

**APPRENTICESHIPS — SURFACE-FINISHING INDUSTRY**

*Grievance*

**DR A.D. BUTI (Armadale)** [9.54 am]: My grievance is to the parliamentary secretary representing the Minister for Training and Workforce Development. It relates to the lack of funding for training of apprentices in the surface-finishing industry. Companies in this industry provide electro and zinc plating, anodising, powder and glass coating and a range of other skills. They have carried out work in hospitals, the medical sector, oil and gas industries, subsea projects and for the Water Corporation. The companies are also involved in the defence force area and have a number of defence force contracts for coating on bulkheads and weapons as well as other devices. It is the only industry responsible for the chroming of hydraulic systems made in Western Australia for the mining industry and is also responsible for 90 per cent of the maintenance and repair of all hydraulic systems, whether made in Western Australia or overseas.

Many companies in this industry want to take on apprentices and trainees but they have been stymied in their ambition because the only registered training organisation in WA that can train people in this industry has not secured funding through the state government's productivity places program. The relevant RTO has also been unable to engage in training due to an audit suspension. From the representation made to me, I think the biggest factor is the lack of secure funding from the state government's productivity places program. Without this funding, there is no ability to take on apprentices and trainees in the industry. Currently, there is no other RTO that can train them. We have an industry that wants to put on apprentices and trainees but it cannot and it is in desperate need of some further assistance from the state government.

It should also be remembered that this industry is involved in electroplating and is responsible for the Perth Mint's silver and gold coins and also involved in coating electronic contacts and switchboards. Electroplating companies use some of the most dangerous chemicals in any industry. Therefore, it is imperative that they have trained operators in the industry. In order to work in the electroplating industry because of the chemicals that are involved, we need trained people who are aware of how to take care of and dispose of chemical waste. Therefore, it is absolutely necessary that we have qualified workers in this industry in order for Western Australian companies to stay in business. If we do not provide that training, the professionals who are already in the industry will eventually retire, businesses will have to close and we will lose those skills forever. It is highly unlikely that we will be able to regenerate that skill base. As a result, all the work that is currently performed in Western Australia will be lost overseas.

This matter was brought to my attention through a representation I had in my electorate office by two gentlemen, the owners of two companies in this industry. One of those companies is based in my electorate. The other is just outside my electorate. Both men who came to see me were quite depressed. They were very frustrated. They had a lot of energy. They had intended to develop their companies but felt that they had nowhere to go because having no RTO in the industry means that they cannot take on apprentices because there is nowhere for them to be trained. The owner of the company in my electorate feels that all the potential contracts that are coming across his desk will be lost forever. He is very, very concerned. This person has a lot of energy and a lot of enterprise. The owner of the other company has a huge contract pending that has the potential to generate \$15 million per annum but he has to invest \$2.5 million in set-up costs. He is unwilling to do so because he is unable to take on apprentices. Without apprentices, he cannot move forward and the industry cannot move forward.

It must be remembered that besides the economic outcome for these companies and also for the Western Australian economy, it also has an effect on our defence industry. I am sure that if the members for Jandakot and Warnbro were here they would be interested in this because, as I said, these companies are quite heavily involved in the defence industry.

I want to mention an example that was relayed to me by one of the men who came to see me—the owner of the company that is in my electorate. In December of last year, a naval rescue submarine based in Henderson had a leaking hatch cover, which after repair needed hard anodising. A company in my electorate is the only company in Western Australia that can carry out this work. If it had been unable to do this work, a new hatch would have had to be ordered from England, and it could have taken up to half the year for it to be delivered. In that case, a rescue submarine based in Singapore would have had to be deployed to Perth. I am told that, in effect, the Royal Australian Navy's submarine fleet would have been grounded because it cannot go to sea without a rescue submarine. I know that it seems strange, but the problems of this company, which most people have never heard of, would have had an impact on our Defence Force and on the defence of our borders.

I ask the parliamentary secretary to take up this matter with the government and to urge the government to see what has happened with the audit suspension and to reinstate funding so this registered training organisation can again engage in its operation.

**MR M.J. COWPER (Murray–Wellington — Parliamentary Secretary)** [10.01 am]: I commend the member for Armadale for bringing this matter before the house. It is most appropriate for him to do so. There are a number of issues in this matter, and I will provide the response that has been given to me by the office of the Minister for Training and Workforce Development.

