



# Submission to a Senate Committee Inquiry

Industry Skills Councils

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## **Attachments**

Copy of Certificate I DVD

Copy of PPP Trial



## Executive Summary

Since the late 1970s, all governments have supported the national industry led system of workforce advisory arrangements. Similar arrangements are also in operation in other modern economies across the world.

While models vary from country to country, Australia adopted an inclusive and consultative approach by funding organisations to advise on industry workforce needs and promote best practice in workforce planning and development strategies.

Initially (1970s model), funds were provided to Employer Associations to employ Manpower Development Executives and support officers.

Over the years, governments have varied the funding arrangements and the organisations receiving the funds to satisfy public policy. At all times however, the participating organisations have had a single purpose which still applies today, **to provide advice to stakeholders on industry workforce needs.**

Under the terms and conditions of SkillsDMC's existing contract and the infusion of more appropriate funding, this Industry Skills Council (ISC) has acquitted itself admirably across all four of its major contractual obligations.

3. Development and maintenance of Training Packages
4. Provision of integrated industry advice to Skills Australia and enterprises.
5. Engaging in Workforce development activities
6. Allocation of PPP training places

The decision by the current administration to request Industry Skills Councils to allocate PPP training places presents a unique opportunity to integrate and satisfy all four of the above mentioned objectives.

Because of SkillsDMC's close working relationship with enterprises and industry associations, and the trust we have continuously engendered, organisations are voluntarily involving themselves in our projects, services, and information exchange processes and procedures at an unprecedented level.

There is no other similar national organisation operating in Australia whose membership is derived through enterprise participation, has similar objectives, or has the capacity and capability to satisfy the DEEWR/SkillsDMC Funding Agreement.

All activities undertaken by SkillsDMC are evidence-based, with all Commonwealth funds independently audited and acquitted against each project/activity. Projects and activities are agreed and overseen by a committee of subject matter experts and/or the SkillsDMC Board.

Membership of the Company is through the relevant industry associations (3) and two unions<sup>1</sup>.

As noted in the body of this submission, SkillsDMC, with the assistance industry stakeholders and DEEWR funding, has successfully developed and installed an industry-driven advisory body. SkillsDMC gathers industry intelligence, instigate workforce planning and development services, and

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<sup>1</sup> A copy of the Resources and Infrastructure ISC constitution is available on request



provide integrated industry advice to enterprises, governments and Skills Australia, based on the intelligence gleaned from directly from industry.

Responsible for almost 600,000 people working across five sectors, SkillsDMC has shown remarkable leadership in national workforce planning arrangements through:

- Effectively carrying out its role across five industry sectors and all states and territories in Australia.
- Being responsible for and acquitting all Commonwealth funding.
- Application of best practice corporate governance arrangements.
- Wide consultative and cooperative process and procedures.
- Directing all funds to corporate and contractual objectives.
- Provision of workforce planning and development projects and services.

SkillsDMC employs eleven Industry Skills Advisors, located in regional and rural Australia, who provide advisory services for the resources and infrastructure sectors.

With the expected increase in activities across all five sectors to respond to the resources boom 'mark II', SkillsDMC is well-placed to play its part in ensuring skilled personnel are available to our industry sectors at the right time, in the right place, at the right cost and with the appropriate skill set.

With the constantly changing structure of organisations and position descriptions, SkillsDMC's Systems Approach provides all stakeholders with a wide choice of jobs.

With the assistance of our industry stakeholders and enterprise contacts, SkillsDMC has developed and installed a school based Certificate I to attract school leavers to a career in the resources and infrastructure industry sectors. Trialled with the direct involvement of the Queensland Minerals and Energy Academy in Moranbah, Queensland, this program is now operating in schools and other providers across Australia with an emphasis on rural and regional areas.

SkillsDMC could not fulfil its core role without the support and participation of its industry stakeholders and enterprise based personnel. Our stakeholder engagement strategy and activities commenced during the establishment and recognition of this ISC.

Industry Association and enterprise senior management compiled and agreed the ISC constitution and as Foundation Members provided the Directors and Alternate Directors to serve n the Board of the company.

