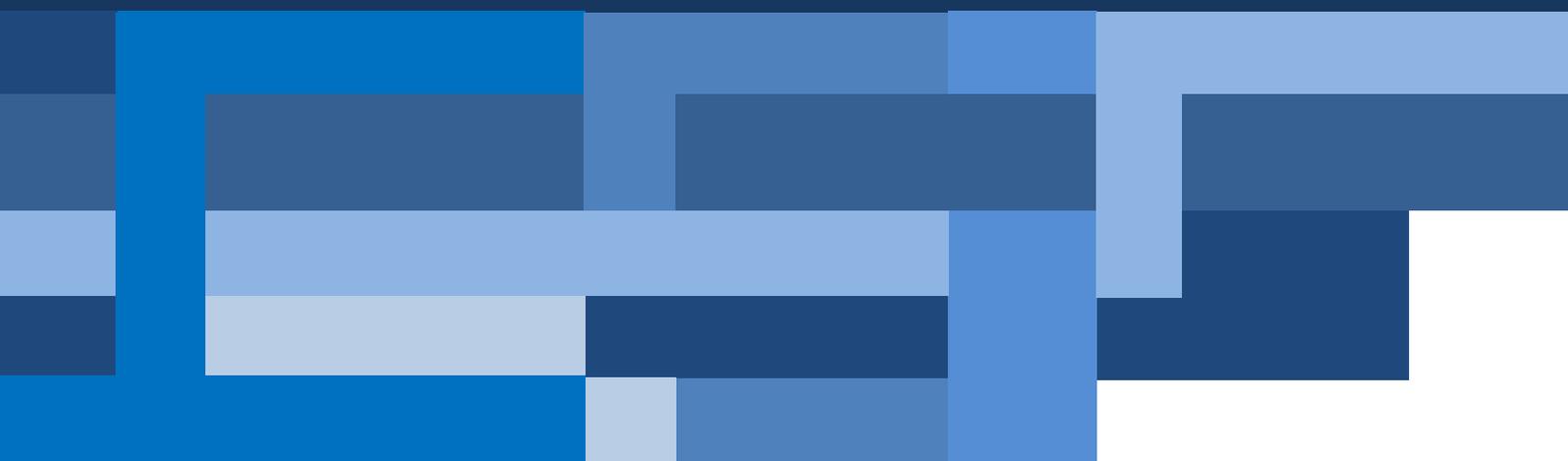


State Training Board

# ANNUAL REPORT 2014 – 2015

Report on the operations of the State Training Board for the financial year ending 30 June 2015.





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## STATEMENT OF COMPLIANCE

Ms Liza Harvey MLA  
Minister for Training and Workforce Development  
11<sup>th</sup> Floor, Dumas House  
2 Havelock Street  
WEST PERTH WA 6005

Dear Minister,

In accordance with section 24 of the *Vocational Education and Training Act 1996* I hereby submit, for your information and presentation to Parliament, a report on the operations of the State Training Board for the financial year ended 30 June 2015.

A handwritten signature in black ink, appearing to read 'J. S. Walker', written in a cursive style.

Jim Walker  
CHAIR  
STATE TRAINING BOARD  
20 August 2015



## CHAIRMAN'S MESSAGE



On behalf of the State Training Board I am pleased to present the annual report of the State Training Board for the year ending 30 June 2015.

During this reporting period we have witnessed significant changes for Western Australian economy, business and industry. The fall in commodity prices, moderation in economic conditions and reduced consumer confidence has contributed to a cooling of demand for vocational education and training in the State. The changes in economic conditions coupled with the half-year cohort and FutureSkills WA has resulted in a challenging year for the vocational education and training sector in Western Australia, particularly for our State Training Providers.

The challenge for industry and employers is to find ways to keep staff on, and to offer combinations of work and training, to try to avoid the “boom-bust” cycle of skill shortages and wage pressures that Western Australia has experienced in the past. It is essential that we continue to address the long term skills and workforce challenges facing the State.

The work of the State Training Board over the reporting period, including its *Workforce Scenarios and Projections* project and *Youth Unemployment* project, highlights:

- the increasing need for higher level skills both through VET and higher education;
- the importance of young people's ability to transition more efficiently from secondary education to VET or university and ultimately into sustainable employment;
- the criticality of good quality career advice to enable young people (and their parents/guardians) to make informed choices about training and education pathways;
- the changing pace of technology and innovation; and
- the importance of meeting the challenges of an ageing population.

A continued emphasis on aligning skills development with priority occupations is also vital, along with providing the environment for those groups under-represented in the workforce to increase their participation in education and training.

The State Training Board is committed to ensuring that our training system, policy and planning settings are responsive to industry needs. The findings of the *Independent Review of the Vocational Education and Training Sector in Western Australia* suggests that there is further work to be done to strengthen the vocational education and training sector and improve the resilience of the Western Australian economy and labour market. The State Training Board will continue to work with the Minister, the Department of Training and Workforce Development and our key stakeholders to identify opportunities to improve the vocational education and training system.

The State Training Board's work would not be possible without the engagement of

the industry training councils. The training councils play a vital leadership role in promoting training to industry and providing high level, strategic information and advice that informs the State Training Board's legislative and strategic functions. The State Training Board would like to formally acknowledge and celebrate the long-standing career and contribution of Mal Gammon as Chief Executive Officer of FutureNow who stood down in May after almost 25 years at the helm. Mal's leadership, energy, determination and dedication for the creative and leisure industries were second to none.

This reporting period has also seen a number of changes to the membership of the State Training Board. In October 2014 after almost ten years as Chair, Keith Spence stood down. We had the opportunity to acknowledge and celebrate Keith's achievements and his outstanding contribution to the VET sector in Western Australia. Keith was a strong champion for skill development, an advocate of the apprenticeship system and a staunch supporter for Aboriginal people most notably through his work as Co-Chair of the *Training Together-Working Together* strategy which has resulted in an increase in Aboriginal participation in meaningful training and long lasting employment.

Other membership changes included the resignation of Mr Mike Deeks in August 2014 and Joanne Farrell chose not to seek reappointment following the end of her term in December 2014. The Minister reappointed Vanessa Davies and Audrey Jackson, AM and we welcomed new appointees Dr Felicity Jefferies and Jeanette Roberts to the Board.

