

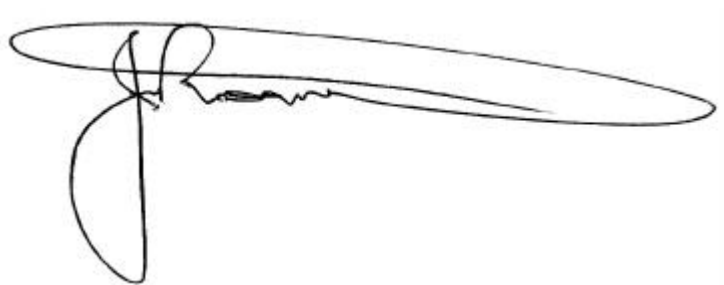


ANNUAL REPORT

1 July 2000 - 30 June 2001

HON MINISTER FOR TRAINING

In accordance with Section 24 of the Vocational Education and Training Act 1996, I submit for your information and presentation to Parliament the Annual Report of the State Training Board for the year ending 30 June 2001.

A handwritten signature in black ink, appearing to be 'John Rothwell', written over a horizontal line. The signature is stylized with a large loop at the end and a vertical stroke on the left.

John Rothwell
CHAIR
STATE TRAINING BOARD

TABLE OF CONTENTS

1. MEMBERSHIP OF THE BOARD	4
2. CHAIR' S REPORT	5
3. FUNCTIONS OF THE BOARD.....	7
4. MISSION OF THE BOARD	7
5. OPERATIONS OF THE BOARD	7
5.2 State/Territory Training Authorities Meetings	8
5.3 Board Code of Conduct	8
6. HIGHLIGHTS AND ACHIEVEMENTS	9
6.1 State Training Profile.....	9
6.2 Training to Worksmart	13
6.3 New Industry Training Advisory Arrangements	14
6.4 Science and Technology for a Competitive Future	16
6.5 Labour Market of the Future.....	16
6.6 Growth in Employment Based Training	18
6.7 Best Practice Partnerships with Labour Hire Companies	19
6.8 Strategic Plan	19
7. BOARD ADVISORY AND SUPPORT MECHANISMS	21
7.1 Western Australian Department of Training and Employment and Employment	21
7.2 Industry Training Advisory Bodies	21

1. MEMBERSHIP OF THE BOARD

John Rothwell Chair

Term of Appointment - period of 3 years, commencing 1/1/2000

Tony Dunn Member

Term of Appointment period of 2 year; commencing 1/1/2000

Diana Forsyth Member

Term of Appointment - period of 2 years, commencing 1/1/2000

Michael Kidd Member

Term of Appointment - period of 2 years, commencing 1/1/2000

Dr Penny Flett Member

Term of Appointment - period of 2 years, commencing 1/1/2001

Michael Malone Member

Term of Appointment – period of two years, commencing 1/1/2001

Kaye Butler Member

Term of appointment – period of one year, commencing 1/1/2001

Prof Sally Morgan Member

Term of appointment – period of three years, commencing 1/1/2001

Jennifer Ballantyne Former Member

Term of Appointment Expired, 31/12/00

Dr Brian Hewit Former Member

Term of Appointment Expired, 31/12/00

Allison Gear Former Member

Term of Appointment Expired, 22/11/00

Kate Doust Former Member

Resigned Appointment, 31/12/00

Office of the State Training Board

Jamie Mackaway Executive Officer

Cheryl Pember Executive Assistant

2. CHAIR'S REPORT

This Report applies to the period from 1 July 2000 to 30 June 2001.

The past twelve months has been a period of change for the State Training Board with four new members joining the Board. These members are already making a major contribution to the Board and its consideration of a range of issues concerned with the future directions of the State's vocational education and training system.

The Board has established new industry advisory arrangements that will commence in July 2001 to replace the arrangements that have operated since 1998. The new arrangements are based on a cooperative approach to working and a commitment to gaining the industry advice and information needed to guide the training system.

The Board established its fourth strategic plan at the beginning of 2001. The plan incorporates a number of priorities that were commenced in 2000 and includes new priorities.

A study commissioned by the Board highlighted the impact of the ageing of the population on the labour market of the future. The study forecasts that by 2009, the proportion of the labour force aged above 45 will increase to 37 percent. This represents a dramatic change from twenty years prior when just 23 percent of the labour force was aged 45 and above.

The ageing of the population will have major implications for the vocational education and training system and the community at large. A greater commitment to lifelong learning will need to be made by all members of the community. The vocational education and training system will need to be responsive to the retraining needs of older workers and to meet the challenges of the development of on-line delivery. Vocational education and training programs will need to become available in the form of structural adjustment programs to retrain older workers to meet skill shortages.

