

Mr Mark McGowan; Mr Roger Cook; Mr Fran Logan; Mr Mick Murray; Mr Bill Johnston; Ms Lisa Baker; Ms Janine Freeman; Ms Andrea Mitchell; Mr Tony O'Gorman; Mr Murray Cowper

CONSTRUCTION PROJECTS — APPRENTICESHIPS AND TRAINEESHIPS

Motion

MR M. MCGOWAN (Rockingham — Leader of the Opposition) [4.15 pm]: I move —

That this house calls on the Barnett government to ensure that state government construction projects provide a greater number of apprenticeships and traineeships.

I am very pleased to come before the house to move this motion because it gives me an opportunity to talk about a policy document that I released this morning that sets out part of the state opposition's agenda to provide a greater number of apprenticeships and traineeships in Western Australia. It also comes on the back of the bill just second read by the member for Willagee, the shadow minister for local jobs, and it shows the state opposition's commitment to doing more in this area of providing jobs for Western Australians out of our resources and other industries.

I put a little context around this matter. The role I now occupy involves a great deal of travel around Western Australia and meeting a great many people in all sorts of communities around our state. It has become apparent to me that there is a significant disconnect between the public discourse by some people in our community about the labour situation in WA and the private reality of many of our citizens. The private reality of many people I meet around WA is that they would like to undertake training, they would like to obtain an apprenticeship or a traineeship, and they would like to get a job in particular in the resources industry of Western Australia; however, they find it very difficult to do so. I have met people in a range of communities around the state over the last few weeks; namely, in the south west of the state, in Port Hedland last Friday, and in parts of the Perth metropolitan area. I have met very reasonable people who present very well and who advise me that they have been attempting and applying to get a job in the resources industry and have been unable to get that job or even an interview. That is a great many people. I elucidated on radio this morning one of the examples that was given to me by the Albany Chamber of Commerce and Industry; it said that a major mining company went to Albany to advertise 25 jobs for fly in, fly out workers from Albany and received 600 applications from a community the size of Albany. If we have 600 applicants for 25 jobs in Albany, and all we ever hear is that there is no-one to do the work around Western Australia, particularly in the resources industry, it strikes me that there is a fundamental disconnect between what is happening in our towns and suburbs around this state and what we are advised by leaders in industry, by representative organisations and the like. We need to try harder in our state to provide opportunities for our local citizens. That is some of the anecdotal evidence I hear. While walking around shopping centres in my community of Rockingham, I have heard many more times of people seeking these jobs or this training but cannot get it. Many of the people who told me these stories have a trade, a traineeship or a qualification that would ordinarily entitle them to one of these jobs, yet they are not getting their foot in the door. I am advised by people in the know that sometimes it is not what you know, but who you know. In order to get in the door and get an interview for one of these jobs in the resources industry, it is who you know that can get you in the door. It should not be thus. If we have this great demand for labour and companies are saying they need to go overseas or interstate to secure people to undertake these roles, surely we should look at some of the impediments to local people obtaining those jobs before we look further afield. If we want a committed worker to undertake work in Western Australia, surely Western Australia would be the first place to look.

I hear these stories everywhere I go. People tell me—and I agree with them—that before I go on an expedition to Sydney to stand on street corners to see whether I can get people to work in Western Australia, perhaps I should go on an expedition to Albany, Wanneroo, Midland, Kwinana, Rockingham, Bunbury or any number of Western Australian communities where there are people who want to get into these types of jobs. My first priority, if we were in government, would be to make sure that those Western Australians who are keen on these forms of employment get the opportunity to get their foot in the door. I note that the federal government has launched the mandatory resources sector jobs board. I am very hopeful that that will resolve this situation satisfactorily so that people get those opportunities. However, I think that the state government should be looking for people in Western Australian communities to undertake those roles. I actually have a great deal of faith in the young people of this state and believe that they are keen to obtain these jobs. I have a fundamentally positive view of human nature that people will do, and want to do, the right thing. They want to obtain these opportunities. I do not have a dim view of human nature that they do not want to undertake these opportunities. I would encourage the government to go down that route, and certainly if we were in government, that is exactly the route we would be going down. We would first send the expeditions into the parts of Western Australia where people are available to undertake these roles.

Last week I spent three days in the Pilbara. A lot of people in that community have come from elsewhere and have integrated very well into Western Australia. Most of the people I met who are working in the resources industry were from the eastern states, funnily enough. I can hardly be critical of someone from the eastern states

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who comes over here and takes a job! A number of people in this house share the same experience that I have had. I have lived here half my life. I am a carpetbagger from the east who has come over here and obtained employment, as unlikely as it is, because ordinarily in provincial Parliaments, or state Parliaments, people in political life, particularly those who reach the very fortunate position I am in, have emerged from the local population. I am in a very fortunate position to be a little different from that. A number of people have come from the eastern states and of course the eastern states should be our second port of call. However, I want to re-emphasise that I think we are letting down our own citizens and that they are missing out when they should not be. That includes people who are properly trained and have all the qualifications but who are not getting their foot in the door for a reason that is beyond them and beyond me. I think there is a swathe of people out there who would like to obtain these apprenticeships and traineeships so that they can undertake some of the opportunities that are around.

That brings me to the policy that I launched this morning, which is a reinvigoration of the Priority Start – Building program. To go back in history, the Priority Start program was launched by the Labor government on 1 January 2007. The idea behind it was that those contracts should provide apprenticeships and traineeships as a necessity and as a matter of course for the huge number of construction projects that the state government undertakes. Many decades ago the state moved away from the notion that the workforce undertaking construction and housing projects is employed by the state. These days they are undertaken predominantly by the private sector, with the state government managing those contracts. In our view, when the state issues those contracts, worth billions of dollars in any given year, it is incumbent on the state to undertake a training component as part of that. That is what the policy was about. Once upon a time, the state played a huge role in directly employing apprentices and trainees and providing a base for the trained workforce in Western Australia. The Midland railway workshops spring to mind. They provided a huge group of readily trained people who could move out from that employment base and work in a range of other industries in this state.

Mr M.J. Cowper: Have you costed the policy that you announced today?

Mr M. McGOWAN: I will talk about that in a moment.

It was once the norm in Western Australia that the state provided a range of apprentices and trainees through various agencies such as the Midland railway workshops. These days, these contracts are for major construction projects, whether they be housing, bridges, roads or new facilities such as buildings, sports centres or accommodation villages—all the things the state government issues contracts for. It is our view—this was the policy that was launched in January 2007—that as a matter of course for the labour component of each of those projects a certain number of trainees and apprentices should be employed. I support that approach. It is very light-touch interventionism, but the benefits of it to the state are huge because we get a group of people who are appropriately trained who can work in not only the building and construction sector, but also a range of sectors if they have the appropriate training and can move into various other parts of the workforce in Western Australia. That is light-touch interventionism that works. I am quite fond of some things that happened in the past that worked, and the state involving itself in training its citizens is one of those things that historically was very good for Western Australia and, indeed, for all the states because it happened in every state. I think that it was a mistake to move away from that. I was fond of the new approach that was launched in 2007 because it would actually work and provide this state with thousands of qualified people.

In 2011 the Auditor General handed down a public sector performance report in which he detailed where that policy was no longer being applied. I thought that report was a great guide to the state government of Western Australia because it points out where there is a failure and how it can be improved. In reference to the Priority Start project and how it was being implemented in Western Australia as of June 2011, the Auditor General concluded —

Agencies were not meeting the objectives of the Priority Start – Building policy to support the employment of apprentices in the construction industry. In 2009–10, key Policy requirements were fully applied to only three of 58 contracts examined. As a result the Department of Training and Workforce Development cannot provide assurance that head contractors have offered employment opportunities to an estimated 141 apprentices. The then Department of Education and Training identified problems with the Policy in a 2009 review of its implementation but did not fully address them.

The document goes on to say that as time has gone by there has been a decline in the number of contractors employing the appropriate number of apprentices. It basically says that the policy was not working because it was not being implemented and followed up by the Department of Training and Workforce Development. That department was not following up with the other agencies to ensure that the policy of having a certain fixed number of apprentices and trainees in the contracts was being implemented. That should have set off warning lights that there was a major problem in Western Australia. It should have sent a huge warning signal to the state

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government that one of the fundamental things the state does—training its citizens to take up jobs in a successful state such as Western Australia—was not occurring. One would have thought that the government would have followed up on that report and that it would have desired to improve the situation and make sure that the original policy intent, launched by the former Labor government, was being complied with. However, we have learnt that that is not the case. Questions in the upper house have shown that the recently issued contracts are not complying with the Priority Start program and so those people are not being engaged in apprenticeships and traineeships. The Priority Start policy, which is the existing government's policy just as it was the former government's policy, is not being enforced because the Department of Training and Workforce Development is not enforcing it. All I would say to the government is: the Auditor General sent a warning last year; the policy is good; it is time to apply it.

The really sad thing is that many good businesses out there are complying with that policy, yet their competitors are not. So, those good businesses and those good employers out there who are complying with the policy and are seeking contracts—I have been contacted by some today since the launch of this policy this morning—are being penalised, in effect, because their competitors seeking the same contracts are not complying with the policy. To me, having a level playing field whereby everyone complies with state government policy should be an objective of the state. If a major construction company is complying with the state government policy document, yet its competitors are not, that company is put at a commercial disadvantage. The fact that the state is not enforcing the policy means the state is complicit in some companies receiving an advantage over others, and the state is the loser as a consequence. All I would say is that there are good companies out there—I will not name them—that have emailed me today to say they are complying with these policies, and they are very disappointed that some of their competitors are not. What it requires is some invention by the state to make sure that Western Australians are employed on these construction projects around Western Australia—some light-touch intervention is what it requires.

What I am saying to the state government is this: we are unhappy with the way the government has approached this policy. The policy still exists. It may have been Alan Carpenter and his government who brought in this policy. But the government should see it as a good policy, even though it may have disagreed with it. This policy was a good approach to dealing with these issues and ensuring that many more Western Australians were appropriately trained to take up opportunities in this state. The opportunity is now there for the state to take up this policy. We have drawn this matter to public attention by launching this policy today. It will ensure that the Department of Training and Workforce Development is on the job and that everyone follows the example of the good employers and complies with the Priority Start program. We would appoint a team within the Department of Training and Workforce Development to oversee the program to ensure that each agency is applying the policy consistently. We would impose sanctions, ranging from formal warnings to a reduction in opportunities to tender to the exclusion from tendering for a specified period, for those companies that do not comply with the policy. People may say that is a bit harsh. However, if we have a rule that is for the benefit of the state, and some contractors do not comply with that rule, and if, after a number of warnings and counselling and working with them they continue not to comply with that rule, to the commercial detriment of their competitors, what else is there for us to do? As anyone who works in government will know, there are some contractors that the government is very reluctant to go near to undertake construction projects, because it does not believe they will deliver on time, it does not believe they will deliver on budget, and it does not believe they will deliver a quality product. This is just another factor in that mix. If a company is not willing to comply with the government policy, it will go through a series of warnings and counselling and so forth, and eventually its opportunity to tender for projects may be reduced. That is not an unreasonable sanction on a contractor that is not delivering to the state, is not doing the right thing by state government policy, is not doing the right thing by the youth of this state, and, importantly, is not doing the right thing by other good employers who might be their competitors.

That is our policy approach. I raised this issue with the Premier today in question time. He obviously did not address the specifics of it, but he said that Western Australia is doing better than every other state, we have lower unemployment than every other state, and young people can do well in Western Australia. All those statements are true. They were true under the last government as well. We are doing better than every other state. We are in a very fortunate place. We have natural advantages that other states do not have, and a population that takes advantage of those natural advantages, which is to the benefit of all of us. But does that mean we should rest on our laurels? Does that mean that is all we should do? Does that mean we should not comply with government policies? Does that mean we should not train more of our own citizens and we should not provide opportunities for our own citizens but we should just try to recruit people from elsewhere? No, it does not. The Premier, instead of answering my question on that matter, should just have stood and said, "The Auditor General's report is there; we are going to have a good look at it and see how we can enforce it into the future." But that is not what he said. What the Premier should do is exactly what I have just said he should do. The Premier should look at the Auditor General's report and at the policy document that we released today, and enforce it. If the Premier

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does that, there will be benefits to the people of Western Australia. Good businesses that comply with the policy are still winning government contracts. It is possible to comply with the policy and win government contracts. All I would say to the government is: making sure that everyone complies with the policy should not be a burden on the states' taxpayers. But I would expect that the states' taxpayers, particularly those in communities around Western Australia that have higher rates of unemployment, and that have higher numbers of Indigenous people, would want to see those people receive and undertake the apprenticeship and traineeship opportunities that will be presented by this policy.

