

COMMITTEE REPORTS AND MINISTERIAL STATEMENTS - CONSIDERATION

Committee

The Chairman of Committees (Hon George Cash) in the chair.

*One Industry - No Limits Careers Promotion Program - Statement by Minister for Education and Training,
Motion*

Resumed from 1 September on the following motion moved by Hon Barry House -

That the statement be noted.

Hon BARRY HOUSE: In brief, this statement made on 29 April this year by the Minister for Education and Training referred to the building and industry construction fund's "One Industry - No Limits" careers promotion program. I guess the thing all members will remember about that ministerial statement was the performance of the minister with the hard hat and the proud pronouncement that she was made the number one big mouth ambassador for the building and construction industry. All members concur with that view, and have seen plenty of evidence since by which she has lived up to that name.

"One Industry - No Limits" is an important initiative. I intend today to run through some of the issues involved in training and draw from the government whether all this stuff is only rhetoric or any substance backs the government's rhetoric. I will certainly not criticise the initiative. It is promoted in the industry and acknowledged to be quite a positive initiative. However, I do not know whether it is achieving anything. I am told by people in the know that the program had a very lavish launch on 29 April, but they have heard nothing from it since.

A major player in the building and construction industry is the Master Builders Association. Interestingly, a little after the launch of the "One Industry - No Limits" program, the MBA put together a six-week building trade training course. I will quote a newspaper article of 22 June 2005 titled "Unions attack housing course". It is interesting because the Master Builders Association is quoted in the article. It states -

A new six-week building trade training course set up to combat a blow-out in waiting lists for new homes has led to criticism that it is a Clayton's course that will lower industry standards.

The Master Builders Association has developed the TradeSmart course because of the backlog in the construction of new homes, with a 30 to 50 per cent increase in waiting lists . . .

But UnionsWA claims the courses, which start next month, are a short-sighted solution to the State's worst skills shortage.

As part of the course, bricklaying students, for example, would be qualified to lay 200 internal bricks a day, working under supervision, within six weeks.

Mr Gavan Forster is reported in the article as saying -

. . . the graduates of the bricklaying, plastering, roof carpentry, fixing carpentry and tiling courses, which costs \$895, would earn students labourers' rates of about \$200 a day.

It continues -

The course would be recognised if the students went on to do an apprenticeship.

It seems that the government has not encouraged or given any credit to that initiative of the MBA. It seems that its political partner, the union movement of Western Australia, has come out in full criticism of it.

Hon Ljiljanna Ravlich: But they don't get an AQF qualification. If you're going to train, you need to be training with qualifications that are recognised and portable.

The CHAIRMAN: Order! The minister has made the point, but she will have an opportunity to speak later.

Hon BARRY HOUSE: The point I am making is that it seems that anyone in the building and construction industry, particularly in a private capacity, who shows some initiative and puts together some training programs to address the urgent skills shortage in the industry and who dares move outside the rigid government TAFE-union course structures are not supported by this Labor government and are roundly criticised and white-anted by the union movement. That is how it seems to work in this state. The minister professes support for addressing the skills shortage, but when it comes to action, the government does not deliver.

The Motor Trades Association of Australia is another very significant industry body. There are parallels between the skills shortage in the building and construction industry and that in the motor trades industry. There are major concerns in that industry about the skills shortage. An article in the *Motor WA* magazine of April 2005

refers to the seriousness of the problem in the motor trades industry. I will not quote the article; enough said. On Friday, 2 September, the day after the debate in this place concluded, the front page of *The West Australian* trumpeted the headline "Wanted: 100,000 extra workers". It states -

An extra 20,000 workers will be needed every year until 2010 to meet employment demand, according to the most extensive research yet into the skills crisis facing WA.

The study commissioned by the Chamber of Commerce and Industry WA found that government strategies to deal with the crisis are failing and the booming resource sector will not have enough tradespeople to finish major projects.

It also found the shortfall in the key engineering and fabrication and electrical trades would grow to more than 3300 tradespeople by 2009.