A consequence of the ageing of the population will be a considerable increase in demand for services from the aged care industry. The critical shortage of nurses is likely to continue creating greater demand for enrolled nurses and allied health workers. The Board is consulting with the aged care industry to identify strategies to build the workforce for the future, including attracting more people to work in the industry and expanding training opportunities for existing workers.

The Board has continued to place a high priority on identifying and promoting the essential generic skills required by enterprises, individuals and communities needed to succeed in the emerging information society and knowledge-based new economy. The Board sponsored a pilot conducted by nine training providers that focussed on the delivery and assessment of generic skills and attitudes and values that underpin training.

The pilot demonstrated the benefits to be gained by trainers, students and industry from raising the profile of these skills. The Board will be working with the Department of Training and Employment to develop and implement professional development programs to support trainers in teaching and assessing generic skills.

The Board has also taken a lead role in identifying opportunities for maximising employment based training. A study conducted for this purpose proved to be extremely timely in coinciding with the Government commitment to providing additional funding for apprenticeships and traineeships. The study will be used to identify industries with low levels of employment based

training and the skills renewal index employed by the study will be used in the future forecasting of areas of need.

The Board also undertook studies to identify ways of responding to the training requirements of new and emerging industries such as the labour hire market and the Internet service provider industry.

New priorities for 2001 include examining ways to improve representation of females and indigenous people in trades and the IT industry. Of interest to the Board is the opportunity to improve training outcomes for indigenous people through shifting the focus in training to community development and employment based outcomes.

The Board also aims to respond to industry support for a greater focus on customer service training. The Board will examine the alternatives available to promote the acquisition of these skills, including determining the extent to which customer service training is incorporated in existing training programs.

The Board has undertaken work in partnership with the Training Accreditation Council developing new policy for skills recognition, competency based assessment, graded assessment and quality assurance of the training market.

I wish to acknowledge my Board colleagues for their willing participation and contribution to the Board's deliberations. I would also like to pay tribute to those members who have retired, or resigned from the Board during the year. The Board acknowledges the assistance and advice provided by the Training Accreditation Council, the Department of Training and Employment and the network of industry training advisory bodies.

A handwritten signature in black ink, appearing to read 'John Rothwell', with a long horizontal flourish extending to the right.

John Rothwell
CHAIR
STATE TRAINING BOARD
September 2001

3. FUNCTIONS OF THE BOARD

The functions of the Board are detailed in Part 3 of the Vocational Education and Training Act 1996. The primary functions of the Board are to:

- ~~///~~ prepare a State Training Profile for the approval of the Minister;
- ~~///~~ recognise various industry training advisory bodies;
- ~~///~~ prepare policy which improves the links between specific industry developments and vocational education and training (VET) so as to gain optimum employment opportunities for people;
- ~~///~~ prepare policy relating to the accreditation of courses and registration of training providers (this function is carried out in conjunction with the Training Accreditation Council); and
- ~~///~~ provide advice to the Minister on strategic directions, policies and priorities for the State Training System.

4. MISSION OF THE BOARD

The Mission of the State Training Board is to provide independent advice to Government which guides the strategic direction of the State Training System, through balancing and prioritising industry's demands for skilled and qualified people.

The Board is committed to the development of Western Australia's competitiveness through the provision of quality vocational education and training.

5. OPERATIONS OF THE BOARD

Board Meetings

The Board has met on an eight weekly basis to deal with standard business items. In addition to these meetings it has met with the Minister to deal with special matters.

At the eight regular Board meetings held from July 2000 to June 2001 a range of strategic issues have been considered:

- ~~///~~ State Training Profile
- ~~///~~ Training to Worksmart
- ~~///~~ Expansion of Employment Based Training
- ~~///~~ New Industry Advisory Arrangements
- ~~///~~ Promotion of Information and Communication Technology Training
- ~~///~~ Promotion of Customer Service Skills
- ~~///~~ Board's Strategic Work Plan

5.2 State/Territory Training Authorities Meetings

The Chair of the State Training Board participates in meetings of the Chairs of other State and Territory Training Authorities to discuss vocational education and training issues that impact on State/Territory training directions. There is also an arrangement that the Australian National Training Authority (ANTA) Board and most State/Territory Training Authority Boards/Commissions exchange minutes of their Authority/Boards meetings as a further means of communication on current issues.

5.3 Board Code of Conduct

The Board has a Code of Conduct based on the Western Australian Public Sector Code of Ethics. The Code provides guidance to members on ethical conduct and their responsibilities in relation to conflict of interest and confidentiality of information.

6. HIGHLIGHTS AND ACHIEVEMENTS

6.1 State Training Profile

The Board's main function is the development of the annual State Training Profile. This function involves prioritising the allocation of training resources to provide for skilled labour to facilitate the State's competitiveness.