One of the great things that we have commenced in the last 10 years in this state is that we have gone down the road of ensuring, to the best of our ability, that our Indigenous population, particularly in the state's north, is receiving those opportunities for training that were never there before. With that training comes the opportunity of finding employment and gaining an income, and the opportunity of advancement and self-fulfilment. At the Welcome to Hedland event on Friday night, I met an Aboriginal gentleman who had a great job—he was employed by FMG, actually—and he was at this event celebrating with his family, and he was telling me about the employment opportunities that had been presented to him, because he has undertaken some training, and how he is now working in the iron ore industry. These are great advances that this state has undertaken since 2001. But we can do more. There is still a large level of unemployment of Aboriginal people in the north of the state. There is still a large level of unemployment of young people in some of the outer metropolitan areas of Perth. We can do more than is currently being done. We should not just rest on our laurels and say that we are doing better than every other state. Of course Western Australia is going to be doing better than Tasmania. Of course we are going to be doing better than South Australia. Of course we are going to be doing better than every other state. That is because, as everyone knows, our natural advantages are huge. I do not think that the fact that we are beating other states that are nowhere near as lucky as we are is something that we should wear as a badge of honour. We have to build on that luck and use the opportunities presented by some of these leaders of government to ensure that our citizens who are missing out, or who want to change employment and get into this field, of whom there are many, have that opportunity.

This policy is one of the levers by which that opportunity can be presented. We have come out with this policy document today. So, rather than pooh-poooh the idea and say it is no good just because we have suggested it, I would encourage the government to adopt it and show some bipartisanship and make sure that we can improve the situation for Western Australians who want to get into this form of apprenticeship or training and get into the construction industry or the housing industry, or obtain a job in the resources industry or further afield, with all the opportunities that might present for our citizens further in life. It would be good for our state. It would be good for industry. It would be good for our citizens. I therefore encourage the government to adopt this policy.

MR R.H. COOK (Kwinana — Deputy Leader of the Opposition) [4.39 pm]: These are extraordinary times in which we live. This government, and indeed any government who would be in office at this stage, should be looking at the construction opportunities that are presented in front of us and be delighted at the level of activity and the opportunities that prevail as a result of this extraordinary construction phase in our mining and resources industry. Be thankful that we have an opportunity here to essentially reinvent our economy and to really look at how we can go through this phase, to add value to our economy and to establish a high-skills pathway for Western Australians into the future. We will be judged harshly by history if all we have coming out of this extraordinary construction phase of our resources boom is a series of national and international programs that bring in workers from outside Western Australia to simply meet a spike in the labour force demand, and that we get nothing out of it other than seeing a slow burn of the long-term operational phase of our resources industry. This is an opportunity like none other and we must take it and make sure we use this opportunity to create a high-skills, high-value path for our economy.

The Leader of the Opposition is to be commended today for putting forward this policy. It is a policy that is important for making sure that those companies that work in our community to uphold the values of creating value and creating a high-skills economy in Western Australia are rewarded with contracts over which we have some control. There is an important reason for that. Firstly, it is not only to make sure that we as a public sector put our shoulder to the wheel and move forward with these important training programs and reward those who seek to train others, but also so that we provide an example to the private sector of what we consider to be best practice in the training and development of our workforce. I have stood in this place many times to talk about the unemployment situation confronting people in my electorate of Kwinana. Although we do not have any Kwinana-specific statistics, we know that the Australian Bureau of Statistics collects statistics for the south west metropolitan region, and that the youth unemployment rate in that area hovers between 25 and 28 per cent on a fairly consistent basis.

Mr F.M. Logan: And are they all drug addicts?

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Mr R.H. COOK: Member, I do not enter into that sort of level of politics, of division and of conflict in the community. I actually look at the situation and think: how do we make sure we do not lose the opportunity that these young people represent? That is because if we do not provide these young people with the opportunities now, there will be a social cost associated with that and they may, as the member suggests, turn to drugs or other forms of antisocial behaviour.

However, there will be another cost, and that is the cost to our economy. While we do not have the capacity now to provide apprenticeships to young people to train as metal fabricators and highly skilled welders who can move forward and be the next generation of highly skilled tradespeople, we will lose that capacity in our economy in the future. It is therefore not just young people who are missing out now, but also we as an economy that will miss out in the future.

The Kwinana industrial area is very important for local employment opportunities for the people in my electorate. About 60 per cent of people who work on the Kwinana industrial strip are members of the Kwinana–Rockingham community and the strip plays an incredibly important role in that community. Although there is some encouraging activity in small metal fabricating and engineering workshops in Kwinana, they are telling me that there is not the long-term growth in orders that they need to have confidence about their future. They are saying that there is a spike in the construction phase of the resources industry. As the member for Willagee said, there are a lot of orders for gangways and gantries but there is not the high-end, long-term sustained opportunities for orders that these engineering firms need to provide them with the confidence to invest in apprenticeships and create opportunities for young people into the future. Because of the lumpiness associated with forward orders and because of a lack of confidence that they have in gaining forward orders, there is not the same uptake of apprenticeship opportunities. Therefore, those young people who would look for a career path to transition directly from high school into an apprenticeship are discovering that those opportunities are not as available as they were in the past. Some engineering firms are saying to me that five years ago they would have employed 20 apprentices on the shop floor, whereas nowadays they might employ five. That is not because they do not have orders for tomorrow, but because they do not have that sustained stream of orders that they were able to bank on. This is a sign of the construction phase of the mining and resources sector that suggests there are some immediate and low-level opportunities now, but not the sustained business patterns or business opportunities into the future.

Mr J.M. Francis interjected.

Mr R.H. COOK: Yes, it is described as “lumpy”. They might, for instance, get an order and be busy tomorrow, but they are not convinced they will be busy next month or the month after that. That therefore impacts on their confidence to go out and get into long-term apprenticeship arrangements. It is therefore important that we provide opportunities to change the culture about the way these companies go about their businesses, and it is important that the government sector, being an important contractor in the industry, plays its part in making sure we create those apprenticeship opportunities.

The Priority Start program, which was brought in by the previous government and continued by this government, albeit with waning enthusiasm, is an important program. It is one that both sides of this Parliament should be united in furious agreement to make sure we maintain it.

Mr T.R. Buswell: Furious!

Mr R.H. COOK: Furious agreement! There is only an upside to this program because it rewards those companies that train young people. We are saying to companies that do not train that it is not the way we want them to do business in this state.

Mr T.R. Buswell: Could I just ask, to be curious, how many extra apprentices you think this initiative will result in?

Mr R.H. COOK: I do not know how many specific apprenticeships this will result in, although I do know that the background to this debate indicates a steady decline in apprenticeships, albeit there has been growth in traineeships.

Mr T.R. Buswell: Do you think it'll lead to any—hundreds?

Mr R.H. COOK: I think it will, and I think it plays an important part of that industry matrix that says that we value those companies that invest in the future skills of young people. We value those companies that are here for the long haul, and we value those companies that agree with us that it is important that we train the young people of today to make sure that we have the skills into the future.

As leaders in our community, we have a choice today. It is a choice that this government has, and it will be the same choice that the next government has. It is a choice on the sort of economy we want into the future. Do we

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want an economy that simply enjoys the benefits of this construction phase of the resources industry that ultimately leads us to continue the quarry approach to our economy, or do we want to use this spike in economic activity to make sure that we invest in our young people, that we create a value economy and that we take our economy on a high-skills trajectory so that we can meet the demands of the industry into the future? It is not good enough for any level of government to say that they will go out and seek those skills elsewhere. We should be making sure that those skills are being grown in our workplaces in our communities today. When those skills cannot be provided, we have to import them, but that should be the final resort. That should be the final resort of any government that is seeking to ensure that everyone in our community benefits from the resources boom. A lot of people in my electorate say they want the opportunities, like others, to work in the mining industry, and a lot of them say those opportunities are much more elusive than they would believe.

Mr J.M. Francis: Would you admit that not everyone can be an astronaut, and not everyone can work in the mining industry? There are some unskilled jobs that businesses—I am being told—are having trouble filling. If I was looking for someone to work for me and I had the choice between someone doing a less glamorous job or someone who was unemployed, I would probably give it to the person who is doing a job first. If you think otherwise, that is fine, but there is a level of business out there that is having trouble filling unskilled jobs out of the mining sector. Are you hearing that?

Mr R.H. COOK: The anecdotal feedback I get is people saying they are doing training programs that should make them eligible to work in the mining industry, whether in safety or driver training, and they have the skills, but they do not necessarily have the career or job history in the mining industry. The mining industry, however, has to make a decision: does it recruit someone who has mining industry experience and might be residing in the outskirts of Melbourne at the moment or does it take a punt on the local who has done the training programs but does not necessarily have that career history? The feedback I get is that people feel that the mining companies are plumping for the fly in, fly out worker by saying to people, “You’ve done the training, you’ve done the work, you’ve done the preparation for a career in this industry, but we are not going to give you that opportunity.” That is the feedback we are getting. For many people, opportunities in the mining industry are elusive. Those opportunities are eluding them because there are lower-hanging fruit for the mining industry because the fly in, fly out aspect of the industry has such a stronghold.

I am a beneficiary of this; I have a sister-in-law who drives trucks at Cloudbreak but lives in Brisbane.

Mr J.M. Francis: Every time I get on a plane—I am a chatty kind of guy—I chat to the person next to me. Almost every single time, it is someone flying in and flying out from the eastern states.

Mr T.R. Buswell: Or they get up and move.

Mr E.S. Ripper: Which airline—so I can choose another one?

Mr J.M. Francis: I am amazed at how many people I meet who are flying in and flying out from the eastern states.

Mr R.H. COOK: We have the young people available to work in these industries. We have the opportunities to drive a high-skilled, high-value outcome for our economy out of the construction phase of the resources industry. We in the public sector and we as a government have the obligation to make sure we take a positive role in ensuring that programs like Priority First are rewarding those companies that are making the investment in our young people we want them to make. We want to make sure we are setting an example for other contractors in the state by saying, “Here is the way you should be looking at your contracting arrangements. Are you providing opportunities for apprenticeships? Are you providing opportunities for young Aboriginal people to get jobs in your company? Are you looking to the social benefits for the community coming out of these extraordinary opportunities that you are now receiving because you are operating in our economy?” This is an important policy because it resets the agenda.

Mr T.R. Buswell: How many apprentices will it create again?

Mr R.H. COOK: As I said, the minister should probably have —

Mr T.R. Buswell: You don’t know.

Mr R.H. COOK: — directed that interjection to the lead speaker. But this is an important process in terms of resetting the agenda to make sure that governments at all levels see the training of our young people with apprenticeships and other opportunities for the future as being their priority in terms of contractors. It is important for my community in Kwinana, and it is important for our economy in Western Australia. Also, it is important to make sure that governments make training their highest priority when they go about setting these contracts.

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MR F.M. LOGAN (Cockburn) [4.55 pm]: I congratulate the Leader of the Opposition for the great launch today of the policy of tying future government contracts under a Labor government to the employment of apprentices and trainees. It is not new; other governments do it around the world and other governments do it in states across Australia.

Mr T.R. Buswell: And governments do it in Western Australia.

Mr F.M. LOGAN: Of course, we have had the Priority Start program here since the Carpenter government introduced it a number of years ago. It was a great program. Priority Start was based on the number of apprentices who should be taken on under a government contract —

Mr T.R. Buswell: It still is.

Mr F.M. LOGAN: It still is, but the way it is applied means that the number of apprentices who should be taken on for a particular contract is linked to the value of that contract. One of the things that must be done with Priority Start—similar to the policy the Leader of the Opposition announced today—is to ensure that it is enforced. The critical point is to ensure that that policy is enforced and that the commitments made by those companies that sign up to government contracts are followed up. Unfortunately, although the member for Vasse indicates that Priority Start still exists—it does still exist—the problem is that it has not been enforced. It has been allowed to languish by the current Minister for Training and Workforce Development. That is the problem.