More recently work has begun with the Minerals Council of Australia (MCA), to consider an "Enhanced Resource Sector Skills Policy Alignment" between our organisations. The objective is to gain the full benefit of the close working relationships between the two organisations. It also recognises the individual and combined capacity, roles and responsibilities as they relate to workforce planning and development and sustaining a skilled workforce for the resources sector.

In its seven years of existence, this ISC has shown through its partial and measurable approach to satisfy all stakeholder needs, industry, governments and individuals are well served through the efforts of the Board of Directors and Staff of the Resources and Infrastructure Industry Skills Council Ltd.



## SkillsDMC Role

The DEEWR contracted and funded role of the Resources and Infrastructure Industry Skills Council (SkillsDMC) is;

*“The development and maintenance of Training Packages, provision of integrated industry advice to Skills Australia and enterprises, engaging in workforce development activities and assisting in the allocation of training places under the Productivity Places Program (PPP).”*

The above mentioned role is carried out through consultation and support from enterprises, industry associations, State/Territory government agencies, regulators and VET Stakeholders.

## Effectiveness

In response to the contracted role of this Industry Skills Council, there are four main performance indicators on which effectiveness can be measured:

1. Development and maintenance of Training Packages.
2. Provision of integrated industry advice to Skills Australia and enterprises.
3. Engaging in Workforce development activities.
4. Allocation of PPP training places.

### 1. Training Packages

At the time the Resources and Infrastructure Industry Skills Council (RIISC) was declared (September 2003) by the now defunct Australian National Training Authority (ANTA), it had the responsibility for five separate Training Packages:.

- Coal Mining.
- Metalliferous Mining.
- Civil Infrastructure.
- Construction Materials (Quarrying).
- Drilling (on and off shore).

During the consultation process to establish RIISC, it was agreed that while each industry sector had its own separate identity, there were substantial mutual business relationships and common skills used to achieve business goals. The ISC was established on that premise.

Over a period of time and through continuous improvement strategies, it became apparent to each industry sector that there was substantial duplication across the five Training Packages.

In response to industry advice, SkillsDMC embarked on a major project to rationalise the five Training Packages into one.



Following almost three years of consultation with industry and other stakeholders, the rationalised RII09 Training Package was endorsed by the National Quality Council (NQC) in July 2009.

The major outcomes of this enormous project are:

- National recognition system across and between five Industry sectors
- Greater mobility recognition of qualified workers
- Greater choice for employers across a wider range of competencies
- Units of competency reduced 22.5% (from 1200 to 933)
- Qualifications reduced by 39.62% (106 to 64)
- Less documentation/red tape
- Skills recognition across industries and Australia

The newly endorsed Training Package is featured on our website: [www.skillsdmc.com.au](http://www.skillsdmc.com.au).

## 2. Provision of Integrated Advice

In support of our responsibilities to provide advice to Skills Australia and enterprises, SkillsDMC has invested substantial resources to gather industry intelligence through a range of activities which include:

- An annual National Conference.
- Regional and rural industry group meetings.
- Project Steering Committee meetings.
- Sector Standing Committee Meetings (Strategic).
- Training Package Review Committee.
- Direct contact with enterprise personnel.
- Installation of Workforce Planning Tools.
- Compilations of Workforce Planning and Development Reports at enterprise level.
- Invitations to speak and attend industry forums.
- Placement of SkillsDMC Advisors in regional and rural areas.
- Development of IT based data gathering instruments to compile workforce planning and development reports and provision of specific information papers.
- Provision of an Annual Environmental Scan<sup>2</sup> with original information harvested and compiled by SkillsDMC through the application of the workforce planning tools.

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<sup>2</sup> A copy of the 2009-2010 Environmental Scan is attached at appendix 1



### 3. Engaging in Workforce Development activities

Through its national network of Industry Skills Advisors, SkillsDMC promotes and assists enterprises and individuals to experience the full value of the Australian national competency recognition system.

The SkillsDMC approach is to raise the capacity and capability of enterprises to manage skills needs specific to their organisation, in a planned, organised and active environment. Workforce planning, development and implementation tools identify skills needs, with the support from SkillsDMC's Industry Skills Advisors.