Each year the Board endorses industry targets for training delivery in the following year as part of the State Training Profile process.

The Board recently received a report from the Department of Training and Employment on the level of achievement of industry targets that the Board endorsed in 1998 for training delivery in 1999.

The State Training Profile outcomes indicated that 2000 delivery was close to the overall State Training Profile target when adjustments are made for certain measures as required by ANTA. Delivery was 25.8million student curriculum hours (SCH), just over 1 million SCH (4%) above the State Training Profile target. SCH are a measure of training effort. As a guide, a full-time student does about 700 hours of training annually, so an average class of 15 students would generate 10,500 SCH.

The bar chart (refer page 12) compares actual to planned delivery in 2000 in each of the 40 occupational groups covered in the State Training Profile. Actual delivery for 1999 has also been included to provide an indication of progress towards the planning targets between the two years.

Overall, the bar chart reveals a close fit between planned and actual delivery in 2000 with some variations at the occupational level, with the Profile target exceeded in 18 of the occupational groups. Reasons for the variations between planned and actual delivery include:

- ✍ Planned delivery includes estimated traineeship and apprenticeship delivery, however, the achievement of this delivery depends on employers' willingness to take on apprentices and trainees;
- ✍ Student demand may not be sufficient to meet the delivery targets in each industry area. In these circumstances, Colleges negotiate movements into other priority areas.

The following provides an overview of provision of training in key occupational groups.

Building and Construction

The target for this area in 2000 was exceeded by slightly over 10% with almost 1/3 of training being in the trades area. This was in the four main areas of bricklaying, carpentry and joinery, painting and decorating and plumbing and gas-fitting. In the non-trades area, there were significant amounts of delivery to pre-apprentices and in the Diploma level courses of Building as well as Building Design and Drafting.

The upturn in house building due to the continuation and doubling of the 'First Homebuyers' Scheme' should lead to continuing buoyant demand in the building trades with an expected increase in employment-based training.

The Board will be considering ways of improving the capacity to forecast skill and training requirements at the occupational level for the building and construction industry.

Community Services, Health and Education

This area exceeded the State Training Profile (STP) target for 2000 by 14.8%.

There was a 50% increase in delivery in bridging programs into nursing and enrolled nursing courses, half of this in regional areas. Aboriginal Health training increased by almost 50%, mainly in the regional areas of the Great Southern and Pilbara. The extra training was predominantly at Certificate I level. Approximately 350 students were involved in training in this area.

A substantial increase in training for Teachers' Assistants took place from 1999 to 2000 with a rise in delivery from approximately 1450 to 1700 students. In the area of Aged Care there has been more than a tripling of training delivery, especially through the Training Package, and in particular at the Certificate III level. Growth in training in Aged Care will continue to a major priority in 2001 in response to the forecast demand for services in this industry.

Engineering and Mining

The downturn in activity in Western Australian's resources development sector was reflected in training delivery in 2000. Achievement was 11.3% under the target set in the Profile and there was also a 13% decline in actual delivery from 1999. The decline was most noticeable in the metropolitan area. Several regional colleges, on the other hand, experienced growth in the region of 30%.

Forestry, Farming and Landcare

While this sector experienced a 10% growth from 1999 to 2000, it was still slightly under its Profile target for 2000. Most delivery in this area has traditionally been non-traineeship delivery, but there was a 47% increase in the uptake of traineeships from 1999 to 2000.

Growth was experienced in the farming sector almost exclusively in the area of wool classing and wool handling. Almost one-third of delivery in Farming was in the Certificate II in Aquaculture.

Landcare delivery experienced a 5% growth over its 1999 levels, with most of this occurring in traineeships in Conservation and Restoration.

Retail

Retail exceeded the Profile target by almost 5% in 2000. Almost two-thirds of the training delivered in this area in 2000 was through traineeships. Two-thirds of the delivery was in Retail Operations.