Mr T.R. Buswell: How many new apprentices will it create?

Mr F.M. LOGAN: That is also reflected in apprenticeship numbers. Instead of the Minister for Training and Workforce Development following up on his own policy of Priority Start and looking in his own backyard to try to get as many apprentices and trainees employed within an area he can have some control over—that is, within the government sector—by way of either government contracts over major construction projects, or within government trading enterprises and departments such as Water Corporation, such as Horizon Power, such as Western Power —

Mr M.J. Cowper: The Department of Housing.

Mr F.M. LOGAN: — the Department of Housing —

Mr T.R. Buswell: Building Management and Works.

Mr F.M. LOGAN: — and the department of works —

Mr T.R. Buswell: Strategic projects.

Mr F.M. LOGAN: I do not know how many apprentices it employs; it might employ a lot of bureaucrats, but I am not too sure whether it employs too many apprentices.

Mr T.R. Buswell: Main Roads, the Public Transport Authority.

Mr F.M. LOGAN: The PTA does not employ too many apprentices, and I will tell the minister why hardly any of them employ any apprentices—the minister probably knows the answer. It is because, unlike previous generations when we had the Midland railway workshops which would employ 100 apprentices every year—100 would come on and 100 would go off every single year; there would always be 400 apprentices in the Midland railway workshops going through the system —

Mr T.R. Buswell: We don't own any trains anymore.

Mr F.M. LOGAN: The Minister for Transport has indicated that we do not have any trains anymore.

Mr T.R. Buswell: Not Western Australian government—run.

Mr F.M. LOGAN: We do have trains, but the problem is that we do not have the Midland railway workshops. Despite former Premier Richard Court promising before the 1993 election, out there in front of 1 200 people at the Midland railway workshops, that if a Liberal government was elected he would keep it open, the first thing Premier Court did after the 1993 election was go off and do a deal with Goninans and other companies to ensure that the work done by Midland railway workshops was put out to private contract, and so the Midland railway workshops closed. That was despite the fact that he promised a meeting of 1 200 employees that under a Liberal government that workshop would remain open. The Minister for Transport should go down the Kwinana strip and talk to the fabricators about where their tradespeople mainly came from. He should talk to companies in the mining industry that have been around since the 1960s, such as Rio Tinto and BHP Billiton, about where their tradespeople came from. Those tradespeople all came out of the public sector. It was a major training body for industry and the economy in Western Australia. Numerous apprentices were employed by the Midland railway workshops; the government engineering works at Mosman Park; Western Power; the Water Board, which was

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the predecessor to the Water Corporation; the Public Works Department, which the Minister for Transport just referred to; the Fremantle foundry; all the ports; and the predecessor to Transperth. What has happened to them now? I ask that the Minister for Transport go to Southern Coast Transit or Veolia Transport —

Mr T.R. Buswell: I'm going down there soon to drive a bus!

Mr F.M. LOGAN: While the minister is driving a bus down there, he can ask Veolia Transport how many apprentices it employs and compare that with how many Transperth used to employ when it was owned by the public sector. The minister should go to Water Corp—now that it has contracted out all the piping around Perth and Western Australia to Programmed Facility Management and all the operations and maintenance of our dams, waste water treatment plants and water extraction plants to Transfield-Degrémont—and ask how many of those contractors employ apprentices. It is hardly any. The minister should go to what is left—after disgraceful behaviour by the Court government destroyed it—of the railway maintenance at Midland railway workshops and talk to Goninan. Goninan has hardly any work left in Western Australia; the railway carriages are now built in Queensland and are brought over here. Therefore, we do not have any apprentices at all involved in public transport in the area of railways, for which the minister is responsible.

Mr T.R. Buswell: What's that got to do with this debate?

Mr F.M. LOGAN: An awful lot, because it relates to the number of apprentices who are employed by government agencies and government contracts. That is what this whole debate is about and that is what the policy launched today was about. That is the very thing that we are talking about! It is something that the Minister for Transport in his role could change if he wanted to.

Mr T.R. Buswell: Are you saying we should build the railway carriages in WA?

Mr F.M. LOGAN: If the minister wanted to do something about genuinely increasing the number of apprentices in Western Australia, he personally could make that happen. Make it happen! But he will not.

Mr M.P. Murray: On maintenance alone.

Mr F.M. LOGAN: Just on maintenance alone, the Minister for Transport could make it happen. That is right, as my colleague the member for Collie-Preston said. Just on maintenance alone, the minister could make it happen, but he will not. It is a reflection —

Mr T.R. Buswell: You sound like Arthur Scargill!

Mr F.M. LOGAN: The member for Vasse reckons I am like Arthur Scargill because I ask that a government do all it can to employ apprentices. I cannot see the relationship between that and coalmining in the United Kingdom, but maybe the minister can!

The entire issue is that, regarding apprenticeship numbers, it does not matter that the minister's successive governments have privatised aspects of Western Australian-owned property and government services, because even if that property and those services have gone out to contractors, it is about using the government's influence on those contractors to have apprentices employed. The government does not even do that. That is the worst part about it: when those services are provided by private companies, the government does not even do that.

We can see the result of what I am saying in apprenticeship numbers. I have just been on the Department of Training and Workforce Development website and looked at the apprenticeship numbers in Western Australia overall and in the metals area. In the metals area, 2 214 apprentices started training this year and 1 307 apprentices will complete their training this year. It is good to see that at least a couple of thousand young Western Australians want to go into the trades of metals and engineering. But if we look at the overall number of apprentices—which is what I literally, two seconds ago, got off the government website—we can see that the total number of apprentices and trainees in the system was 4 390 in 2010, it was 4 060 in 2011, and it is 3 396 this year. This year the number is nearly 1 000 apprentices and trainees down on what it was in 2010, and that information is straight from the government's own Department of Training and Workforce Development website. We are nearly 1 000 apprentices down, but we are in the middle of a boom! We are in the middle of one of the largest expansions of the Western Australian economy ever seen. How much is being spent in the north of Western Australia on resource projects over the next 10 years? It is something in the region of \$140 billion! What has happened to apprentice numbers over this time, when we have seen this massive expansion of engineering and trade-related work? We have seen apprenticeship numbers in this state drop by nearly 1 000 young people. It is absolutely disgraceful! What does the Minister for Training and Workforce Development do?

Mr W.J. Johnston: Ireland!

Mr F.M. LOGAN: Correct—he goes to Ireland! The minister went off to Ireland. He does not worry about apprentices. He is only the Minister for Training and Workforce Development; he is only the minister who is

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supposed to go out there and get more people to do traineeships and get more kids to do apprenticeships. What did the minister do? He went to Ireland to strike an agreement to bring subclass 457 workers from Ireland to Australia. What happened when the minister got there? The Irish government would not meet with him. Why is that? It was because Western Australia is not a country; it is a subregional government of Australia. Unbeknown to Minister Collier—probably because he has been listening to “The Emperor”—being the Minister for Training and Workforce Development in Western Australia, he cannot strike an international agreement with the government of Ireland; it is just a little beyond his jurisdiction! Therefore, the minister for training did not get anything; he came back from Ireland with his tail between his legs, not even having met with the Irish government for any agreement, because the government of Western Australia is not recognised by the government of Ireland for the purposes of international agreements.

Mr T.R. Buswell: It is now! We'll be sending our first ambassador shortly.

Mr F.M. LOGAN: I am sure that this side of the house could always recommend to the current federal Labor government that the member for Vasse represent Australia as the Ambassador to the Holy See, if that is what he would like! I could just imagine the member for Vasse in a long red cloak when Tim comes up for retirement.

Mr T.R. Buswell: Didn't you send Brian Burke over there?

Mr F.M. LOGAN: Yes, that is right, and I think the member for Vasse would follow on quite well as a result of that.

The ACTING SPEAKER: Members, could we get back to the bill?

Mr F.M. LOGAN: Thank you, Mr Acting Speaker, for your guidance.

We have a situation where the minister responsible for increasing the number of trainees and apprentices in WA is so ham-fisted in his approach to training and getting young people into apprenticeships that over the last two years he has overseen the collapse of apprenticeships and traineeships in Western Australia by approximately 1 000. Meanwhile, he shoots off on some stupid trip to Ireland to bring in 457 workers.

I just point out that getting an apprenticeship is not easy. Now, of course, they have to have year 12.

Mr M.J. Cowper: No, you don't.

Mr F.M. LOGAN: The parliamentary secretary will find that most companies would prefer that people have year 12. It is not an obligation to have year 12. Most companies would prefer that they had finished year 12. In particular, apprenticeship organisations will not take on someone as an apprentice unless they have done year 12. If a person goes independently of those apprenticeship bodies and tries to strike out by themselves to get their apprenticeship, it is about who they know. It is not that there is a huge number of apprenticeships out there; there is not. I have just given members the statistics on how apprenticeships have declined over the last two years. They are just not there, yet we hear day in, day out this rubbish from mining companies in the north west that they need more and more workers. Members can go onto the employment page of the Roy Hill website, type in any location, any place, put themselves up as a contractor or a part-timer, pick whatever qualification they like, whatever job they are skilled in and see whether there is a job available, because there is none. Members can choose whichever one they like. They can choose whether they want to work at Port Hedland or Roy Hill or if they want to go full time or be a contractor. They can go as a scaffolder, rigger, train driver—you name it—for those jobs that are supposedly needed at Roy Hill, press the button that says, “I'd like one of those, please”, and nothing is available. But they can register their interest. That is what it is all about. This is the same organisation that says on its website, “We need 1 700 people for that project.” Someone cannot actually get a job, but they can register their interest. That is what they will do. I can tell members what that company will do: it will have a whole list of people who have registered their interest and none of them, or very few of them, will get a job, unless of course that jobs board is up and running as a mandatory system. Unless we have that, none of them will get a job. We will wait and see how many section 457 workers come in and fill those jobs instead. That is what will happen unless we have a mandatory board in place. The reason people cannot actually appear to get a job on the Roy Hill website is because it is waiting to bring in 457 workers instead.

Meanwhile, what do we get from the government? As I said, the Minister for Training and Workforce Development is not doing his job of trying to get apprentices and trainees into apprenticeships and traineeships here in Western Australia. We have seen a decline in the number of apprenticeships and traineeships over the last two years, and we have heard the member for Jandakot come out and basically attack his own constituents, my constituents, the constituents of Rockingham and the constituents of the member for Kwinana for laying around being bong-smoking bums. I have just pointed out to the house the decline in the availability and number of apprenticeships over the last two years, how difficult it is to get an apprenticeship or a traineeship and how difficult it is to get a job in the mining sector, despite the bleating of the mining companies all over the Western

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Australian media. What contribution do we get from the Barnett Liberal government? “The constituents are all a bunch of lazy, bong-smoking bums.” It is disgraceful.

MR M.P. MURRAY (Collie–Preston) [5.16 pm]: I would like to carry on this debate as one of the few members in this house who have come through the trade apprenticeship system. I have seen the system go downhill, especially in the last two years, which is very sad. We must remember that every time there is a downturn in industry, some of the first people to be put off are the apprentices. It is a very short-sighted view, but apprentices go because the companies think they can save money. The end result, though, is an overheating of the labour market further down the line, which is what we have now. If we go back and look over time, one of the problems is the gaps. From when I was 16 years of age and started my apprenticeship, to now, there have been many gaps when we have had ups and downs in the economy, and times when people were put off.

What is happening in the workforce now is baby boomers are retiring—many of them being tradespeople. It was mentioned previously that the Midland railway workshops had 1 000 apprentices. I recall it being quite a bit above that. Every year there would be an advertisement in *The West Australian* newspaper, and people would queue up. Many country people would be working in the city, would travel down in groups on the weekend, would play footy, and would then go back for Monday, if they were able and were not injured, and start work again in the workshops. People branched out after they came out of those workshops. People would branch out of the Midland workshops especially. They were top-class tradespeople; there was no argument about that.

