiveness to the growing demands of students and industries.

The VET sector must also work collaboratively with secondary schools, universities and in conjunction with employers to provide employment pathways in STEM occupations

and graduates with the right mix of skills to increase flexibility and adaptability in occupation choices and pathways.

The WA VET Collaboration project launched by Rio Tinto in April 2018 will be the first step to developing bespoke curriculum to address the skill challenges arising from automation. It will also help provide a pathway for new entrants and career changers to undertake skill training for an automated work environment and address the technology and digital skill challenges facing many industries.



The planning context

The State Training Plan is developed within the context of national and State vocational education and training policies and priorities. It also draws upon detailed economic and labour market trends and forecasts and is informed by industry intelligence.

The vocational education and training (VET) sector plays an integral role in ensuring Western Australia has a job ready workforce for existing and emerging industries.

The world of work is changing. There is greater demand for skills from employers and industry. Many entry-level jobs now require a person to hold either a VET or university qualification. Low-skilled jobs are disappearing and this is only expected to deepen as technological advances, such as automation, change the way we work and the roles of the future.

Securing Western Australia's current and future workforce requires targeted skills investment and strategies that maximise participation and provide pathways to employment for all workers.

Ensuring there is sufficient supply of skilled workers, maximising business productivity and improving labour market engagement to overcome disadvantage are complementary objectives. These social and economic drivers are key considerations in the development of the State Training Plan.

Planning VET delivery and strategies that maximises participation and improves outcomes for all Western Australians is the top priority for the State Training Board. The State Training Plan is forward looking and responsive to State and national strategic drivers and policy settings for skills investment.

Plan for Jobs

The State Government's *Plan for Jobs* provides the basis for future policy development and programs for the VET system in Western Australia. The broader context underpinning *Plan for Jobs* is the need to diversify the State's economy, develop key transport and other economic infrastructure, and leverage off



State expenditure in these areas to maximise opportunities for Western Australians to obtain skilled jobs, including through apprenticeships and traineeships.

The State Training Board supports the State Government's priorities and is working closely with government, industry and the education sector to identify and create opportunities to develop the skills and capabilities needed by Western Australia's industries.

Through actively fostering partnerships between government, industry and the education sector, the State Government aims to increase training opportunities and create apprenticeships and traineeships at every opportunity. Encouraging government, industry and businesses to share their knowledge, skills and expertise with the training community will help to develop skills pathways and qualifications that meet the needs of industry and individuals. This will help alleviate skills shortages and ensure a supply of 'home-grown' skilled workers for Western Australian industries.

The State Training Board is encouraged by the number of partnerships, alliances and collaborations that are being led by TAFE to benefit the broader Western Australian economy and labour market.

Revamp State Training Board and industry training councils

A robust training sector is essential for the Government's *Plan for Jobs* agenda and the State Training Board plays an important role in providing a direct link between industry needs and the government's economic direction.

The State Training Board and industry training councils provide a formal way for employers, industry peak bodies and unions to engage with the State's training system.

From 1 July 2018 the State Training Board, through the Office of the State Training Board, will take over management responsibility for the industry training councils in Western Australia. In response, to the *Plan for Jobs* revamp agenda, the State Training Board, in consultation with the Minister and the Department, will ensure that industry training councils have the appropriate levels of industry coverage, membership and governance structures.

The Board will also oversee the development of an industry engagement framework to ensure that information gathered through consultations with small, medium and large employers is focussed on government's priorities – that is about ensuring training that leads to job opportunities for Western Australians.

Growing apprenticeships and traineeships

Between August 2017 and March 2018 the State Training Board hosted a series of forums across Western Australia as part of the State Government's election commitment to create jobs and revitalise the State's training system.

The *Plan for Jobs* places priority employ apprentices and trainees on major infrastructure projects and manufacturing projects including METRONET and defence contract work. Non-trade and para-professional

jobs including healthcare, community services, tourism, hospitality, education, agriculture, science and technology are equally important to the economic development of the State. Many of these industries have not traditionally used an apprenticeship and traineeship model of employment and learning.

The consultations have helped the Board to understand industry's needs and will guide strategic decisions about the State's future training needs. Through consultation the Board has identified common barriers faced by employers and apprentices. This will inform the design and provision of more targeted support through TAFE and the broader VET sector.

It is the State Training Board's intention to work with the State Government to take necessary steps to provide the optimum conditions for employers, apprentices, trainees and students to re-engage with the VET system.

Training fees have been identified as a barrier to participation. The decision by the McGowan Government to freeze TAFE fees is welcomed but a further review of fees and training affordability is needed. The State Government may need to consider measures that will improve training affordability and encourage students to return to VET and employers to take on apprentices and trainees. This may include reducing fees, offering incentives or grants for critical occupations, or further subsidies for particular courses.

Jobs and Skills Centres

A key deliverable under the *Plan for Jobs* is to transform TAFE colleges into industry skills centres, known as Jobs and Skills Centres. The Jobs and Skills Centres will provide a one-stop-shop for anyone looking to improve their skills and job prospects – including students, jobseekers and career changers. The centres will engage with their local communities and industry so they can respond effectively to the needs of their clients.

Five metropolitan centres opened in April 2018 at TAFE campuses in Joondalup, Balga,

Northbridge, Rockingham and Thornlie. Regional centres will open progressively throughout 2018/19.

The centres will also assist businesses to develop the workforce they need to support business growth. They will provide businesses with free assistance to recruit new workers, especially apprentices and trainees, and develop the skills of their existing workers. Jobs and Skills Centres will engage with their local industry in order to develop local solutions for local needs.

To coincide with the Jobs and Skills Centres, a comprehensive website has been developed to provide a one-stop-shop for information relating to VET courses offered in Western Australia. It provides tailored information for students, prospective apprentices and trainees, employers and linkages to other government websites. The website also provides a home for the former Career Centre and Aboriginal Workforce Development Centre services in an integrated location.

Regional delivery and priorities

Regional and remote communities need access to Western Australia's training system to meet the skill needs of their communities. The State Training Board supports measures to ensure that the skill needs of regional and remote communities are identified and planned for through the VET system.

The VET Regional Partnerships Program provides an opportunity for regional TAFEs to invest in new and innovative long term partnerships to create training and job opportunities in the community.

As part of this commitment, the State Government is working to ensure the State Priority Occupation List (SPOL) is more responsive to the employment needs of the regions and that regional TAFEs are delivering training aligned with future job growth in the regions.

In order to implement the Government's commitment, the Department of Training and Workforce Development will be undertaking a

labour market review for each of the nine regions in the State. The Department will engage with local businesses across all industry sectors, TAFE colleges, Development Commissions, Chambers of Commerce, industry training councils and relevant government agencies as part of the process. The outcomes of the review will provide a basis for the development of a regional priority occupation list.

Undertaking interviews with employers and industry representatives from each of the regions, the review will aim to seek targeted qualitative evidence on current and future labour market trends. It also aims to identify occupations that have either unmet demand or are a priority requiring ongoing supply, and other issues relating to the attraction, recruitment and retention of workers.