Hospitality and Cooking

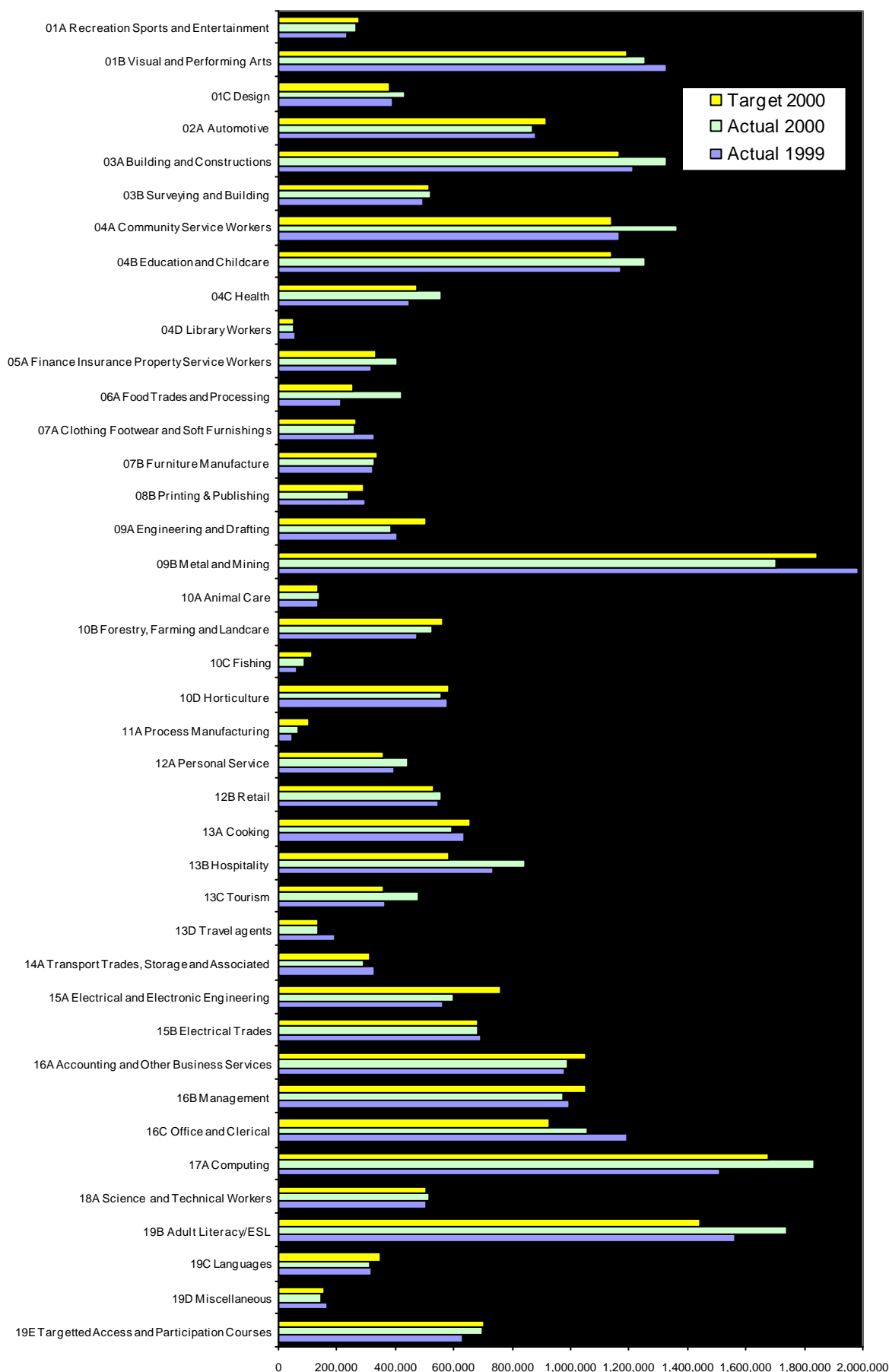
The Profile was exceeded by more than 16% in this area, mainly due to very strong growth in traineeships.

Computing

This area exceeded the Profile by almost 10% and grew by 21% in 2000 over the 1999 delivery. Student demand remains very strong and industry has expressed the need for more specialised training to meet particular skills shortages.

An Information Communication Technology Traineeship has been developed in response to industry demand for takeup in 2001. The Department of Training and Employment is also undertaking work to develop a vision for training for the Information Technology sector, including a focus on vendor specific training.

Training Purchasing 1999 - 2000: Actual vs Target



6.2 Training to Worksmart

The State Training Board is committed to promoting a training culture in this State that emphasises the importance of job-ready attitudes and values; training that promotes initiative, enthusiasm and commitment to providing excellent products and services to customers.

The Board is of the view that there is a need to give “enterprise skills” a greater profile and that professional development, training delivery and assessment strategies should be put in place to support the achievement of this goal.

This Board’s decision to place priority on this area has been supported by the weight of research that has been conducted internationally, nationally and locally.

Recent research conducted on behalf of the National Centre for Vocational Education Research¹ examining the emergence of the information society and the knowledge-based new economy raised a broad spectrum of issues relating to the essential generic skills required by enterprises, individuals and communities for success in this environment.

Overall, this research points to the increased significance of generic skills in the context of the knowledge-based new economy, and the associated pressures for lifelong learning and the maintenance of employability. The cumulative impact of these changes is seen as pointing to the need for a broader framework for generic skills that is responsive to all these requirements which include basic skills, personal attributes, values and ethics, learning to learn, as well as workplace competencies of the Mayer key competency type.

Research undertaken by the State Training Board confirmed strong local support from employers for training that equipped staff with strong, positive work place attitudes and values.