The other part of this issue is small business, which plays a very big role in training apprentices. However, they are getting very disgruntled, because as soon as apprentices finish their time, they are off into the big money in the mining industry. Small business is training them, but they are not even getting that extra year from those people. It used to be a rule of thumb that apprentices would do an extra year for their boss because he gave them the apprenticeship. They would do a year on a basic wage as a tradie and then move on. Now that does not happen. The young people are applying to get out of there even earlier so that they can go into the trade. Some companies now will advertise, especially for mechanics, boilermakers or welders, and say, “If you are in your third or fourth year, please apply.” Young people will jump at that. They will still get their apprenticeship, but the percentage rate is far higher. A base apprenticeship rate today is around the \$9 mark. If you had to leave home —

Mr M.J. Cowper: It is \$13.50 for a first year apprentice.

Mr M.P. MURRAY: The one I have from the group scheme is around \$9 an hour for the first year. If they have to move home to be able to accept that job, they then have to pay rent if their parents are not fixing up the rent for them. Maybe they need a car to get home on the weekends. Those are the sorts of things that have to come out of that \$9 an hour. It was very similar to my situation as an apprentice. I got about \$2 an hour. We are going back a long time, but the relativities are the same. When I was getting my \$10 or \$12 a week, my mates in the construction industry were getting \$50. When it came up for our buy, we always went to the toilet or we did our shoes up, so they did not point at us because we did not have any money. That is exactly what is happening now, in a different era. Those kids are getting halfway through. Their mates have jet skis and a V8 ute, and they do not have even the basics to be able to get a reasonable car. So they say, “I’m not sticking at this.” Dad and mum will argue strongly that if they stick through it, they will get the rewards in the long term. As they are, those 18 or 19-year-olds are quite strong willed and take off and sometimes regret that in later life. Nothing has changed except the numbers game. We do not have those big foundries or workshops to be able to pick up large numbers. In the coalmining industry, for example, the numbers of apprentices have dropped. I think they run about 18 apprentices at Yancoal. That is over a four-year spread. It is not as though there are 18 every year. There are about four a year who go through there—before it used to be seven or eight. Both coal companies had apprentices who lived in the town and who played a major part within the community and were involved in the sporting groups. However, once people move out, the community is destroyed as well. It is not just about the apprentices getting jobs; it is also about supporting the community right the way through.

We move on from the \$8 or \$9 an hour, and we think they are getting through but there are hurdles along the way. At the start of this year south west TAFE did not have itself organised enough to have any electrical tutors for these kids, so it suggested that the kids try another trade. Throughout their lives, there are schemes around the place to help students to make decisions about their career path, and these 43 students had decided to be electricians. However, there was no trainer. What is wrong with our system when it comes down to that at the beginning of the year? One young lass was told that if she went to Karratha, she could start her training there. She was 17 years of age and from the south west, and she was told that she had better take her mum with her to Karratha because they were not quite sure what accommodation would be available. That is what is happening in the system at the moment, and members would be aware of that. A lot of people travel to the TAFE centre together. Sometimes there are four or five young kids in a car. The Busselton group is allowed to go to Bunbury, and the Bunbury group can go to Pinjarra, but then we have a problem with kids driving up and down the

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highway because it is too expensive to stay elsewhere. What is wrong with the system if we cannot get tutors at TAFE? We must look at that. We must look at the real basics of why apprentices are not able to go to that centre.

The other trade I want to talk about is carpentry. It is my belief that the carpentry students were told that they did not have a tutor who could train them in carpentry, and that they should consider doing brickwork. The trades of carpentry and brickwork may both be involved in the building of a house, but the skills required are so far apart that they cannot even be rubbed together! Yet, that is what they were being offered. We must look further into why these kids are not taking up the training. Yes, an average toolbox today will cost around \$2 000 a year for a metal trade or a mechanic. An apprentice gets an allowance of about \$1 500, but out of their wage they have to find another \$500. In earlier times some employers would help an apprentice, in part, to buy his tools. That is not the case anymore because there is an allowance for that. The living away from home allowance is nowhere near enough to pay the full cost of living if someone has to move to Perth to get their apprenticeship.

In September last year I wrote to the Kempe group because it had picked up the contract to refurbish Muja power station A and B. I asked it how many apprentices it had. It had 140 tradespeople and one apprentice, because there was no compulsion under those government contracts to put training systems in place; so we fall over. We allow them to do this because it is cheaper for them, I assume; otherwise, they would have apprentices. However, not having that follow-through is so short-sighted for not only the trades and the kids themselves, but also the community and the growth of Western Australia. We should not be looking overseas or over east. We should be working on a training system that is real, so that young students or even mature-age students can go forward with confidence, apply for jobs and know that they can live a reasonable life while they are doing that training. I am not saying that we should bump up the wages, but there must be some subsidies to either the owners of the business or those people so that they can have a reasonable life while they are doing their training.

In earlier times, apprentices used to start at around 12 years of age, then the minimum age allowed was 14 years, and then it went up to 16 years of age. I donate every year to the TAFE awards because it is important that those with trades are recognised as much as those with professional skills. This year and in previous years I have noticed that many of the people who win the awards are mature-age apprentices. After the awards, when I congratulate them and talk with them, they tell me that they were so lucky because they had had support from their family, or because their boss did not decrease their wages while they did their apprenticeship because he recognised their prior learning as a trade assistant or something within that field, which brought the apprenticeship down to only two years due to their competence and ability to pass the exams. The real issue is that they were mature-age students because the wage was enough to support their families and to pay the bills at the same time. I admire those who make that decision while the opportunity is around. At the moment, there are opportunities everywhere if a person can get that start. Instead of bringing tradespeople from outside Western Australia or on the subclass 457 visa—we will need some people on those visas; we should not completely cut that off—we need to look within our state first. Let us build our community. We talk about this state being the lucky state, but it is not so lucky for some. There are many young people with hand skills who are not so great in the academic area. Employment companies often go for the person with the top academic results during training, but often those people do not like getting their hands dirty after a couple of years. For some of them, once they have the knowledge, the work is a bit repetitive, so they move on and go into training to become either supervisors or highly skilled technicians. Some of the kids with good hand skills are the best tradespeople. They do not mind having a black fingernail because they dropped a spanner on it or having a bit of skin off the elbows or a bang or lump on the head because they slid underneath the car; that is because they are proud of what they are doing.

They achieve results and they move on from there, which brings me to a program at Collie Senior High School—I hope the minister is listening to this. This program has been very successful for the last eight or nine years. It started with 14 students in the mechanical trades. All 14 of them got apprenticeships because they were work ready. When the reviews of their first year out came back, every employee was happy. Two years ago, 44 kids applied for those 14 positions in Collie, but there was not enough funding to lift the numbers. The educational program has changed a little since then; it has been broadened to teach other trades. I do not want to see the entire high school become a trades training centre, because that would knock and hold down the academics when they should be aiming to be a doctor or something along those lines rather than a tradesperson. However, the system has worked extremely well and many of the other schools have followed this model. I take my hat off to the people who started that and who have followed it through. It needs funding. They were lucky enough at times to pick up some of the workshops from the old TAFE centres that, under someone's wisdom, had closed down. People were moved to Bunbury because of the lack of lecturers. Those workshops were attached to the school anyway, and that was tremendous because it saved a lot of money. Worsley Alumina contributed about \$20 000, Verve Energy contributed money, and the coalmining industry contributed goods and

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services. There was a community effort behind the training of people, but today there are still not enough spaces for people who want to go through, so selection is based on academic performance.

Mr M.J. Cowper: Have you looked at the state training centre being built at Harvey as you turn off to go up to Collie on Mornington Road? Have you looked at how that is going?

Mr M.P. MURRAY: I hope that that will be successful because the old school on the other side was more focused on agriculture. I think it is changing over to get those people ready for trade training and to be able to fit straight into a workshop. It is not like the days when I was an apprentice and apprentices virtually had to sweep the floor for the first year. Today's students do not want to do that because they have done their schooling and they want to start and do the job. That is fine because it gives a return straightaway to the employer. That is what we want to see.

The best trainers are found in small business. Although there are group apprenticeship schemes that have taken over all the roles of those that used to be performed by small business, a lot of people still like to employ their own apprentice who they might know and put the apprentice directly onto the floor rather than go through a group scheme. I have some problems with the group schemes because sometimes the students are used as slave labour. A company says it needs another half-dozen of them because they are cheap. They then bring them on the job but do not give them the proper training. The apprentices learn more in the final year of their apprenticeship than in the previous four years. We have to be careful about that.

Muja A and B have 140 tradespeople but not one apprentice. That is not good enough under any government. This is a passion of mine and things were stirred up when the South West Institute of Technology was unable to provide the training. Muja then rang the big companies down the member for Murray–Wellington's way, such as Alcoa, and Worsley down my way, and the miners and asked whether they could provide tradespeople to do some work until the company found people who were skilled. Then I found out that some deals were being done at different TAFE centres that were not fair. One TAFE in Perth—I will not name it—lifted the pay by two levels to attract tutors, whereas down in the south west they would not increase the level of pay by two levels, which would have kept two tutors. I am not overconfident that the South West Institute of Technology is being run properly and I think someone should look into that to see what is going on. Many people want to talk to me off the record because things are not all sweet. I believe that the minister should be putting a broom through it and looking at what is happening. People cannot go on holidays for seven weeks over the Christmas period and come back and expect things to remain the same. I believe that is what happened. Things must be organised and worked through the whole system. I do not blame everyone down there but there are some leadership problems that we should look into. Next year is not far away and the election will quickly come around. The work should be done now so that we can say with real confidence that we will have 40 electricians and 10 welders. The whole program should be set out but I do not see that happening.

I believe that is where the government is falling down. It is not doing enough work at the grassroots level to attract apprentices, to maintain the apprenticeship numbers and to work with the apprentices who are leaving and asking them what the problem is and whether the government can help to keep them there. We need apprenticeship mentors at the schools to maintain and increase the number of apprentices so that we do not have to send people to Ireland and the east coast or place big ads for people to come over here. We need to do it here. The government needs to lead the way by saying that for contracts over a certain amount, there must be apprentices. Think about native title. In most cases, if not all, when people negotiate a native title agreement, there is an employment factor built into the agreement. Why can this government not do that for all the apprenticeship schemes and government contracts? It is up to us to take the lead to get apprentices in jobs and to reduce the youth unemployment rate, which also will reduce the crime rate and allow kids to feel that they are worthy of being in our society.

MR W.J. JOHNSTON (Cannington) [5.35 pm]: I want to speak on the motion moved by the member for Rockingham; it reads —

That this house calls on the Barnett government to ensure that state government construction projects provide a greater number of apprenticeships and traineeships.

This is a very important issue. It cannot be argued that just because one policy by itself will not solve every issue that is raised, the policy therefore should not be pursued. The policy released by the Leader of the Opposition today, "The Jobs for the Future: WA Labor's Commitment to Training Young Workers", is an excellent policy. An incoming McGowan government commits to the Priority Start — Building program to guarantee jobs for apprentices and trainees on state government infrastructure projects; to appoint a team within the Department of Training and Workforce Development to ensure the policy is applied to all eligible contracts; and to impose sanctions for breaches of the policy. We know that the current government is failing. A June 2011 Auditor General's report has been referred to in this debate. That report shows that the current government is not

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properly applying the policy to ensure that young Western Australians are given an opportunity to be trained in the important skills that this state requires.

I remind the chamber that when Labor was in power, we had 21 618 apprentices in the state and now, nearly four years later, under the Liberal–National government, we have only 18 792 apprentices. The government includes trainees who, of course, are not apprentices, to inflate the numbers. I will make a point about that. In February 2010, the government set a target of 47 000 apprentices and trainees for 2011–12, yet in March this year only just over 42 000 were in apprenticeships or traineeships. Even by the government's own standards, not only is it not meeting the standards that the Labor Party set, but also it is not even reaching its own lower targets. There are nearly 5 000 fewer people in these positions than in the government's own target that it set in 2010 for apprenticeships and trainees in the state. Neither I nor anyone in this debate is saying that a single policy of ensuring that there are more trainees on projects funded by the state government is by itself going to solve all the problems for keeping up the number of apprentices, trainees and future skilled workers. However, it is one of the bricks that we can build in a holistic policy to deliver for Western Australia. This good policy cannot be criticised for not achieving everything because it is part of the process of delivering the full suite of policies as we go forward.