It is an honour to be appointed the Chair of the State Training Board. I would like to thank Dr Ruth Shean, Simon Walker and the Office of the State Training Board for welcoming me into this new role and providing advice and guidance.

I look forward to working closely with my fellow Board members, the Minister, industry training councils, the Department of Training and Workforce Development and key stakeholders to progress strategic issues impacting the VET sector in Western Australia.

**Jim Walker**  
**CHAIR**  
**STATE TRAINING BOARD**

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## PART 1: OVERVIEW OF THE STATE TRAINING BOARD

### Establishment and Function

The State Training Board is an independent statutory body established by Part 3 of the *Vocational Education and Training Act 1996* (the VET Act). The State Training Board reports directly to the Minister for Training and Workforce Development (the Minister).

The functions of the State Training Board are to:

- provides the Minister a draft State Training Plan as and when requested;
- recognise various industry training advisory bodies as bodies from which the Board takes advice for the purposes of drafting a State Training Plan or making recommendations to the Minister under Part 7 of the VET Act;
- make recommendations that are required or permitted to be made by it to the Minister under Part 7 of the VET Act;
- prepare, for consideration by the Minister, policy which aims to improve the links between specific industry developments and vocational education and training so as to gain optimum employment opportunities for people, and ensure the availability of appropriately skilled labour, in the State; and
- perform the functions it has under Part 7A Division 2 of the VET Act.

In addition, the State Training Board provides advice to the Minister on matters relating to:

- the existing and anticipated supply and demand for skills in various industries, particularly expanding industries and industries which are experiencing or are expected to experience a shortage of skilled labour, and on proposed strategies to support such industries;
- strategic directions, policies and priorities for the State training system;
- emerging international, national and State training issues;
- the extent to which training services meet the current and future requirements of industry and the community, including the requirement for equal opportunity of access to those services; and
- any other matters, as directed by the Minister.

### Membership

State Training Board members are appointed by the Minister under section 19 of the VET Act for their experience and expertise in education and training, industry or community affairs and their ability to contribute to the strategic direction of the State training system. Members represent the diversity of the Western Australian community as well as the training sector. Seven members are appointed by the Minister under section 19(1), of which one is selected to undertake the duties of chairperson; one is appointed for their experience in 'workers' interests'; and one is appointed for their experience in 'employers' interests'.

Under section 19(2) of the VET Act, the Minister may appoint two other persons from a panel of names submitted by the Board members appointed under section 19(1). Members are appointed for a term not exceeding three years and the chairperson is appointed for a term not exceeding five years. All members are eligible for reappointment at the discretion of the Minister. Members are eligible to receive

remuneration for their services which is paid in the form of sitting fees<sup>1</sup>.

### **Membership changes during the reporting period**

During the reporting period there were a number of changes to the Board's membership.

On 16 October 2014, Mr Keith Spence FAIM resigned as Chair of the State Training Board. During his time as Chair, Mr Spence was a champion for the vocational education and training sector, leading several major projects most notably his work as Co-Chair of the Training Together-Working Together strategy which has resulted in an increase in Aboriginal participation in meaningful training and long lasting employment. Mr Spence was the longest serving Chair of the State Training Board having served a term from 6 May 2005 to 16 October 2014.

Mr Jim Walker was appointed from member to Chair on 1 December 2014 under section 19(1). Mr Walker is the only member of the Board with a trade background having completed an apprenticeship as a Fitter (Diesel and Heavy Earthmoving Equipment). Mr Walker has more than 30 years' industry experience culminating as Managing Director of WesTrac Pty Ltd for Western Australia. Mr Walker's extensive industry experience also includes practical experience of the apprenticeship system.

Mr Mike Deeks, a valued long serving member of the Board, resigned on 31 August 2014. Mr Deeks having first been appointed on 1 January 2008, served two full terms before his resignation. Mr Deeks' vacancy on the State Training Board remains vacant as at 30 June 2015.

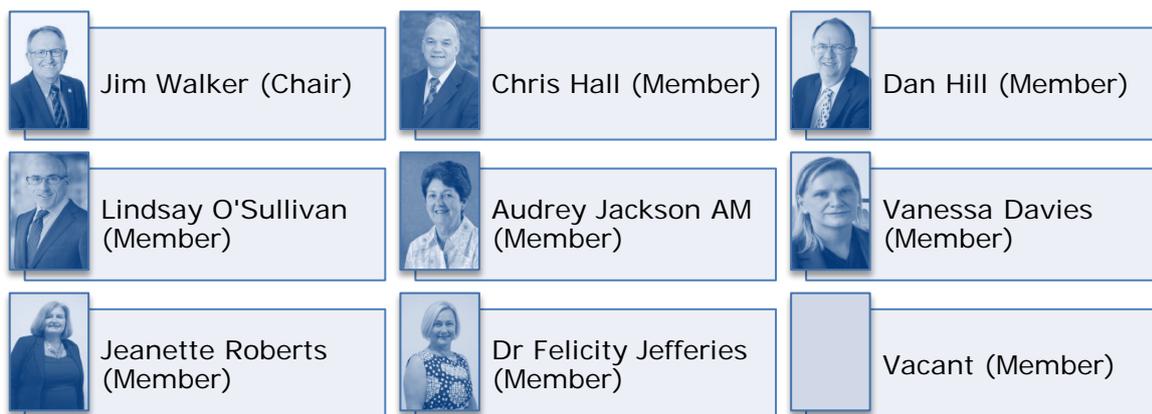
Ms Joanne Farrell's membership term ended on 31 December 2014. Ms Farrell did not seek reappointment. Ms Farrell brought her extensive mining experience which included Human Resources, Health, Safety, Environment and Communities roles in Western Australia, Victoria, New South Wales, Queensland, United Kingdom and the United States of America.

In October 2014 the Office of the State Training Board called for expressions of interest for membership of the State Training Board. Advertisements were placed in *The West Australian* and the *Business News Weekly*.

