



Dr Shona Batge  
Committee Secretary  
Senate Standing Committee on Education,  
Employment and Workplace Relations  
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**RE: Senate Inquiry into the role of Industry Skills Councils**

Dear Dr Batge

Thank you for the opportunity to provide input into the processes related to the Senate Inquiry into the role of Industry Skills Councils. This submission is in support of the forest industry skills council, ForestWorks.

For your information, the Forests and Forest Industry Council (FFIC) was established in 1990 in response to events surrounding the Helsham Inquiry of 1988 and the formation of the Tasmanian Parliamentary Accord of 29 May 1989 between the Tasmanian ALP and the Green Independents. The FFIC has received strong bi-partisan support since its establishment.

The FFIC represents the broad cross-section of forestry-related interests, including forest workers, contractors, sawmillers, beekeepers, local government, indigenous groups, recreational users, furniture manufacturers, timber companies, private forest growers and farmers as well as Forestry Tasmania and the State Government.

The FFIC provides expert advice to the Tasmanian Government and the forest industry on forest related matters. Our collective capacity and ability to deliver wider benefits to the Tasmanian community are key drivers that have set the foundation for the FFIC's role in promoting the sustainable management of Tasmania's forest resources and in developing opportunities to add further value to forest products.

Government support for Industry Skills and Training is an important element of the Regional Forest Agreement and the Tasmanian Community Forest Agreement. Through the TCFA, the Australian Government committed \$4m that supported the establishment of ForestWorks. A further \$1 million was provided by the Australian Government in 2009, in recognition of ForestWorks critical support and delivery role.

The FFIC has strong links with ForestWorks and we are active participants in State and national industry training and skills forums. These links have been critical in developing appropriate skills across supply and value chains and will remain critical as the industry transitions to a more plantation and native regrowth based sector.

In response to the challenges associated with developing flexible training and accreditation opportunities, ForestWorks, in partnership with the industry, has developed an Industry Skills Plan which identifies improvements to the VET system. These improvements are being implemented under the 2008 Skills Enhancement and Training (SET) program which identified a wide range of actions to address the skill needs of the industry. The program is administered by which is funded by the Australian Government to provide advice on, and support to, relevant industry skill issues.

Through the SET program, significant on-the-job internal training is being delivered by ForestWorks across various sectors of the forest industry.

Improvements in training delivery are also being achieved by focusing on three key objectives:

1. building enterprise capacity
2. enhancing training and assessment
3. developing attractive careers and pathways.

ForestWorks is building a greater understanding of the emerging technical and professional skill requirements across supply and value chains which are essential to support new enterprises such as a pulp mill, reconstituted wood products manufacturing, or bioenergy production. In partnership with the FFIC and other industry members, Forest Works is reviewing SET priorities to ensure they:

- accurately reflect current and emerging industry needs;
- enhance the skills required in the harvesting and haulage sector whose employees require advanced mechanical operator skills and additional training in information, technology and communications as they transition to mechanisation; and
- improve the skills of people employed in sawmilling and other processing as advances in technology and increased automation in this sector require a more highly skilled and adaptable workforce.

The partnership and review will assist the industry develop initiatives that respond to the increase in demand for skilled workers associated with an improved economy and increased demand for wood products.

This approach is critical for the development of the potential benefits identified under the Tasmanian New Forest Industry Plan, launched in February 2010 and available at [www.ffic.com.au](http://www.ffic.com.au). ForestWorks was an active participant in developing this plan.

One of the five Elements under this Plan, Element 2: Industry of Choice, recognises Tasmania's success in the competitive global economy depends on the professionalism and skills of the people employed, and their daily interactions in workplaces. This Plan also acknowledges that skills shortages are becoming apparent as we enter 'the age of the aging' and there are demographic challenges associated with an aging population that are impacting on the forest industry's ability to attract and retain workers at all levels of the labour force – constraining development and restricting investment by increasing costs and uncertainty.

ForestWorks has demonstrated a capacity to respond to this challenge by developing innovative approaches which continue to provide career opportunities for Tasmanians. They have worked constructively with government, the community, trade unions and professional associations and training and education providers to encourage continuous investment in training and skill development and promote a healthy and supportive work environment.

Ongoing support and government funding for ForestWorks, or a similarly focused organisation, is necessary to maintain the skill development initiatives associated with, and supported by, the industry as it transitions. Withdrawal of support could undermine the potential benefits identified under the New Forest Industry Plan, and hinder its focus on developing and promoting the sector as a healthy and supportive work environment.

Please feel free to contact me if you require further information.

Yours sincerely

Aidan Flanagan  
General Manager  
28 July 2010