Western Australian Jobs Act 2017

As a way to secure local jobs, the State Government enacted the *Western Australian Jobs Act 2017* (WA Jobs Act) which will use the State Government procurement process to enhance local industry participation in the supply of goods and services to or for agencies or the State, with a particular focus on benefits to small and medium sized enterprises. The WA Jobs Act implementation will begin on 28 September 2018.

The WA Jobs Act requires the development and implementation of a Western Australian Industry Participation Strategy (WAIPS) which aligns and is consistent with existing State Government and State Supply Commission procurement principles and policies. The objectives of WAIPS are:

- Promoting the diversification and growth of the Western Australian economy by targeting supply opportunities for local industry;
- Providing supplies of goods or services with increased access to, and raised awareness of, local industry capability;
- Encouraging local industry to adopt, where appropriate, world's best practice in workplace innovation and the use of new technologies and materials;
- Promoting **increased apprenticeship, training and job opportunities in Western Australia**; and
- Promoting increased opportunities for local industry to develop import replacement capacity by giving local industry, in particular small and medium sized enterprises, a full, fair and reasonable opportunity to compete against foreign suppliers of goods or services.

National Disability Insurance Scheme rollout in Western Australia

The National Disability Insurance Scheme (NDIS) is an Australian Government scheme which provides all Australians under the age of 65 who have a permanent or significant disability with the reasonable and necessary supports they need to enjoy an ordinary life. The NDIS recognises that everyone's needs and goals are different and provides people with individualised support and the flexibility to manage their supports to help them meet their needs and achieve their goals.

From 1 July 2018, the National Disability Insurance Agency (NDIA) will assume responsibility for the delivery of the NDIS in Western Australia. The NDIS will be fully rolled out across Western Australia by 2019-20, with



a total of 39,097 clients expected to join the scheme by 30 June 2020².

The NDIS has the potential to provide significant economic, income and job growth to Western Australia. While estimates of current levels of employment and growth differ, there is broad consensus that the number of full-time equivalent (FTE) positions will need to roughly double over the transition period. This is expected to create between 5,000 and 8,000 new FTE direct jobs in Western Australia's disability services sector.

Strong employment opportunities are expected for disability support workers who provide ongoing daily care and allied health professionals who provide specialised care. Up to 75 per cent of the growth is expected for disability support workers, a further 15 per cent of the growth is expected for allied health professionals and the remaining for other supports³.

Ensuring a well-functioning NDIS for people with disability and their families in Western Australia will require a coordinated strategic approach to change management. The WA Disability Services Sector Industry Plan⁴ identifies critical issues that must be addressed to ensure that sector growth from the NDIS

is improving service choice, availability and creating better outcomes for people with disability. These strategies include:

- Improve the understanding of NDIS and the disability services market;
- Improve the capacity and capability of the workforce;
- Development organisational level infrastructure and strategy;
- Support regional and remote service delivery;
- Monitor, prevent and mitigate market failures;
- Ensure a whole of government approach to service delivery; and
- Ongoing sector leadership.

National VET priorities

Nationally, skill priorities are established through the Council of Australian Governments (COAG) Industry and Skills Council (CISC), comprising Ministers responsible for skills from the Commonwealth and State and Territory governments. These priorities are underpinned by a shared public investment between the State and the Commonwealth where the State provides around two thirds of the total investment.

Australian Industry and Skills Committee

The Australian Industry and Skills Committee (AISC) was established by the agreement of the members of the CISC as an industry-led body that provides advice on the implementation of national vocational education and training policies. The AISC's role is to provide advice to ensure that the directions taken by ministers are informed by an industry-based perspective focused on the quality and relevance of the national training system.

The functions of the AISC are to:

- Advise on the implementation of national training policies;
- Quality assure and approve training packages for implementation;
- Oversee the process for development and approval of accredited training;

- Provide direction on the national VET sector research priorities, including the work of the National Centre for Vocational Education Research (NCVER);
- Provide advice to the CISC on training provider and regulator standards
- Coordinate industry engagement through the CISC meetings; and
- Undertake work as directed by the CISC.

Industry Reference Committees

Industry Reference Committees (IRCs) are recognised and established by the AISC as the formal channel for considering industry skill requirements in the development and review of training packages. Each IRC is supported by a Skills Service Organisation.

IRCs are made up of people with close links to industry, including big business, small enterprises, peak bodies and unions. Western Australia's industry training advisory bodies play an important role in coordinating and consulting with Western Australian industries to inform the work of IRCs. Most IRCs have Western Australian representatives, including staff and members of our industry training council network.

The Department of Training and Workforce Development works closely with the industry training councils and the IRCs to ensure Western Australian industries can identify challenges, opportunities, trends and industry requirements for training. The State Training Board believes this is a vital component of the work undertaken by industry training councils.



VET delivery trends

Western Australia's VET sector plays a crucial role in the development of skills for the State's workforce contributing to workforce participation, productivity and social and economic development.

Publicly funded VET enrolments across Australia are 13% higher than they were 10 years ago but have trended downwards since 2012⁵. Western Australia's publicly funded course enrolments continued the downward trend in 2017 with an overall decrease in course enrolments of 4.3% (see Table 1 below).

At a State level, a key driver for the training sector is to increase training delivery in those qualifications deemed to be a priority to industry and the labour market. Despite a decrease in enrolments between 2016 and 2017 there has been an overall increase since 2014 of 2.9%.

Over the 2014 to 2017 period Western Australia has experienced a modest increase of 6.3% in the Course in Applied Vocational Study Skills (CAVSS) and the Course in Underpinning Skills for Industry Qualifications (USIQ)⁶ and an overall increase in other foundation skill courses of 8.6% over the same period.

Apprenticeships and traineeships

Western Australia's apprenticeships system covers a diverse range of industries and occupations and caters for almost all ages and interests. Western Australia's training system offers more than 650 apprenticeships and traineeships ranging from Certificate I to Advanced Diploma level across almost every industry.

Apprentices and trainees have strong employment prospects with most remaining in employment well after training. 90% of apprentices in traditional trades and just below 80% in non-trades areas were employed after training⁸. In comparison, the rate of university undergraduates in full time employment four months after completion of their degree is 71.8%⁹.

Despite the strong employment prospects, apprenticeships and traineeships commencements have been in decline across Australia since 2012 and in Western

Table 1: VET Delivery by Funding Type – Course Enrolments 2014-2017

| Training Category | Course Enrolments | | | |
|--------------------------------------|-------------------|----------------|----------------|----------------|
| | 2014 | 2015 | 2016 | 2017 |
| Apprenticeships and Traineeships | 41,316 | 38,110 | 34,456 | 31,397 |
| Priority Industry Qualifications | 11,758 | 23,614 | 24,618 | 22,127 |
| CAVSS and USIQ | 17,076 | 16,306 | 18,100 | 18,161 |
| Other foundation skills courses | 9,297 | 10,153 | 9,807 | 10,095 |
| Sub-total – Priority training | 79,447 | 88,183 | 86,981 | 81,780 |
| General Industry Qualifications | 60,592 | 46,198 | 42,677 | 42,365 |
| TOTAL | 140,039 | 134,381 | 129,658 | 124,125 |

Source: VET Enrolment Data Collection⁷, validated full year data for 2017

Australia. Between 2014 and 2017 there has been an overall decline in apprenticeships and traineeships enrolments in Western Australia of around 24%. The State Training Board is aware that some reasons for the decline in apprenticeship delivery may be difficult to address and may require several different approaches to overcome them.