The article goes on to illustrate just how critical the situation is with the skills shortage. The minister is also quoted here, and for once I actually agree with her. The article continues -

Education and Training Minister Ljiljanna Ravlich said she was confident the initiatives she had already put in place would help meet the shortages.

I will not quite agree with that, but I will agree with the next bit. It reads -

She said a task force created to address the problem was due to report soon about which apprenticeships and traineeships could be shortened to get skilled workers in the workplace sooner.

"There is no reason an apprenticeship has to be four years," she said.

Well, hooray, hooray! A Labor minister is acknowledging the reality of the situation in the work force - that the system is too rigid and inflexible in many areas, and there needs to be more flexibility in the training of skills. *The West Australian* followed that article with an editorial stating that the report referred to in the previous article highlighted the need for an overhaul of the apprenticeship system. It said that the state's Industrial Training Act is outdated and inflexible. In the many discussions with people I have had in this portfolio, it is a constant theme that the state's Industrial Training Act needs an overhaul.

Hon Ljiljanna Ravlich: I am just the girl to do it.

Hon BARRY HOUSE: I would hope that the minister is about to do it. She should just get on with it. That is a theme in the hairdressing industry, for instance, amongst others. A major problem in this area is that there is a time lag between skills training and the impact of those people in industry. The editorial in *The West Australian* alludes to this. It reads -

Other measures already adopted have resulted in a 17 per cent increase in apprentices and trainees in the past 12 months, but it will be four years before they are qualified.

By then there will be a shortfall of more than 3300 skilled workers in key areas.

The editorial goes on to state that the Chamber of Commerce and Industry of Western Australia urges the importation of skilled workers from other states and jurisdictions. There has been some improvement in that area lately, but Western Australia's intake of skilled migrants was something like seven per cent of the national total. A couple of other states were vastly higher. For instance, Victoria takes something like 25 per cent of Australia's skilled migrants. There may have been some recent improvements.

Hon Ljiljanna Ravlich: Yes; you might be interested to know that Austal Ships has just brought over 12 or 14 Croatian shipbuilders. Unfortunately they could not import any more Croatian women!

Hon BARRY HOUSE: Let us hope that they do not take up political careers like some other Croatian immigrants into this state!

When the minister responds in a moment, I am sure she will say that she has established a task force, and that everything is under control and in hand. I will pre-empt her a little, because on 1 September she put out a press release announcing the members of the skills formation task force. It is to be chaired by the former Minister for State Development, Clive Brown, and will advise the minister on reforms to the apprenticeships and traineeship system. The press release reads -

"A critical factor in addressing skill shortages in the trades will be the development of a clear understanding of the particular issues and impediments to growth in apprenticeships and traineeships," she said.

"One of the key roles of the taskforce will be to look at ways to fast-track apprenticeships and traineeships without compromising quality.

Those are very good words, and I fully support them, and I support the direction. However, we want to see a little bit more than rhetoric coming out of this. We want to see a little bit of action. Two areas that we can probably agree need some attention are -

Hon Ljiljanna Ravlich: The Industrial Training Act 1976 and the Vocational Education and Training Act 1996.

Hon BARRY HOUSE: Another area is the apprenticeship and traineeship system. This task force is in the hands of a former Minister for State Development, Clive Brown. He is a very capable and credible person. Another person involved with the task force is well-known Perth builder Dale Alcock -

Hon Ljiljanna Ravlich: He is a lovely bloke.

Hon BARRY HOUSE: He is an outstanding individual, who with his innovative programs has done a lot for not only the home building industry in Western Australia but also the training requirements of that industry. Another person is Ms Kate Lamont, whom I know -

Hon Ljiljanna Ravlich: Hospitality.

Hon BARRY HOUSE: Yes. She represents the hospitality industry very well. She runs the restaurant at Yallingup that is based on what used to be the farm that I grew up on years ago. There are also some other people whom I do not know. I am sure all those people are very capable, and I am very hopeful that they will come back to the minister in a very short time with some positive suggestions about where we should go in the training industry. A couple of things are very clear. There are serious skills training shortages in Western Australia, which is the jurisdiction in which we are particularly interested. There are some outdated processes that are restricting the training industry from producing the skilled people that are needed now and that will be particularly needed into the future. The area that is in most critical need is the mining industry.