I draw the chamber's attention to the fact that in the debate last year on the amendments to the iron ore agreements covering BHP Billiton and Rio Tinto, the Premier was able to provide information in his role as Minister for State Development regarding the number of apprentices and trainees that those two companies employ. It was interesting that at the time of the debate in November last year, Rio Tinto had 298 apprentices and 499 trainees but BHP had only around 175 trainees and apprentices. I do not know what the figures are today. These are massive organisations investing billions of dollars, yet BHP cannot even get to 200 apprentices in the state. We will not go forward when these major companies are not pulling the load. It is important to us that we, as a state government, do our bit, and that is what the policy launched today by the Leader of the Opposition is aimed at doing. However, it is only one part and other parts need to be looked at. That is why I was pleased to hear the member for Willagee read in today a bill that would require companies and project proponents to develop an enforceable undertaking for training in this state. That, again, would overcome the problem that we can see here, where the free market is not working and BHP is not training the number of apprentices that it needs for the work that it is bringing into the state. That is an unbalanced position that will not work. As I say, the policy that the Leader of the Opposition has brought in today is a good policy that will address some of those issues. It will make an important contribution to Western Australia's future.

I remember that when I was on the board of the then State Employment and Skills Development Authority—now the State Training Board—as a union representative back in the mid-1990s, we were told by the Chamber of Commerce and Industry of Western Australia that the market would provide, there was no need for government intervention in the process of delivering apprentices and trainees in this state, and we did not need workforce planning. Of course that led to the disaster of the 1990s when apprenticeship and traineeship numbers in Western Australia collapsed, and now 20 years later we are suffering because of the short-sighted approach taken by the Court government with regard to apprenticeships and traineeships. That was a process that the union movement resisted at that time. Had we been listened to 20 years ago, Western Australia would be in a much stronger position today to provide the skilled labour that we need. So these policies have very long tails.

It is also interesting that in this debate a little while ago there were some interjections about rates of pay for apprentices. For a four-year apprenticeship, the first year rate is \$294.38 a week, which is \$7.75 an hour. The first-year rate for a year 10 graduate as a trainee is \$208 a week, or \$5.47 an hour, and in fact can be as low as \$5.29 an hour depending on the classification of the trainee. These are very, very low wages. I looked them up while the debate was going on. They are on the Department of Commerce website. They have a PDF that people can download, which shows the rates, and they are the rates. A rate of \$7.75 an hour does not go very far.

Mr M.J. Cowper: What is a first-year apprentice on?

Mr W.J. JOHNSTON: It is \$294.38 a week, or \$7.75 an hour.

Mr M.J. Cowper: Is that for a first-year trainee?

Mr W.J. JOHNSTON: No, that is an apprentice. A first-year trainee is on \$208 a week, or \$5.47 an hour.

Mr M.J. Cowper: In what classification?

Mr W.J. JOHNSTON: I do not have the PDF in front of me, but they are the rates that are on the website. I assume the parliamentary secretary is going to contribute to the debate, so he could have a quick look himself and put those things on the record if he needs to. But they are the rates.

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The government of course does have a plan, and that is to enter into an agreement with the government of Ireland to allow skilled workers to come to Western Australia from Ireland. I draw the attention of the house to a media release dated 6 July 2011, when Minister Collier announced that he was heading off on a delegation to the United Kingdom and Ireland to champion Western Australia's position as a leading destination for skilled migrants. He said in that media release —

Our goal is to explore all options for not just increasing the participation of our local population, but also adding to the labour pool by attracting skilled workers from overseas and other parts of Australia.

I make the point that he says in that media release that his goal is to look at all options for increasing the participation of our local population. That is what the Leader of the Opposition has done today. So it will be interesting to hear whether the government will be rejecting the Labor Party's position on this matter, when it is not doing what it said it was going to do. It is also very interesting to read an article in *The West Australian* of 27 October 2011, under the heading "Collier sticks to Irish jobs plan", which states —

State Training and Workforce Minister Peter Collier plans to bypass the Federal Government to realise his dream of importing thousands of unemployed Irish workers to WA to ease the skilled labour shortage.

The article goes on to quote the minister as follows —

"I'm sick of talking to Chris Bowen about it," Mr Collier told a Commonwealth Business Forum session yesterday. "I'm working with Ciaran Cannon and the Irish Government and we're going to go around the Feds on this thing. We'll work with the Irish Government and we'll hold it up as a big success."

It is interesting that in estimates, the Director General of the Department of Training and Workforce Development made the following comment —

The other thing that I can attest to is the number of letters that we get from people from Ireland wishing to come to Australia and seeking advice from us. Our advice is twofold: one is that the immigration issue sits with DIAC primarily, although we can assist. But we certainly can assist with other information about living in Western Australia. The other thing, however, the member may recall—Minister Collier spoke about it at the time and certainly when he returned—was the likelihood of establishing a memorandum of understanding with Ireland. That presented us with some difficulties, because we found to our great chagrin that we are indeed a subnational jurisdiction.

That was an extraordinary finding. Apparently Minister Collier went to Ireland not realising that he was the representative of a subnational jurisdiction. I am not quite sure what it was that he thought he was going to find when he got to Ireland.

Ms R. Saffioti: At least the former Treasurer knows the difference between commonwealth and state!

Mr W.J. JOHNSTON: Yes, indeed! But apparently Minister Collier did not understand that he is a state minister.

Ms J.M. Freeman: Maybe Mr Collier would like to resign as well!

Mr W.J. JOHNSTON: It is an interesting thing, because it seems that the minister's success and effectiveness in the training portfolio matches his success in the energy portfolio—that is, he does not have any. The chaos that the minister has created in the energy portfolio he is also creating in the training portfolio.

I ask members to imagine this. The minister goes to Ireland. He invites an audience of unemployed people who are interested in becoming migrants to Australia. He gets up in front of that audience, and what does he say? Does he say, "We have sympathy for what has happened in Ireland, and we are very fortunate, because God gave us all these resources in Western Australia, that we have not had to sweat the brow in the same way as you have had to do in Ireland, so we would like you to apply to become a migrant to Australia"? No. The minister stands and says, "I'm living the dream!" Those were his words. Imagine how that went down! The business leaders with the minister were embarrassed by his behaviour at that meeting. It demonstrates that this is a guy, Peter Collier, who simply does not get the obligations that he has as a minister. His failure in the energy portfolio is legendary, and his incapacity to do his job in the training portfolio is also evident. What sort of person does that? Instead of talking about Western Australia and the opportunities for people in this state, and instead of talking about his plan for apprenticeships for Western Australian workers, he goes to an audience of unemployed people and says, "I'm living the dream"! He then goes on about how he loves being a minister. What sort of person is this? What are we paying this minister to do when he does that on our behalf? He does not understand that he is a minister in a subnational jurisdiction. That comes as a shock, I am sure. Every other person in this state, I

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imagine, would understand that Western Australia is part of the Commonwealth of Australia. Surely the minister would have known that before he went to Ireland. So why the heck was the minister standing in front of an audience of unemployed people and saying, not “I understand the issues that confront you”, but, “I’m a minister in the state Liberal government, and I’m living the dream”? It is an embarrassment. The minister owes an apology to all the business leaders that he took with him to Ireland, and all the public servants that he took with him to Ireland. He also owes an apology to all those Irish workers who were in that room that day. It will be interesting to see whether that minister has the capacity and the gumption to understand the serious mistake that he made when he did that, and the fact that nobody in Ireland took him seriously because of his behaviour on that trip. He was an embarrassment to the people of Western Australia and it is just another reason why he should not hold the portfolio.

I thoroughly endorse the policy released by the Leader of the Opposition today. I will issue a challenge to the government. If the government is serious about skilling workers in this state and if it is serious about giving opportunities to young Western Australians—and older Western Australians; in fact all Western Australians—endorse our policy. Implement it now. Do not wait for us to win a future election. Implement our policy today because it will help. It will be a contribution to fixing these serious problems that we face. Mr Speaker, with these words, I conclude my contribution.

MS L.L. BAKER (Maylands) [5.50 pm]: I hope that the Minister for Transport stays awake for the next few minutes while I make my contribution to this debate!

Mr C.J. Barnett: It depends on how good your contribution is!

Ms L.L. BAKER: I am sure, Premier, that it will be startlingly insightful and you will be hanging off every word!

I will start by talking about the fantastic contribution that apprentices put into our training system and into our economy. Then I will talk a bit about the policy that we have put forward today; or, if you like, reinforcement or compliance with an existing policy. I have quite a bit of history on that, so I will talk briefly about that too. However, I will start by talking about a remarkable training organisation, the Master Plumbers and Gasfitters Association of WA and the Master Painters Australia WA Association skills centre that has its administrative home now in Victoria Park. It also has two outlets, one in Maylands and one in Bayswater, which do some amazing trade training in both plumbing and painting. It has very much state-of-the-art training facilities in my electorate. It is an incredible supporter of those industries across the state and works really hard to improve the standard of training and the individual output of apprentices as well. It is very much committed to the concept of lifelong learning. As an industry-focused organisation, it does some amazing work with a range of employers as well as a range of unions in our state. I will start from 2011 when my electorate was honoured to be home to a trade training centre in John Forrest Secondary College. If government members have not seen it, they should go out and look at it.

Mr T.R. Buswell: The school or the national park?

Ms L.L. BAKER: No, the trade training centre at John Forrest. It is remarkable and makes the rest of John Forrest Secondary College look like it needs an \$80 million upgrade. The amount of monetary investment from the Building the Education Revolution program that went into building that trade training centre at John Forrest is quite remarkable; the premises are fabulous. The centre was opened back in March 2011 by Prime Minister Julia Gillard and Peter Garrett, the federal education minister, and Stephen Smith, the federal defence minister. The CEO is Murray Thomas. I worked with Murray for many years in my role preceding this job that I hold at the moment. When I first entered employment with government, it was in the area of employment and training. Murray had just started a similar pathway into government, so I got to know him very early in the development of the modern industry training framework, in writing the legislation for the State Employment and Skills Development Authority—SESDA—legislation and in the development of the federal training guarantee, all of which happened around the same time. Murray is the CEO of the MPGA skills centre and is a remarkable human being who has contributed greatly to training in this state.

The school’s vocational education and training pathways took it into the Australian federal VET award and I am proud to say that this year that industry partnership with John Forrest school was recognised by winning the national training award for VET. John Forrest school is the Australian winner of that award, which is again a remarkable achievement. Before I finish talking about the master plumbers and painters associations, I also want to acknowledge the amazing number of businesses that support the MPGA and the MPA in my electorate. For the past three years I have run a sustainable living fair in Maylands, which includes and is sponsored by the master plumbers and painters associations. We put it together because we wanted to feature some of the innovative work in sustainable painting and sustainable plumbing, and some of the work in retrofitting and

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installing plumbing devices that minimise the use of water and electricity. Those associations sponsor this event. They have been very good friends to me in the past three years and I hope to continue that friendship.

I want to turn to Priority Start, or “Priority Access” as it was originally known. Quite a long time ago in my history I was for a year or so in charge of government contracting policy working with the then director general Alan Piper. The Minister for Transport did not know that, did he? One of the policies I managed to put in place was called Priority Start. Alan Carpenter released the policy in 2006. I was very keen to address the issue of apprenticeship training and to see some ways of innovatively making sure that our young people get into apprenticeships in the state that then led into long-term trades. I note that the apprenticeship preferential tendering policy was in place at the time for the immense amount of contracting the state does. We therefore conducted a review of that policy with the then department of training and the then department of contract management services. Both of us put some funding in and we jointly reviewed the apprenticeship preferential tendering policy to find out what to do. Was it working; could we do it better; and where could we look? The result of the review proved unequivocally that the policy was not working, was ineffective in promoting apprentices into trades and ineffective in ensuring that we captured the best outcome for young people in the state through the government contracting process. Out of that review was born a policy that started off life called “Priority Access” and was changed along the way to Priority Start.

Mr C.J. Barnett: Perhaps it didn't have a high priority.

Ms L.L. BAKER: It was very high priority, Premier.