The decline in apprenticeship numbers has been felt mostly in the construction industry. The construction industry traditionally employs more than 45% of the State's apprentices (including electrical)¹⁰. There has been an overall decrease in construction apprenticeship commencements of 18.6%¹¹.

In part, the reduction in residential construction apprenticeships can be explained by the growth in resource construction employment during the investment and construction phase of the resources boom. At the same time, Western Australia had a buoyant residential construction market resulting in peaks in apprenticeship commencements in 2010 and 2014¹². Many resource construction workers were largely recruited from other types of construction, with around 45% of resource construction workers during 2008 to 2012 having been previously employed in the construction industry¹³.

VET for secondary students

The Department of Training and Workforce Development currently funds a number of VET programs for secondary students in Western

Australia, enabling them to start their training while at school. These programs include both employment-based training pathways and institutional pathways, including:

- Aboriginal school-based training program;
- Pre-apprenticeships in school; and
- School-based apprenticeships and traineeships.

In April 2018, the Department of Training and Workforce Development, in consultation with the Department of Education and the Training Accreditation Council, released an auspicing research tool to assist schools in designing and delivering courses to secondary school in partnership with a training provider. The research tool provides current and relevant industry and regulatory advice. The improvements will support students to enter a qualification that is more likely to result in further training and/or employment, which will contribute to improved quality and successful student outcomes post course completion.

The *VET qualifications register for secondary students* provides industry advice for schools and RTOs on the suitability of qualifications for secondary students and the delivery requirements needed to meet industry standards. The register is updated annually and published on the Department's website for the forthcoming school year. It is based on extensive consultation with industry and education stakeholders and aims to direct students and schools to qualifications that will help students to transition effectively to further training or employment.



Western Australia's economic and labour market conditions

When preparing the State Training Plan 2018–2021 it is important to consider current conditions in the economy, labour market and the outlook over the next four years.



Western Australia is currently experiencing challenging conditions in its domestic economy, which have flowed through to a softening in the labour market. Subdued business and consumer confidence, slower population growth, continuing global uncertainty, variable commodity prices, and the ongoing transitioning of many of the State's major resource projects from construction to their less labour intensive operations phases have all been key factors moderating labour market conditions in the State.

The *2017-18 Government Mid-Year Financial Projection Statements*¹⁴ reported that Western Australia's economy, as measured by Gross State Product (GSP) contracted by 2.7% in 2016-17. Economic activity was largely impacted by the fall in construction spending in the State's LNG projects, which contributed to a 28.6% decline in

business investment. Western Australia's GSP is forecast to recover to 2.5% in 2017-18, supported by strong growth in export volumes as the State's iron ore and LNG operations boost production.

Employment growth has slowed over the past four years in Western Australia. Overall, there was a slight fall in the State's average employment level over 2016-17 compared to the previous year. The State recorded a contraction in employment of -0.4% over 2016-17, compared to 0% growth in 2015-16. This growth rate was significantly lower than the equivalent growth rate nationally over the past year of 1.3%, and it was well below the State's average yearly rate recorded over the past decade of 2.1%.

The State's employment growth by industry for 2016-17 was mixed, with only nine of 19 industries recording an increase in employment.

Table 2: Employment by industry in Western Australia, 2015-16 and 2016-17

| Industry | Employment levels | | | Composition of employment growth | |
|---|-------------------|---------|---------|----------------------------------|-----------|
| | 2015-16 | 2016-17 | Change | Full-time | Part-time |
| Agriculture, forestry and fishing | 27,400 | 34,300 | 6,900 | 4,200 | 2,700 |
| Mining | 104,000 | 99,400 | -4,300 | -5,500 | 1,200 |
| Manufacturing | 80,600 | 80,400 | -200 | -500 | 400 |
| Electricity, gas, water and waste services | 14,800 | 17,800 | 3,000 | 3,300 | -300 |
| Construction | 149,200 | 133,300 | -15,500 | -13,700 | -1,800 |
| Wholesale trade | 38,200 | 40,600 | 2,600 | 800 | 1,800 |
| Retail trade | 137,200 | 133,200 | -4,200 | 2,300 | -6,500 |
| Accommodation and food services | 91,800 | 95,500 | 3,800 | 700 | 3,100 |
| Transport, postal and warehousing | 71,800 | 66,800 | -4,800 | -6,000 | 1,200 |
| Information media and telecommunications | 16,100 | 14,900 | -1,200 | -1,800 | 600 |
| Financial and insurance services | 29,700 | 33,900 | 4,300 | 4,600 | -300 |
| Rental, hiring and real estate services | 24,700 | 23,100 | -1,500 | -200 | -1,300 |
| Professional, scientific and technical services | 100,400 | 99,200 | -1,100 | -500 | -600 |
| Administrative and support services | 43,400 | 46,100 | 2,800 | -100 | 2,900 |
| Public administration and safety | 79,000 | 81,000 | 2,000 | 1,000 | 1,000 |
| Education and training | 97,200 | 102,800 | 5,600 | 2,800 | 2,800 |
| Healthcare and social assistance | 157,500 | 154,900 | -2,600 | -3,700 | 1,100 |
| Arts and recreation services | 27,000 | 27,300 | 300 | -1,200 | 1,500 |
| Other services | 59,700 | 59,500 | -200 | -300 | 100 |

Source: ABS, 6291.0.55.003 (annual four quarter average)