Hon Ljiljanna Ravlich: Hard rock, and gas and petroleum.

Hon BARRY HOUSE: Yes. That is causing problems for other industries, because the mining industry is offering such high salaries that it is attracting many people from other areas and consequently creating shortages in those areas.

I do not want to monopolise this debate, but I have several other points to make about other industries, particularly plastering and hairdressing. I also want to talk about a company called WA Skills Training, which operates out of Bunbury and specialises in dogging, rigging, cranes, scaffolding, elevated work platforms, forklifts and computing. It also trains small groups and does workplace assessments and so on. I hope I will get the opportunity to raise some specific concerns, but significant problems have been expressed to me about how the government seems to be very protective towards the courses that it operates through TAFE but seems to be taking an extremely restrictive attitude towards private training providers.

Hon Ljiljanna Ravlich: We fund a lot of private training providers.

Hon BARRY HOUSE: I will summarise the situation in the hairdressing industry. There is a major private training provider in the hairdressing industry. It is called the Taylor Weir School of Hairdressing, and it is located in the City West Centre. This training provider trains about half of the apprentices in that industry. That is for both day release and block release. I am not sure whether the minister is aware of that provider; if not, I recommend that the minister go and see it. I saw it yesterday.

Hon Ljiljanna Ravlich: I think I have met the lady.

Hon BARRY HOUSE: This training provider has some major issues, because it has had a cap imposed on its intake at 41 per cent of the market. That means it has to turn away a large number of applicants. A large number of the people in the hairdressing industry - the salon operators - want to use private providers, because they compare the job that private providers do with their apprentices with the job that the TAFE colleges do with their apprentices, and, regrettably, in most cases they favour the private providers because they do a better job. Putting a cap on private operators to prevent them from taking more of the market share is a very poor response. The private sector is very genuine about lifting and maintaining the standards in the hairdressing industry. Private companies are not in the business of trying to take away TAFE's market share. They are keen to see that the standards are raised and maintained at high levels.

I refer to a media statement released by the Minister for Education and Training on the building and construction industry. The plastering industry is a very directly related industry. I have received a representation from the Master Plasterers' Association of Western Australia that outlines the very serious problems it has with its apprentices being trained at a couple of the TAFE colleges. It is concerned also about the restrictions put on a private provider located in the southern suburbs that is very well placed to take on many of the apprentices in the plastering industry. Very serious restrictions have been placed on it to prevent it from entering the marketplace.

That is a brief summary of the concerns that have been raised with me. I hope to get time to outline those concerns in more detail.

I briefly mention WA Skills Training, which is a company located in Bunbury. It is a very significant Western Australian company that has had a condition placed on it. I am told that the industry needs 500 or more skilled operators immediately in the areas for which this company provides training, such as dogging, rigging, crane operation, scaffolding, elevated work platforms and so on. However, a condition has been placed on it to cap the number of trainees at 250. That is less than half of what the industry requires. If the minister can tell me that that is an example of the government doing the right thing to allow enough people to be trained in this area, I will go "hee". Other serious concerns have been expressed to me that the company has been completely mucked around by the two government agencies it has to work through: the Department of Education, Science and Training and WorkSafe. Duplication of processes is occurring, and the use of WorkSafe to restrict the assessors being granted licences seems quite blatant and unfair. It can be aimed at no other purpose than to restrict a private operator in the industry. The lack of government funding is the other major concern the company has. Although approximately \$300 million is given to TAFE, this year just \$500 000 has been allocated to private trainers in this area. WA Skills Training alone has applied for \$750 000 to meet its clients' demands. Obviously it will not receive that amount of funding and it will not be able to meet its clients' demands.