That new program was written with a view to bringing best practice into the way the government manages contracting by making sure we get outcomes for the youth of our state through the immense amount of government contracting that goes on. Originally about \$300 000 worth of contracting equalled one apprentice, from memory. I cannot remember the detail of the policy review, as it was a few years ago—I think back in 2006. There are many ways of approaching this issue. I do remember that we looked at a number of different models and this was one of them. It can have good outcomes but members would have heard the Leader of the Opposition this morning say that the outcomes from the policy depend on it being monitored, on it being complied with and on the success of the outcomes for the people who are trained and become tradespeople.

I go back to that original review that was conducted to launch “Priority Access”, or Priority Start. The review showed basically the same thing as would be shown if we reviewed the policy today; that is, the good guys who are already complying with the policy in the way they approach government contracting get really cranky about the people who are not complying. There is therefore still a sense that they are trying to do the right thing in complying with government policy but that the government needs to make sure that everyone complies so that when they are tendering and the government is issuing contracts, they actually get some outcomes in line with the policy. Members have heard the Leader of the Opposition talk about the need for compliance with the policy and that compliance has slipped. Clearly, for whatever reasons, the government has decided not to monitor, not to enforce and not to check compliance with this policy. I think that is a great loss. I encourage the government to look at some of the additional models that are out there around this policy. In fact, I think the Department of Housing has a model for employing its own apprentices and for negotiating with contractors as contracts are let. That is a good model, too. But this policy is essential to ensure that there is some level of take-up for our young people in a time when we desperately need them to be linked into the opportunities available in this state. I can only congratulate the Leader of the Opposition for shining the torch on this and highlighting the fact that it is not being monitored, it is not being complied with, and we are not checking the outcomes. It is certainly something I am fully supportive of, having been there when the policy was first crafted and rolled out. I encourage the government to support this motion.

The DEPUTY SPEAKER: I give the call to the member for Girrawheen

MS J.M. FREEMAN (Nollamara) [6.01 pm]: I also rise to speak to the motion.

The DEPUTY SPEAKER: Member for Nollamara.

Ms J.M. FREEMAN: Yes, it is Nollamara, which is just next door to you, Mr Deputy Speaker. We are neighbours; I do not know if you know that!

The DEPUTY SPEAKER: I have corrected that, member for Nollamara.

Ms J.M. FREEMAN: Thank you.

This motion calls on the Barnett government to ensure that state government construction projects provide a greater number of apprenticeships and traineeships. In fact, that is possible because it has a policy in place, but we are asking the government to look again at the Priority Start program, which has been outlined to the house

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very well by the member for Maylands. I think it is very important that this government, in a time of crowing about building infrastructure that is changing the state and the infrastructure investment the government is making, assumes the responsibility for ensuring that people in our community can enjoy the benefits of the taxpayer funding being used for those infrastructure programs. Those people should also enjoy the benefits of the future career that these infrastructure projects will create, and the government should ensure that there is ongoing employment and prosperity for those people. That in turn will ensure that there is ongoing prosperity for all of us because of the contribution they have made to the state.

The parliamentary secretary knows that in the last two years I have had the honour of asking questions during the estimates committee hearing for the Department of Training and Workforce Development. During the hearing I asked the parliamentary secretary why the target of 47 000 apprentice and traineeships by 2012 had not been met, and had fallen significantly short, reaching 42 000. The director general, somewhat aptly, replied that it was a “stretch target”. A stretch target? I know about stretchmarks, having been pregnant, and I know what they look like, but I am not completely sure what a stretch target is, other than it shows me that the figures are just not transparent or clear, and they are not based on good hard work, initiative, and knuckling down to make sure that the programs in place are monitored properly.

During the hearings of the Standing Committee on Estimates and Financial Operations last week, Hon Ljiljana Ravlich asked a question relating to the former Labor government having left the Training portfolio with 37 800 apprenticeships and traineeships, and the fact that there are now only 40 000—we now know the figure is 42 000—some three and a half years later. She asked how a net increase of 2 200 could be something to crow about, because it is an increase of only 500-odd a year. When she drilled down and asked more about Priority Start, she found out that it is under review, that the department is having discussions, and that it is not sure about it. What she really found out is that 2.5 full-time equivalents had been allocated to monitoring it, and that the department felt it was all too hard, but it was happy to let subcontractors handle it—although it made it difficult to monitor—but felt that maybe the way of keeping track was to have people put something in their annual reports. The government can do something; the government can react to this priority policy we are putting before it. The government can actually step up to the mark and do something. I put it to the government that supporting this motion and our policy is exactly what it should be doing.

I find the targets somewhat confusing and they are constantly less than transparent—they are not very clear. When we look at a figure of 42 000 apprentices and traineeships, part of that figure relates to completions of apprenticeships. The parliamentary secretary can correct me if I am wrong, but I understand that figure includes, year round, 5 000-odd apprentices and 9 908 trainees who completed in the 2012 period; it does not actually mean that there are 42 000 new apprenticeships or traineeships. I would be happy to hear that I am wrong about that. Does that 42 000 relate to bums on seats—people in training, people actually in an apprenticeship—or does that include the completion figures; and, is it actually a much lesser rate of around the 30 000 mark?

What is really fascinating is that we keep including apprenticeships with traineeships, and we need to be really clear which is which. The member for Cockburn outlined the figures, and I would like to do that again for clarity's sake. In March 2010 we had 5 960 apprenticeship completions; in March 2011 we had 5 887 apprenticeship completions; and in March 2012 we had 5 111. From those figures we can see that there has been a continual decline in completions. While we are seeing that continual decline in apprentices, we are seeing an increase in traineeships. The government keeps spruiking that we have never seen more apprentices and traineeships, but what we are really seeing is traineeships. Although we all respect people who do traineeships, they usually only last for one year and are usually in the less-in-demand occupations—those not required by the mining industry. So, there has been an increase over the years, but it has certainly not been in those core areas where we need a skilled workforce that can deliver, and they are certainly not in those high-income-delivering areas that can come from apprenticeships in certain trades.

Another issue that the parliamentary secretary is well aware I have raised before is that of how many pre-apprenticeships become apprenticeships. When I raised it last year, I was told that it could not be tracked, but I was told that about 50 per cent of pre-apprenticeships become apprenticeships. The anecdotal evidence I have had from some of the diverse communities I am lucky enough to represent in the electorate of Nollamara—many of which have non-English speaking backgrounds and are newly arrived Australians—is that many people do pre-apprenticeships but cannot get apprenticeships. This pool of workers is very keen to take up the opportunities presented by this booming state, especially in infrastructure and mining and development projects, but only 50 per cent are getting apprenticeships. The actual breakdown of that data was provided last year in supplementary information A57. That is a difficulty; it is an area that the government should focus on and it is a way we can do this by ensuring that Priority Start, the very good policy that was released today by the Leader of the Opposition as Labor's commitment to training young workers, is implemented.

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The other issue we all know about is the very disappointing apprenticeship completion rate. In the same supplementary information provided last year, the completion rate for apprentices who commenced in 2005 was 74.5 per cent and the completion rate for apprentices who commenced in 2006—they are coming to the end of their time in 2011—was 71.2 per cent. There has been a decline in the completion rate, and that is a real concern. It has been raised here before. A lot of it is due to apprenticeship wages and the fact that when most apprentices go into their apprenticeship, their rates of pay are based on a percentage. A first-year apprentice earns around 50 per cent of the trade rate. Under the industrial laws in this state recognition as an adult apprentice kicks in at the age of 21, even though after a person has turned 18 they can do most other things. An adult apprentice might then be paid the minimum wage which, thankfully, has recently increased to around the \$650 mark, although, especially for an adult apprentice, it is not a sufficient income to survive on. It is really concerning that we are not getting the completion rates. Most government contracts tend to be on enterprise bargaining agreements, which have different rates for apprentices. Many apprentices in the building industry will say that that they are okay because they are on living wage-type rates which have a reasonable ratio to the rate of a trade qualified worker. That makes it possible for them to complete their training, so it is very important that we take on that responsibility with government contracts because they deliver. If members looked at the completion rates for people employed as apprentices to contractors who deliver government contracts, I think they would find that is actually what props up the number to give that 71 per cent. It is certainly the case that, according to the data given to us last year, completion rates in the building and construction industry, at around the 70 per cent mark, are higher.

What is greatly concerning is the program that was undertaken in 2010 and 2011–12 involving the bonus payments for out-of-contract apprentices to go back to an employer and complete their apprenticeships. We are talking about 30 per cent of people in whom we, as a state government and state taxpayers, have invested a certain amount of training. We need them in industry. There is a requirement for them. If they have not finished their qualifications, there is a cost benefit in giving them bonuses for going back and completing their contracts. Even though the \$3 million for these bonuses was allocated in the 2011–12 budget, only 122 bonuses were made available in 2011–12, and not all that \$3 million was used. No, it will not be carried over; no, it will not continue to be funded; no, we will not give any more bonuses to these people to complete their training; and no, we will not encourage further apprentices. But we will bang on and say we have more apprentices and more trainees than we have ever had, but no; we will not get our hands dirty, get down on the ground, work on Priority Start, make sure contracts are compliant, make sure they are delivering apprentices, make sure we give incentives for out-of-contract apprentices to complete their apprenticeships. No; we are just going to bang on.

Mr M.J. Cowper: Have you written to Senator Chris Evans about the \$75 million over the next three years that has been taken out by the federal government?

Ms J.M. FREEMAN: The parliamentary secretary will recall from the estimates hearings that that \$75 million is a small drop in the ocean of how much money is actually available.

MS A.R. MITCHELL (Kingsley) [6.14 pm]: I wish to speak on this matter because it is of great concern to me that there is a perception here that training and workforce development and apprenticeships are not being well attended under this government. As many members know, I have a background in education and I have watched this closely. I have done a lot of things recently and I am very concerned that one document about one particular part of a couple of industries can bring a focus on what the future of training through apprenticeships and traineeships is all about. I would like to make a few points right at the start; that is, there are more opportunities than there have been in training with pre-apprenticeships and traineeships than there has been for a long, long time. What I can say from what I have seen—not just from what I have read—is that training is now valued more than it used to be. It is not there yet; it is a long way off, but there has been a huge growth in the value of training. That is very, very important. Training is also available. Positions are available. Some other problems need to be followed through, and I will talk about them in a second. At the moment places are available and they will continue to be available and more places will be available. But that will not be the solution. That is why it is important we look at this with a very balanced approach, and not just one based on what we can force people to do.

One of the things I like—I have been involved in some training projects recently—is that training is now very much more flexible. It is completely different from what it was two or three years ago, completely different from what it was five years ago, and extremely different from what it was 10 years ago. There have been massive changes in how training is provided to people who wish to take up opportunities. The other extremely important thing in this whole change process that training has been going through is that it now engages with businesses and people who require people to be trained. That is part of flexibility and part of making sure it is relevant and is what employers are looking for and how it is delivered.

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I have been very fortunate; I had an opportunity to do some investigation into training and workforce development for tourism and hospitality, industries that probably do not come directly within the topic of the motion moved tonight, but they are still a very important area of training. These industries are feeling the pinch as much as one or two particular industries such as the construction and mining industries, and there are many others. I have learnt a great deal and have seen specific issues in that industry and in others. What I have seen and what I continually hear from people is that there is outstanding agreement in the way training is being progressed. As I said, it is currently being progressed.

I want to speak particularly—I will go back a few years—about schools in 2006 when people could leave school at the end of year 10, and a lot of people did. Then the school leaving age was changed. People cannot now leave school at the end of year 10; they have to do years 11 and 12. I was not in education at the time, but, obviously, I was watching this closely and I knew people in the field. Those year 10 students had to choose subjects that were currently on offer and that were probably not very relevant to them. Even though the decision was made that students were to stay at school—I think it was a good decision—what unfortunately did not go with it were the opportunities, the curricula and the activities needed to support those people in school. They were the ones who would probably have gone and got training. We can refer back to that time. Unfortunately, those experiences take a long time to change. We are now a few years on and what we are seeing in some of our schools at the moment is very, very positive. The vocational education training programs, the trade training centres and the others are being taken on board and they are making a difference. At school, students can be linked to an institute of training; they can be linked to a private provider; and they can do academic subjects. They can do a range of things that provide experience at school and within the school. What is more important is that training is recognised as a pathway. In schools, unfortunately, many teachers are still of the opinion that it is academic coursework or nothing else. Therefore, we have to build into the schools program that training and courses involved in that are also valued within the school system, not just outside the school system. What we are seeing with schools is that they have links with employers, industries and the training centres, and now a lot of students who finish year 10 have a combination of academic subjects, training courses and perhaps a certificate I or II under their belt. In fact, some students do straight training courses. Therefore, the flexibility is back within the school system and that was certainly one of the issues raised with me when I was looking at this project. Previously, there was a gap between what the schools were doing and what was expected in the training sector specifically, so that link will make a huge difference in what occurs.