To ensure the system's quality and consistency is maintained nationally, all SkillsDMC Industry Skills Advisors have undertaken professional development for:

- Implementation of the SkillsDMC systems approach.
- Workforce Planning using 'Future Workforce Manager'.
- Training needs analysis using 'Skills Maximiser™'.
- National Competency Recognition System (Development principles).
- Instructor training (Criterion referenced instruction).
- Instructional design/program development.
- Auditing/evaluation training provision.
- Brokering recognised training.
- Mentoring/coaching of enterprises.

The DEEWR/SkillsDMC Funding Agreement provides funds for workforce and development activities. It assists in the allocation of training places under the PPP initiative and the provision of industry advice to Skills Australia and enterprises.

SkillsDMC, its network of Industry Skills Advisors and planning and development instruments are well-placed to play their role in workforce development. Ensuring the partnerships between SkillsDMC, governments, enterprises and individuals will successfully maintain and grow the future workforce for the resources and infrastructure industry.

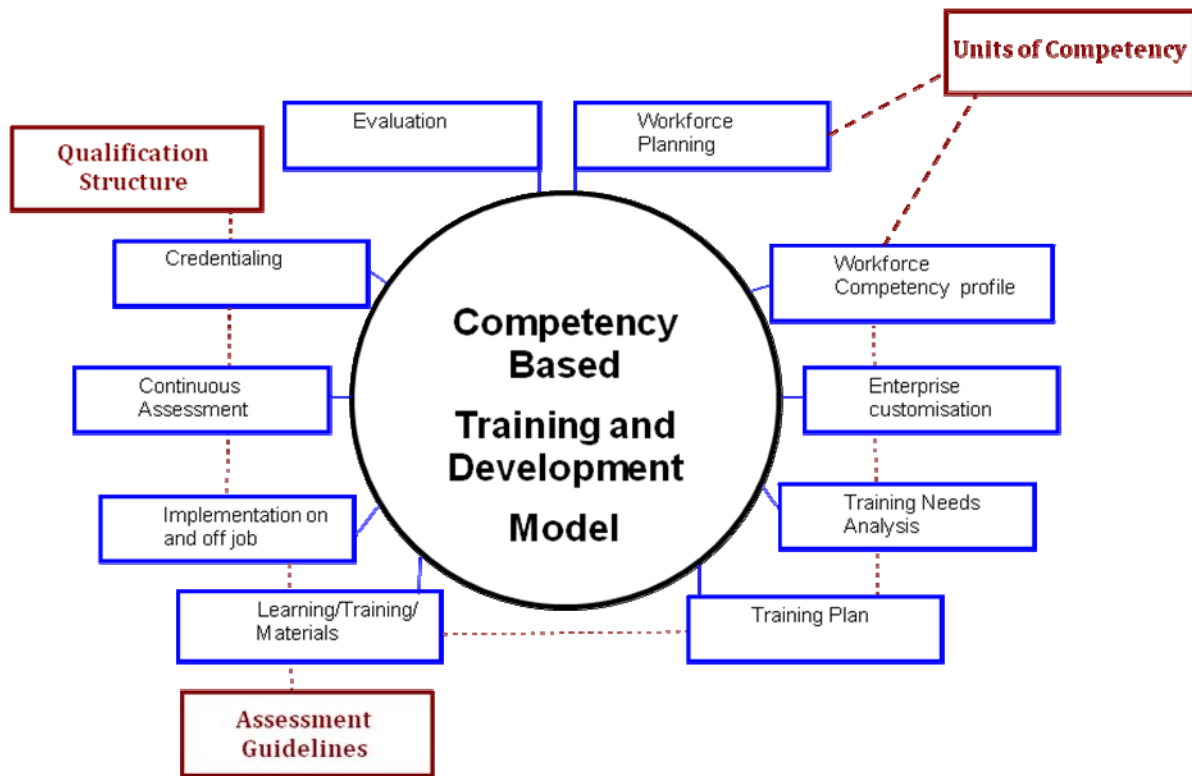
The capacity and capability of the Industry Skills Advisors is supplemented and supported by the SkillsDMC systems approach to workforce planning and development at the enterprise level.