In response, the State Training Board has worked with industry, training organisations and trainers to raise awareness of the importance of all VET students acquiring the values, attitudes and skills to meet the demands of a changing world through the *Training to Worksmart* initiative.

While there is no international, national or state consensus on the identification, definition and number of ‘generic skills’, the WorkSmart initiative has sought to distinguish clusters of skills, attitudes and intangible abilities on the following basis:

- ✍ personal practices (attitudes, attributes and qualities’ for self management and work organisation)
- ✍ interpersonal skills, (work relationships, teamwork and customer focus) and
- ✍ organisational practices (contingency management, business orientation and enterprise values)

Generic skills that fall in the category of personal practice and interpersonal skills are found in training packages to varying degrees. However skills such as business orientation and enterprise values are largely absent.

Nine organisations received funding to pilot the WorkSmart initiative, including six

¹ Peter Kearns *Generic Skills for the New Economy* 2001 NCVR

TAFE colleges (2 from regional areas) and three Industry Training Councils, in partnerships with private Registered Training Organisations.

These organisations conducted project based learning activities with more than 300 trainers and students that emphasised explicit teaching and assessment of generic abilities in a workplace context.

A full evaluation of the pilot is currently underway. Preliminary results indicate the following outcomes:

- ✍ Professional development of 54 lecturers in providing teaching, learning and assessment approaches that emphasise the WorkSmart learning attributes.
- ✍ Promotion of industry links with TAFE Colleges
- ✍ Encouraged work place training
- ✍ Improved training for students in preparation for entry to the workforce.
- ✍ Development of teaching/assessment material.

The WorkSmart Initiative succeeded in raising the profile of generic skills and promoting a new approach to training delivery.

The WorkSmart initiative is a leader in generic skill development in Australia. Its framework supports the shift to developing enterprise values, employability, lifelong and self-directed learning.

The State Training Board will continue to promote this initiative and is considering a range of strategies for this purpose for 2001.

6.3 New Industry Training Advisory Arrangements

The Board's most recent industry training advisory arrangements were established in 1998 following the decision to move to a competitive process as the basis for identifying the most suitable industry bodies to provide advice. The contract covering these arrangements expired 30 June 2001.

At the request of the Minister in March 2001, the Board undertook a review to identify ways to maximise the advice provided by industry and to enhance working relationships with industry training advisory bodies (ITABs). The review identified a number of issues including:

- ✍ Under the arrangements established in 1998 ITAB functions and funding were split to enable a greater range of industry organisations the opportunity to demonstrate their capacity to advise the Board on industry matters. The split was found to create overlap between different ITABs within the same industry. It was also apparent that the split had created some confusion for clients of the VET system in understanding the responsibilities of the respective ITABs.
- ✍ The singling out of sectors for recognition purposes has led to reduced funding for a number of ITABs and a less collaborative approach to industry advisory services. This is an undesirable outcome considering the important role that ITABs play within the VET system.

In the process of conducting the review, the Board identified the need for Guidelines to assist in formulating new industry training advisory arrangements. The VET Act (Section 13 (3a)) provides for the Minister to issue Guidelines to the Board in respect to its functions.

In response to the Board's request, the Minister provided Guidelines in relation to:

- ~~the~~ the definition of the industry areas to be recognised by the Board;
- ~~the~~ the guidelines for recognition of an ITAB; and
- ~~the~~ the matters on which the Board seeks advice from ITABs.

On this basis the Board issued Guidelines for recognition as an ITAB setting out:

- ~~the~~ the criteria to be met for recognition by the Board as an ITAB
- ~~the~~ the matters in relation to which the Board may seek advice from an ITAB
- ~~the~~ the industry areas for recognition of an ITAB

The Board invited those ITABs that appeared to be best positioned to meet the criteria to provide a submission for recognition. Other bodies recognised by the Board under the current arrangements were also provided with the opportunity to make a submission if they considered they met the criteria.

Submissions were received from fifteen ITABs. The Board, at its meeting of the 28 June 2001 considered in detail the submissions provided. The Board also took into account industry profiles developed by the Department of Training and Employment. Based on this assessment process, the Board agreed to recognise fourteen ITABs. Conditions were attached to the recognition of several ITABs.

The Board found that the submission for the mining industry did not meet the criteria for recognition. The Board will seek advice on the training needs of the mining industry through the Department of Training and Employment based on its consultations with mining industry employer and employee representative bodies.

To facilitate the implementation of the new arrangements and ensure an improved basis for working the Board will:

- i) Develop a "model" constitution for ITABs. The review of submissions has highlighted the variability in constitutions and the rules that apply to membership of ITABs.
- ii) Require that where conditions are attached to recognition of an ITAB that the matters are addressed by 31 December 2001.
- iii) Review the new recognition arrangements at the end of 12 months to ensure their effectiveness in meeting the Board's requirements. The review would also allow the Board to take into consideration the findings of the proposed national review of industry training advisory arrangements to be undertaken by ANTA.