I have spoken previously in this house about a major state government training institute—that is, West Coast Institute of Training—and the outstanding work it does. I have also had the opportunity to meet with many other state training providers in both the Perth area and the country. The autonomy given to those facilities has changed them incredibly. They are now out there amongst the best and are making a great contribution. Private training providers have also been very, very well received and they are great organisations as well. Therefore, we are building that training sector, which will give people the opportunity to train as they wish in the way that is best for them, because everyone learns and trains differently. We want to get people through that training system. I think the link with industry is very, very important and we now have vibrant places to train, not boring places to train. People do not necessarily go sit in a classroom to do training; they can train on the job, in the classroom, with a number of employers—in a range of ways that will get them where they want to be.

One thing I picked up when I was doing this project was that many people are very interested in training. Another thing I learnt, which may be peculiar to the industry I was looking at, is that many parents were not so keen on training within that industry. The perception of many parents and probably their families is that it is fine as a bit of a part-time fill-in-type role, but not worth thinking about as a career. Therefore, often many of the impacts on apprenticeships and people going into training are outside that person's own control. A lot of those things are broader than that. Perhaps it is my generation and those others who still see people as better off getting an academic qualification. Heavens above! The number of times I have said to myself and my friends, "If only I had been an electrician". Having a degree in education probably was not the most lucrative qualification I could have got; I could have got a trade and run a business and I would have been much, much better off. But I still believe there are people who think that trades are not long-term careers and that trades are not really what people want to do. I think we have a culture within our community that has to engage with this and understand it. It is not something that simply changes overnight, but it is changing; there is no question about that. Certainly, many people within the school system are still choosing to do academic subjects who probably should choose non-academic subjects. I am not saying that they should not do any academic subjects, but they need to do the level of subjects required for what they may choose to do.

The great part about our education system is that, right through, people can change between institutions and courses. I raised that one certainly with the West Coast Institute of Training where people in the nursing program can do a certificate I or II, then move onto the next part and finally end up at ECU Joondalup to do a degree. It is all within an educational precinct and associated with a major health campus, which makes a huge, huge

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difference. It is this sort of culture that I want to bring in, because I believe the policy raised by the Leader of the Opposition today may not prove to be successful and, in fact, probably will not. I have learnt that we cannot make companies do things. We cannot make people be apprentices and we cannot make people go through courses. We want to build a culture, an organisation and a number of things that ensure we keep those people who go into training in training and finish it, because there is no doubt that people still drop out of apprenticeships and traineeships. That is a major problem. Making a company have more apprentices does not necessarily solve the problem. Making a person go into a company to do an apprenticeship does not solve that problem. A broader issue needs to be looked at, which we are on the way to doing by engaging with companies and industries and making sure that training and apprenticeships are relevant. That may help to overcome some of those issues.

As I said, the support of family and the home and people that a person in training associates with, it might be their friends—I will call them the significant others—makes a big impact on that person’s time in an apprenticeship. I was horrified, I must admit, when I learnt during this project that there was a thought federally that apprenticeships should go for four years. We all know that young people are in the here and now and once they make a decision, they want to get there quickly and they want to get out. Often we hear that the wages are not good and things like that. Given the quality of the training that can be done now, I would be against apprenticeships going for four years because I think that would not work in getting people into and through the training system.

Mr A.P. O’Gorman: So how long should they be?

Ms A.R. MITCHELL: I think that needs to be looked at as well, because I do not think we would have one length; I think it will depend on the trade and what people intend to do. I cannot comment on other industries—that is probably not something I can do—but I think that those things also factor into how we keep apprentices in their apprenticeships and keep them going throughout. I believe that incentives may work. I do not believe guarantees will. I believe some directions and some changes perhaps could do it, but I do not think we should put them all in. Having said that, because we know that a lot of apprentices do not complete their apprenticeships, there are many companies that took on apprentices that now do not. They have invested and done all that sort of thing, and that has gone. They have had bad experiences and, let us face it, any of us who have been in a situation whereby we had a negative experience do not tend to rush back.

However, there are companies that are doing a very, very good job. There are companies that bend over backwards to keep people within their company, even if they go in on one trade or job and then move into another if it is not working out. I want to praise WesTrac because it has helped a family in my electorate who was in a very sad situation. Steven Rowe died during an incident in my electorate, and he worked for the company WesTrac. It looked after his family quite well. His sister was struggling at school after this incident; it was very difficult. Off her own bat, she emailed the managing director who the next day called back and said, “Come out and see us.” That young lady was struggling, she did not quite know what she was going to do, went out to the company and it took her on. She has moved into three or four roles within that company, but she will not be lost to that company. I bumped into her mum in the supermarket the other week. I had not seen mum smile for a long time—not since 2008. Mum is smiling now because mum is in the company. Mum is almost a mum to the young apprentices, and she just glowed about this company. If a young apprentice was struggling to get through their apprenticeship because there are some issues, they work with that young person and move them around, making sure that that young person is not lost to the industry and is not lost to that company. We can see the excitement and the feel in what this company has achieved. Many other companies are going out of their way to take on board young people to get them through and to guide them because it is more than just educational training; this is about life and that is not easy. The textbooks talk about the specifics, but this is about the person and this is about life and that does not come easy; therefore, we cannot just say, “Take this person, do it, it’ll be done.” We want good people; we want proper outcomes; we want things that are going to get us to where we will be successful. I praise companies such as WesTrac and the Burswood Entertainment Complex. Burswood does an amazing job with the number of people it trains, how it trains them, and the people who move in and around its systems. It is massive, and it is incredible the amount of investment it makes into young people—not just young people, but people in general. The training is on site and it links with both the government state training providers and the private providers; it is also itself a registered training organisation. It is a very, very successful enterprise. I do not believe that we should make companies take apprentices; I do not believe that that will get us the outcomes we need in this state. I believe we need to facilitate a culture and environment and, as I said, a background of significant others to make sure that what we have on offer gets us the results we need and gives us a workforce that is outstanding and is the best we can possibly make it.

MR A.P. O’GORMAN (Joondalup) [6.31 pm]: As one of perhaps half a dozen people in this place who is actually a tradesperson who has come through the apprentice training system—not in Western Australia in my

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case, but in Ireland—I feel I should stand and speak on this particular issue. As we know, the Minister for Training and Workforce Development has been in Ireland over the past 12 months, looking to lure tradespeople from that country over here. I will briefly go back to when I started serving my apprenticeship in the early 1970s and the landscape for apprentices in Ireland. The majority of apprentices in Ireland came out of government institutions—Irish Lights or other government entities that provided services to the Irish community. I did not; I went through an organisation called De Beers, which is a private organisation. De Beers had, on a regular basis, eight to 10 apprentices on its books at any given time and for any given year group—there were first-year, second-year, third-year and fourth-year apprentices; it always had a number of apprentices. De Beers did that because the Irish government did it, and the government encouraged people. When I came to Australia in 1981, I looked around and saw that apprentices were being trained at places such as the Midland railway workshops, the Water Authority and the State Electricity Commission. Again, the private sector also trained a significant number of apprentices because the government was doing it. The government was leading by example, and the private industries were following suit and making sure they had plenty of apprentices going through on their books. It meant that we were continually upgrading and adding to the numbers of tradespeople we had in the state to cover the jobs that we needed to do.

Then, in the late 1980s and into the 1990s, there was a push to decrease the numbers of apprentices. Coincidentally, this push seemed to come about at the same time that organisations such as the Midland railway workshops were being scaled down and parts of the SEC were being privatised, and the Water Authority and other government entities were being downsized. We then saw that the private sector began to think that it had no obligation to take on apprentices, so it started to withdraw from training new apprentices. At that time I happened to start working at Curtin University and for seven to 10 years our biggest argument with management was about the lack of apprentice training places. When I began there, we had a ratio of four tradespeople to one apprentice, so we had something like 10 to 15 apprentices on the campus at any one time. The number started to decrease during the late 80s and early 90s.

I remember a dispute we had with the management when it hired some refrigeration fitters at a higher level of pay. We were under an enterprise agreement and all tradespeople were set at a certain level, but these refrigeration mechanics came in and were being paid at a level significantly higher than the rest of the tradespeople. I happened to be one of the shop stewards down there at the time, and to my mind this was not right, so we argued the fact that every tradesperson should be paid the same because it was in our enterprise agreement. We were told that it was a result of market forces; because there was a lack of refrigeration mechanics, the demand for them went up and so their rate of pay went up. I said that that would just flow on, and that in the future, as there were fewer and fewer tradespeople, the rates of pay for tradespeople would just go up and up.

We are seeing exactly that in this state today; we have tradespeople who will not work for less than \$120 000 a year. They work in the mines, in fly in, fly out jobs at places such as the Rankin platform. Now tradespeople around the metropolitan area are starting to demand rather large pay packets before they will get out of bed and do what he or she has to do.

This has been on a sliding scale since the 1980s; we have been cutting down the numbers of trade apprentices and supply and demand dictates that if there is less supply and larger demand, the price will go up. We have got ourselves into a nexus whereby we cannot supply tradespeople; we cannot put apprentices through quickly enough because it takes four years for most tradespeople to reach a level of competence at which they can be put out into situations and can solve problems, repair equipment, build things and do the jobs they need to do.

The other unique thing about apprenticeships is that they are not all on-the-job training and not all off-the-job training; apprenticeships are a mixture of both. On the job, they get the hands-on, practical stuff; they are in there and they know what the job is like. They see all the different problems that come up and they are helping the tradespeople they are assisting to solve those problems. Off-the-job training is where they get a lot of the theory behind what they are doing in a practical sense. It is a great method of training people, and we have lost that.

We are now seeing people being pushed towards either all off-the-job training or all on-the-job training, with very little recognition of the fact that if a person works in a particular type of industry, in a particular workshop, he or she might get training in only one particular sphere. I am a mechanical fitter by trade, and I could not just have a trade that taught me how to deal only with diamond machinery, which is essentially what De Beers did. So I got off-the-job training and got the theory behind many of the things I was doing, but I also got to talk and work with other apprentices from around the country in Ireland and learn about Irish Lights and Aer Lingus and the things they did with their apprentices; I learnt the different aspects of what being a mechanical fitter was all about. That gave me a broad spectrum.

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When I came here in 1981, I had planned on a month’s holiday; I think I was here four days before I picked up my first job. After about 18 months the 38-hour week came in, and I was working for a company called CompAir. I was the last one in, so I was told that I had to go to pay for the increased cost of wages. I was out of a job for three days before I picked up my next job. I am now 54 years of age, and as a tradesperson, I have never been out of work; I have always been able to fall back on my trade and I have never been out of work for more than a couple of weeks at a time.

It is a great career and, in Ireland, it was promoted as a career to be a tradesperson. We do not seem to have the same regard for tradespeople in this country. They seem to be the dirty jobs that we throw at people who drop out of school and who could not make it academically. The truth of it is that tradespeople are very highly skilled; they continue their education after they leave school and after they finish their apprenticeship.

Mr C.J. Barnett: It’s true that in the US tradespeople are more highly respected than here. I agree.

Mr A.P. O’GORMAN: That is one of the issues we have. We do not seem to respect tradespeople. In fact, lots of us despise tradespeople. Some of us now despise them because they earn such good money. I know that outside this place I could probably get a job in the mines, because most of my time here in Australia was spent working on compressors and high-pressure systems, which is in demand in the mines. I could probably go up there and earn more than I am earning in here.