The SkillsDMC team is managed by a small (four personnel) administrative secretariat.



The diagram below outlines the step-by-step approach of the SkillsDMC competency-based systems approach.

*SkillsDMC System Approach Diagram 1*



The competency-based systems approach was adopted, with measurable success, for the implementation of the PPP trial. The trial was conducted with eight organisations across all states and the Northern Territory and with all five SkillsDMC industry sectors.

#### 4. Allocation of Productivity Places Program Training Places

Following on from industry consultation and feedback to SkillsDMC staff, DEEWR contracted and funded SkillsDMC to conduct a targeted trial (for existing workers) to test the SkillsDMC implementation model through the application of the above mentioned (Diagram 1) Systems Approach. DEEWR provided funds (\$400,000) to deliver 150 places across qualifications AQFIII and higher.

SkillsDMC (with the assistance of enterprises) successfully allocated 191 places for the \$400,000 provided by DEEWR.

All of the \$400,000 was used by enterprises to purchase the relevant training, with the same eight enterprises supplementing the \$400,000 with a similar amount or greater (plus the costs of on-the-job training).

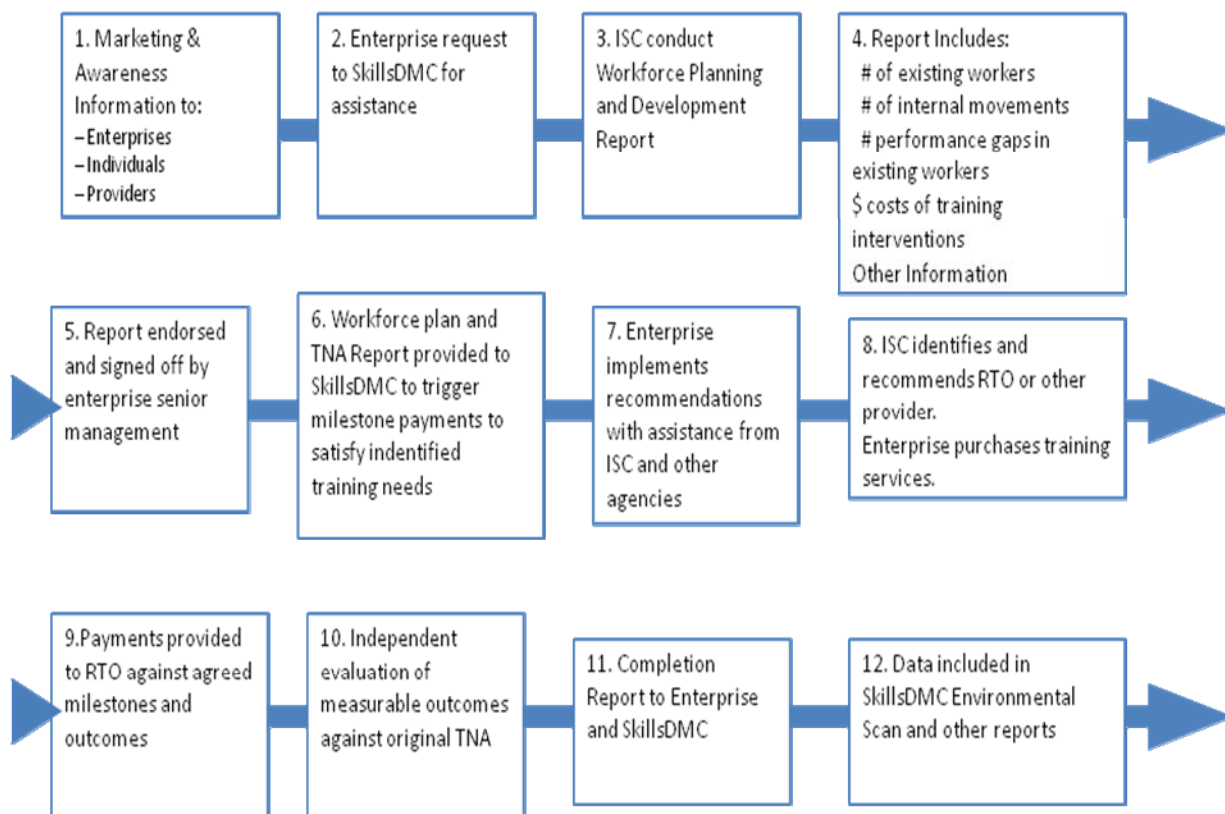




The diagram II below outlines the steps undertaken to gather enterprise data and allocate the training places.

