

**A PROJECT TO ESTABLISH ALLIANCES
TO PROGRESS SKILLS DEVELOPMENT AND CAREER PATHWAYS
ACROSS THE RESOURCE AND INFRASTRUCTURE INDUSTRY SECTORS**

REGIONAL EMPLOYERS' ALLIANCE PROJECT

**INNOVATIVE SOLUTIONS
TO SUSTAIN REGIONAL PRODUCTIVITY**

PHASE 2 ~ FINAL REPORT

December 2008



Australian Government
**Department of Education, Employment
and Workplace Relations**



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Civil Contractors Federation (CCF)

Local Government Managers Australia (LGMA)

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ATTACHMENTS

1. REAP Phase 1 Final Report 'Getting it Right for the Regions', and Phase 2 Project Work and Finance Plan December 2007
2. REAP Phase 2 Progress Report April 2008
3. REAP Status Report October 2008
4. Upper Hunter REAP Report December 2008
5. NSW REAP Report 3 Attachment 1 Assessment Tool RPL v2
6. REAP Northern Tasmania Final Project Report November 2008
7. Northern Tasmania REAP Matrix Cert II
8. Northern Tasmania REAP Matrix Cert III
9. Interim Civil Construction Skills and Labour Report Central Highlands, Queensland October 2008
10. Interim Mining Skills and Labour Report October 2008
11. Interim REAP Agricultural Skills Labour Report Central Highlands, Queensland August 2008
12. REAP Seasonal Skilled Workforce Report November 2008 , Central Highlands
13. Queensland REAP Completion Report December 2008
14. REAP National Forum Discussion Paper and Pilot Project Proposal Report 'Collaboration in the Face of Competition' November 2007

ACKNOWLEDGEMENT

The REAP pilots in each region have worked with a number of local stakeholders particularly regional and local enterprises whose representatives have committed considerable time and expertise to help develop regionally relevant responses to the skill shortage issues in their businesses and across the region. The support and insights of these local stakeholders has made the REAP pilots exciting, innovative, real solutions to skill shortage problems.

EXECUTIVE SUMMARY

The Regional Employers' Alliance Project (REAP) is a two-year place-based project seeking solutions to regional skilled and semi-skilled workforce shortages. Times have changed dramatically since the inception and commencement of REAP in 2007. We are now confronted with a global economic crisis that is impacting on the resources boom and the type of demand for workers in regional Australia.

Fortunately, REAP is particularly relevant to these changed circumstances as it has developed three cross-sectoral projects focused on securing a skilled workforce able to work across a range of sectors and enterprises in a region. The goal of REAP is to contribute to retaining and bolstering regional sustainability and productivity whilst developing a workforce that is adaptable to changing enterprise demands.

The REAP pilots take account of a range of enterprise skill needs across agriculture, infrastructure, local government and resources sectors in regional locations. REAP pilot projects have focused on assisting regional sustainability, productivity and growth by maximising the workforce engagement of people in the regions. The three pilot projects were devised in a collaborative process with an alliance of regional industries drawn from the agricultural, infrastructure, local government and mining sectors. The key driver for all the projects was to find appropriate solutions to the problem of meeting productivity needs associated with skills shortages facing regional enterprises.

At the REAP Showcase Forum on 26 November 2008, the presentation and discussion of the benefits of and barriers to working across sectors to address skill shortages in regional Australia confirmed that employers are willing to:

- work collaboratively to increase regional access to an appropriately skilled workforce that is able to meet the range of industry needs; and
- invest resources when they can see the solutions to the skills shortage within a short time frame.

However, the REAP pilots have highlighted the barriers confronted in developing cross-sectoral solutions to skill shortages within the current structure of the training system. Problems have been encountered by, e.g. the Tasmanian and New South Wales pilot projects that have developed a skill set relevant to regional employer needs. No funding is available for skill sets based on the particular needs of a number of employers within a region. Moreover, although funding is available for 'on the job' training for people currently out of the workforce, such as Productivity Places Program, this funding does not relate to seasonal workforce skill development.

Nonetheless it is imperative that the insights provided by the REAP pilots, i.e. how to address regional skills shortages and sustain and grow regional productivity, be taken into account in the design and development of a flexible, responsive and effective training system. Therefore this report recommends that the information, analysis and data developed in each of the pilots be considered by the Industry Skills Councils (ISCs) via the ISC Forum. Additionally, there are recommendations with regard to suggested processes for addressing the barriers confronted in embedding and implementing the pilot projects.

A summary of the key findings from each of REAP pilots is set out below. This summary is followed by a list of recommendations. The recommendations relate to embedding implementation of the REAP pilots and ensuring that the insights gained from REAP inform the development of future effective responses to regional skill shortages.

Upper Hunter, New South Wales REAP

Regional Project Manager: Michael Murray, Pegasus, Singleton, Upper Hunter NSW

The pilot involved developing and trialling a training and assessment package to enable skills that are portable across sectors that utilise mobile plant in the Upper Hunter region in the local government areas of Singleton, Scone, Upper Hunter, Cessnock, Muswellbrook, Maitland and Dungog.

The project aim was to create career pathways that are portable and responsive to changing cross-sectoral industry and project work demands while ensuring regional retention of a skilled workforce. The project activity included reviewing and mapping Training Packages relating to mining, local government, civil construction and agriculture for a grader of the Caterpillar 12H and developing and trialling a cross-sector assessment package.

Key findings

- The complexity of the Australian Quality Training Framework (AQTF) and the Recognition of Prior Learning (RPL) systems necessitates that a language guide in plain accessible English accompany any recognition and/or training pathway information for employees and their supervisors.
- When working across more than one training package, the complexity of the training system requires working with Registered Training Organisations (RTOs) registered in the relevant training packages to be able to supervise assessment and issue certification against that training package. Therefore you are required to work with more than one training provider.
- Developing training and assessment packages to enable the portability of skill recognition across sectors requires:
 - Resources for a training organisation that has the capacity to work in collaboration with enterprises to investigate skill needs across sectors
 - That training organisation(s) are able to provide information about training accessible to employers as well as supervisors and managers, particularly those involved with training.
 - That training organisation(s) make training information accessible to employers, as well as supervisors and managers, particularly those involved with training.
 - An RTO that has the capacity to map skills and competency packages and develop the process for recognition across different training packages

The Launceston Northern Tasmania REAP

Regional Project Manager: Trevor Forshaw and Phill Bevan, SED Consulting – Tasmania, Launceston

The pilot involved development of a common skills project for support workers in industries involved with agriculture, land and environmental management in the local government areas

covered by the project: Devonport, Dorset, George Town, Kentish, Latrobe, Launceston, Meander Valley, Northern Midlands and West Tamar.