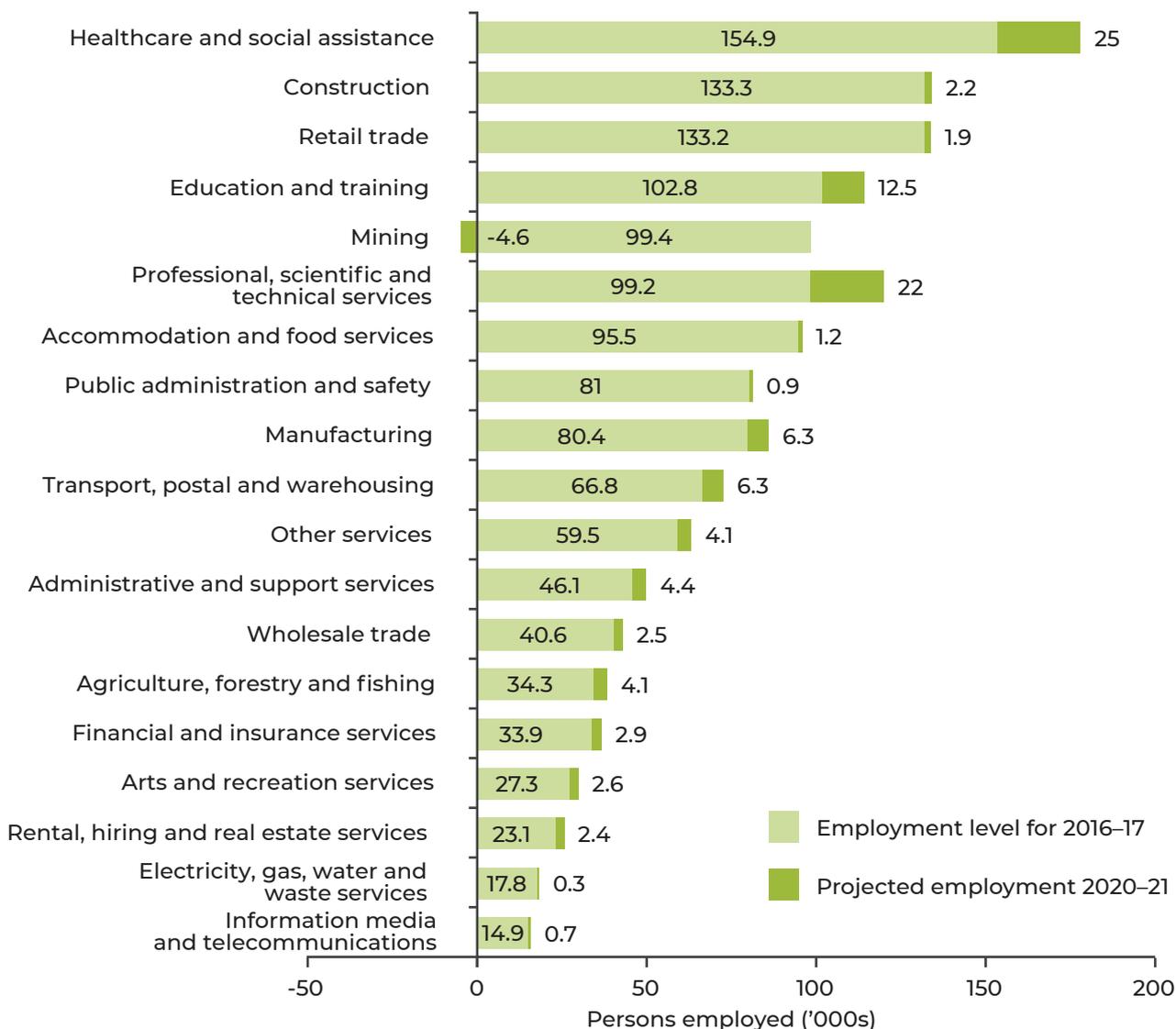
Table 2 shows that employment growth over 2016-17 was driven by part-time employment, which increased by 2.8% compared to the previous year, while full-time employment declined by 1.9% for the same period. This reflects a general shift occurring in the State's labour market, with a relative skewing of jobs growth shifting towards part time workers over the past four years.

The purpose of the State Training Plan is to consider the long-term training and employment needs for Western Australia. Forecasts from Victoria University's Centre of Policy Studies¹⁵ (CoPS) show that over the

coming four years that growth in the State's industry employment levels is expected to be broadly based.

According to the CoPS forecasts, the Healthcare and Social Assistance sector will remain the largest industry, by employment size, in the State over the coming four years and will increase its workforce by 25,000 workers to a total of 179,900 workers in 2020-21. This strong growth is not unexpected when considering the ageing population and the rollout of the National Disability Insurance Scheme in Western Australia.

Figure 1: WA projected employment growth by industry, 2015-16 and 2019-20



State Training Plan Priorities in more detail

The State Training Plan 2018–2021 lays the foundation to build a highly skilled workforce through an innovative, sustainable and contemporary education and training system which provides the skills needed by Western Australian industries and enables people to realise their potential.

The State Training Plan 2018–2021 contains strategies that will contribute to achieving the State Government's major goals and visions for the Western Australian economy and labour market. It supports the key initiatives in the Government's *Plan for Jobs*.

The priorities set out in the State Training Plan 2018–2021 are comparable to the priorities identified in the State Training Plan 2017–2020 as conditions in the labour market are relatively unchanged.

Increasing the number of Western Australians with post-school qualifications

Completing a VET qualification or higher education is becoming increasingly important to access jobs and grow successful careers. It is predicted that 90 percent of new jobs created will require a post-school qualification.

The historical data also showed a significant rise in VET participation levels from 2008–2012 but a significant decline since 2012. Decline in VET participation for 15-24 year olds was even more pronounced than for all ages¹⁶.

The consequences of declining VET participation will be felt by Western Australian industries in their inability to access local skilled labour, reducing their productivity and competitiveness in global markets.

The State Government's focus on creating jobs at every opportunity requires a VET sector that is responsive to the needs of industry, employers and individuals. Our VET sector must provide the training and skills needed by trade, non-trade and para-professional workers across all of Western Australia's industries.

Identifying the skill requirements and future skill demands for Western Australian industries

can help the State avoid long-term skill shortages and ensure optimum employment for Western Australians.

A key driver for Government, industry and the VET sector is to increase VET delivery in those qualifications that are deemed a priority to industry and the labour market. The identification of priority courses is primarily driven by the alignment of qualifications to the State Priority Occupation List (SPOL).

Apprenticeships and traineeships

A robust VET system can deliver real jobs for West Australians. Apprenticeships and traineeships enable workers, particularly young people, to gain qualifications with an employer by combining employment-based practice with formal technical training.

The State Government aims to foster strong partnerships to increase training opportunities and create apprenticeships and traineeships at every opportunity. The State Training Board believes this will only be achieved using a collaborative approach with industry, government and the VET sector each accepting responsibility for their part of the process. The needs of apprentices, trainees and students must be fundamental to any collaborative process.

Critical to the existence and success of apprenticeships and traineeships is the relationship between the employer, the apprentice/trainee and the training provider. Conditions need to be right for the employer to invest in the skills development of their apprentice/trainee.

The State Training Board is aware that some conditions are not optimal for all employers in Western Australia. The increase in training fees was unwelcome and has contributed to a

decline in apprenticeships and traineeships in Western Australia.

Steps must be taken to reverse the decline and contribute to the new generation of skilled workers for Western Australia. The State Training Board believes through a shared responsibility with government, industry and employers, realistic goals can be achieved over time to make a positive difference and increase the skills base to support the economy.

Employers want greater flexibility in training delivery. Western Australian TAFE colleges and private training providers should take necessary steps to improve flexibility in delivery of apprenticeships and traineeships to meet the operational and business needs of local employers, especially employers in regional and remote Western Australia.