As a result of the expression of interest the following new appointments were made from 1 January 2015:

- Ms Jeanette Roberts has extensive experience in the mining/resource sector. In addition to this experience Ms Roberts had extensive experience of the vocational education and training sector having served as Chair of the Resources Industry Training Council.
  - Dr Felicity Jefferies is medically qualified with extensive experience in rural and regional Western Australia. Dr Jefferies has experience in workforce development for Rural Health West and has undertaken consultancy work with higher education relating to education and training in Western Australia. Dr Jefferies has a good understanding of the impact of technology on the workforce and the need for a flexible and adaptable workforce.
-

### State Training Board Members as at 30 June 2015



<sup>1</sup> Members who are on the public payroll, including all current State, Commonwealth and Local Government employees, current and retired judicial officers and current employees of public academic institutions are not eligible to receive sitting fees. (Premier's Circular 2010-02)

Biographies of the State Training Board members are in Appendix 1.

## Reporting Relationships

### Department of Training and Workforce Development

The VET system is administered by the Department in its role as State Training Authority. The Department, in addition to its vital training role, has the broader responsibility of workforce development. Workforce development aims to build, attract and retain a skilled workforce to meet the economic needs of Western Australia, to minimise skill shortages and maximise the State's ability to respond to new opportunities.

The Department manages the investment of public resources in the State VET system, including planning, funding and monitoring services. It funds training which is delivered by a state-wide network of State Training Providers and private providers. The Department is also responsible for administering and monitoring the State's apprenticeship system.

The State Training Board has a close working relationship with the Department of Training and Workforce Development (the Department). The Chair met with the Director General, Dr Ruth Shean, and other Senior Executives to align State Training Board priorities with Department priorities. Mr Simon Walker, Executive Director, Policy Planning and Innovation (PPI) is an ex-officio member of the State Training Board. Mr Walker regularly attends Board meetings and provides updates on Department's activities, programs and policies that may impact on the Board's business. In addition, the Chair and Director, Office of the State Training Board meets with Mr Walker to progress State Training Board matters outside the formal meeting schedule.

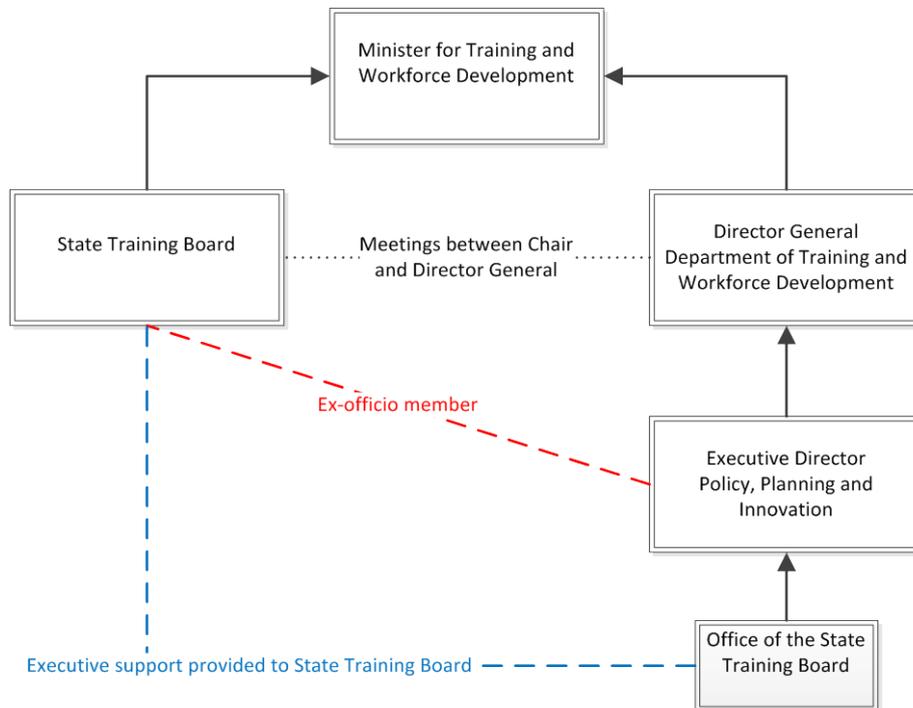
### Secretariat support

The Department of Training and Workforce Development provides secretariat support for the State Training Board through the Office of the State Training Board (OSTB). The OSTB sits within the Policy, Planning and Innovation directorate of the Department and reports directly to the Executive Director. The OSTB provides executive support to members and committees of the State Training Board.

As at 30 June 2015 the OSTB included:

- Ms Kathy Hoare, Director, Office of the State Training Board
- Ms Rani Thulasy, Senior Project Officer
- Ms Paula Campbell, Management and Project Support Officer (Part-time)

### Reporting relationship between State Training Board and Department



### Relationship with Industry, Government and Training Sector

The State Training Board, as the peak industry advisory body to the Minister, has developed strong working relationships with various stakeholders.

#### Industry Training Councils

One of the key functions of the State Training Board is to recognise various industry training advisory bodies from which the Board takes advice for the purposes of drafting the State Training Plan or making recommendations to the Minister under Part 7 of the VET Act. For the purposes of the VET Act, the industry training advisory bodies are recognised as 'industry training councils'. The industry training councils provide:

- a leadership role in promoting training to industry, including partnerships between industry and the training sector;
- high level, strategic information and advice that informs the State Training Board on the training needs and priorities of industry in Western Australia;
- advice and recommendations to the State Training Board on the establishment and variation of employment based training arrangements in Western Australia in line with the *State Training Board's Guidelines for the Establishment and Variation of Apprenticeships*; and
- market intelligence on skills supply and demand, in particular, current or emerging skills shortages and recommendations for training strategies to support industry's skills development needs.