The pilot concentrates on workforce participation and skill development that furthers social inclusion for individuals currently out of the workforce. It also bolsters regional economic sustainability and viability by developing a common skill set for agriculture, land and environment management support workers.

Principal activity involved:

- Mapping skills – across local government, civil construction and agriculture sectors – that are required by support workers in order to be ‘job ready’ and able to work in agriculture, land and environmental management
- Development of a matrix of 23 core skills required to ensure that support workers are ‘job ready’ and able to work across the sectors in collaboration with the Regional Employers’ Alliance Advisory Committee
- Determination that the 23 core skills sit within Certificate II Rural Operations, which also provides a substantial number of the competency units for a range of qualifications across various training packages, including the following Certificate II courses:
 - Production Support and Manufacturing Material (PMC 20204 and 20104);
 - Conservation and Land Management and Horticulture (Parks and Gardens);
 - Forest Growing and Management;
 - Metalliferous Mining Operations;
 - Local Government;
 - Transport and Logistics (Warehouse and Storage).

Key findings

- The agricultural sector has a long standing need for skill development at Certificate I and II, and in skills sets as identified in this project.
- The Northern Tasmania region has year-round demand for seasonal/casual work across a number of industries and sectors.
- There is a large potential population that is currently not engaged in the workforce that could be supported *into* a workforce. The best method to support this group into the workforce is with staged training process: *a commencement training pathway* (induction) where skills developed are linked to, and formally assessed as, competency units of an approved certificate.
- A number of employers are interested in participation in training these REAP skill sets within their work place as these REAP skill sets will provide people with job ready skills.
- The REAP skill set could provide a commencement training pathway (induction) toward completion of an accredited Certificate II level qualification across a number of training packages.
- Project implementation has been hampered by:
 - funding for skill sets being limited to Job Network Agencies;
 - limited options for funding training for a casual workforce and to support people into the workforce

- o limited number of RTOs; and
- o provision of Rural Operations Certificate II training being quarantined to TAFE Tasmania.

The Central Highlands Queensland REAP

Regional Project Manager: Central Highlands Development Council (General Manager Brigid Duncanson, and former General Manager Peter Dowling), and Liz Alexander, Blue Dog Agribusiness, Emerald, Queensland

The pilot focuses on matching local skill needs to the skill sets and skill development potential of the transient population across the Central Highlands Shire.

This project has taken an innovative approach to workforce attraction and regional economic viability and growth, as well as proposing high quality contract work practices in its matching of local skills needs to the skills sets of the transient population.

The in-depth surveys and interviews of employers in the four sectors – agriculture, civil contracting (earth moving), mining, and local government – indicate that workforce vacancies exist in these industries at the same time of the year when there is an increase in visitors to the Central Highlands. Moreover, the surveying revealed that industries would take on short term contract workers.

The surveys of the travelling population, conducted during the six-month peak visitor season, established that there is a high proportion of domestic travellers interested in contract work and many hold relevant recognised skills.

The alliance of employers involved in the project expressed interest in investing in a job matching program. Currently a total of \$70,000 has been committed by employers to the establishment and on-going operation of a web-based, job matching program that includes quality assurance and monitoring of work conditions.

Key Findings

- Given the extensive engagement of employers it is imperative that the skill match program be operational by the April 2009 travelling season.
- It is essential that the job matching program establish employer participation conditions including: accurate start and finish dates; prompt payment; transparent rates of pay with no hidden costs; and induction for employees. This would assist in countering wariness of domestic travellers to work in the region due to recent negative experiences of poor work practices of a local employer.
- Increasing the number of caravan sites for long stay visitors in the region is essential to enable visitors to take up contract work.
- Once established the program and resources could be replicated in other regional locations which have skill and workforce shortages and a transient travelling population.

- The level of commitment of employers to the job matching program is borne out by their willingness to invest funds and participate in the management of the not-for-profit organisation that will develop and manage the job matching program.
- The challenge is raise the full set up costs for the job matching program estimated at between \$150,000 and \$180,000 to cover establishment of the program including the web design, set up and maintenance; database set up and maintenance; upgrade of computer equipment at the Visitor's Centre; communication systems; Generic Employer Induction Package; evaluation plan and reporting; and management.
- The on-going operation and management of the job matching program, estimated at \$56,000, could be covered by annual employer participation fees.

RECOMMENDATIONS

Pilot Project Recommendations

Upper Hunter NSW REAP

As this cross-sectoral skill recognition process aimed at plant and equipment has current significance in relation to regional employment and regional community infrastructure it is proposed that the Hunter Councils Inc. work with Pegasus to seek funds to develop the information for stakeholders regarding the core concepts and supporting materials that underpin cross-sector skills recognition. It is recommended that funds be sought to enable the continuation of pilot implementation, in particular:

- *final trialling of the Assessment Toolkit;*
- *conduct of a Regional Forum with employers and RTOs to inform them of the REAP Project and the mobile plant Assessment Toolkit; and,*
- *investigation of opportunities to develop Assessment Toolkits for a suite of mobile plant and equipment.*

The New South Wales Department of State and Regional Development (DSRD) seeks to support proposals that involve a partnership between government, businesses and communities and has a range of special services and programs aimed at assisting the regions of NSW meet both longstanding and emerging economic development issues. Thus, it is proposed that Pegasus and Hunter Councils Inc. approach DSRD for support to seek funding for the continuation of the REAP.

Northern Tasmania REAP

Given the innovative nature of the Tasmanian project, the interest of employers and of a support agency for job seekers, but the lack of funding it is recommended that DEEWR seek submissions from appropriate members of the Tasmanian Employment Broker Panel and/or the Tasmanian Innovation Fund Panel for a project proposal to implement the REAP Rural Operator skill set training in collaboration with the identified employers and Youth Futures.

It is recommended that the Agri-Food Skills Council and the National Farmers Federation approach Skills Tasmania and the Tasmanian Industry Skills Advisory Board to be a partner in developing a program to implement the proposed skill set training as a component (induction) of the Rural Operations Certificate II.

Central Highlands Queensland REAP

Once established it would be possible to replicate the Central Highlands job matching program in other regional locations which have skill and workforce shortages and a transient travelling population, taking account of local industries and individual traveller characteristics.

It is recommended that the REAP Employer Associations – National Farmers Federation, Civil Contractors Federation, Local Government Managers Association and Minerals Council of Australia – along with the Agri-Foods and Government Skills Australia Councils, invest funds in the establishment of the job matching program, or specific aspects such as the Employer Induction Package, data base and website design, computer equipment and/or evaluation process.

Regional Workforce Development Recommendations

Third Year Pilot Implementation Funding

It is recommended that future regional pilot projects, whether state, territory or commonwealth funded, should have funding available for a third year to enable comprehensive implementation. This third year of funding for full implementation to be provided where the project activity is supported by regional stakeholders, particularly enterprises, and the project outcomes contribute to regional sustainability and productivity.