The SkillsDMC model is shown below.

*PPP Implementation Model Diagram II*



This process has a continuous improvement structure to ensure the enterprise will update the report (Step 3) on an annual basis and act on the results of the process against business needs.

The project is overseen and managed by the SkillsDMC Operations Manager and managed at a local level by the relevant SkillsDMC Industry Skills Advisors.

There are four main features contained in the SkillsDMC model.

1. Each participating organisation must complete a workforce planning and development report and provide the data to SkillsDMC.
2. Organisations are provided with the PPP funds and become the purchasers of RTO services.
3. Organisations sign a letter of agreement to carry out the training plan contained in the workforce planning and development report.
4. The report is a live document to be revised annually. It becomes an early warning system for the organisation, with information from organisations fed into the Skills Australia pool of data.

Success can also be measured through the application of recommendations by enterprises to conduct other programs (including PPP) at their own expense.



## Conclusion

The SkillsDMC National Enterprise PPP trial has been very successful.

The eight individual trials have provided significant learning for SkillsDMC, the enterprises and RTOs. These include, but are not limited to:

- Skills development and validation by industry that SkillsDMC model and tools are an effective and efficient workforce planning and development strategy.
- Provision of services in remote locations and to national organisations across a number of locations.
- Successful engagement of enterprise personnel in the RPL process; growing the capacity and capability of the enterprise to manage their own future skilling opportunities.
- Use of nationally-recognised qualifications as an effective retention strategy.
- Recognising the value of training and that up-skilling the workforce provides return on investment.
- Development and implementation of practices and strategies that can be replicated across sites and organisations.
- Continuous improvement of the RII09 Training Package in the review of qualifications.

SkillsDMC showcased its National Enterprise PPP trial at the SkillsDMC National Conference in Sydney in August 2009.

SkillsDMC launched a DVD showcasing two of the trials (DVD enclosed). The feedback and interest from this launch has been significant. The DVD highlighted SkillsDMC's focus at enterprise level and the importance of assessing the competence of employees against the performance standards required at the worksite in meeting the business requirements.

SkillsDMC has received numerous requests from enterprises to compile the workforce planning and development reports. It has also received favourable testimonials from participating organisations and industry associations. SkillsDMC regional staff have received requests from approximately 75 enterprises to participate in any future PPP.

The empirical data and industry intelligence harvested by SkillsDMC is of great importance to a wide range of organisations, not least of whom are those supplying the data.

SkillsDMC has the capacity to aggregate the Workforce data providing a very valuable source of information useful to governments, their agencies, Skills Australia, education and training providers, to name but a few.

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SkillsDMC has the capacity to aggregate the workforce data providing a very valuable source of information useful to governments, their agencies, SkillsDMC Australia, education and training providers, to name but a few.

SkillsDMC has built considerable trust with those supplying the data (sometimes quite reluctantly) allowing us to establish, regional, state and national levels.



The conduct of this project by SkillsDMC is a good example of how stakeholders can work together in an integrated nature to successfully implement government policy.

It is also an example of how the accountability mechanisms in relation to Commonwealth funding for the general operation and specific projects and programs are exhibited by the Resources and Infrastructure Industry Skills Council.



## Corporate Governance Arrangements

The Resources and Infrastructure Industry Skills Council (RIISC) Ltd was declared by the Australian National Training Authority in September 2003.

While it is a company limited by guarantee, it is a 'not for profit' organisation and no Director receives remuneration for attendance at meetings or representative responsibilities.

