Building the workforce to meet the economic and community needs of Western Australia
The training sector

- Private and State Training Providers are the key strategic partners to increasing productivity and providing a sustainable workforce.

- Training delivery is increasingly being directed towards industry priorities.

- State reforms are aimed at lifting the quality of training to meet changing expectations.
Workforce development

- Sustained expansion of resources sector – moving from construction phase to production.
- Diversity of WA’s industry reflected in outlook for jobs growth.
- Strong demand for high-level skills – increasing participation in higher level vocational qualifications will be critical in meeting industry demand.
WA Change in Employment by Industry
2009/10 - 2013/14

Source: ABS 6291.0.55.003
(Four Quarter Moving Average, May Data)

Building the workforce to meet the economic and community needs of Western Australia
WA Forecast Employment Change by Industry
2013/14 - 2017/18

Building the workforce to meet the economic and community needs of Western Australia
Workforce planning framework

Key policies which provide the planning and framework to address future workforce needs:

- *Skilling WA – A workforce development plan for WA;*
- State Priority Occupation List (SPOL) outlines the jobs critical to the State; and
- The Department’s Strategic Plan 2014-2018.
National training reform

- National Partnership Agreement on Skills Reform introduces significant structural reforms.
- Designed to improve both quality of and access to training.
- National apprenticeship reform being undertaken aimed at simplifying and streamlining the apprenticeship system.
- Most significant reform is the requirement to introduce an entitlement model for training.
Future Skills WA

- WA’s entitlement model *Future Skills WA* introduced on 1 January 2014.

- *Future Skills WA* provides:
  - increased access to priority training opportunities;
  - guaranteed training place for an apprenticeship, eligible traineeship or priority industry qualification;
  - greater student choice of training provider;
  - investment in skills to meet current and future industry needs; and a
  - sustainable government subsidised training system.
Scope of entitlement under Future Skills WA

- Student entitlement includes over 600 qualifications:
  - Apprenticeships and eligible traineeships
  - Priority industry qualifications
  - Specific foundation skills courses (CAVSS, USIQ)

- No eligibility restrictions on the basis of student age, prior qualifications or AQF level.
Priority industry qualifications

- Development of Priority Industry Qualifications List (PIQL) informed by State Priority Occupation List (SPOL).

- Industry, including Training Councils, play key role in identifying SPOL priorities.

- Funding of training delivery geared to supply of highest priority skills.
Student fees

- Fees reflect priority of qualification.

- Highest priority qualifications generally attract lower fees – encourage training in these areas.

- Funding to continue, where available, for qualifications not highest priority but vital to WA’s skills base.

- Funding also provided for Foundation Skills.
Assistance with the cost of training

- Introduction of Income Contingent Loans (ICLs) for eligible students (for Diploma and above qualifications and selected Cert IV qualifications).
- Fee caps introduced for 2014.
- Fee maintenance for eligible 2013 students continuing study in 2014.
- 50% concession retained for eligible students (excluding foundation skills, equity courses, diplomas and above).
Early indicators

- Second quarter data shows an overall increase in enrolments in priority training qualifications of 4.1%.
- *Future Skills WA* is responding to the State’s priority skill needs.
- However, impact of new fee structure has led to a decline in enrolments in general industry qualifications of around 24%.
- Overall decline in enrolments of 8.3%.
Future direction

- Better understanding of trends once Semester 2 enrolment data become available in August.
- PIQL is dependent on the 2014 SPOL.
- Closely monitor and adjust policy settings as necessary.
Government – private training partnership

- Both State Training Providers and private training providers are important partners.
- Funding takes into account the balance between the viability and competitiveness of the training market.
- Key focus of *Future Skills WA* is to contract RTOs that provide quality training.
Independent review of the VET sector in WA – Seares Review

- Review underway since mid October 2013.

- The Review has provided advice to the Minister on:
  - the appropriate level of autonomy for STPs;
  - strategies to support growth of regional STPs in an open training market – including development of partnership opportunities; and
  - a framework for streamlined information flow from industry and the VET sector to the Minister.

- The final report and stakeholder feedback are being considered by the Minister.
The report contains 40 recommendations and canvasses a wide range of issues relating to the VET sector.

The recommendations have been grouped into 7 key themes including:
- Design of the VET system
- Support strategies for students
- State training provider viability
- Autonomy and support to STPs to improve capacity
- Quality and student outcomes
- Promotion of VET, marketing, communication and information sharing
- Industry advisory arrangements

Building the workforce to meet the economic and community needs of Western Australia
Commonwealth structure

- COAG Industry and Skills Council (CISC) priorities:
  - new areas of industry development with a focus on displaced automotive workers;
  - deregulation opportunities;
  - fostering internationally competitive high-end manufacturing and industry growth hubs; and
  - future vocational education and training reform.

- Supported by an Industry Skills Advisory Committee.

- Department representation on the Skills Senior Official Network (SSON).
Impact for Western Australia

- Process of transition
- The need for strong Western Australian representation
- An emphasis on workforce development
- Increased engagement with industry
- Informing key stakeholders

Building the workforce to meet the economic and community needs of Western Australia
Department website

- Further information on many of the reforms discussed this morning is available through the Department’s website:
  
  www.dtwd.wa.gov.au