Skill broadening and deepening

Today's employment is more fluid than in previous generations. Young people today are more likely to have several different 'careers' over their lifetime, requiring a broader range of skills and capabilities. Western Australians must be supported and encouraged to

broaden their skill base and to undertake additional qualifications or skill sets which may be at a higher level (skills deepening) or the same or lower level (skills broadening) through flexible and accessible training options.

Developing and supporting flexible training and skill pathways will create opportunities for many Western Australians. Exploring the introduction of a skills 'passport' allowing people to record their formal qualifications, skill sets and on-the-job or enterprise training can contribute to a greater skill transfers, job mobility and stronger resilience of workers against structural changes to industry.

The Foundation for Young Australians (FYA)¹⁷ partnered with AlphaBeta, a global strategy consulting firm, to review existing and future jobs and have suggested that jobs can be grouped into seven broad clusters, with similar skills that become portable across job roles. People can choose a job cluster based on their interest and strengths instead of focusing on one 'dream job'. Older jobseekers and career changers can also benefit from this approach as it provides a broader scope to the employment searches and increases the likelihood of securing employment.



Figure 2: Job clusters identified by Foundation for Young Australians



THE GENERATORS

jobs that require a high level of interpersonal interaction in retail, sales, hospitality and entertainment.



THE ARTISANS

jobs that require skill in manual tasks related to construction, production, maintenance or technical customer service.



THE TECHNOLOGISTS

jobs that require skilled understanding and manipulation of digital technology.



THE INFORMERS

jobs that involve professionals providing information, education or business services.



THE COODINATORS

jobs that involve repetitive administrative and behind-the-scenes process or service tasks.



THE DESIGNERS

jobs that involve deploying skills and knowledge of science, mathematics and design to construct or engineer products or buildings.



THE CARERS

jobs that seek to improve the mental or physical health or well-being of others, including medical, care and personal support services.

The State Training Board believes that this concept needs further exploration and consideration in the Western Australian industry context. Job clustering provides a different way of looking at skills development and course design. The commonalities across industry sectors and job roles allow education and training pathways to be developed more easily. Foundation and entry-level qualifications can be designed around core competencies that are common across a broad spectrum of occupations.

Western Australia already has two examples of this approach in the Certificate II in Building and Construction (Pathway – Trades) and Certificate II in Building and Construction (Para Professional).

Diversify and broaden Western Australia's skill base

The State Government has emphasised the importance of creating a vibrant and diversified economy with a broader range of industries and jobs for Western Australians. This will require greater effort in the areas of science, technology, manufacturing, tourism, services, education services, agriculture and other industries.

The confirmation that Western Australia will join the Australian Government NDIS program will require growth in the healthcare and social assistance workforce and will require greater access to training places. An awareness and recruitment campaign about the varied career opportunities available in the aged care, disability and community services sectors which include personal care workers, allied health professionals, coordinators, planners, accounting, information technology, administrative roles and management roles is needed in the broader community.

The State Training Board acknowledges the State Government and TAFE commitment to return the training for craft industries to Western Australia. This development will provide greater choice to Western Australians wanting to pursue artisan careers in Timber and

Composites Machining, Manufactured Textile Products, Flooring Technology, Upholstery, Furniture Finishing and Automotive and Marine Trimming.

Tourism Australia predicts continued growth in domestic and international travel markets out to 2025¹⁸. The State Government's focus on developing tourism across Western Australia provides growth opportunities for tourism, retail, hospitality, accommodation and sport and recreation industries. Already a large number of visitors to the state engage in nature-based activities drawn by the pristine, natural environments on offer. In addition, developing authentic Aboriginal tourism experiences for visitors to Western Australia highlights traditional culture and encourages sustainability by providing employment and economic growth to Aboriginal communities.

The Board recommends that funding be directed to priority occupations, especially apprenticeships and traineeships due to the employment pathway. Funding also needs to be directed to skills and qualifications critical to Western Australia's social and economic development including:

- occupations listed on the State Priority Occupation List;
- infrastructure and manufacturing projects, including METRONET and defence industry contract work;
- tourism, hospitality, retail and events;
- logistics, transport and maritime;
- science, innovation and technology; and
- occupations with strong links with education, healthcare and social assistance due to the critical nature of these occupations in the community.

The VET sector also needs to encourage more employers to offer apprenticeships and traineeships. The Board believes that there is an untapped resource of employers who have never engaged with the VET sector and may not understand the benefits of apprenticeships and traineeships.

Increasing participation of young people in VET and the labour market

In today's labour market most workers will need to complete a VET or higher education qualification to be successful¹⁹. Entry-level, low-skilled²⁰ jobs are disappearing. According to the Business Council of Australia²¹ there are 20 percent fewer full-time entry-level, low-skilled jobs for young people in today's labour market than there were in the Baby Boomer era. This means that without qualifications, entry into the labour market is more difficult for young people. This situation is expected to worsen as automation and other technological advances hit the Western Australian labour market and more low-skilled job roles disappear.

A concerted effort is needed to dispel some of the myths surrounding VET courses, apprenticeships and traineeships. There is a continued belief by parents, schools and career advisors that university is the only avenue to a successful career.

When it comes to employability, cost and earning potential, the traditional apprenticeships can be a better choice over a university degree for many young people.

The skills and competencies the apprentice acquires from being in the working environment are very impressive. Apprentices and trainees can build skills quickly in the workplace because they are provided with practical hands-on opportunities to put into practice what they have learned in the classroom.

University fees differ depending on degree and institution but range from \$6,000 to \$10,000 a year and are rising. An apprenticeship, on the other hand, is paid for by the employer so the apprentice can graduate without debt. Recently, it was estimated that an electrical apprentice can earn up to \$150,000 over the four-year apprenticeship²². In comparison, many university students must rely on part-time work or support from parents and guardians to get them through their studies.

Survey data from the National Centre for Vocational Education Research²³ in 2016 shows that when it comes to employability, cost and earning potential, a trade option can be an excellent choice

The Board believes that some of the misconceptions about VET stems from the lack of promotion and marketing by the VET sector. All Western Australian universities host open days for prospective students, they visit



schools and have exciting events to entice young people to consider their university. These events are widely publicised through schools, print media, social media, television and radio advertising resulting in good engagement with the community.

The VET sector needs to consider similar campaigns and activities to encourage people back to TAFE and into apprenticeships and traineeships. The State Training Board believes the Jobs and Skills Centres can perform this function if resourced to do so.

Jobs and Skills Centres will play a vital role

Good career guidance, linked with the labour market information, helps young people make informed decisions about further education and training. Young people need information about the world of work, the skills needed in the modern workplace and the full range of learning opportunities that are available to them, including both the academic and vocational pathways, and whether learning should be done in schools, colleges, universities or in the workplace.

The Jobs and Skills Centres provide the one-stop shop for career, training and employment advice and assistance. These services are available free to all Western Australians, either through the online portal or through visiting one of the centres. Each of the centres is staffed by people who can provide free professional and practical advice on training and employment opportunities including careers advice, apprenticeship and training information. Support services for employers and business, as well as specialist services for Aboriginal people, ex-offenders and people from a culturally or linguistically diverse background are also available.