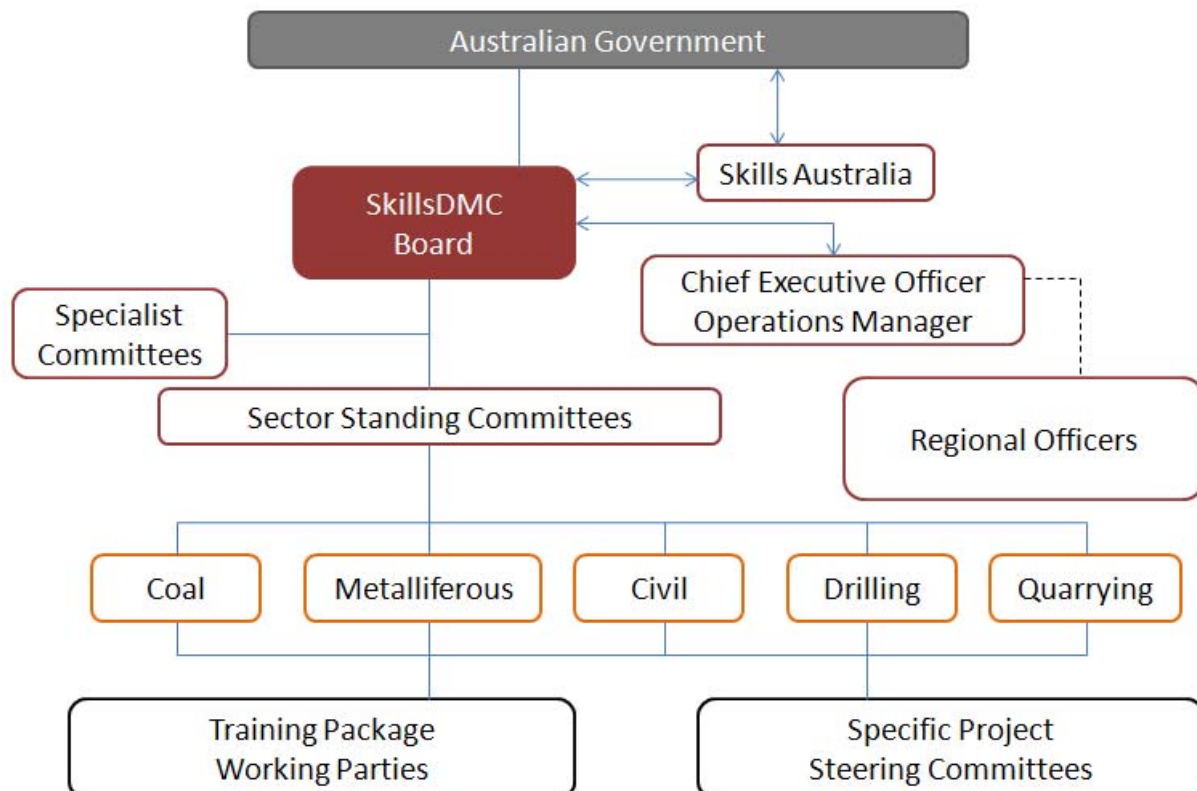
A Review of Governance Arrangement of Industry Skills Councils by the Allen Consulting Group (September 2007) found; 'RIISC to be one of the higher performing Councils. RIISC was rated 5/5 for governance which suggests it was operating at close to best practice.'

Membership is and always has been derived through consultation between the peak organisations representing employers and employees operating in the five industry sectors.

While the bulk of the operational funding is provided by the Commonwealth, the industry partners contribute in-kind by providing their time, expertise and own travel costs to participate in SkillsDMC meetings, activities and development of resources. A number of stakeholders and enterprises contribute funds to projects and are major sponsors to SkillsDMC's annual National Conference.

An example of industry in-kind support is the thousands of expert hours required to establish and continuously improve our Training Package (RII09).

*The ISC Organisational Chart is listed below (Diagram III)*





## Objects of the Company

The Company is formed with the object to:

- (a) Advance education and training and to identify generic and emerging skills to support the employability of individuals and provide for local community development and to give strategic advice to government on these issues.
- (b) Support the development, implementation and continuous improvement of high quality, nationally recognised training products and services, including enhancing innovation, rationalising materials where there are cross-industry synergies, and improving efficiency.
- (c) Assist industries, enterprises and their workforce to integrate skill development with business goals.
- (d) Market the advantages of recognised training to all users and stakeholders relevant to the Industry Skill Council.
- (e) Support accurate industry intelligence on future directions, including provision of strategic advice on industry skills and training needs to the National Industry Skills Forum.
- (f) Research, collect, plan, coordinate and provide input to national research and develop strategies relating to education and training within the industries.
- (g) Act as a voice of the sectors covered on issues related to education and training;
- (h) Not to involve itself in any way in matters of an industrial nature or support the establishment of statutory positions;
- (i) Do all such other things as are incidental or conducive to the objects contained in this clause.