Productivity Places Program – Regional Relevance and Responsiveness

As an aim of COAG is to make the Productivity Places Program flexible and responsive to industry, employer and individual needs, it is recommended that a Regional Productivity Places Program for regional skill development and training initiatives be established.

As ISCs collaborate through the ISCs Forum on issues with implications across Australian industry and share intelligence, experience and knowledge it is proposed that the ISC Forum consider the outcomes of the REAP pilots and develop a Regional Productivity Places Program. This program could fund the development and demonstration of training delivery for cross-sector and cross industry training and assessment that provides skills/competencies required within a region. These skills/competencies would be used across a number of industries and sectors and focus on the skill development of under-utilised people in the region.

Productivity Places Program – Responding to Industry Skill Need

Taking account of COAG's National Skills and Workforce Development Agreement that the training market operate effectively it is proposed that the Productivity Places Program provide resources for training that are relevant to industries' current and future needs.

It is proposed that DEEWR and the ISC Forum review the Productivity Places Program funding criteria and include resourcing for:

- *Training for seasonal/casual workforce;*
- *Training at Certificate I level;*
- *Expanding the places at Certificate II level allowing short course training options that relate to skill sets that also form 'units of competency' for an approved Certificate; and,*
- *Development of regional cross-sector, cross-industry training and assessment packages.*

Cross-sectoral Skill Set Development – Induction Training Pathways

The development of regional skill sets that enable workforce flexibility across sectors is particularly relevant as workforce demands change in line with altering global conditions and the changing demand for mining products.

It is recommended that the Commonwealth Government use the new programs aimed at working with industries i.e. DEEWR's Employer Broker Program and Innovation Fund to fund the development of training of regional skill sets that relate to a range of industries, and enable mobility of the skills across regional industries such as mining, civil construction and local government.

REAP Pilots – Informing Future Regional Skill Development Projects and Programs

The Commonwealth Government and COAG is seeking advice from Skills Australia to identify industries, occupations and regions that are experiencing skill shortages. At the same time the ISC Forum considers issues that encompass more than one ISC and have broad implications for Australian industry.

It is recommended that LGMA and DEEWR present the research and outcomes of the REAP pilots to the ISC Forum and Skills Australia to outline the effective and inclusive process for developing regionally appropriate responses to cross-sector skill shortages, as well as highlight the barriers confronted in developing cross-industry cross-sector training and skill development responses.

I. INTRODUCTION AND BACKGROUND

REAP was developed at a time when regional Australia was confronting an unusual confluence of factors: an undersupply of skilled and semi-skilled workers in a range of occupations across a number of sectors; a resources boom; and the break of the drought that increased the demand for workers across sectors and industries. These factors, combined with the movement of young people from their regional locations, have led to the agriculture, infrastructure, local government and resources sectors¹ coming together to develop innovative regional workforce projects.

During 2007 and 2008, Local Government Managers Australia, National (LGMA) led a project to develop alliances with regional employers across the agriculture, infrastructure, local government and resources sectors. LGMA formulated Regional Employers' Alliance Project (REAP) as the accessible project title.

The REAP project is a strategic national skills shortage initiative under the *2005–2008 Commonwealth-State Agreement for Skilling Australia's Workforce*. The aim of the REAP is to:

Develop alliances with employers within the Resources, Infrastructure and Agriculture industry sectors to evaluate potential career pathways in a range of skills and competencies in occupations across the sectors and with Local Government.

The skills shortage focus of the REAP project is the skilled and semi-skilled workforce, as defined in the initial REAP project discussion paper²:

<i>Semi-Skilled Worker</i>	A manual worker who has not completed a formal apprenticeship or training in a trade but who has work experience.
<i>Skilled Worker</i>	A worker who has education and qualifications in a particular trade or craft.

The 2007 Phase I of REAP involved working across sectors with local employers to understand the challenges they faced in attracting and retaining skilled and semi-skilled workers in Central Highlands Queensland, Upper Hunter New South Wales, Northern Tasmania and South West Western Australia. Working closely with each of the regional facilitators, LGMA conducted interviews, discussions and two forums that led to the framework of an alliance of regional employers willing to work together on a cross-sectoral workforce development project. A summary of the process and outcomes is set out in the *REAP Phase 1 Final Report and Phase 2 Project Work and Finance Plan December 2007* (attached).

In January 2008 the Department of Education, Employment and Workplace Relations (DEEWR) informed LGMA that the regional projects approved for Phase 2 implementation in 2008 were the projects proposed for Central Highlands Queensland, Upper Hunter New South Wales, and Northern Tasmania. Although the project proposed for South West Western Australia was not approved, the funds allocated to this project were made available for Phase 2 of REAP.

¹ This includes the minerals, civil construction and quarrying sectors.

² REAP National Forum Discussion Paper 20 April 2007

The aim of Phase 2 of the Regional Employers' Alliance Project (REAP) in 2008 was to roll out cross-sectoral workforce development pilot projects.

1.1 Project Partners

The REAP project partners for Phase 2 in 2008 were:

- Cement Industry Federation (CIF)
- Civil Contractors Federation (CCF)
- Local Government Managers Australia (LGMA)
- Minerals Council of Australia (MCA)
- National Farmers' Federation (NFF)

While the *Draft Agreement as to the Role and Responsibilities of the Project Partners* was circulated and accepted by the CCF, LGMA, MCA, and NFF, formal signing of this protocol did not proceed. This lack of adoption reflects the timing of the development of this agreement. It is more appropriate that this form of agreement should be developed and agreed to at the commencement of any collaborative project

It is also worth noting that the withdrawal of Cement, Concrete and Aggregates Australia (CCAA) from Phase 2 of the project has not hampered the regional project engagement with civil contracting business in the regions. In particular please note the engagement of earth moving businesses in the Central Highlands Queensland Project.

1.2 Regional Employer Engagement

The projects have all been driven by the need to grow and sustain regional productivity across a number of key industry sectors in each region. Business enterprises are best placed to determine the skills shortages that are hampering business productivity. As such, sustaining and building on the solid foundation of local employer alliances within and across sectors established during REAP Phase 1 was continued and strengthened during Phase 2 implementation of regional pilot projects.

Each project has been ably supported and developed by a regional project manager who has worked with representatives of local enterprises:

- To develop a skill needs criteria;
- To assess analysis of the research into common skill needs; and
- To develop an appropriate response to common cross-sector enterprise skill needs.

2. REGIONAL PROJECT SUMMARIES

The three pilots focused on developing practical solutions to the shortage of skilled and/or semi-skilled workforce encountered across regional industries within the agricultural, infrastructure, local government and mining sectors.