The Board recognised ten industry training councils throughout the reporting period:

 <p>Community Services, Health and Education Training Council Inc.</p>	<p>Chair: Geoff Jones Deputy Chair: Richard Barlow Chief Executive Officer: Ian Andrews Telephone: 9445 1511 Website: <a href="http://www.csheitc.org.au">www.csheitc.org.au</a></p>
	<p>Chair: Ian Hill Executive Director: Ralph Dawson Executive Officer: Alan Davis Telephone: 9244 0100 Website: <a href="http://www.bcif.org">www.bcif.org</a></p>
	<p>Chair: Joe Fiala Chief Executive Officer: Kevin Peachey Telephone: 9240 2688 Website: <a href="http://www.eupa.com.au">www.eupa.com.au</a></p>
 <p>ENGINEERING &amp; AUTOMOTIVE TRAINING COUNCIL INC.</p>	<p>Chair: Joe Fiala Chief Executive Officer: David Hicks Telephone: 9201 2999 Website: <a href="http://www.eatc.com.au">www.eatc.com.au</a></p>
 <p>FINANCIAL ADMINISTRATIVE &amp; PROFESSIONAL SERVICES TRAINING COUNCIL INCORPORATED</p>	<p>Chair: Graham Drury Deputy Chair: Liz McIhone Chief Executive Officer: Allan Jones Telephone: 9445 9000 Website: <a href="http://www.fapstc.org.au">www.fapstc.org.au</a></p>
 <p>Food, Fibre &amp; Timber Industries Training Council (WA) Inc.</p>	<p>Chair: Geoff Richards Vice Chair: Carlo Gosatti Chief Executive Officer: Kay Gerard Telephone: 9361 2800 Website: <a href="http://www.ffittrainingcouncil.com.au">www.ffittrainingcouncil.com.au</a></p>
 <p>FutureNow. Creative and Leisure Industries Training Council</p>	<p>Chair: Barry Felstead Deputy Chair: Ken Norquay Chief Executive Officer: Julie Hobbs Telephone: 9285 8555 Website: <a href="http://www.futurenow.org.au">www.futurenow.org.au</a></p>
	<p>Chair: Cathi Payne Vice Chair: Brian Appleby Chief Executive Officer: Jillian Dielesen Telephone: 9388 8781 Website: <a href="http://www.logisticstc.asn.au">www.logisticstc.asn.au</a></p>
	<p>Chair: Sanchia Tolomei Executive Officer: Nigel Haywood Telephone: 9220 8538 Website: <a href="http://www.ritcwa.com.au">www.ritcwa.com.au</a></p>
	<p>Chair: Andrew Vitolins Executive Director: Norma Roberts Telephone: 9446 8177 Website: <a href="http://www.rapstc.com.au">www.rapstc.com.au</a></p>

### Training Accreditation Council

The Training Accreditation Council is Western Australia's State Registering and Course Accrediting Body and is responsible for quality assurance and recognition of VET services in Western Australia. This includes:

- the registration of training providers;
- the accreditation of courses;
- the recognition of skills and qualifications; and
- providing policy advice to the State Training Board on recognition arrangements.

The Training Accreditation Council is committed to being the national leader in the strategic management of the recognition and quality assurance of training, including associated policies, services and standards in the VET sector and to providing practical, efficient and responsive support for government, the Board, industry training providers, and the community.

### Other Stakeholders

Throughout the 2014-15 reporting period, the Board has worked closely with a number of stakeholders, including state training providers, private training providers, UnionsWA, the Chamber of Commerce and Industry (WA) and the Chamber of Minerals and Energy, Regional Development Commissions and other industry advisory groups both locally and nationally.

## Compliance

### Compliance with the Public Sector

The *State Training Board Code of Conduct* was developed in line with Public Sector Commission's Conduct Guide of Boards and Committees. All members are provided with a copy of the Code of Conduct as part of the induction training to the State Training Board as it provides guidance about ethical conduct, public duties and legal responsibilities.

The State Training Board reviewed its Code of Conduct in February 2015. There were no issues in relation to the Code of Conduct or Code of Ethics during the reporting period.

### Section 175ZE of the *Electoral Act 1907*

Section 175ZE of the *Electoral Act 1907* requires public agencies to report details of expenditure to organisations providing services in relation to advertising, market research, polling, direct mail and media advertising. The State Training Board has not incurred expenditure of this nature during the reporting period.

### Financial Statements

The State Training Board is an entity of the Department of Training and Workforce Development whose financial costs are fully reported within the Department's annual report. In accordance with the *Financial Management Act 2006*, the Department is the accounting authority for the State Training Board.

### Annual Reporting

In accordance with section 24(1) of the Vocational Education and Training Act 1996, the State Training Board is required to prepare and present to the Minister, an annual report on its operations (functions).

## PART 2: STRATEGIC CONTEXT

The Western Australian vocational education and training (VET) system, through training and skills development, plays a vital role in enhancing the State's workforce capacity. Through this role, the VET system provides an important contribution to the economy and social development of the State.

The Western Australian VET system is established under the *Vocational Education and Training Act 1996*. The Department of Training and Workforce Development (the Department) assists the Minister in the administration of the VET Act in its role as the State Training Authority. The VET Act sets out the functions and powers of the Minister and provides for:

- a VET system for the State of Western Australia;
- the establishment and functions of the State Training Board and the Training Accreditation Council;
- the establishment of colleges and other VET institutions; and
- the training of people, such as apprentices, under training contracts with employers.

The Western Australian VET system sits within a national VET system consisting of a network of eight State and Territory Governments, the Australian Government, industry skills councils, peak employer and employee groups, public and private training providers.



State Training Board Chair, Jim Walker , State Training Board members and ASG Integracom staff  
State Training Board third meeting and site visit for 2015  
ASG Integracom, Welshpool

### Review of the Vocational Education and Training Act 1996

The purpose of the *Vocational Education and Training Act 1996* (the VET Act) is to establish a vocational education and training system for the State, to constitute the State Training Board of Western Australia and the Training Accreditation Council, to provide for the establishment of colleges and other vocational education and training institutions, to provide for the training of people, such as apprentices, under training contracts with employers, and for related purposes.

The Department of Training and Workforce Development conducted a review of the VET act as required every five years under State legislation. The State Training Board made the following three recommendations:

#### Section 13, The Minister may issue guidelines

The State Training Board recommends that s.13 explicitly require ministerial guidelines issued by 2012 FVA Guidelines and the Training Accreditation Council to be published in the *Government Gazette* so there is no ambiguity on whether these ministerial instruments are in force.