It is the Board's expectation that the new arrangements will provide a more cooperative way of working with ITABs that will also achieve greater value for money from the public funding of the arrangements.

6.4 Science and Technology for a Competitive Future

The Board, in conjunction with the Department of Training and Employment, has played a key role in the development of a Science and Technology Innovation Strategy for vocational education and training, which was launched in August 1999. The Strategy is aimed at increasing the vocational education and training sector's capacity to contribute to an increase in the research, development and innovation of industry in Western Australia.

One of the key initiatives of the Strategy is the Science and Technology Innovation Fund. The Fund is designed to stimulate collaborative research and innovation projects between industry and the vocational education and training sector. The Fund is in its second year and recently granted \$1 million dollars to seven training sector and industry collaborative ventures:

- ✍ A partnership between Challenger TAFE and Ultrac Asia Pacific has been funded to train Western Australians to design, engineer and repair high tech equipment.
- ✍ Swan Training and Consultancy, Midland College of TAFE and Bisset Automation Pty Ltd have received a grant to provide equipment and simulated models to develop best practice in computer system design, installation and maintenance.
- ✍ e-Central, Cleanway, Micron Research, IMCA, Genalysis and Western Mining Corporation have been funded to build and test a unit that uses ultrasonic technology that could significantly speed up testing of samples.
- ✍ Central TAFE College, the Fluid Power Society of WA, Denison Hydraulics Pty Ltd, NS Komatsu, Hydair Drives, Flexo, Hydeng and Couplers have been funded to build testing equipment to increase industry knowledge and safety awareness of hose technology for use in the mining industry.
- ✍ Midland College and partners Gas Converters, the Office of Energy, Alinta Gas and Urban Energy will research the use of compressed natural gas as alternative cleaner fuel to diesel for heavy vehicles.
- ✍ West Coast College of TAFE in partnership with the Chemistry Centre of WA will develop skills to allow laboratories to test the reliability of scientific measuring equipment.
- ✍ Kimberley College of TAFE, in partnership with Botanical Parks and Gardens Authority, Broome Shire and CALM have received funding to assess the potential for wildflowers for the cut flower and ornamental use markets.

A third round of grants will be available in 2001/2002 to continue to provide industry with highly skilled people.

6.5 Labour Market of the Future

The Institute for Research into International Competitiveness has completed a study on behalf of the Board to identify changes that are occurring in the world of work and to assess the likely impact of these changes, from a VET perspective.

The study has identified possible responses by the vocational education and training system to projected changes in the structure of the labour force and skill requirements of industry.

The study focussed on the impact of globalisation and developments in areas such as telecommunications and information technology on the Western Australian labour market. Key findings include:

- ✍ The study predicts the global economy to result in a growing need for skills and the need to continually update skills. It is a widely held view that the demand for information technology related skills and courses will grow exponentially. Workers of the future will need to be prepared for several career changes throughout their working life. The standard working week and long-term, permanent employment contract will become things of the past as flexible working arrangements evolve to meet the needs of markets, employers and employees. Education and training providers will need to meet the needs of these flexible working arrangements and of lifelong learning, while workers themselves become more proactive in gaining VET throughout their working life. Information technology and the knowledge economy will also revolutionise the delivery of VET, through on-line delivery and greater competition from international providers.
- ✍ The study does not foresee the growing knowledge economy as having a dramatic impact on the WA economy. But the study still sees that it will have an impact through the ongoing intrusion of computers; increased demand for Internet, e-commerce and other computer related skills throughout all occupations and a reshaping of the organisational structures of global firms operating within the State.
- ✍ The study found that the more critical challenge to be faced by the State will be to manage the ageing of the population and skill shortages in face of a tight labour market. Analysis of Western Australian data suggests that the rate of growth of the working age population will slow in the coming ten years. Moreover, the proportion of the labour force in the prime working age group of 25 to 44 will decline, while the number of persons aged 55 and above will increase significantly. The effect of the ageing of the population will work to reduce the overall rate of participation in the labour market. The combined effect of falling participation with an already lower growth in the working age population is that the supply of labour will grow more slowly in the 2000's compared to its historical trend.
- ✍ The resulting tightening in the labour market will see further rises in participation rates for females and for persons in the older age groups. Thus trends in participation will actually accentuate the ageing of the labour force. The study forecasts that by 2009, the proportion of the labour force aged below 45 will have declined from 69 percent to 63 percent, while the proportion above 45 will increase from 31 to 37 percent. This represents a dramatic change from twenty years prior. In 1989, just 23 percent of the labour force was aged 45 and above.
- ✍ The study predicts that the ageing of the population will mean that lifelong learning will become a reality. VET providers will need to be responsive to the retraining needs of older workers and meet the challenges of the development of on-line delivery of VET. VET programs will need to become available in the form of structural adjustment programs to retrain older workers to meet skill shortages.