Detailed project outlines and findings are included in the Attachments: *REAP Phase 1 Final Report*, *REAP Phase 2 Progress Report April 2008* and the *REAP Status Report October 2008*. The major project developments, findings, challenges and recommendations for the continued implementation of the pilot are set out below.

2.1 Upper Hunter, New South Wales

This project creates career pathways that are portable and responsive to changing cross-sectoral industry and project work demands while ensuring regional retention of a skilled workforce. The initial focus has been on a skill recognition and development process for mobile plant. Project details are set out in the attachments *Upper Hunter REAP Report December 2008* and the *NSW REAP Report 3 Attachment 1 Assessment Tool RPL v2*.

The Project

A model for the establishment of flexible career pathways that is portable across sectors that utilise mobile plant in the Upper Hunter region, in the local government areas of Singleton, Scone, Upper Hunter, Cessnock, Muswellbrook, Maitland, and Dungog.

Activity

Reviewed and mapped Training Packages relating to mining, local government, civil construction and agriculture for a grader of the Caterpillar 12H. Developed a cross-sector assessment package that includes:

- A practical cross-sectoral recognition framework using units from Civil Construction (Plant Operation) Certificate III as the competency base for both the specific skill relating to the equipment and to OH&S procedures.
- A framework of assessment and mapping of the Recognition of Prior Learning (RPL) processes that meets Australian Quality Training Framework (AQTF) and Vocational Education and Training (VET) sector requirements.
- The assessment tool for a *Pathway to Recognition Resource* to make the RPL and assessment process accessible to employees.
- Trialled the package in the field with six workers, in a company that deploys workers across mining and civil construction, and with two RTOs each with registration in the different training packages (Certificate III Surface Coal and Certificate III Civil Construction).

Key Finding and Challenges

- ▶ The training package and process of development of an assessment and recognition process for skills that are used in both mining and local government infrastructure development has relevance across a number of regions.

- ▶ An RTO cannot issue certification for specific competency, such as Unit BCCP3006B, without the candidate also completing a complementary OH&S Unit.
- ▶ The OH&S Unit should be drawn from the same training package as used for the technical base competency to ensure that the operator is aware of the potential risks and is able to integrate management strategies into practical operation of the specific equipment.
- ▶ The complexity of the AQTF and the RPL systems necessitates that an accessible language guide in plain English accompany any recognition and/or training pathway for workers and their supervisors.
- ▶ The complexity of the training system and working across more than one training package requires working with RTOs, registered in the relevant training packages, to be able to supervise assessment and issue certification against that training package.
- ▶ Developing training and assessment to enable portability of skill recognition across sectors requires:
 - Resources for a training organisation that has the capacity to work in collaboration with enterprises to investigate skill needs across sectors
 - That training organisation(s) are able to make information about training accessible to employers, particularly supervisors and managers
 - An RTO that has the capacity to map skills and competency packages and develop the process for recognition across different training packages

Recommendation

As this cross-sectoral skill recognition process aimed at plant and equipment has current significance to regional employment and regional community infrastructure, it is proposed that the Hunter Councils Inc. work with Pegasus to seek funds to develop the information for stakeholders regarding the core concepts and supporting materials that underpin cross-sector recognition. It is recommended that funds be sought to enable the continuation of pilot implementation, in particular:

- *final trialling of the Assessment Toolkit;*
- *conduct of a Regional Forum with employers and RTOs to inform them of the REAP Project and the mobile plant Assessment Toolkit; and,*
- *investigation of opportunities to develop Assessment Toolkits for a suite of mobile plant and equipment.*

The New South Wales Department of State and Regional Development (DSRD) seeks to support proposals that involve a partnership between government, businesses and communities and has a range of special services and programs aimed at assisting the regions of NSW meet both longstanding and emerging economic development issues. Consequently it is proposed that Pegasus and Hunter Councils Inc. approach DSRD for support to seek funding for the continuation of the Upper Hunter NSW REAP.

2.2 Northern Tasmania

This pilot project contributes to regional productivity, bolstering regional economic sustainability and viability by developing a common skill set required for essential seasonal work across agricultural industries and local government sectors. The pilot aims to enhance regional economic sustainability and social inclusion by proposing workforce participation and skill development of individuals currently out of the workforce. The details of the project are set out in attachments *REAP Northern Tasmania Final Project Report November 2008* and *Northern Tasmania REAP Matrix Cert II and Northern Tasmania REAP Matrix Cert III*.

The Project

A common skills project for support workers in industries involved with agriculture, land and environmental management in the local government areas covered by the project: Devonport, Dorset, George Town, Kentish, Latrobe, Launceston, Meander Valley, Northern Midlands and West Tamar.

Activities

- Mapped skills across local government, civil construction and agriculture required by support workers to be 'job ready' and able to work in agriculture, land and environment management.
- Developed a matrix of 23 core skills required to ensure that support workers are 'job ready' and able to work across the sectors in collaboration with the local Regional Employers' Alliance Advisory Committee.

The determination that the 23 core skills sit within Certificate II Rural Operations also provides a substantial number of the competency units for a range of qualifications across training packages including the following Certificate II courses: Production Support & Manufacturing Material (PMC 20204 and 20104); Conservation and Land Management and Horticulture (Parks and Gardens); Forest Growing and Management; Metalliferous Mining Operations; Local Government; Transport and Logistics (Warehouse and Storage).

- Ascertained that there are over 100 potential participants drawn from job seekers and the unskilled workforce who could be enrolled and achieve work skill development. Established that Youth Futures – a local non-profit organisation that offers a range of services including job placement services – has a number of people out of the job market that they would support through a skill set training process.
- Determined that job seekers have different skill levels and require different points of entry into skill development, i.e. training. Also ascertained that linking the completion of skill set training to on-the job training and work placement may be the most effective way to assist people to enter the workforce and commence their skill development.

- Established that there is current willingness from two labour hire firms to engage trainees and find work placements during training.