#### Section 21, Functions of the Board

The State Training Board reiterates its position put forward in the Independent Review of the VET Sector and recommends that its remit under the *Vocational Education and Training Act 1996* should be strengthened to provide specific reference to workforce development and to consider the needs of the entire workforce (not only VET related workforce) with specific reference to:

- current and emerging industry workforce development needs;
- workforce planning including references to fly-in, fly-out (FIFO), migration, skills matching and forecasting, and references to higher education planning and articulation;
- impact of State, national and international workforce development and migration policies and planning and its effect on the State's current and future workforce needs.

#### Division 2 – Appeals against the Council's decision (sections 58G, 58H, 58I and 58J).

The State Training Board recommends that this provision of the Act be removed from the State Training Board. The Board believes the appeal provision under section 58G of the VET Act should be assigned it to the State Administrative Tribunal who have the expertise to deal with such appeals.

### State Training Plan 2015-2018

The State Training Plan 2015 – 2018 was noted by the former Minister for Training and Workforce Development, Hon Kim Hames MLA on 30 September 2014.

The priorities outlined in the State Training Plan 2015-2018 have been based on detailed analysis of economic and labour market data and forecasts supported by industry intelligence. This includes a continued focus on apprenticeships and traineeships, priority industry qualifications and essential foundation skills training. The priorities have also been aligned within the context of State and national VET priorities, including the policy settings within the State Government's Future Skills WA.

The five main priorities for 2015-2018 are;

- **Occupational Priorities:** ensuring that training delivery is focuses on those occupations linked to growth industry sectors which will assist the State to boost productivity and to gain a competitive advantage in the global economy.
- **Higher qualifications:** increasing the skill levels of all Western Australian remains critical to supporting the State's economy and at the same time, fostering greater workforce participation by all.

- **Young people:** supporting young people in making an effective transition to higher education and training, and employment is a key objective for the State. This includes strengthening pathways from the VET sector to university.
- **Under-represented groups:** increasing participation in the workforce among Aboriginal people, people with a disability, mature aged workers, and people in regional areas is essential in order to grow the State's workforce.
- **Ageing population:** continued emphasis on training for health and community services occupations.

The State Training Board Workforce Scenarios and Projections project assisted the State Training Plan 2015 - 2018 in highlighting the expected growth of specific industries such as health care and social assistance, education and training and finance and insurance services. This is particularly the case for health care and social assistance, which is being driven by the State's ageing population.

It is expected that employers will increasingly need applicants with higher level skills and who hold some level of post school qualifications. The Western Australia's State Priority Occupation List (SPOL) for 2014 demonstrates the importance of maintaining the highly skilled workforce required for the State's labour market. Ensuring young people can transition more efficiently to higher education and training and employment and ensuring that skills are adapted to keep pace with technology and innovation will better place the State's workforce for the future.



## PART 3: ACTIVITIES OF THE STATE TRAINING BOARD

### Meetings

The State Training Board meets on a bi-monthly basis (six per year) in February, April, June, August, October and December. The meetings are typically held on a Thursday evening between 3.00 p.m. and 7.00 p.m. at a pre-selected venue.

The State Training Board aims to meet at various industry and training locations in Western Australia. Hosts are encouraged to provide a presentation and/or tour to members of their facilities, research, training or any other developments they believe the Board would be interested in noting.

In the reporting period the State Training Board held the following meetings:

21 August 2014:	WA Basketball Centre, Floreat
16 October 2014:	Central Institute of Technology, Northbridge
19 February 2015:	Department of Training and Workforce Development
16 April 2015:	Australian Centre for Energy Process Training (ACEPT)
18 June 2015:	ASG Integracom, Welshpool

**Table 1: State Training Board meeting attendance record**

Member	General meetings					Extraordinary meetings	
	21 Aug 2014	16 Oct 2014	19 Feb 2015	16 Apr 2015	18 Jun 2015	7 July 2014	6 Feb 2015
Keith Spence	✓	✓				✓	n/a
Jim Walker	✓	✓	✓	✓	✓	✓	✓
Vanessa Davies	x	✓	x	✓	x	✓	x
Chris Hall	x	✓	✓	x	✓	✓	✓
Dan Hill	x	x	✓	✓	✓	✓	x
Audrey Jackson AM	✓	✓	x	✓	✓	✓	✓
Lindsay O'Sullivan	✓	x	✓	✓	✓	✓	✓
Mike Deeks CSC	✓	✓				x	n/a
Joanne Farrell	x	x				x	n/a
Jeanette Roberts			✓	✓	✓	x	✓
Dr Felicity Jefferies*			✓	x	x	x	✓

\*Dr Felicity Jefferies was granted a leave of absence from the State Training Board from April 2015 due to ill health.

The State Training Board was unable to meet in December 2014 as the Board appointment process had not been finalised.

### Extraordinary meetings

During the reporting period the State Training Board held two extraordinary meetings:

- The first meeting was held on Monday 7 July 2014 with Nous Group presenting the Scenarios Report and Independent Review of VET Sector recommendations.
- The second meeting was held on Friday 6 February 2015, an independent

panel was established under section 58H of the *Vocational Education and Training Act 1996* to review an appeal against a decision of the Training Accreditation Council.

### Visit to Acacia Prison

On 8 October 2014 a number of State Training Board members visited Acacia Prison at Wooroloo. Acacia Prison had approached the State Training Board regarding training and employment pathways for prisoners of Acacia Prison as part of their recidivism strategies. The State Training Board visit included representatives from FutureNow Training Council, Food, Fibre and Timber Industries Training Council, Construction Training Council and the Department of Training and Workforce Development.



State Training Board Chair, Jim Walker, State Training Board members and Greg Guppy, Director ACEPT  
 State Training Board second meeting and site visit for 2015  
 Australian Centre for Energy Process Training (ACEPT), Munster

## PART 4: STATE TRAINING BOARD WORK PROGRAM: LEGISLATED ACTIVITIES

### Establishment and Variation of Apprenticeships

Section 23 of the VET Act 1996 enables the State Training Board to appoint committees to assist it to perform its functions under the Act. A committee may include people who are not members of the Board but must include at least one member of the Board.

The Board established the Establishment and Variation of Apprenticeships Committee (EVAC) to perform the Board's role in providing advice to the Minister for Training and Workforce Development regarding the classification of prescribed vocational education and training qualifications as required under section 60C of the VET Act 1996.