The State's VET for secondary schools program enables secondary students to gain vocational qualifications whilst at secondary school. The State Training Board supports the VET program in schools and its links with Western Australian Certificate of Education. The Board recognises that VET is used for different reasons by different

schools, including as an important engagement strategy for disengaged students. The State Training Board believes better links need to be made between VET programs in schools and priority occupations and skills needed by the labour market rather than delivery in generalist industry areas that are popular with young people but have limited employment opportunities (for example, sport and recreation). An exemplary example of a school linking its VET programs to the local employment market is Esperance Senior High School.

Another way to engage young people with the VET sector is to offer career taster programs. Many young people today don't understand the employment opportunities available. Career taster programs, when combined with genuine work experience; provide young people with realistic views of certain industries and occupations. It allows them to learn about the trade, what is expected from them and the VET pathways that lead to them.

Increasing participation of under-represented groups in VET and the labour market

All people who wish to work can, if they are provided with the appropriate support. Designing courses and employment pathways that meet the needs of people with disability, Aboriginal, older jobseekers, women re-entering the workforce and people from culturally-diverse backgrounds will help lift employment rates.

Employers need to know and understand the needs, capabilities and skills of their workforce. This awareness will help them best support all workers and design safe and healthy work, and working environment for their workers.

Sadly, many people are overlooked for job roles because of myths and misconceptions about their ability to participate in the workforce. The Board is supportive of measures aimed at breaking stereotypes and misconceptions and providing meaningful employment for anyone wanting to work.

People with disability continue to be underrepresented in the State's workforce, and have significantly higher unemployment and lower participation rates. More than 1 in 4 working-age people with disability experience discrimination from employers and 1 in 6 have experienced discrimination from work colleagues²⁴.

The Board supports the National Disability Services (WA) in its call to give people with disability the opportunity to move from welfare to employment through the NDIS. Western Australia has a lower VET participation rate for people with disability at 6.5%, compared to the national average of 9.5%²⁵. Training and employment strategies that specifically target people with disability are critical to increasing their employment opportunities. Course completion rates also tend to be lower for people with disability than for other students and action is required to identify and remove barriers to completion.

Programs such as *Ticket to Work*, that takes a collaborative partnership approach to training and employment has enabled young students with disability to access career development, workplace preparation, work experience and school-based apprenticeships

and traineeships. Students participating in the pilot are more likely to complete Year 12, find employment and experience higher levels of social participation, quality of life and wellbeing.

The gap in economic participation and life outcomes for Aboriginal people in Western Australia remains significant. The Board acknowledges that a coordinated approach to Aboriginal participation will be beneficial.

Given the projected growth of the healthcare and social assistance industry, and disproportionately high levels of need for services and support by Aboriginal families and communities, the development of a human services workforce also offers an excellent opportunity for increasing economic participation, helping develop more sustainable and resilient local economies²⁶.

The Board supports measures aimed at breaking the common stereotypes and misconceptions about older workers and reducing the occurrences of age discrimination across all industries. Despite equal opportunity measures in place, many people over the age of 50 have reported experiencing age discrimination at work, being 'shut out' of recruitment, being offered fewer professional



development opportunities or feeling as though they were targeted for redundancy during periods of organisational restructure. A third of mature-aged jobseekers gave up looking for work due to perceptions of age discrimination. Committed business leaders are essential to ensure that age-friendly practices are adopted across all industries in order to eliminate stereotypical attitudes and prejudices affecting the employment of mature aged workers.

Enhanced links between industry and the VET sector

For the State economy to thrive it needs a skilled, well-trained, adaptable and agile workforce. Collaboration and partnerships between industry and the VET sector are vitally important to ensure that students, apprentices and trainees have the skills they need for the workforce.

The Board has an important role in encouraging industry to invest in training and skills development, and to engage with the VET sector so that together we can design quality training programs to meet the needs of all industries. This involves developing and delivering strategies, policies and actions that maximise opportunities for building, attracting and retaining a skilled and capable workforce for our State; whether it's through creating more flexible training options, or creating opportunities for employers to engage with the training sector through apprenticeships and traineeships.

There are plenty of examples across the VET sector where TAFE and industry work together for a common goal. Recently, South Metropolitan TAFE was announced the education and training partner for an industry collaboration with the resource sector. The purpose of the collaboration is to bring major resource companies together to identify the emerging skill needs brought about by automation, technology and new equipment. This is not a new concept, as demonstrated by the successful Australian Centre for Energy

Process Training (ACEPT) at the Munster campus, which saw oil and gas companies working collaboratively with TAFE to develop training solutions for the industry's emerging skill needs.

The Board's industry engagement framework provides a structured way for industry peak bodies, unions and employers to inform and engage with the State's training system. The Board's industry training advisory bodies inform the development of the State Training Plan and have a formal role in providing advice on apprenticeships and traineeships. Under the *Plan for Jobs* there is now a stronger alignment between the nine funded industry training councils and the State Training Board.

The State Government has committed to support and build regional communities that are creative, innovative and technology driven to create sustainable job opportunities for regional people. Ensuring regional industry stakeholders are consulted as part of any program is essential in achieving this goal. The State Training Board is committed to engaging with regional stakeholders in all of its projects and policy development.

The VET sector must continue to improve its engagement with small and medium-sized enterprises, indigenous and regional enterprises and the not-for-profit sector to ensure the voices of all sub-sectors of industry are captured.

In recent consultations undertaken by the Board, a lack of awareness of VET pathways among businesses, schools and the community was evident. Many employers have never engaged or have limited engagement with the VET sector and have limited knowledge of qualifications, pathways, nominal durations, occupation outcomes, course fees and training requirements.

As outlined in the State Training Plan 2017–2020, the State Government must encourage and increase the number of businesses from all industries engaging with the VET sector. This will provide employment opportunities for graduates, apprentices and trainees.

Businesses may also consider offering work experience to TAFE and school students to provide a supported introduction into the world of work. Increasing the participation from small and medium enterprises (SMEs) could be externally coordinated, funded and managed on an industry, regional or occupational basis.

A barrier to this participation is the perceived complexity of the VET sector. This is particularly true for first time employers and apprentices wanting to start an apprenticeship. Measures that support employers, apprentices and trainees, to obtain the information, services and support needed throughout the lifecycle of their apprenticeship is essential. The TAFE Jobs and Skills Centres should be able to fulfil this vital information and support role.

Emerging technological innovation skill demands

There is boundless research that shows that the world of work is changing. The pace of change varies across industry sectors and different occupations will be impacted at different times.



For the VET sector, the future trends and developments in technology and automation may challenge the way skills are delivered and demanded by industry and individuals. The VET sector must ensure that individuals graduate with the right mix of foundation, technical and soft skills, providing a broad base of skills to increase flexibility and adaptability in occupation choices and pathways.