Key Findings and Challenges

- ▶ The agricultural sector has an extensive long standing need for skill development at Certificate I and II level and in skill sets, as identified in this project, rather than higher qualifications.
- ▶ The Northern Tasmania region has year-round demand for seasonal/casual work across a number of industries and sectors.
- ▶ There is a large potential population that is currently not engaged in the workforce that could be supported into a workforce. The best method to support these people into the workforce is with a staged training process, a *commencement training pathway* (induction), where skills developed are linked to, and formally assessed as, competency units of an approved Certificate.
- ▶ Local enterprises are in need of people with 'job ready' skills that directly relate to work.
- ▶ The Northern Tasmania REAP skill set provides people with job ready skills and a *commencement training pathway* (induction) towards completion of an accredited Certificate II level qualification across a number of training packages as well as Certificate II Rural Operations.
- ▶ There are a number of employers interested in participation in a training of this REAP skill set within their work place. However there is concern that the outcome will not be successful without a project manager to coordinate and oversee that the training is developed and provided.
- ▶ There is a limited range of RTOs in the region who are able to develop and provide customised training as identified by employers in this project.
- ▶ Project implementation has been hampered by:
 - Funding for skill sets being limited to Job Network Agencies;
 - Very limited options for funding training for a casual workforce and to support people into the workforce;
 - limited number of RTOs; and
 - provision of Rural Operations Certificate II training being quarantined to TAFE Tasmania .
- ▶ Dedicated resources are required for the development and roll out of training for the skill set to ensure its appropriateness for employers and its accessibility for trainees.
- ▶ Engaging with two of the new DEEWR programs – Employment Brokers and an Innovation Fund (aimed at providing opportunities to trial new solutions to overcome barriers to employment faced by disadvantaged job seekers) – could facilitate the implementation of the project. However, these programs will not commence till 2009, with the announcement of the panels and the funding program commencing in July 2009.

Recommendations

Given the innovative nature of the Tasmanian project, the interest from employers and a support agency for job seekers, but the lack of funding, it is recommended that DEEWR seek submissions from appropriate members of the Tasmanian Employment Broker Panel and/or Tasmanian Innovation Fund Panel for a project proposal to implement the REAP Rural Operators' skill set training in collaboration with identified employers and Youth Futures.

The Agri-Food Skills Council and the National Farmers' Federation approach Skills Tasmania and the Tasmanian Industry Skills Advisory Board to be a partner in developing a program to implement the proposed skill set training as a component (induction) of the Rural Operations Certificate II.

2.3 Central Highlands, Queensland

The project takes an innovative approach to workforce attraction and regional economic viability, productivity and growth, as well as proposing high quality contract work practices in its matching of local skills needs to skills sets of the transient population.

The detailed analysis of the regional employers' skill needs and travellers' skill match is set out in the attached Queensland Project Interim Reports. These reports encompass analysis of skill and work needs in the agriculture, mining, and civil construction sectors as well as analysis of six months of travellers' surveys. The reports are the *Interim Civil Construction Skills and Labour Report Central Highlands, Queensland October 2008*; *Interim Mining Skills and Labour Report Central Highlands, Queensland October 2008*; *Interim REAP Agricultural Skills Labour Report Central Highlands, Queensland August 2008*; and the *REAP Seasonal Skilled Workforce Report November 2008, Central Highlands*.

The data from local government is being compiled from different human resources information systems and will be finalised in January 2009 along with a final report which will include all survey analyses.

The Project

Seasonal Workforce Attraction – matching local skill needs to the skill sets and skill development potential of the transient population across the Central Highlands Shire.

Activities

Analysis of the results of in-depth surveys and interviews of employers conducted in the four sectors – agriculture, civil contracting (earthmoving), mining and local government – indicate that the workforce vacancies exist in these industries at the same time of year when there is an increase in visitors to the Central Highlands. Moreover, enterprises across the agricultural, civil contracting and local government sectors expressed an interest in trying new ways to attract workers including offering short-term contracts of between one and three months as well as job-sharing arrangements. In addition it was found that the breadth of local government functions and tasks could provide opportunities for short term contracting for travellers with a range of skills, including partners.

In-depth surveys of the travelling population were conducted during the six-month peak visitor season, between 1st May and 31st October 2008 with the assistance of six accommodation providers in Central Highlands. A significant proportion of domestic travellers held relevant recognised skills such as truck driving and plant and machinery operations, which are skills required by enterprises in Central Highlands. More than one third of domestic travellers held Light Rigid or heavier class licences and expressed an interest in combining work with travel.

Interestingly, over half of the domestic travellers who were interested in work preferred employment contracts of a minimum of three months. The traveller surveys indicate that the factors that influence travellers' decisions to take up work include: prompt payment of a fair wage; availability of a caravan or campsite; and work for both members of the travelling couple.

Employers from all the sectors expressed interest in investing in the establishment and on-going operation of a web-based, job matching program that includes quality assurance and monitoring of work conditions. A detailed job matching program proposal has been developed.

Key Findings and Challenges

- ▶ Given the depth of interest of travellers and the extensive engagement of employers it is imperative that the skill match program be operational by the April 2009 travelling season.
- ▶ The job matching program will be a not-for-profit enterprise auspiced by Central Highlands Development Corporation (CHDC) managed by a steering committee made up of employer stakeholders who have invested in the job matching program.
- ▶ It is essential that the job matching program establish employer participation conditions including: accurate start and finish dates, prompt payment, transparent rates of pay with no hidden costs, and induction for employees. This would assist in countering the wariness of domestic travellers to work in the region due to recent negative experiences of poor work practices of a local employer.
- ▶ Though mining enterprises will not directly benefit from REAP, they are willing to participate in the job matching program as any growth in the regional workforce will increase labour for contractors and contribute to regional productivity and sustainability.
- ▶ Increasing the number of caravan sites for long stay visitors in the region is essential to enable visitors to take up contract work.
- ▶ The Central Highlands Shire Council can provide mechanisms that will assist in increasing the number of caravan or camp sites across the region by:
 - Changing its regulations to allow a single caravan/motor home to be sited on rural or residential blocks with suitable service connections such as power and water; and
 - Review camp sites to ascertain suitability for short-term accommodation for visitors wanting to combine work with travel.
- ▶ The challenge is to raise the full set up costs for the job matching program estimated at between \$150,000 and \$180,000 to cover establishment of the program including the web design, set up and maintenance; database set up and maintenance; upgrade of computer

equipment at the Visitor's Centre; communication systems; Generic Employer Induction Package; evaluation plan and reporting; and management.

- ▶ The on-going operation and management of the job matching program, an estimated \$56,000, could be covered by annual employer participation fees
- ▶ The employer stakeholders have agreed to contribute funds for both the establishment and running of the job-matching program as a non-profit organisation auspiced by CHDC
- ▶ To date employer stakeholders have made a total commitment of \$70,000 to establish the job matching program
- ▶ Once established, the program and resources could be replicated in other regional locations which have skill and workforce shortages and a transient travelling population.

Recommendation

Once established, it would be possible to replicate the Central Highlands job matching program in other regional locations which have skill and workforce shortages and a transient travelling population, taking into account local industries' and traveller characteristics.

It is recommended that the REAP Employer Associations – National Farmers' Federation, Civil Contractors Federation, Local Government Managers Association and Minerals Council of Australia – along with the Agri-Food and Government Skills Australia Industry Skills Councils, invest funds in the establishment of the job matching program or specific aspects such as the Employer Induction Package, database and website design, computer equipment, and evaluation process.