The members of EVAC during the reporting period were:

- Jim Walker (Chair)
- Lindsay O'Sullivan, Board member; and
- Dan Hill, Board member.

Section 60C is intended to provide a means of regulating the classification of certain qualifications. The establishment of apprenticeships<sup>2</sup> is based on the classification of qualifications by the Minister as either 'Class A' or 'Class B'. The intent of having a classification of qualification is to ensure that some qualifications are protected and can only be achieved through an apprenticeship arrangement.

**Table 2: Classification of Prescribed VET Qualifications used under Section 60C of the VET Act**

Class A	Class B	Class C
Being a qualification that must only be undertaken through an apprenticeship arrangement (i.e. fulfilling the obligations of an apprentice under a training contract with an employer registered by the Department of Training and Workforce Development).	Being qualifications that may be achieved through an apprenticeship arrangement  OR  through an institutional pathway with a registered training provider without the requirements of an apprenticeship.	Being qualifications that can only be undertaken through an institutional pathway without the requirements of an apprenticeship (these institutional delivery only qualifications will not require classification and will be Class C by default).

An 'establishment' will require the Board to provide advice to the Minister on certain conditions relating to the apprenticeship, as detailed in regulation 37 in the Vocational Education and Training (General) Regulations 2009:

- 37(4)(a): whether an apprentice under a training contract for the qualification should be called an apprentice, a trainee, an intern, a cadet or some other

<sup>2</sup> Apprenticeship means any employment based training scheme whether termed an apprenticeship, traineeship, cadetship or internship.

term;

- 37(4)(b): the nominal period of a training contract for the qualification;
- 37(4)(c): whether an apprentice under a training contract for the qualification should be able to work part-time under the contract;
- 37(4)(d): whether a person at school should be able to enter into a training contract for the qualification; and
- 37(4)(e): any condition that should apply to the classification of the qualification.

The regulations prescribe that the State Training Board must consult with industry advisory bodies (known as Industry Training Councils) as well as employee and employer groups in any industry that might be affected by the decision of the Minister.

During the reporting period the State Training Board released updated *Guidelines for the Establishment and Variation of Apprenticeships (Version 2.2)* which includes a streamlined approach to variations. The new guidelines were effective for all new applications from 1 January 2014.

#### Activity during the reporting period

The following proposals were considered by the EVAC or completed during the reporting period. More information can be found on the State Training Board website.

**Table 3: Minister Approved EVAC Proposals 2014-2015**

Establishment	
Class B	Approved
TLI42613 Certificate IV in Train Driving	31 October 2014
TLI33313 Certificate III in Furniture Removal	22 October 2014
NWP20107 Certificate II in Water Operations	13 October 2014
SIS20213 Certificate II in Outdoor Recreation	13 October 2014
TLI33413 Certificate III in Waste Driving Operations	23 September 2014
CHC42912 Certificate IV in Mental Health Peer Work	8 September 2014
Variations	
Change in Classification	Approved
MEM30605 Certificate III in Jewellery Manufacture	23 November 2014
Addition of school-based pathway	Approved
UEE20711 Certificate II in Data and Voice Communications	2 June 2015

#### EVAC proposals lapsed, withdrawn or not supported during 2014-2015:

- A proposal to vary the existing SIH30111 Certificate III in Hairdressing (Class B traineeship) by varying the classification and nominal duration was not approved by the Minister (1 October 2014); and
- A proposal to establish a Class B traineeship UEE6211 Advanced Diploma of Engineering Technology – Electrical was withdrawn (23 September 2014).

#### Review of Prescribed VET Qualifications

During the year, the State Training Board commenced a review of all prescribed qualifications with a view to publishing a new gazette list in the 2014/15 reporting period. The process, which is currently underway, will:

- update all gazetted qualifications to the latest endorsed qualifications;
- link the qualifications to the relevant apprenticeship titles and the six-digit ANZSCO occupation outcomes in the new gazette list;
- review all apprenticeships with low enrolment and completion data since 2009 and get advice from training councils on those to be retained in the new list, including advice on thin markets;
- address any policy and/or industrial relations matters (i.e. conditions) that must be included in the new gazette list (i.e. nominal durations relating to Modern Awards, credit arrangements for pre-apprenticeships/traineeships etc.); and
- delete all expired/replaced qualifications; and fix any other errors previously gazetted.

### **Proposals not yet completed as at 30 June 2015**

- BSB30112 Certificate III in Business, Variation, Class B Traineeship addition of School Based Pathway;
- BSB30412 Certificate III in Business Administration, Variation, Class B Traineeship, addition of School Based Pathway;
- MEM31215 Certificate III in Engineering – Industrial Electrician, Variation, transfer the Class A Engineering Tradesperson (Electrical) apprenticeship from MEM30405 to MEM31215;
- MEM40105 Certificate IV in Engineering, :Variation, Engineering Tradesperson Electrical Instrumentation apprenticeship by replacing MEM30405 with MEM31215 as the specified training for the apprenticeship;
- TLI42010 Certificate IV in Logistics, establishment.

### **Appeals against decisions of the Training Accreditation Council**

Under section 58G of the VET Act 1996, a person who is dissatisfied with a decision of the Training Accreditation Council made under sections 58B, 58C or 58E of the Act may appeal against that decision to the State Training Board. An appeal can only be on the ground that, in making the decision appealed against, the Council erred in its application of, or failed to apply criteria or procedures in, guidelines it was required to apply under section 13 or by the regulations. The State Training Board cannot undertake a merits-based review of the Training Accreditation Council's decision.

During the reporting period the State Training Board received two appeals.



## PART 5: STATE TRAINING BOARD STRATEGIC PROGRAM

### Youth Unemployment Project

In 2012 the State Training Board established a Steering Committee to examine youth unemployment in Western Australia. The aim of the project was to develop a strategic youth workforce development plan for Western Australia.

Phase 1 of the project produced *Youth Matters: a study of youth education, training, employment and unemployment in Western Australia*<sup>3</sup>, commissioned by the State Training Board, the report is based on research and consultations undertaken by Business Group Australia and the State Training Board's Youth Unemployment Steering Committee. It is provided as an introduction to the challenges associated with the transition from secondary education and training to the workplace. It focuses on when young people fail to make a successful transition and the complexities of youth unemployment. It is not intended to provide all the answers but rather to generate discussion and action on this important workforce development issue.