## Governance Arrangements

### 1. Board Size

The RIISC Board consists of Seven (7) Directors and Seven (7) Alternate Directors.

### 2. Membership

Board Membership is representative of the industry sector covered by RIISC

- Industry representative five (5)
- Union representative two (2)

### 3. Structure and Operations

Structure of RIISC is noted in organisational chart (page 6). Operations of RIISC are listed in the Objects of the Company and contained in the RIISC Constitution.

### 4. Director Nominations and Selection

Director nominations are made by the peak bodies<sup>3</sup> of the sector and or unions.

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<sup>3</sup> Minerals Council of Australia (Coal and Metalliferous Mining)

Civil Construction Federation (Civil Infrastructure)

Australian Drilling Industry Association and Mineral Drillers Association of Australia (off and on shore Drilling)

Institute of Quarrying Australia (Construction Materials)



5. Director and Executive Responsibilities, Liabilities and Powers  
These are contained in the RIISC Constitution.
6. Industry Sector Advisory Committees  
Membership and responsibilities for Committees are contained in Schedule “B” of the RIISC Constitution.
7. Constitutional Issues  
There are no constitutional issues having an adverse affect on the RIISC Board capacity to fulfil its charter.
8. Induction of Directors  
All new Directors are inducted into the organisation by the CEO and provided with copies of the following documents:
  - RIISC Constitution.
  - Corporate Governance Charter.
  - Organisational Chart.
  - Project Management Protocols.
  - Conflict of interest protocols.
9. Assessment of Board, Chair and Individual Directors  
Matters related to governance and performances are noted at each RIISC Board Meeting.
10. Elective of Office Bearers  
The election of Office Bearers (Chairman, Deputy Chairman and Treasurer) is conducted at the AGM on a bi-annual basis.

## Auditors

Bromley Chartered Accountants Pty Ltd

## Banking

SkillsDMC operates on one bank account with ANZ.

## Use and acquittal of Public Funding

The Resources and Infrastructure ISC does not accrue accumulated surpluses, however, for operational reasons unspent/ committed funds are carried over from one year to the next and expended in accordance with our contractual responsibilities.

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CFMEU (Mining of Quarrying Division) Union  
Australian Workers Union (AWU)



In the event of 'winding up,' all assets must be transferred to an organisation which satisfies section 150 (1) of the ACT. No funds may be transferred to a Director and or staff member.

SkillsDMC provides an audited Annual Financial Report to DEEWR and ASIC.

## Implementing Specific Training Initiatives

To maximise the benefits of our national workforce planning and development implementation, SkillsDMC has directed public funds and industry in-kind support to a range of government and SkillsDMC initiatives.

At the forefront of SkillsDMC's implementation strategies and activities is the installation of our model at enterprise level. Governments confidence in our approach has allowed SkillsDMC's Industry Skills Advisors to test and prove the benefits of our Systems Approach to workforce planning and development through the allocation of PPP Training Places.

The list below of related project activities and initiatives taking place across Australia is proof of SkillsDMC's professionalism and ability to work with all stakeholders.