The Board is working with the Department of Training and Employment to develop strategies to ensure that the VET system is positioned to respond to these changes.

6.6 Growth in Employment Based Training

The Board identified the expansion of Employment Based Training as a priority based on the need to support the State and Commonwealth objective to increase the number of people in apprenticeships and/or traineeships.

A consultancy to research this strategic issue was undertaken on behalf of the Board by Myles Morgan. The research found that strong and structured employment based training systems are a feature of many successful economies, a key strategy in lowering youth unemployment and major contribution to a nation's skills development.

A number of obstacles to the expansion of employment based training were identified:

- ✍ Perceived and real cost issues compared to institutional delivery
- ✍ Legislative and industrial relations issues
- ✍ Perceptions of the quality of training
- ✍ Industry acceptance of new forms of employment-based training
- ✍ High attrition rates for traineeships

The report highlights the need for a more precise model for costing institutional versus employment based training. The Department of Training and Employment is undertaking a review of the funding model used to allocate funding to TAFE Colleges. As part of this review, the relative costs of employment based and institutional delivery will be examined.

The report indicates that a barrier to the expansion of employment based training may be perceptions of the quality of apprenticeships and traineeships. This issue had already been identified by the Board as an area requiring action and a number of steps are already being taken. In 1999/2000, a three pronged response to traineeship attrition was implemented revolving around better communication with clients of the system, quality assurance and cost-effectiveness.

The report identifies a number of industries where there is potential for growth in employment-based training. In identifying these industries a number of factors were considered, including current numbers of apprenticeships and traineeships, likely employment growth, impact of technology, existence of a training culture and staff turnover.

The following are examples of forecasts provided for industry areas:

- ✍ **Information and Communications:** rapid employment growth with industry increasingly interested in pursuing VET solutions to its skilling needs.
- ✍ **Building and Construction** high workforce turnover, low training rate with the need to expand employment based training.
- ✍ **Food Manufacturing:** low levels of training with increasing training needs in response to modernisation of processing practices.
- ✍ **Metals:** high employee attrition rates with periodic skill shortages.
- ✍ **Mining:** low training rate with the potential to expand with the recently implemented Metalliferous Training Package.
- ✍ **Retail:** rapidly growing employment levels with considerable scope for expansion.

~~✓~~ **Wholesale:** low training rate but considerable employment growth with sector undergoing change due to technology developments impacting on training requirements.

The report makes use of a skills renewal index, as well as supplementary information to provide indicative targets for apprenticeships and traineeship commencements. The skills renewal index highlights that planning processes need to take account of renewal of workers in industry. The index will be used in the future as a tool in the development of the State Training Profile.

The information derived from the review will be used in the development of the State Training Profile as the basis for the expansion of employment based training in this State. As well, reviews currently being undertaken by the Department of Training and Employment of specific industry areas (hospitality and tourism, office/clerical and metals) will be informed by the work undertaken by the review.

6.7 Best Practice Partnerships with Labour Hire Companies

A consultancy was undertaken by AAAJ Consulting Group and Assessment Services, on behalf of the Board, to identify strategies to promote an enhanced training culture amongst Labour Hire Companies.

The project focussed on seven labour hire companies for case study purposes. The study found rapid growth in the labour hire industry in Western Australia and a strong recognition of the importance of training amongst the case study organisations. The research also recommended a number of actions that could be undertaken to promote an improved training culture across the labour hire industries. Recommendations included:

- ~~✓~~ Acknowledging the efforts of the case study organisations through the development of material promoting their training commitment and encouraging other labour hire companies to do the same;
- ~~✓~~ To work with the Chamber of Commerce and Industry (CCI) Labour Hire Committee to identify ways of communicating the importance of training to other labour hire companies.
- ~~✓~~ To identify options to respond to the training needs of labour hire companies, including for 'just in time' training.
- ~~✓~~ To develop a more appropriate definition of labour hire to reflect the different arrangements applying.
- ~~✓~~ To give consideration to a further study to expand on the specific forms of training required by labour hire companies.

The Board has held discussions with CCI to determine ways of promoting a training culture across the Labour Hire industry. Consideration will be given to publishing the results of the case study to provide a benchmark for other organisations operating in the industry.