### The challenges of youth unemployment

Key factors contributing to young people failing to effectively transition to the labour market include:

- Poor literacy and numeracy;
- Low educational expectations;
- Drug and alcohol use;
- Dysfunctional family life;
- Lack of secure housing or homelessness;
- Health issues, including mental health problems;
- Poor understanding of education and career pathways;
- Inadequate alternative educational programs; and
- Current welfare dependency.

In 2013, Phase 2 of the project commenced which built on the work of the *Youth Matters* report.

Facilitated by State Training Board member and Youth Unemployment Steering Committee Chair, Audrey Jackson AM, a Youth Engagement workshop was held on 5 December 2014 at the Gary Holland Community Centre, Rockingham.

The meeting was attended by local employers, Training Council CEOs and State Training Board members to gain a better understanding of the employer's perspective on employing young people including such topics as;

- What role do employers have in employing young people?
- What skills do young people need to be active and productive in the world of work; and
- Do young people have realistic expectations about work and what it means to be an employee?

The outcomes of the meeting were used to assist formulation of questions for the *Youth Matters: Youth Survey*.

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<sup>3</sup> Available for download at <http://www.stb.wa.gov.au/Pages/YouthUnemploymentProject.aspx>

### **The Youth Matters: Youth Survey**

At completion of the Youth Matters: Youth Survey on 27 February 2015 more than 1,100 responses from youths aged 12 to 24 across Western Australia were gathered. Information on young people's experiences and challenges with education, training and employment provided insights into youth experiences at school, with career advice and employment.

This information will be a way of ensuring that any program or plan put in place will target their needs. Highlights include:

- Family and parents are a strong influences on job and career decisions;
- Transport is often a barrier to employment, especially for young women;
- Many young people reported 'having little or no relevant experience' as a barrier to employment which becomes a circle as they can't gain experience if employers are not willing to employ a less experienced person; and
- Money is an important factor in a young person's education and training considerations.

### **Effective responses for disadvantaged and unemployed youth**

Many of the young people who struggle with transition would benefit from access to models of alternative education and training that provide a flexible approach to learning. Although these services are available they are insufficient to deal with the demand and more support is needed in this area.

While there is some strength in the current arrangements there are weaknesses that impact on the capability of the overall system to support young people during transition. These weaknesses include:

- Fragmentation between institutions and services;
- Gaps in local service provision;
- Lack of responsiveness within services;
- Lack of accountability for explicit outcomes;
- Lack of information about the services; and
- Failures to monitor the progress of young people through the system.

### **The way forward**

The youth survey and employer events have shown that there is still more work to be done before the Board is ready to develop its Strategic Youth Workforce Development Plan. The Board still intends to develop a pilot programme of a fully collaborative community based program to promote cooperative and 'joined up' services or 'wrap around' action to maximise the impact of government interventions at the local level. Further discussions are being held with key stakeholders, including CCIWA and Department of Employment, about possible 'joined-up' projects.



**Youth Unemployment Breakfast, Rockingham, facilitated by Audrey Jackson AM, 5 December 2014**

## WA Future Workforce Scenarios and Projections to 2030

The State Training Board has adopted a scenarios-based approach to develop potential strategies and policies to address potential and plausible long term workforce futures for Western Australia. In 2012, the Department of Training and Workforce Development commissioned Deloitte Access Economics (on behalf of the State Training Board) to develop and model four plausible workforce scenarios for Western Australia for the period 2012–2030.

The *Workforce Scenarios and Projections – Western Australia* (the scenarios report)<sup>4</sup> is based on similar work completed by the former Australian Workforce Productivity Agency (AWPA) which included four alternative visions of the potential future. The scenarios are not meant to be projections of the future nor are they based on past trends. Rather, they help deal with the uncertainties and risks of the future as well as those developments we can be reasonably certain of. Modelling of the supply and demand for skills and qualifications has been developed on the basis of these scenarios.

The scenarios adopted in Western Australia were:

- **Long Boom:** is largely based on the steady growth view of the Australian economy. It is generally characterised by a steady rate of economic and employment growth being achieved over the forecast horizon to 2030. Population growth in Western Australia is above the national average as is overall economic growth. There are strong job opportunities in the mining and associated industries.
- **Smart Recovery:** the current difficulties facing the Australian and global economies live on for several more years. Australia follows a low growth path to 2016, but after that date the global economy improves and Australia's economic fortunes begin to make a turnaround and the Australian economy moves back towards its potential growth path. Indeed, the period of economic stagnation forms a trigger for greater take-up of technology and improvement in productivity. Western Australia is hit harder than most in the years up to 2016 with commodity prices falling away and the pipeline of resource projects reducing significantly.
- **Terms of trade shock:** the global economy continues to grow at a healthy rate over time. However, compared with the long boom, the benefits to Western Australia of this growth are reduced because there is a more substantial reduction in commodity prices. The State's mining sector still enjoys a significant expansion in this scenario, but the returns on that expansion are far less than if the terms of trade had remained high.
- **Ring of Fire:** combines a lower global growth path over time with significant volatility. Some years after the official end of the GFC, the world economy remains in a state of flux, with low growth and high debt in developed countries a major concern. In this scenario the world economy is unnervingly volatile. Overall, new job opportunities are limited with employment growth staying at low levels over the long term.

The Board is currently examining the policy implications of Western Australia's long term workforce challenges, building on its modelling of the above four workforce scenarios.

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<sup>4</sup> Appendix E provides further detailed information regarding the scenarios project including key findings

Five key policy areas for improvement are emerging: opportunities for young people, VET and university pathways, harnessing technology, workforce portability and evolving skill needs, and the ageing population. The early policy implications of this work are:

- The strength, flexibility and responsiveness of the education and training system:
  - School, VET and University articulation is essential;
  - Funding is critical to grow the system; and
  - Policy settings can no longer be developed in isolation.
- Training and employment opportunities for young people, vulnerable workers, disadvantaged/disengaged
- Technology and Innovation:
  - The importance of STEM
  - WA needs a technology plan
  - emerging skill needs
- Our ageing population
  - implications for older workers/jobseekers
  - the need to grow the Health Care and Social Assistance industry

### The way forward

*Western Australia's Future Workforce – using scenario modelling to anticipate the supply and demand for skills for Western Australia's industries to 2030* report will be published in the second half of 2015. The Board's own work program will be designed to address some of the policy implications arising out of the Scenarios project.