Research has indicated that candidates with a multiplicity of skills will be highly valued for jobs of the future and the education and training model will have to adapt to meet these needs taking into account a student's career aspirations, aptitude and stage in their career lifecycle. Western Australians must be encouraged to broaden their skill base and undertake additional qualifications or skill sets which may be at a higher level (skills deepening) or the same or lower level (skills broadening) through flexible and accessible training options.

The State Training Board's consultation with industry and community stakeholders has indicated that many students, parents and career counsellors are not fully aware of emerging STEM occupations and skills needed.

The VET sector must work collaboratively with secondary schools and universities and in conjunction with employers in industry to provide end-to-end training and employment pathways in STEM occupations. This can be achieved through the development of flexible pathways from secondary school into VET and University with multi-entry and exit points and coupled with meaningful employment. For the existing workforce, particularly those occupations impacted by automation, flexible training options and periods of study for cross-skilling and upskilling purposes would be beneficial.

While university and VET qualifications can provide core foundational skills in a profession, other skills sets could be offered through shorter courses which are also attractive to mid-career workers who are looking at cross-skilling and upskilling opportunities. Competency based training and the apprenticeship model are growing in popularity as they are

regarded to be more effective in developing and perfecting practical skills required in realistic work environments as opposed to theoretical classroom style training with limited opportunities to apply the skills learnt.

Identifying specific emerging STEM occupations, assessing the technical and enterprise skills required for these occupations and mapping the education and training pathway options and occupation outcomes from VET to university is vital.

Technology will also influence the way people choose to work. Globally, there has been a shift away from traditional employment models with one employer for life. Workers are no longer required to co-locate to work together; more tasks are able to be performed remotely and through technology interfaces. Face-to-face meetings are also possible through innovation hubs, such as CORE Innovation Hub and SpaceCubed; mean that companies no longer need a bricks and mortar to conduct business. The communal spaces allow start-ups, operators and suppliers to work together on common challenges and build solutions collectively and collaboratively.

Social assistance and allied health workforce

A priority investment for the VET sector is the training that meets the needs of the social assistance and allied health workforce, the State's fastest growing industry. Understanding the current and future workforce requirements, including the anticipated growth of the sectors resulting from factors such as the ageing population and the roll out of the National Disability Insurance Scheme will enable the training system to respond to the demand for training places.

The growth in the social assistance and allied health workforce has been driven by many factors, including:

- additional demand for services for the ageing population;
- full-scheme implementation of the NDIS by 2019–20;

- shift from institutional to person-centred home based care;
- enhancement of services to combat mental health, drug and alcohol problems;
- further growth in demand for child care, youth services and child protection services; and
- focus on improving aboriginal health outcomes.

A significant proportion of the occupations in demand have a VET training pathway. The Department of Employment projections to 2022 show demand for the following occupations:

- Aged and Disability Carers/Therapy Aides (48% employment growth);
- Personal Carers and Assistants (32% growth);
- Education Aides (24% growth);
- Child Carers (18% growth);
- Health and Welfare Support Workers (16.5% growth); and
- Nursing Support/Personal Care Workers (14.3% growth).

Any measure that supports the social assistance and allied health sectors to attract and retain suitably skilled workers in sufficient numbers to meet the growing demand is a priority for the State Government. Regional and remote communities, particularly Aboriginal communities, will face significant barriers to attracting and retaining suitably qualified staff. Lower than average wages and high staff turnover are additional challenges.

The State Training Board acknowledges that service providers are facing increased financial uncertainty related to the shift to self-directed care and individualised funding arrangements. With the market being disrupted it is making it difficult for providers to predict future work and cash flows. This environment is leading to greater casualisation of the workforce and a reduced incentive to train workers. This shift has the potential to reduce the skill level of the carer workforce at a time when higher level support skills will be required.

Medical advances and changes in technology and patient care will require continuous training and skills development. Changing demographics will also require support workers in aged care facilities to have the skills to support residents suffering from chronic disease, dementia and mental health issues and needing palliative care. These advancements mean that in order to provide best-practice patient management and residential care services, workers must be updating their skills on an ongoing basis, particularly in areas where boundaries are often challenged and new areas explored.

The State Training Board is leading the development of a coordinated response to the training and workforce development needs of Western Australia's aged care, disability, allied health and community services sectors. The Social Assistance and Allied Health project has been undertaken to identify ways to respond to the emerging workforce challenges. The project aims to take advantage of the opportunity that exists to achieve greater coordination in workforce planning for the sectors, understanding the potential to coordinate efforts and to share workers with common skill sets.

VET infrastructure and equality of access

The VET system has an important role in society and is a fundamental part of our economy, contributing to the productivity and economic growth of the State. The VET system caters for new entrants to the workforce, providing them with employability and job-readiness skills, but equally, supports existing workers to up-skill and train for occupations that require technical skills.

In order to maximise the number of people undertaking training, we must investigate the participation in training in Western Australia, including addressing any barriers that prevent the participation of under-represented groups. We must ensure that our funding priorities in training are appropriate and targeted.

The State must ensure all Western Australians can access language, literacy and numeracy skills. In recognition of the importance of foundation skills training, at the discretion of the training provider eligible students enrolled with an approved provider in a Certificate II, III or IV vocational qualification are able to get support to develop foundation skills to increase their chances of successfully completing their training.

The VET workforce

Western Australia's VET sector could not possibly deliver the quality skills needed by the Western Australian labour market without the dedicated VET professionals, trainers and assessors employed in TAFE and private training providers.

The VET sector workforce faces its own unique challenges in attracting and retaining quality staff. VET professionals are required to maintain both industry currency as well as their education and training skills. The industrial relations environment makes it difficult for the TAFE sector to recruit and retain skilled professionals.

Relative to other education workforces, on a headcount basis, there is a relatively high prevalence of non-permanent employment in the VET sector²⁷. Many TAFE lecturers are employed on a casual or contract basis; often for years²⁸. At the same time reduced funding in the VET sector is making it difficult for TAFE and private training providers to provide permanent employment.

Training providers are required to demonstrate compliance against the RTO Standards that their workforce maintains the currency of industry skills and trainer/assessor competencies. Training providers need to provide their trainers/assessors with meaningful industry engagement and support professional development in teaching and learning. The State Training Board is aware that industry engagement presents its own unique challenges, in terms of the potential for lecturing staff to be poached by private businesses by offering employment as in-house trainers.

There has also been a blurring in recent years between the school, VET and university sectors. The VET sector sits between secondary school sector and universities. Schools are regularly delivering up to Certificate III (and higher) VET qualifications in schools and universities are now encroaching on higher level qualification delivery.

Maintaining staff qualifications and industry experience is a major challenge for secondary schools. VET trainers need a Certificate IV in Training and Assessment, even if they are qualified teachers. They must also have current industry experience to assess students. Training providers determine how trainers maintain vocational currency, and this can include working each year in the relevant industry. The Department of Education provides some financial assistance to schools to enable teachers to maintain experience. But generally the Department of Education relies on individual schools to manage this process and does not monitor it²⁹.