6.8 Strategic Plan

The Board reviewed its 2000/01 Strategic Plan as the basis for establishing its work plan for 2001/2002. The new Strategic Work Plan comprises the following strategic policy areas:

- ~~///~~ **Provide advice to the Minister in relation to skill requirements and skill shortages** for the future, such as health care which is facing a growing shortage in care workers, magnified by the ageing of the population.
- ~~///~~ **Promote people/hospitality skills** (customer service, communication, and teamwork) and the need to incorporate these skills in all training.
- ~~///~~ **Build diversity of people in the workforce** to improve representation of females and indigenous people in trades and the IT industry.
- ~~///~~ **Improve training outcomes for indigenous people** through a greater focus on community development and employment based outcomes.
- ~~///~~ **Promote Growth in Employment Based Training** in apprenticeships and traineeships in areas of need and to reduce attrition in traineeships.
- ~~///~~ **Promote Training to Worksmart** to prepare young people for work through the provision of generic skills.
- ~~///~~ **Review new industry advisory arrangements** as the basis for maximising advice to the Minister.

The Board will review its Strategic Plan in the next financial year to ensure its appropriateness as the basis to carry it forward to 2002.

7. BOARD ADVISORY AND SUPPORT MECHANISMS

The Board is the peak advisory body to the Minister under the Vocational Education and Training Act 1996 on the vocational education and training needs of industry in Western Australia. The Board provides an industry focus on key policy and strategic issues. The Board is a distinct and separate entity from the Western Australian Department of Training and Employment.

7.1 Western Australian Department of Training and Employment and Employment

The Board wishes to acknowledge the support provided by the Department of Training and Employment throughout the year.

The Department provides support to the Board in the form of financial, physical and human resources to assist the Board to carry out its functions. The Department also assists the Board in developing the strategic directions for the system through the provision of policy and information papers along with research into the labour market and VET trends.

7.2 Industry Training Advisory Bodies

The Board wishes to acknowledge the information and advice provided by the recognised industry training advisory bodies.

For this reporting period, the State Training Board under section 21 (1) (b) of the VET Act recognises the following industry training advisory bodies, which are funded by the Department of Training and Employment:

- ~~///~~ Arts, Sport and Recreation ITC Inc
- ~~///~~ Australian Dental Association (WA Branch) Inc
- ~~///~~ Automotive Training Australia (WA) Inc
- ~~///~~ Building and Construction ITC Inc
- ~~///~~ Chamber of Commerce and Industry of Western Australia Inc
- ~~///~~ Community Services, Health and Education ITC Inc
- ~~///~~ Elmside Nominees Pty Ltd
- ~~///~~ Finance, Property and Business Services ITC Inc
- ~~///~~ Food and Beverage ITC Inc
- ~~///~~ Forest Industries Federation (WA) Inc
- ~~///~~ Hospitality and Tourism ITC Inc
- ~~///~~ Light Manufacturing ITC Inc
- ~~///~~ Metals, Manufacturing and Services ITC Inc
- ~~///~~ Primary Industries Training Council Inc
- ~~///~~ Process Manufacturing ITC Inc
- ~~///~~ Transport and Storage ITC Inc
- ~~///~~ WA Fishing Industry Council Inc

~~///~~ WA Residential Training Advisory Foundation

~~///~~ WA Utilities, Electrical, Electronics and Information Industries ITC Inc

~~///~~ Wholesale, Retail and Personal Services ITC Inc

~~///~~ The State Training Board also recognises the following self-funded organisations as industry training advisory bodies:

~~///~~ Government Health Training Advisory Board

~~///~~ WA Minerals Training Council

Under the Board's new industry training advisory arrangements for 2001/2004 the following ITABs have been recognised:

~~///~~ Arts, Sport and Recreation ITC Inc

~~///~~ Automotive Training Australia (WA) Inc

~~///~~ Building and Construction ITC Inc

~~///~~ Community Services, Health and Education ITC Inc

~~///~~ Finance, Property and Business Services ITC Inc

~~///~~ Food and Beverage ITC Inc

~~///~~ Hospitality and Tourism ITC Inc

~~///~~ Light Manufacturing ITC Inc

~~///~~ Metals, Manufacturing and Services ITC Inc

~~///~~ Primary Industries Training Council Inc

~~///~~ Process Manufacturing ITC Inc

~~///~~ Transport and Storage ITC Inc

~~///~~ WA Utilities, Electrical, Electronics and Information Industries ITC Inc

~~///~~ Wholesale, Retail and Personal Services ITC Inc

The Board reported in its 1999/00 annual report that it had responded to suggestions made by the Ombudsman to improve the processes applying to its industry training advisory arrangement following a complaint made by two Industry Training Advisory Bodies. This same complaint was also the subject of a review by the Public Sector Standards Commissioner who found the Board to be in breach of the Public Sector Standards in not providing adequate opportunity for consultation.

While the Board considered that it had taken appropriate measures, it accepted the need to undertake greater consultation in such circumstances in the future.