## APPENDIX 1: STATE TRAINING BOARD MEMBER BIOGRAPHIES

### Current Members (as at 30 June 2015)



**Jim Walker, Chair , 1 December 2014 to current**

Mr Walker has worked with equipment dealers supplying construction, agriculture, mining and government and marine industries for 44 years.

Mr Walker's career started as an Apprentice – Diesel/Heavy equipment fitter with Hastings Deering. In 2000, Mr Walker was appointed Managing Director for WesTrac the Caterpillar dealer for Western Australia and progressed through the company to Chief Executive Officer. Mr Walker retired from WesTrac in late 2013.

Mr Walker is a member of the Australian Institute of Company Directors (AICD) and Australian Institute of Management (AIM WA), President WA (2008 – 2010).



**Audrey Jackson AM, Member, 30 December 2008 to current**

Ms Jackson has had a long career in secondary education including 14 years in the position of Principal of Saint Mary's Anglican School in Karrinyup. Most recently Mrs Jackson was the Executive Director of the Association of Independent Schools of Western Australia, a position held for 11 years.

Ms Jackson has served on a number of Boards and governing bodies including the Council of Curtin University as both a member and Pro-Chancellor. Mrs Jackson was awarded the Medal of the Order of Australia on 11 June 2012 for her service to education, vocational learning and training.



**Vanessa Davies, Member, 1 December 2011 to current**

Ms Davies is an Aboriginal woman who has traditional links to Wongai and Noongar people in Western Australia. Ms Davies is currently the General Manager, Diversity and Indigenous Engagement at Compass Group (Australia) Pty Ltd. Ms Davies' previous roles include Assistant Director with Serco Asia-Pacific, working on the Acacia Prison contract with the WA State Government and Chief Executive officer of the largest Aboriginal Medical Services in Australia, Derbal Yerrigan Health Inc.

Ms Davies is a Commissioner for the Conservation Commission of Western Australia and Chairperson of Marr Mooditj Training.



**Chris Hall, Member, 1 January 2013 to current**

Mr Hall is the Chief Executive Officer of MercyCare, a leading Catholic provider of hospital, health, aged care and family and community services.

Mr Hall has worked in the service-based industry for over 35 years and has held senior management positions for 25 years in the Australian non-government community sector and local government industry at national, state and local levels.

Mr Hall is a graduate of the Australian Institute of Company Directors and a Co-Chair of Community Employers WA, a member of the WA Partnership Forum and member of the Centre of Social Impact Advisory Council.



**Dan Hill, Member, 29 July 2013 to current**

Mr Hill is the Secretary for Health Services Union of Western Australia and WA Secretary Health Services Union. Mr Hill is also a National trustee of the Health Services Union and an Executive member of UnionsWA (Peak Labour Council).

Spanning over 30 years, Mr Hill's career has focused on industrial relations within the community services and health industries in Western Australia. He has been a long-time advocate of skills recognition and workforce development and has had a continuous association with industry training bodies at both state and national level. Mr Hill has been a Director of the National Community Services & Health Industry Skills Council since 2002.



**Lindsay O'Sullivan, Member, 29 July 2013 to current**

Mr O'Sullivan is currently Chief Executive Officer, Business Solutions at the Chamber of Commerce and Industry (CCI) of WA. Prior to CCI, Mr O'Sullivan held a number of leadership roles in financial services, legal and professional services in Australia and the United Kingdom.

Mr O'Sullivan is a member of the Australian Institute of Company Directors, a graduate of the Leadership WA signature leadership program and in 2012 was a winner in the WA Business News under 40 awards.



**Jeanette Roberts, Member, 1 January 2015 to current**

Ms Roberts has more than 30 years' international experience in the oil and gas industry working with operators, FEED specialists and EPC contractors. Until recently Ms Roberts was Country Manager for Kvaerner where she was responsible for all aspects of Kvaerner's business in Australia.

Ms Roberts is an active participant in Australia's oil and gas industry and has been involved in policy development at State and Commonwealth level. Ms Roberts previous board roles include ACEPT Board, the Resources Sector Supplier Advisory Board and Chair of the Resource Industry Training Council.



**Dr Felicity Jefferies, Member, 1 January 2015 to current**

Dr Jefferies has over 30 years' experience working as a Medical Practitioner in a variety of roles including urban and rural practice.

Dr Jefferies is involved in the undergraduate, post-graduate and professional development training and has a special interest in ensuring that the workforce meets the needs of the community. More recently, her work has involved both private and public policy initiatives, working with state and Commonwealth governments to address the inequitable distribution of the workforce across Western Australia and Australia.

Dr Jefferies is on the Medial Board of WA and is a life member of Rural Health West.

## Former Members (as at 30 June 2015)



**Mike Deeks, Member, 1 January 2008 to 31 August 2014**

Mr Deeks had a long and successful naval career retiring from the Defence Forces in January 2005. Mr Deeks then became Chairman of a Western Australian based resources and defence technology company. In addition, he has undertaken consultancy work for the WA Government in the area of marine and defence industry development. Mr Deeks is currently employed as Western Australia's Site Executive for Raytheon Australia.

Mr Deeks is the Director, Dampier Port Authority and Deputy Chair, Challenger Institute of Technology and Chairman, Stepping Stones Child Development Centre.



**Joanne Farrell, Member, 18 June 2012 to 31 December 2014**

Ms Farrell has worked in the Mining industry since 1981 and has a Bachelor's degree in Science, majoring in Psychology and Economics from the University of Western Australia and a Graduate Diploma in Management from Curtin University.

Ms Farrell is currently global head of Health, Safety, Environment and Communities for the Rio Tinto Group. Ms Farrell is a Director of the Perth Institute of Contemporary Arts and a member of the Sustainability Committee of the Minerals Council of Australia.

Ms Farrell was awarded the 2012 Women in Resources Champion by the Chambers of Minerals & Energy WA for her commitment to the progress of women in the mining industry.



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