That company is best placed to retrain the significant number of people who will be put out of work as a result of the situation at Harvey Beef and E.G. Green and Sons Pty Ltd. Many former employees of that company will require retraining in other areas. Although WA Skills Training is best placed to provide that training, it simply will not be able to do it if it is not given funding or if the licences of its assessors are restricted. Of course, those skilled people in the south west are needed right now in other areas, such as the Worsley Alumina Pty Ltd expansion, the proposed Alcoa World Alumina, Wagerup expansion, the Ravenswood Pty Ltd mining operations and many other areas throughout the state. If I get an opportunity in this debate, I will come back with some more specifics on that, but I will sit down now and allow a couple of other members to have a say.

Hon LJILJANNA RAVLICH: I want to pick up quickly on the points relating to the lady who is operating the hairdressing training facility. As I understand it, she got into the training business only a couple of years ago or a few years ago. She is a major trainer who has had enormous opportunity under this government.

Hon Barry House: They have been operating for about 15 years.

Hon LJILJANNA RAVLICH: Hang on! She currently holds about 50 per cent of the market, so she controls a considerable market share. Of course, the problem with her growing her share of the market is the fact that one major provider continuing to have unlimited market share is not good for spreading risk. Obviously, students in regional areas also need to be catered for. She can have only a certain amount of the market share, and 50 per cent seems to be quite big, given that all the other regional areas need to be looked at. Let me get onto the broader issues relating to the building and construction industry career promotion program. Yes, I was very pleased to have been given the opportunity to be the number one big-mouth ambassador. The great thing about the building and construction industry is that it is very committed to a future strategic plan for the industry because it recognises the importance of getting young people into the industry.

Hon Norman Moore: We are debating the statement you made. We already know that.

Hon LJILJANNA RAVLICH: I know, but I will tell members other things that they do not know.

Hon Norman Moore: You have already had your go.

Hon LJILJANNA RAVLICH: I got the call.

Hon Norman Moore: If you want to respond and to answer questions, that is fine.

The CHAIRMAN: The minister has the call. I am sure that all members know that this is a limited time debate.

Hon Norman Moore: One hour altogether.

The CHAIRMAN: Everyone knows that, and the minister will no doubt bear that in mind.

Hon LJILJANNA RAVLICH: Yes, thank you, Mr Chairman. This is a very good industry which is strategic in its view. It has made a special effort to target young people and to promote the industry as a very good option for young people. I congratulate the industry for that. The industry has a significant impact on the wellbeing of the local state economy. It has a significant multiplier effect. Generally speaking, if the building and construction industry is going well, the general level of economic activity is good. It is an indicator of the health of an economy. In fact, a friend of mine said that one can always tell the real health of an economy by looking at the number of cranes on the skyline of the central business district. If one cannot see any cranes, it would generally indicate a very low level of activity. If one sees many cranes, it would indicate that a lot is happening.

The other day I decided to count the cranes. I looked to where the rail work is taking place, where I counted about nine cranes. When I was driving through the other side of Perth, I saw about 10 cranes. I would have to say that the economy is doing better than it has been for a very long time and it is certainly going gang busters.

One of the easiest things to do is to criticise. Even I know that. When I hear the opposition ask what have I done about this or that, and the fact that it is just all rhetoric, I must tell members that, over the past five months, I have been pretty pleased with what I have done, because I do not reckon that I could have physically done any more than I have done. That also applies to the area of education. The area of training is something I am really pleased about. First, I restructured the State Training Board by appointing Keith Spence, the chief operating officer from Woodside Petroleum, the chair and then entirely restructuring the board. The other thing that I did was ensure that that board will be adequately resourced to be able to get on with the job that it has, as a mandate, under legislation. I am confident that we will achieve great things under the leadership of Keith Spence.