3. REAP SHOWCASE FORUM

A REAP Showcase Forum took place on 26th November 2008 in Melbourne. The forum was held to provide an avenue for the three REAP Regional Project Managers to present the development and outcomes of the pilot projects, including the strategies and processes utilised in developing them, and the opportunities and barriers encountered.

The presentations at the forum brought the REAP pilots alive and provided an opportunity for the outcomes and learnings from regional pilot project development to be presented to policy makers across government. Of particular value was the chance it provided to regional project managers and local stakeholders to present and discuss the extensive work carried out, their local solutions, the regional employers' perspective, and the key obstacles faced in continuation of the pilots, with employer associations, skill councils and representatives from government.

The participants at the Showcase Forum are listed in the following table:

Table 1. REAP Showcase Forum 26 November 2008 Participants

Ralph	Leutton	Representative	Agri-Food Industry Skills Council
Brigid	Duncanson	General Manager	Central Highlands Development Corporation
Liz	Alexander	Regional Project Manager	Central Highlands REAP, Blue Dog Agribusiness
Sharon	Thompson	Executive Officer	Central NSW ACC
Meredith	MacPherson	Project Officer	Central NSW ACC
John	Natoli	National Civil Skills Projects Officer	Civil Contractors Federation
Adrian	Kenny	Business Development	Department of Education, Employment & Workforce Relations - Vic & Tas
Christine	Dacey	Branch Manager, Workforce Development Branch, Tertiary Skills and Productivity Group	Department of Education, Employment and Workplace Relations
Paul	Beerworth	Assistant Director, Climate Change - Green Skills Taskforce	Department of Education, Employment and Workplace Relations
Penny	Ireland	Director, Regional & Industry Analysis Section, labour Supply & Skills Branch	Department of Education, Employment and Workplace Relations
Anne	Duncliff	Manager - Skills Formation Strategies	Dept of Education, Training & the Arts, Queensland
Michael	Murray	Regional Project Manager	Upper Hunter NSW REAP, Pegasus Management
Andy	Smith	Local Government Industry Advisory Officer	Government Skills Australia
Amy	Kiesel	Workforce Development Advisor	Government Skills Australia

John	Ravlic	Chief Executive	LGMA - National
Angela	Zivkovic	REAP Project Manager	LGMA - National
Helen	Diggerson	Marketing & Communication Manager	LGMA - National
Emanuela	Spanio	Administrative Assistant	LGMA - National
Moo-Seol	Chung	Korean Research Fellow	LGMA - National
Ray	Pincombe	President	Local Government Managers Australia - National
Liz	Gillam	Executive Officer	Local Government Managers Australia - Tasmanian Division
Rosemary	Waghorne	Assistant Director Vocational Training Policy	Minerals Council of Australia
Andrew	Wilsmore	Education, Training and Rural Affairs	National Farmers' Federation
Trevor	Forshaw	Regional Project Manager	Northern Tasmania REAP, SED Consulting - Tasmania
Phill	Bevan	Regional Project Manager	Northern Tasmania REAP, SED Consulting - Tasmania
Peter	English	Executive Officer	Orana
Bev	Kliger	REAP National Manager	Bev Kliger & Associates
Tracey	Valenzisi	C Change Bureau Coordinator	Riverina Regional Development Board
Mike	Brill	Director	Stronach Timber Industries Tasmania
Sue	Rudd	Community Development Officer	Wentworth Shire Council
Lisa	Legge	Coordinator	Youth Futures Tasmania
Bert	Eilander	Coordinator	Youth Futures Tasmania

Summary of Key Issues Raised at the Forum

The Forum was opened by a keynote presentation from Christine Dacey, Branch Manager, Workforce Development Branch, Tertiary Skills and Productivity Group, Department of Education, Employment and Workplace Relations. The key points she raised related to the current Commonwealth Government focus on promoting productivity and looking at local solutions. It was highlighted that the government has signalled this commitment with its investment in the Productivity Places Program.

Additionally, it was pointed out that REAP could consider its relevance to the COAG agenda, which has been underpinned by principles of cooperative federalism and joined up government, and has taken a more integrated approach than has occurred previously. The REAP pilots fit well within this framework as they have all been working in different ways, effectively to invest in improved productivity and regional partnerships. Of particular interest is the REAP pilots' relevance to processes that can and will grow a mobile and agile workforce by developing people with skills that enable them to move across sectors and industries within a region. Pleasingly, Ms Dacey stated that REAP provides a good example of how to work in an alliance across a number of sectors.

It was pointed out that the Commonwealth Government is seeking high level and extensive policy advice from Skills Australia with regard to training and skill development. It was suggested that it would be worthwhile for Skills Australia to be informed of the REAP process and projects, as well as the barriers that have been encountered in relation to the training system.

Discussions at the presentation of the three REAP pilots revealed that:

- Employers are willing to work collaboratively to increase regional access to an appropriately skilled workforce that is able to meet the range of industry needs;
- Employers are willing to invest resources when they can see the solutions to the skills shortage within a short time frame; and,
- Employers will engage with the training system but there needs to be a clear commitment by the training provider that the training will be directly suited to the employers' enterprise current workforce needs.

The key concern raised at the forum was regarding the structure, accessibility and responsiveness of the current training system. The two pilots that have determined skill sets relevant to regional employer needs, and that have looked at the current training system and structures, have confronted problems. The impediment to rolling out the projects in Tasmania and New South Wales relates to the structure and complexity of the Australian training system. It was recognised that the commonwealth and state governments were attempting to work towards improving the responsiveness of training to the needs of industry. However a number of employers who were consulted during the development of the REAP pilots expressed concern that the training system does not provide skilling that matches their current needs.

A key issue raised was that funding for programs are linked to established training packages and there is no funding for skill sets based on the particular needs of employers within a region such as the Tasmanian REAP agricultural worker skill set. Moreover, the funding is focused on higher qualifications yet the demand, particularly in the agricultural sector in Tasmania, is for fundamental skills encompassed by Certificate I and Certificate II.

Additionally, although funds were available for 'on the job training' and for people currently out of the workforce, such as the Productivity Places Program, this funding does not relate to seasonal workforce or gradual work engagement for people out of the workforce who could be accommodated with skill development associated with casual agricultural work activities. Moreover, funding for training for people out of the workforce appears to be limited to Job Network agencies and not available for other non-profit agencies that do job placements and who support workers through the initial training and work phase.

These concerns regarding structure and responsiveness raised by the REAP pilots were endorsed by representatives at the forum, particularly with regard to the lack of support for skill sets and foundation qualifications (Certificate I and II) for agricultural workers.

A highlight of the forum was the interest expressed by the Agri-Food Skills Council representative in the production of the Central Highlands Queensland pilot's generic induction package to be prepared as a guide for employer members.