I understand that the Australian Institute of Surface Finishing has raised a number of issues regarding electroplating training in Western Australia. The Department of Training and Workforce Development has advised that there are a number of complex issues relating to this training that require consideration by a range of training bodies and authorities. This relates to the point the member for Armadale makes that the issue of electroplating training is highly specialised, for all the reasons he mentioned, including chemicals et cetera.

The preferred registered training provider that has been delivering this training is under investigation by the Training Accreditation Council. This council is the state regulator of the vocational education and training sector. It is an independent body that reports directly to the minister. I understand that the Training Accreditation Council has issued a suspension order on NAM Training due to its noncompliance with the Australian quality training framework standards. The suspension order will take effect until such time as compliance with the AQTF can be demonstrated. NAM Training has been provided with a further opportunity to demonstrate its compliance, and this will be audited in due course. I advise the member for Armadale that the government is very keen to see that NAM Training satisfies the conditions that have been placed upon it.

When a registered training organisation is suspended, that organisation is not permitted to recruit or enrol a person, to solicit or accept any consideration from any person or any other person's recruitment or enrolment or to start any person's training or assessment. However, an RTO may continue training and assessment provided under an agreement entered into by the provider before the suspension order takes effect; it may solicit and accept consideration from a person for training or assessments under the agreement entered into before this order takes place. Under section 58G of the Vocational Education and Training Act, NAM Training has the right to appeal the decision to the State Training Board within 21 days of receiving notification of the council's decision. Due to these circumstances, the Department of Training and Workforce Development is currently unable to fund training for this provider. Should this suspension against the AISF's preferred training provider be lifted, it will again be eligible to continue delivering electroplating traineeships in Western Australia.

Engineering electroplating traineeships in Western Australia have not been discontinued. Funding is available should a registered training provider with the appropriate scope wish to deliver these traineeships in Western Australia. Apprenticeships and traineeships are accorded the highest priority for public funding. The Department of Training and Workforce Development strongly supports the continued delivery of electroplating training. The Certificate III in Engineering – Production Systems is on the state's priority qualifications list. I understand that NAM Training wishes to have electroplating placed on the skills shortage list. I would advise NAM Training to contact the relevant training council, the Engineering and Automotive Training Council, and also talk with the Department of Training and Workforce Development about this matter. It is important to note, however, that the department funds a very wide range of priority qualifications, many of which are not listed on the state's priority occupations list. Most importantly, the department guarantees to fund all apprenticeship pathways. I urge the Australian Institute of Surface Finishing to work with the Department of Training and Workforce Development to resolve these issues. The department has arranged for a senior officer to contact the Australian Institute of Surface Finishing this week to assist with these matters.

I would like to make some general comments about the state of training in Western Australia. Western Australia is facing a period of sustained economic growth. To maximise the opportunities from that growth, the government has a range of strategies in place to ensure that the state has sufficient skills and labour to meet the requirements of all industries. The state government has established a comprehensive integrated framework headed by the recently released "Skilling WA — A workforce development plan for Western Australia".

A fundamental tenet of this plan is to train and upskill local Western Australians for the workforce. Skilling WA has been developed with the input and cooperation of peak employer groups, industry bodies and a range of employers and government agencies, and means more training opportunities. Already since its release, the state government has invested \$24.6 million for almost 8 000 additional training places in 2011 to help Western Australians develop their skills. This builds on the 7 600 new training places funded in the 2010–11 state budget. The state government considers traditional apprenticeships as a critical priority and guarantees funding for training of all traditional apprenticeships. From June 2009 to present, 20 new apprenticeship qualifications have been established through the State Training Board. The government introduced a range of initiatives to help employers retain apprentices and trainees during the economic downturn, including through the securing out-of-trade apprentices initiative. To assist employers and students, the state is working with employers to pilot models for a more flexible and responsive apprenticeship and traineeship system.

From that, I take it that the department will make approaches to the relevant peak body in that area this week to see what it can do to get this body's accreditation up to speed. The department would also like to encourage any other trainer that may wish to provide training in this area, because it is very important. We are a very clever state and we need these types of capabilities to keep us going forward, given what is about to happen in this state. I commend the member for Armadale once again for bringing this matter to the attention of Parliament.