The skills formation task force acts as a subcommittee of the State Training Board. One does not have to be Einstein to work out that this state has major skills shortages. Those skills shortages represent an opportunity cost to industry. When industry cannot get the skilled workers it needs, it means that it cannot fulfil its potential in meeting its market expectations and supplying good services and products to the international marketplace. As a consequence, there are lost opportunities. When there are lost opportunities in this state, it means that there are lost opportunities for workers, for industries and for the state. I am very mindful - in fact, it is at the forefront of my thinking - that the opportunity cost of this skills shortage is a cost that is too great for this state. I am working in overdrive to address this problem.

Unfortunately, this is not a problem that only Western Australia has. There is a skills shortage throughout most developing countries. Europe also has major skills shortages. Sometimes the shortage of skilled workers is not a straightforward issue to deal with. We have problems. In our economy, we have skills shortages across a number of industry sectors. The shortages are predominantly in the building and construction industry and in the resources industry, including hard rock mining and the oil and gas areas. There are skills shortages in the metals and automotive industries and in the hospitality sector. They are the most obvious ones. They are the five key industry sectors in which there are major skills shortages. If we divide mining into two sectors, there are six. There are a pile of others that flow from that, including, for example, agriculture, hairdressing and so on.

With the assistance of my parliamentary secretary, Norm Marlborough, who happens to be just about the best parliamentary secretary, if not the best parliamentary secretary, a minister could ever have -

Hon Barry House: He's the only one you have.

Hon LJILJANNA RAVLICH: It is not just a case of him being the only one I have. I have somebody who is absolutely and totally committed to reform, to the training agenda and to making sure that we get great outcomes for this great state. I do not reckon he could work harder, and I do not reckon he could do a better job than he is currently doing. He is working very closely with me to make sure we get reform in this very important area.

Hon Barry House: As long as you are doing it for the interests of the state and not featherbedding your own mates.

Hon LJILJANNA RAVLICH: Why would I be featherbedding my own mates?

Hon Norman Moore: Because they're the ones who give you endorsement.

Hon LJILJANNA RAVLICH: He is doing a fantastic job, and I am happy to put that on the record. The work that he is doing is the sort of work that has not been done, not for the past one or two decades, but probably for the past nine or 10 decades. It is the sort of work that needs to be done to bring about real reform. Opposition members talk about the need to reform the Industrial Training Act 1975 and the need to reform the Vocational Education and Training Act. However, at the end of the day, they do not know what they would reform or how they would reform it. If it will give opposition members any comfort, let me assure them that I am already on the job with my able parliamentary secretary, Norm Marlborough.

Hon Ray Halligan: It doesn't give me any comfort at all.

The CHAIRMAN: Order, members!

Hon LJILJANNA RAVLICH: The skills formation task force was set up to provide me with advice on the reforms that were required to the apprenticeship and traineeship system. I am very pleased to say that the working groups of the task force have been meeting for some time. The working groups are, in particular, seeking to improve the relevance and attractiveness of apprenticeships and traineeships to young men and women; increase employer and industry commitment to, and investment in, apprenticeships and traineeships; remove the impediment to the growth of apprenticeships and traineeships; address the underlying causes of, and developing strategies to improve, non-completion rates because -

Hon Barry House: The minister does not need to say that because I have already said that she would get up and say that.

Hon LJILJANNA RAVLICH: That does not matter because I will say what I want to say. The member had the opportunity to say what he wanted to say.

The simple fact is that one of the most pressing issues is the question of competency-based training and shortening the length of apprenticeships. These issues are long overdue -

Point of Order

Hon NORMAN MOORE: We have only one hour today to comment on a statement already made by the minister. It seems to me that it is a totally inappropriate use of the sessional order for the minister to make a further ministerial statement during the time we are seeking to consider the first statement. The whole idea of this exercise is for members other than the minister to respond to her statement. If she is going to fill the time by giving us another statement, that is a waste of time.