4. REAP FINDINGS AND RECOMMENDATIONS

This section sets out the key findings and recommendations that have evolved from the development of the pilot projects. The *Phase 1 Final Report – Getting it Right for the Regions December 2007* coupled with the *November 2007 National Forum Discussion Paper and Pilot Project Proposal Report – Collaboration in the Face of Competition* (attached) provide analysis of the challenges and preferred process to ensure effective regional collaboration across a range of industry sectors. As such only a summary of the key findings regarding regional collaboration is set out below.

4.1 Successful Regional Collaboration

The success of developing local solutions for regional employers drawn from the agriculture, infrastructure, local government and mining sectors is related to the depth of regional engagement undertaken by REAP at the national and regional levels. The REAP processes that were used to discover the issues, seek ideas as to local solutions and develop the local pilot projects entailed:

- Collaboration and advice from regional enterprises faced with workforce shortages – seeking and using local expertise to understand the needs and develop a desired and practical response;
- Project support and development located firmly within the region, with the skills provided by a contracted regionally based facilitator/project manager; and,
- Taking account of current under-utilised, dormant local and regional workforce supply, i.e. maximising the workforce engagement of people already in the region.

Moreover, the REAP processes were underpinned by the national project manager and the regional project managers being:

1. Accountable to the regional participants at all stages and steps, and informing and seeking feedback with regard to the thinking around the project and to its ongoing development;
2. Respectful of the different industry and enterprise organisational and business requirements, language/terminology and values, allowing disagreements to be aired and considered, communicating in ways suitable to regional stakeholders; and,
3. Transparent, by using processes of communication, engagement and documentation that are accessible to regional and local participants.

Regional employers drawn from across the different industry sectors support all three REAP pilot projects. All three projects have employers willing to be involved in the continued implementation of the projects. However alongside the challenge of accessing appropriate resources to continue implementation and embedding the projects in the region, there are fundamental barriers linked to the training system.

4.2 Implementation of Regional Response to Skills Shortages – The Challenges

This section outlines the opportunities and challenges faced in effective implementation of the innovative response to skill shortages developed by the REAP pilot projects.

The depth of the ‘buy-in’ and commitment to the project from regional employers confirms that two years is required to ascertain the issues, consider and propose possible cross-sectoral responses and to develop the projects. However a third year of funding is required for each of the projects to access appropriate funding, to fully roll out projects, and to resolve a range of outstanding issues including: finalisation of training and assessment packages (New South Wales and Tasmania), developing information systems (New South Wales and Queensland), and putting into action solutions to local barriers (Queensland and Tasmania).

Recommendation: Third Year Pilot Implementation Funding

Future regional pilot projects, whether State, Territory or Commonwealth funded, should have funding available for a third year to enable comprehensive implementation. It is recommended that this third year of funding for full implementation be provided where the project activity is actively supported by regional stakeholders, particularly enterprises, and where the project outcomes contribute to regional sustainability and productivity.

Consideration of the long term implementation of the REAP pilots highlights a number of barriers to comprehensive adoption of cross-sectoral skill development at a regional level, particularly with regard to semi-skilled and skilled workforce development. These barriers relate to:

- The institutional structures of the training system and funding programs.
- The complexity and inaccessibility of the training system and training language for employers and potential trainees.
- The lack of availability of resources for program development that supports regional workforce development, particularly for skill set training that is responsive to employer needs.

In addition, the development of national and state solutions can obscure regional needs and demands and ultimately regional solutions. The collection and consideration of data as national and statewide aggregates, and the development of broad solutions can result in regional characteristics and circumstances being overlooked.

4.2.1 The Institutional Structure of the Training System and Funding Programs

Currently the training system is structured into training packages that are based on Industry Skills Councils (ISCs). The ISCs specifically relevant to the REAP are Government Skills Australia (GSA), Agri-Food Skills Council and SkillsDMC. However, the REAP pilots have been working

across a number of sectors that cross-cut ISCs and training packages. This process of developing a responsive training program that is flexible across sectors providing mobile qualifications and is accredited across training packages is very complex and too difficult for employers to adopt or develop without assistance.

Cross-sectoral skill analysis and development of assessment processes requires funding for training experts to develop the training program and ascertain the processes for recognition of the skill and/or training across a number of different training packages. The NSW REAP reveals that the process can be carried out successfully but requires specific resourcing for development and trialling before it can be used broadly by RTOs.

This complexity of developing training that covers training packages encompassing more than one ISC could be considered at the ISC Forum, which is a collaboration between all the Skills Councils aimed at sharing intelligence, experience and knowledge. Moreover, providing information on common cross sectoral training needs to the ISC Forum would contribute to the skills councils' work of reducing the complexity of their training packages and making the training more accessible to employers.

It is pleasing that the Council of Australian Governments' (COAG) meeting in November³ proposed that the delivery of training under the Productivity Places Program should target areas of current skill shortage and emerging skill needs and make training more flexible and responsive to the needs of industry, employers and individuals. The REAP pilot projects reveal that ensuring regional responsiveness requires a regional focus that includes assessment of regional skill needs across industries and the development of regional training solutions that take account of underutilised regional population groups.

Recommendation

Productivity Places Program – Regional Relevance and Responsiveness

As an aim of COAG is to make the Productivity Places Program flexible and responsive to industry, employer and individual needs it is recommended that a Regional Productivity Places Program for regional skill development and training initiatives be established.

As ISCs collaborate through the ISCs Forum on issues with implications across Australian industry, and share intelligence, experience and knowledge, it is proposed that the ISC Forum consider the outcomes of the REAP pilots and develop a Regional Productivity Places Program. This program could fund the development and demonstration of training delivery for cross-sectoral and cross-industry training and assessment that provides skills/competencies required within a region that can be used across a number of industries and sectors, and that focuses on the skill development of under-utilised people.

A further complexity is created by the manner in which the training system is managed. The Federal Government sets broad policy such as the Productivity Places Program (PPP). Commonwealth and State Governments commit funds. Skills Councils have the sector training overview and state and territory government departments allocate the training funding. Any new or innovative projects need to be considered at the State Government level for funding.

³ COAG Communiqué November 2008 www.coag.gov.au

Hence, it appears that any innovation that does not fit neatly within current funding or training structures or that relates to industries that encompass more than one skills council has a number of structural and organisational hurdles to confront.

Employers want skilled workers to perform jobs effectively and safely. They want to be able to engage a training organisation to develop and deliver training that is relevant, up to date and efficient, and that is able to recognise existing skills and avoid duplication and unnecessary training for skills already held by employees. However, the national training system is complex and made up of a number of components including the Australian Qualifications Framework and the Australian Quality Training Framework. Collectively it is referred to as the National Skills Framework. Within this sits the training packages which are a set of nationally endorsed standards and qualifications used to recognise and assess people's skills in a specific industry, industry sector or enterprise. However, it is virtually impossible for anyone outside the training system to comprehend the different structure, language and terminology of each training package let alone a number of packages that may relate to the same skill sets required across sectors for the same work activity or technical skill set.