Other factors affecting the current and future demand for the VET workforce, and the required mix of skills and knowledge include:

- the changing VET landscape with a greater emphasis placed on industry and sectorial needs;
- constant changes and reforms to training products resulting in changes to delivery and assessment tools;
- requirement for broader skills in VET professionals as a result of increasing system focus on client needs, including flexible delivery, greater focus on employability skills, catering for a more diverse student base, and partnering with enterprises and communities; and
- provision of specialised training and pathways for specific student cohorts requiring VET professionals to obtain additional or specialised qualifications.

Focus on employers and their needs

Employers are critical to the success of vocational learning, especially in apprenticeships and

traineeships; without them apprenticeships and traineeships simply don't exist. Employers are also critical in providing meaningful work experience for VET students.

The State Training Board acknowledges that employers invest a large amount of time and money in hiring and mentoring an apprentice or trainee. Apprentices and trainees also invest their time and effort into learning the trade. Apprentices are paid a training wage that increases as their skills increase.

Employers need to recognise that all new workers, whether an apprentice/trainee or "off the street" hire will require some training or an adjustment period to settle into the business. If a fully qualified tradesperson or skilled worker is not available, the business may consider leaving the position vacant. Whilst the business may save money in the short-term, it may ultimately cost them business, through inability to meet deadlines, turning down work, or increasing the hours worked by qualified employees through overtime.

Through recent consultations with employers, the Board uncovered the common barriers experienced by employers in the VET system. These included:

- complexity of the VET system makes it difficult to find information or appropriate support;
- course fee costs remain a significant barrier to some employers;
- Government incentives have not kept up with the rising costs of doing business, meaning that many employers are out of pocket; and
- the supply of potential apprentices/trainees is declining as more young people choose university over VET pathways.

Employers would like to access the information and support they require from the VET system from one central location. Employers have told the State Training Board that a single resource or centre is needed for all information relevant to the VET sector, including course availability, fees, support, service providers and what to do when things go wrong.

Rural and remote employers face additional burdens. Many regional employers felt that they were being overlooked by the TAFE and private training market. Block release training is often used for rural apprentices and trainees with little regard for the needs of the apprentice or employer. A more customer-focussed approach to scheduling of block release would be welcomed by many regional employers.

Well-funded and supported TAFE sector

Western Australia needs a well-funded, resilient and high-quality TAFE system to meet the growing and diverse needs of the State's key industries, regions, emerging markets, students, employers and apprentices and trainees. The five TAFE colleges work collaboratively to increase operational efficiencies, ensure financial viability of the sector and rationalisation of training delivery and infrastructure. This will ensure the Government's investment in training will go further and meet the training needs of more Western Australians.

Stakeholders have indicated that TAFE needs to consider the needs of their target customers. Alternative communication platforms popular with young people, such as Facebook and Instagram, could be adopted by TAFE as a way of communicating with students and customers in the format they prefer.

The Board continues to support a broad marketing campaign about the importance of VET and the high-quality training options available in WA. We need marketing campaigns aimed at young people and their parents to promote the VET sector as a legitimate and valued pathway for gaining the skills that are critical to employment. Sharing and promoting success through VET, such as promoting the WA Training Awards winners, will be a key factor in influencing choice and changing behaviour. We equally need campaigns for mature-aged students seeking career changes, to promote the practical job-ready skills offered through the VET system.



End notes

- 1 Further details regarding the procurement of the training priorities identified in the State Training Plan are included in Section 10 of the Background paper.
- 2 2017-18 Government Mid-Year Financial Projections Statement, Government of Western Australia 2017
- 3 National Disability Services WA
- 4 WA Disability Services Sector Industry Plan is available from <https://www.nds.org.au/resources/wa-disability-services-sector-industry-plan>
- 5 Noonan, P. (2016). VET funding in Australia: Background trends and future directions, Mitchell Institute, Melbourne.
- 6 For further information on the CAVSS and USIQ, please see section 7.2 of the Background Paper.
- 7 Data collection is for the National Training Agreement (NTA) scope which is only for enrolments funded by the Department of Training and Workforce Development.
- 8 Jo Hargreaves, John Stanwick & Peta Skujins (2017) The changing nature of apprenticeships: 1996-2016, National Centre for Vocational Education Research (NCVER)
- 9 Quality Indicators for Learning and Teaching (2018), 2017 Graduates outcome survey, National report retrieved from: <https://www.qilt.edu.au>
- 10 Construction Training Fund, Construction Industry Snapshot, December 2017, Retrieved from <https://bcitf.org/whats-new/research>
- 11 ibid
- 12 Construction Training Fund, Construction Industry Snapshot, November 2016, Retrieved from <https://bcitf.org/whats-new/research>
- 13 Reserve Bank of Australia, Labour Movements during the Resource Boom, Bulletin – December quarter 2014. Retrieved from <http://www.rba.gov.au/publications/bulletin/2014/dec/2.html>
- 14 Government of Western Australia, 2017 18 Government Mid-year Financial Projections Statement, December 2017.
- 15 These employment forecasts are based on detailed labour market projections taken from the Monash model (and based on information available as at October 2016), developed by the Centre of Policy Studies (previously based at Monash University and now based at Victoria University). It should be noted that there is a certain degree of uncertainty attached to any forecast.
- 16 P. Noonan and S. Pilcher, Participation in tertiary education in Australia: Modelling and scenario analysis, Mitchell Institute, 2018.
- 17 Foundation for Young Australians (2017), The new work mindset, 7 new job clusters to help young people navigate the new work order available from <https://www.fya.org.au/wp-content/uploads/2016/11/The-New-Work-Mindset.pdf>
- 18 FutureNow Industry Snapshot, Sport and Recreation
- 19 Australian Chamber of Commerce and Industry (2017), The Australian Industry Group and the Business Council of Australia joint Apprenticeship Reform Paper
- 20 Low-skilled jobs are defined as those requiring workers to have no more than a high school education and no more than one year of work experience.
- 21 Business Council of Australia (2017), Future-Proof, Protecting Australians Through Education and Skills
- 22 Ahwan, L and Burgess, M, Trade versus university: a breakdown of employability, costs and earning potential, Article published on www.news.com.au/finance/work/trade-versus-university-a-breakdown-of-employability-costs-and-earning-potential/news-story/364d23ae946a94d9808775675a5498dd, 21 January 2017
- 23 Ibid
- 24 Australian Government AHW, Disability in Australia: changes over time in inclusion and participation in employment.
- 25 National Centre for Vocational Education Research (NCVER), Table 5 Government-funded student characteristics by state or territory, January-March 2017
- 26 WA Council of Social Services, Submission to Senate Select Committee, Inquiry into Future of Work and Workers, February 2018
- 27 Productivity Commission 2011, Vocational Education and Training Workforce, Research Report Canberra.
- 28 State School Teachers Union
- 29 Office of the Auditor General, Vocational Education and Training for Year 11 and 12 Students in Public Schools, December 2016



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