The CHAIRMAN: In the first instance, there is no point of order as such. However, the Leader of the Opposition draws my attention to the current situation. The sessional orders provide that there will be one hour's debate for the matters listed as committee reports and ministerial statements. The sessional orders also provide that, if a majority of members of the house agree to extend the time, that can occur. It was pointed out to me earlier that up to five members have indicated that they wish to speak on this ministerial statement. It is an important issue to members of the house. I had intended, at about five minutes to six, when the original hour would have expired, and depending on how many members were still left to speak, to invite a member to move for a suspension of standing orders to allow additional time to be provided. That is the only solution that the Chair can offer on this matter. The point is that the Minister for Education and Training, who made the original ministerial statement, is within her rights to comment, having regard to the fact that other members want to speak. I understand the position of the Leader of the Opposition and it may be that a solution in due course will be for a majority of members to agree to extend the time. However, I should point out that the technical issue is, when I raise this at five minutes to six, we will have to leave the committee, go back into house proceedings, and agree to extend the time, but we would not be able to go back into committee today. However, the matter will at least have been adjourned, and, next time, another member can speak. The whole world has not stopped yet.

Committee Resumed

Hon LJILJANNA RAVLICH: I do hope that the world does not stop.

The Leader of the Opposition has been a member of this place for 30 years, so he has had plenty of time in which to get his points across!

Hon Norman Moore: The minister should look at what is the intention of the sessional order.

Hon LJILJANNA RAVLICH: The opposition's spokesperson spoke for half an hour. I have been trying to put a lot of words together in a very short space of time. That is why I have been speaking fast. I am accommodating the opposition to that extent.

Several members interjected.

The CHAIRMAN: Order, members! The Minister for Education and Training should resume her seat. I have told her that she is within her rights to speak. She will be allowed to speak. There is no need to conduct a debate on whether she has a right to speak; that has already been granted. She should use the right that has been granted. She should recognise that other members want to speak and in due course other members will be given a maximum of 10 minutes each in which to speak. However, that is one of the problems we face at the moment.

Hon LJILJANNA RAVLICH: It is probably a good thing to revisit the sessional orders to limit the speaking time to a certain number of minutes. That is something we can pick up later.

I am passionate about training and I am passionate about training reform. I am and will be working towards the reform of the training system. If members reckon that I am passionate about education, they can bet their bottom dollar I am just as passionate about and also have a very good understanding of the training system. I know how it works: the key players, their frustration, and the opportunities lost to this state by the skills shortages brought about by not moving more quickly on the reform process. I cannot move any more quickly on the reform process than I am, because I cannot work any harder than I am on this issue. The industry players are more than aware of that. They know we are onto it. They are involved in the process and are as committed to the reform as much as I am. I am confident that together we will be able to deliver significant reform in the not too distant future.

Hon NORMAN MOORE: I make the point that this sessional order is designed to allow members to respond to ministerial statements. Ministers can make ministerial statements every day of the week without leave being

required. The Minister for Education and Training can make a ministerial statement, as she just did, on any day of the week. It then goes onto the notice paper so that members can comment on it. The sessional order needs to be changed so members can speak on ministerial statements and not ministers, because they have already made their statement.

Hon Ken Travers interjected

The CHAIRMAN: Hon Ken Travers will get an opportunity to speak, if we extend the time, in due course. The solution to the problem is for the leaders of the respective parties to take a proposition to the business management committee and, if necessary, amend the standing orders. I am working with what I am provided with and Hon Norman Moore has the call.

Hon NORMAN MOORE: There is a certain spirit attached to these things which some ministers, including this one and the previous minister, Hon Tom Stephens, simply do not understand. I am making it very clear to the minister just what this process is. I hope she will recognise the spirit of it in due course.

Obviously there is more than one big mouth in this chamber and I can understand why big mouth number one wants to continue to tell the chamber what she is doing. One of the reasons that it is a good thing to have been here for a long time is that one understands the history of these things; for example, the Building and Construction Industry Training Fund, which is what this statement is about. The BCITF was set up by either the Burke, Dowding or Lawrence government.

Hon Ljiljanna Ravlich: It was set up by Gavan Troy; I know because I was his adviser and I helped to draft it.