Currently access to training places and funding is made via the training providers (RTOs). However, there appear to be few training providers (RTOs) that are able to work across training packages and develop assessment packages because RTOs generally work within a specific industry or sector. Moreover, there appears to be no requirement that the training providers (RTOs) be demand driven, i.e. responsive to the needs expressed by employers in the region. Additionally there have been quotas set for training in the Productivity Places Program per Certificate Level, with a minimal number for Certificate II, and none for Certificate I, and it is these two certificate levels that are desired by employers in the agricultural sector and across industries in Northern Tasmania. The experience of support agencies such as Youth Futures, Tasmania, have found that slow and staged introduction to work, and providing training via training for skill sets that are components of a certificate – a *commencement pathway or induction* – is more likely to result in the take up of work and training by people previously out of the workforce.

It is acknowledged that, at the time of writing this report, new programs have been funded by the Commonwealth Government that could provide funding to enable regional cross-sectoral workforce development, i.e. Employment Brokers and Innovation Fund. However, at the time of writing it is not clear how focused these programs will be on regional needs for training and skill development as they appear to be state and territory wide programs.

Additionally the COAG's recently announced Productivity Agenda has established a *National Skills and Workforce Development Agreement* that sets out the commitment of the Commonwealth and the State Governments to work towards increasing the skill levels of all Australians and ensuring the effective operation of the training market⁴. Substantial funding will be made available, with the Commonwealth providing around \$6.7 billion from 1 January 2009 to 2012-13, including \$37 million in skills and workforce development funding⁵. However, the REAP projects indicate a lack of responsiveness by the training providers and the funding programs to cross-sectoral, cross-industry and regional skill needs and skill development as revealed in the Northern Tasmanian and Upper Hunter NSW REAP Projects.

⁴ COAG Communiqué - *National Skills and Workforce Development Agreement* 29 November 2008 www.coag.vic.gov.au

⁵ COAG Communiqué - *National Skills and Workforce Development Agreement* 29 November 2008 www.coag.vic.gov.au

Recommendations: Productivity Places Program – Responding to Industry Skill Needs

Taking into account COAG's National Skills and Workforce Development Agreement that the training market operate effectively it is proposed that the Productivity Places Program provide resources for training that is relevant to the current and future needs of regional industries.

It is proposed that DEEWR and the ISC Forum review the Productivity Places Program funding criteria and include resourcing for:

- *Training for seasonal/casual workforce*
- *Training at Certificate I level*
- *Expanding the places at Certificate II level allowing short course training options that relate to skill sets that also form 'units of competency' for an approved Certificate*
- *Development of regional cross-sectoral, cross- industry common skill set training and assessment packages*

4.2.2 Employer wariness of the training system

The complexity and inaccessibility of the training system and training language for employers and potential trainees has led to employers being wary of engaging with the training system. Currently, access to training support and training programs is via training suppliers TAFEs and RTOs. However the REAP projects have revealed a lack of responsiveness to employers from training providers, especially in the agricultural sector. Moreover, in regional Australia the limited number of training providers (thinness of the market) resulting in TAFE being the only provider has led to significant problems with the delivery of training which does not fit the requirements of either the labour force or the employer⁶. In Northern Tasmania the limit to the number of training providers, the past experience of rigid and controlling structures, and funding formulas imposed by the educational bureaucracy, has led to regional employer associations being wary of taking on the REAP pilot skill proposal without resources to ensure the training does match the skills identified.

Development of regional cross-sectoral skill sets that meet the needs of a range of employers and enables people to gradually gain access to the workforce is a responsive training proposal but does not appear to be catered for in the current system of training packages. It is acknowledged that the development of the skill set, and assessment of the appropriate delivery framework and assessment process is costly. However, once established it can be used as a basis for more responsive training that meets employer demand and ultimately results in increased productivity and workforce participation. Moreover, once a framework has been developed and delivered it can be used as the basis for the development of a range of common skill and training needs across sectors, such as the proposal for the NSW REAP pilot.

⁶ This is the same point as made in the National Farmers Federation submission to Skilling Australia for the Future.

Recommendation – Cross-Sectoral Skill Set Development – Induction Training Pathways

The development of regional skill sets that enable workforce flexibility across sectors is particularly relevant as workforce demands alter in line with changing global conditions and changing demand for mining products.

It is recommended that the Commonwealth Government use the new programs aimed at working with industries such as the DEEWR Employer Broker Program and the Innovation Fund to fund the development of the training of regional skill sets that relate to a range of industries and enable mobility of the skills across regional industries such as mining, civil construction and local government.

4.2.3 REAP Pilots – Informing Future Regional Skill Development Projects and Programs – Understanding Regional Needs and Appropriate Responses

Currently the training system takes a top down approach with the collection and consideration at the national and statewide aggregate data, and the development of broad solutions results in regional characteristics and circumstances being overlooked. The agricultural sector, as indicated in both the Queensland and Northern Tasmania pilot projects, is dependent on a substantial casual/seasonal workforce to maintain productivity. The REAP pilot in Northern Tasmania, supported by the data collected by Skills Tasmania, indicated a high demand for a seasonal or casual workforce with a common skill set provided to a range of industry by labour hire firms. However, the work demand data used to allocate funding for training programs is focused in permanent part time or full time workforce demands. This has resulted in very limited training and support funds for the skill development of a seasonal/casual workforce.

The December 2008 COAG *Communiqué* regarding National Skills and Workforce Development states that the Commonwealth agreed to provide data and information to Skills Australia to assist it in identifying industries, occupation and regions that are experiencing skill shortages, However there is concern regarding the level of regional responsiveness and need identification that can occur at this national level. The REAP pilots indicate the extent of regional innovation that can be developed for replication across Australia. It is imperative that the REAP findings be communicated to Skills Australia to ensure that regionally responsive needs and training are developed.

At the same time, ISCs are charged with providing independent skills and training advice to enterprises, including matching identified training needs with appropriate training solutions. Given that the REAP pilots have worked with enterprises to develop training solutions that are relevant to current and future of a range of industries, it is imperative that the information provided by the REAP pilots be considered by a number of ISCs.

Recommendation

The Commonwealth Government and COAG is seeking advice from Skills Australia in identifying industries, occupation and regions that are experiencing skill shortages. At the same time the ISC Forum considers issues that encompass more than one ISC and that have broad implications for Australian industry.

It is recommended that LGMA and DEEWR present the REAP projects' outcomes to the ISC Forum and Skills Australia to outline the effective and inclusive process for developing regionally appropriate responses to cross-sector skill shortages, as well as highlight the barriers confronted in developing cross-industry cross-sectoral training and skill development responses.