The truth of it is that we have lost the apprentice training system, and we need to get back to it. In my view, the way to get back to it is for the government to lead by example. We do not have the entities anymore. We do not have the Midland railway workshops or large areas of Water Corporation or Western Power that train people, but we do contract out. We can put in those contracts that companies must have a certain level of apprentices on their books to gain the government contract. It is a great way to go. It is not forcing industries to keep apprentices because we want them to have them. It is the government saying by example, “If you want a contract, we want you to train people, because we no longer have the big entities where we can train people ourselves.” The private contractors, the private industry out there, will follow suit, because we are leading by example. That is what we should be doing—leading by example.

I have a number of organisations in my electorate that are apprentice trainers. The National Electrical and Communications Association training centre is on the way to Joondalup. It is in Jandakot and Balcatta at the moment, but it is building premises in Joondalup as we speak. NECA trains electrical apprentices. The Motor Industry Training Association trains apprentices specifically for the motor industry. The West Coast Institute of Training provides fantastic training for chefs, cooks, waiters and hairdressers, beauty therapists and nurses. They are great organisations. I have had recent conversations with West Coast Institute of Training. I asked the parliamentary secretary what the numbers of student contact hours were for organisations such as West Coast and Central Institute of Technology and all those other training institutions, and I learnt that there is no increase in student contact hours over the coming years. Areas such as Joondalup and the north metropolitan region that West Coast Institute of Training serves are growing. We anticipate having 550 000 people by 2031. We have not factored in any increase in student contact hours. There is no growth for them. We are actually going backwards, because we have a great influx of population and we are not adding any extra hours. We are actually going backwards. We need to figure out how we can increase the student contact hours for organisations like that.

I talk quite a lot to private providers such as the Motor Industry Training Association, NECA and Hospitality Group Training. They have problems with the way training is done in this state. At the moment, they are paid on the number of completions, but they also have to provide infrastructure facilities, lecturers and materials to start apprentices training. If apprentices drop out, they do not get paid for government contracts. It is something that has to be looked at so that we can continue to encourage these registered training organisations to start people off, bring in as many people as they can and get them started. If they drop out, there should still be some portion of payment so that the organisation can continue to provide the infrastructure, facilities and the trainers to do the job. These are not-for-profit organisations; the Motor Industry Training Association certainly is. If we start to lose people, these organisations start to lose income and cannot continue to operate. Organisations cannot afford to put in the infrastructure, trainers and materials if at the end of the day they do not get paid because a young person has dropped out.

The reason that a lot of people do not complete apprenticeships is the low level of wages. That is no different from when I started in 1973. In 1973 my weekly wage as an apprentice was £5 a week. I was an apprentice mechanical fitter in one of the biggest organisations at the time in Ireland, De Beers industrial diamonds, and I was getting £5 a week. Most of my friends worked in a factory called Butte Knit. Butte Knit was a textile company making squillions in Ireland 30-odd years ago, nearly 40 years ago. They were paying guys to pull things out of the weaving machine or whatever the machines were. I never went inside the doors, so I do not know exactly what they did. Most of my friends were earning £17 a week. That is a big difference—£12 a week

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to a 16 or 17-year-old back in the 1970s was a lot of money. The pull was there for me all the time to go. The thing that kept me at De Beers was that I was not just doing a job; I was getting a career. I would have a job for life, an income for life and something to build on to move on into the future. I finished my apprenticeship after four years—I started with a five-year apprenticeship, but I happened to be lucky that it was brought back to four years in the time that I was there. I qualified at 19. I was the youngest tradesmen in Ireland at the time. I was earning double what a tradesman was earning in the normal contracting sphere outside of De Beers. I could already see that in four years it was a way of building a career but also building some assets to take me on into the future.

It also gave me the opportunity to migrate here, because it was purely on my trade qualifications that I got accepted into Australia. Funnily enough, when I applied, I was told I could not come to WA because there was no work. There was very little work in the early 1980s, and I was told I would have to go to Sydney or Melbourne. I chose Melbourne, I think it was, because I just had to give them somewhere I wanted to go, much to the chagrin of my new wife of 12 months. Luckily, six weeks before I came out here I got a phone call to say, “Look, if you want to go to Perth, there is actually plenty of work, because we have had a bit of an upturn in WA.”

Apprenticeships are a great way to go. All governments—that includes the federal government; if it is not doing it, I will criticise it as well—should put money into the apprenticeships training scheme to make sure we are getting young people into those career moves that will take them forward. The member for Kingsley has just mentioned she would have rather have been an electrician than a teacher. My son is an electrician. He has just completed a mature age apprenticeship. He is 32 years of age. I made the mistake a couple of weeks ago of saying he was 31. He thanked me for that but reminded me he was actually 32. He completed his apprenticeship. He went through on \$300 to \$400 a week for his four years as a mature age apprentice, but at the end of it, within 12 months of his qualification as an electrician, he has managed to buy himself a house, so it has set him on the track to building his wealth and building this future.

I encourage the government to support this motion, and to support the notion of making businesses that contract to government take on board that it is a good thing to have apprentices. As governments, we cannot do it ourselves because we cannot have those entities anymore. It is only right that we should use those companies that we contract to provide those apprenticeships by example.

MR M.J. COWPER (Murray–Wellington — Parliamentary Secretary) [6.49 pm]: There is a motion before the house in relation to the Priority Start program. Before I commence on that, I would just like to quickly make some comments on some of the remarks by members, and I thank them for their contributions, in particular on some of the challenges facing apprenticeships. I put on record that in the 12 months to the end of February 2012, something like 8 860 traineeships and apprenticeships were not completed. There is a range of causal factors. In particular, the reasons range from the fact that apprentices were no longer interested and left employment—abandonment is very high—and a number of apprentices resigned, right through to poor attitude and a host of others. In fact there are about 30 reasons, and they account for 8 860 on top of the 42 000 that are currently being attended to as at the end of February of this year. On top of that are the number of suspensions—255; in fact, in apprenticeships and traineeships, the main reasons for suspensions are medical and personal problems. Where apprenticeships can be suspended, they are, but the real issue is with these 8 860 trainees and apprentices who are falling by the way. Let us contrast that with the Priority Start program that was introduced back in 2007 by the former Labor government and which would appear today to have been relaunched by the Leader of the Opposition as part of Labor’s policy document going forward. Of course, this policy has been around for some time and is currently part of this government’s policy for construction projects, including civil engineering projects with a labour component over \$300 000. Although the Leader of the Opposition feels he has come out today with some radical initiative that will drive apprentice participation rates, he is committed to a flawed policy that will cost in the vicinity of \$2 million a year to ensure compliance for limited success. I would have thought that if the Leader of the Opposition was particularly keen to increase the levels of apprenticeship and traineeship completions, he might have come up with something more inventive that revolved around how we will retain those 8 860 people who are leaking from the system. That is something we really need to address as a priority, rather than the policy that the Labor Party brought forth today.

Government agencies must endure a policy by which the head contractors who successfully secure a contract are required to employ a specific number of apprenticeships and traineeships for the term of the contract. This has resulted in 418 apprentices and trainees being employed on 123 different state government buildings and projects in the last 12 months. Where the problem lies is that the Department of Training and Workforce Development is reliant on other government agencies and trading enterprises to advise of contracts being awarded, and there is no specific across-government instruction enforcing compliance. This means that the policy has not been fully embraced by all agencies across the government spectrum. Not all government contracts are tendered and awarded via a centralised system, such as Tenders WA. This leaves the Department of Training and Workforce

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Development reliant on agency advice. The policy requires a specific number of apprentices and trainees to become employed for the life of the contract regardless of the phase of construction, whereas the construction civil works program usually requires different numbers and categories of employees over the life of the project. Specifically, the number of apprenticeships and traineeships is based on the labour component of the contract, rather than the actual workforce required to complete the project. The new contracting arrangements such as panel and staged contracts and public-private partnership agreements make application of the current policy somewhat problematic.

To make the policy work as intended would require a full compliance and audit team to verify records and conduct site visits across all government agencies and their construction sites and other civil projects such as roadworks. This would require a large team. Inspections would be required, probably on a quarterly basis. Currently there are about 123 government projects underway, which would require 123 inspections a quarter. On top of that, about 30 per cent of projects out there are probably missing from these figures, because the projects have not come through a centralised system. Once we take into consideration all those factors, we would need something in the vicinity of seven additional compliance officers, a manager, an infrastructure support team, vehicles, officers, database development, administration et cetera; and, of course, being a vast state, the cost of travel to and from the spectrum of sites from the Kimberley right down to the great southern and beyond. The resultant cost would be something in the vicinity of \$2 million. To put that in context, the Office of the Auditor General said that 141 positions may have been compromised—not “were compromised” but “may have been compromised”. Given the difficulties I have just outlined, the government is saying that a policy to make it compulsory for these people to detail the number of apprentices will mean spending \$2 million on 141 positions. As I said before, the figure of 8 860 apprentices and trainees who are lost to the system should be more of a priority than 141 positions. Members in this place will realise it is a basic matter of math. Currently, we have a compliance office to look after the program. However, this proposed policy by the Labor Party would put additional compliance requirements onto the contractors and, as the member for Riverton will appreciate, would mean an increase in the cost of contracts to the government. Of course, we cannot estimate what that cost will be, but it is likely to impose a cost of several millions of dollars on the contractors. At the end of the day, who pays? Ultimately, the cost will be borne by the taxpayer.

Although members on this side agree with the notion of having as many young people as possible in Western Australia secured into an apprenticeship, which is very honourable and we support that, this government is already doing many things on that, including in regional parts of Western Australia. The member for Collie-Preston commented on apprentices working in his neck of the woods. From the royalties for regions program, \$140 million has been invested into regional Western Australia, and the amount of money funding the various training organisations from the great southern all the way to the Kimberley is substantial. Yes, there are a few problems out there in obtaining staff like TAFE lecturers. The member for Collie-Preston was going crook about enrolments at the South West Institute of Technology and the number of electricians. I do not know whether anyone in this house has tried to get an electrician to their home in recent times; it is pretty tough. It is somewhat of a challenge.

Mr J.M. Francis: I rang one yesterday morning and he was there yesterday afternoon.

Mr M.J. COWPER: The member for Jandakot is very fortunate to be in that situation; he must have been offering a bit higher than the usual rate!

The bottom line is that we did have some trouble getting hold of TAFE lecturers. I have to say that the influx of people into Western Australia has made training across the board something of a challenge. Just the other day I was doing a bit of doorknocking and I came across a chap fixing his reticulation. He had a brand-new house in a new suburb, which is just down the road from the \$15.5 million new primary school that the government has invested in. This gentleman was telling me that he is a TAFE lecturer, originally from Perth, who had spent the last 10 years in Darwin, and he had now moved back to the Australind area. His wife is still working and he is semiretired. When I asked him what he intended to do, he said that he really wanted to go back into the training field. I said that we really needed people of his calibre and standing to come back into our training facilities. I advised him that the government is spending, as the member for Collie-Preston would know, \$12 million on the South West Institute of Technology to increase its capacity and to offer better training facilities. That is not just the story in Bunbury; it is also the case at the College of Agriculture, Harvey. These organisations are not traditionally part of the vocational training scheme. The new Harvey ag school will have brand-new facilities with \$26 million worth of building and construction, primarily directed at vocational training. It is not just in Bunbury and Harvey. I was talking to a chap in Cunderdin. The ag school there is focusing on vocational training as well. That story is repeated right across Western Australia.

Other areas that are looking at very interesting training programs in my electorate include Fairbridge. I was talking to some Indigenous people from Karnet Prison Farm, the low-security prison, who were out there doing a

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course on how to operate machinery. There was large machinery at Fairbridge that had been supplied by a really good Western Australian company, Westrac. That training would give those Indigenous people experience in driving these heavy machines; they have simulators and actual machines at Fairbridge and they are getting the skill base they need to share in the great wealth that is coming to this state. When they have done their time in prison, they will be able to go from the prison into a fly in, fly out jobs with skill sets. This is just one of the many, many cases in which we have some good news stories.

The compliance audit of this policy was undertaken by the Office of the Auditor General in November 2010. This audit found 141 employees' opportunities may have been compromised. If there had been a fully funded, specialised and costed compliance team provided by the Department of Training and Workforce Development, each of those places would have cost the taxpayer around \$14 000. What I am saying and what this government is saying is that we could use that money and do a better job with better results where we need them.

Debate adjourned, pursuant to standing orders.