Hon NORMAN MOORE: Exactly right. It was set up for one very good reason; to give the unions and the then Labor government control over money for industry and to play with it under the guise of providing training. It was a nice little number when I became the Minister for Employment and Education and discovered this organisation. It had vast sums of money that was and is taken out of the pockets of business people who take it out of the pockets of people who are employing those people, ostensibly to provide training for people in the building industry. It was just a little rort. The good thing about this statement is that at last the government is doing something with the money. Members know that Hon Alan Cadby, who did a lot of work as shadow Minister for Education and Training, exposed the fact that there were millions of dollars sitting in the BCITF account. This is under a government whose predecessors set it up in the first place. I am pleased to read the minister's statement that says something is being done with the money. It is a pity she had to make a big joke of it - talk about big mouth. A big mouth is usually accompanied by a small brain, and that seems to be the problem in this case. At least she acknowledged the first part.

This is a good initiative and I understand that at last there are some good people on the BCITF. I understand it is still a tripartite body that will never work properly unless it is made into a proper industry organisation, but it is good to see that the government is doing something with it.

Hon PETER COLLIER: We probably need to consider the time limits for this session. Given the time, I will have to cull my comments significantly.

The CHAIRMAN: Order! Hon Peter Collier has 10 minutes now. If he uses the 10 minutes, at five minutes to six I intend to advise members that the time allocated for this debate has expired. I will then invite a member to invite me to report progress for the purpose of considering another motion, if someone wants to move one. That motion will be to suspend standing orders to enable further time to be allocated to this motion. I think we will be able to achieve our objective, given that quite a few members want to speak and some might want to speak for longer than 10 minutes.

Hon PETER COLLIER: Ideally, I would like to do that. Skills training is a significant issue and we should not treat it flippantly. The nation is facing a crisis with skills training and we must address it. Some real positives emanate from the minister's statement. I applaud the efforts of the Building and Construction Industry Training Fund in launching the One Industry - No Limits careers promotion program. Its aim is to present the building and construction industries as viable career choices. It is not an easy task to convince our youth of that. Professional and service industries are not the ultimate careers in life; trades are extremely positive and uplifting career choices. I note especially the efforts of the Careers Promotion Committee, and particularly the chairman, Dale Alcock, who is a terrific character. He and his committee are doing tremendous work in this area. As I said, trying to change the mindset of our youth on this issue is very difficult.

I have spoken to a number of building and construction groups over the past few years - particularly over the past few months - about the problems associated with securing skilled workers. These groups include the Chamber of Commerce and Industry, the Master Builders Association and numerous private construction groups, including both small and large business groups and my brother-in-law Ian Holman, who runs a medium-sized cabinet-making business in Kalgoorlie. As I said, the present situation with skills training is parlous. We are in

a critical situation. Hon Barry House has already provided a fair amount of information on the study conducted by Monash University for the CCI. To reinforce that information, I reiterate that a forum established by the Monash University Committee is forecasting a continued skilled labour shortage in the state, which will reach a shortfall by 2009 of more than 3 300 tradespeople in key occupations. The take-up of apprenticeships will be lower in WA than in other states. The number of 20 to 44-year-olds in industry will decline due to withdrawals and transfers in occupations. Western Australia receives a poor share of the number of skilled immigrants to Australia, and many are not taking up their trade.

Evidence shows that only 75 per cent of the 3 200 apprentices in the engineering and fabrication trades who will complete training by the end of 2008 are likely to progress to full-time trade positions, while around 530 tradespeople are expected to come from immigration. However, 5 100 additional tradespeople will be needed in these categories by 2008. The total new supply of skilled labour from current training and migration activities will be 2 930 - a shortfall of some 2 170. The Monash study shows that we have a critical shortage in our trained work force, as has been acknowledged by numerous quarters, and we must address the problem.

From my brother-in-law, who is at the coalface, I am aware of unique problems with servicing skilled tradesmen in rural Australia in particular. For example 15, 16 and 17-year-olds must regularly travel to Perth to undertake TAFE training. That is a disincentive. What must it be like in smaller country towns in Western Australia? Problems are also associated with apprenticeship wages. My brother-in-law is finding that when he employs apprentices, they soon discover that they can earn three or four times as much money driving a truck or working in a mine.

Hon Kate Doust: So do you think apprentices' wages should be increased?

Hon PETER COLLIER: Absolutely!

Four years ago my brother advertised for an apprentice and received more than 40 applications. He has spent the past four months advertising all over Australia for an apprentice and has not received one application. The situation is getting worse. The most identifiable problems are those that have been isolated in this place today, with which we are all familiar: the inflexible nature of apprenticeships and four-year terms, regardless of competency. As I said, those problems have been isolated in numerous quarters. Apprenticeships must be much more flexible and based much more on competency, as opposed to fixed four-year terms.

The first issue is most significant. The single biggest impediment to the employment of hundreds of additional traditional trade apprentices is the Industrial Training Act. The act itself requires employers to make an up-front, four-year commitment to an apprenticeship, and then applies a range of archaic regulations about what an employer can and cannot do with apprentices. That is all well and good.

We all know the problems, but what are the solutions? Based upon discussions that I have had with various industry groups, I believe the solutions are quite evident. The most common solution put forward was to repeal the Industrial Training Act. Section 7 of the Vocational Education and Training Act is available to manage apprenticeships until new legislation is in place. Much more flexibility is needed in traditional apprenticeship programs. The current act requires an individual to continue and complete a set four-year period of theoretical education, even if that person has completed all sections of the competency-based component of the job program within those four years. Western Australia is currently the only state with this requirement. The system needs to move to a more flexible competency-based program whereby an apprentice would be required to prove his or her trade performance against industry-determined standards. Apprentices could then move more quickly through the program while still maintaining high skill standards. That seems logical. The notion of a nominal three-year competency-based apprenticeship also had considerable support from the industry groups with whom I discussed these issues.

Hon Barry House has already mentioned this matter, but I will read part of the editorial from *The West Australian* on Monday, 5 September, which states -

The State's Industrial Training Act is outdated and inflexible. It discourages potential apprentices by setting a four-year training period for every trade, regardless of the apprentice's skill level or willingness to qualify earlier by doing extra study.

It is hoped that the Skills Formation Task Force announced last week by Education and Training Minister Ljiljanna Ravlich will report quickly on how to streamline the system and make it more attractive to young people, and that its recommendations will not be resisted by unions clinging to tradition.

I would like to think so.

The second possible solution to the skills problem is to develop modern apprenticeship legislation to allow employers to offer shorter employment-based training contracts. Apprentices could complete elements of

training under those contracts and then decide whether to seek a further contract to build upon their skills or to exit the apprenticeship program and continue working at that level in the industry. The contracts would allow individuals to exit and re-enter the apprenticeship system throughout their working lives. The current system assumes that tradespeople learn all they need to know in a fixed four-year term. This would really work for those in older-age groups who want to re-enter an industry with a particular skill. Currently they cannot do that. That is almost discriminatory.

A very popular solution offered to address the issue was to relax the ratio applied to apprentice employment. The present ratio prevents many employers from taking on additional apprentices. The ratio requires employers to employ two tradespersons for every apprentice employed. That is an almost impossible requirement during the current severe skills shortage. It is very difficult to achieve in small and medium-sized construction businesses. This was an extremely popular point that was isolated, and, once again, I can speak from experience. Ian, my brother-in-law, has told me that he simply cannot afford to put on apprentices because of this ratio requirement.

Rather than move onto the next point, I will finish my comments now. Hopefully I will have an opportunity to have another say. As I said, it is a vital issue with which I am quite familiar and I would like to continue my comments. However, I will leave that to the chamber.

The CHAIRMAN: Members, I am required to report progress at six o'clock, but two minutes remain in this debate. Does any member wish me to say anything about the potential to suspend the sessional orders to enable additional time to be provided at the next sitting for consideration of this matter?

Hon BRUCE DONALDSON: I certainly intend to move such a motion.

The CHAIRMAN: That is all I needed to know.

Progress reported and leave granted to sit again.