Project/Activity	Comments
WELL ISC Network (1)	SkillsDMC has facilitated the ISC network and the WELL Broker Network in 2009-2010, from Service Skills Australia will take over the facilitation role for 2010-2011.
WELL Broker Role (2)  WELL Broker Places	SkillsDMC received funding to work with enterprises and act as a Broker between DEEWR and the enterprise to place 100 Indigenous people in employment in the mining industry  The Program has been extremely successful which has resulted in SkillsDMC receiving additional funding for additional places
WELL ACSF – RII09 Mapping (3)	This project has mapped the RII09 Training Package against the ACSF and develop a resource called 'Digging Deep' for providers of LLN
Skills Tasmania – MINES (4)	SkillsDMC has been funded by Skills Tasmania to form the 'Mining Industry Network of Excellence' (M.I.N.E). The project looks at implementing the SkillsDMC model for workforce planning and development and to ensure the delivery of nationally recognised qualifications/programs and to ensure VET in Tasmania meets the needs of industry.  The project has been very successful with buy in from stakeholders resulting in a Code of Practice that will be adopted by all enterprises involved in the network.
COAG RPL – Assessment Tools (5)	SkillsDMC received funds from DET NSW under the COAG RPL project to develop assessment tools. Assessment tools have been developed for 188 units of competency. SkillsDMC will provide tools to Enterprises/RTOs in exchange for data. SkillsDMC will not sell the tools
ITSP - Web Portal (6)	SkillsDMC has recently launched its Training, Industry and



Project/Activity	Comments
	Career Pathway web portal.
On-line Workforce Planning (7)	SkillsDMC in the final stages of testing of new integrated online Workforce Planning and Training Needs Analysis tool Skills Maximiser.
ITAA - DET NSW (8)	SkillsDMC provides the State Industry Training Advisory Body services to DET NSW for the NSW Resources and Infrastructure Industry
Skills Enhancement Program (9)	Developing Skills for Success - SkillsDMC and AgriFood Skills Australia are jointly running a model for Cross-industry Training & Workforce Development in Regional NSW. This initiative aims to develop and trial a cross-industry, entry level, on-the-job training program that prepares participants to enter three industries within the North West region of NSW (Gunnedah Basin and Narrabri). These industries are Mining, Agriculture and Local Government (Civil Infrastructure).
Joint SkillsDMC /Agrifoods /MCA /NFF submission (10)	SkillsDMC together with Agrifood Skills, the Minerals Council of Australia and National Farmers Federation have received funding from DEEWR under the Workforce Innovation Program funding to roll out 2 demonstration projects – one in WA and the other in Qld.
ITSP Indigenous Mentoring (11)	SkillsDMC has received funding from DEEWR for the development of a Mentor resource package for supervisors of Indigenous employees/trainees  The project will develop a framework for the provision of mentor training and support for supervisors that includes cultural awareness support for indigenous employment entrants to increase workforce participation, retention, progression and access to training and development opportunities  It is a national project and requires support and buy in from stakeholders
Sustainability Skills (12)	SkillsDMC has developed a Sustainability Report, in consultation with industry, and conducted an audit of the RII09 Resources and Infrastructure Industry Training Package for sustainability skills.  SkillsDMC advised DEEWR that sustainability skills adequately covered in the Training Package. SkillsDMC will consider sustainability skills in all continuous improvement and in any new areas, such as emerging technologies.  SkillsDMC has agreed to review those 'environmental' units already in the Training Package for sustainability skills
Indigenous Employment Program (13)	SkillsDMC is an IEP Panel member
National Enterprise PPP Trial (14)	SkillsDMC conducted a very successful National Enterprise Productivity Places Program that was the fore runner for the Enterprise Based Productivity Places Program
Enterprise Based PPP	SkillsDMC has received approximately \$4.9m across the Resources and





Project/Activity	Comments
(15)	Infrastructure Industry sectors, across the regions. 39 Applications were successful, covering 61 enterprises. Workforce planning and development has commenced with a number of enterprises and in some cases the reports have been completed.
Civil Construction Occupations ANZSCO projects (16)	SkillsDMC in collaboration with CCF has developed the Civil Construction Occupation Review Report. This involved a national survey of 100 enterprises (members of the CCF).  Report submitted to Skills Australia and the DPM's office
Geoscience Project (17)	SkillsDMC will develop units of competency /skill sets / qualifications for the Geoscience area for inclusion in the RII09 Resources and Infrastructure Industry Training Package. This is a national project with over 13 enterprises involved
Concrete Paving (18)	SkillsDMC will develop units of competency /skill sets / qualifications for the Concrete Paving area for inclusion in the RII09 Resources and Infrastructure Industry Training Package. This is a national project in the Civil Construction sector.
NQC Packaging rules (19)	New NQC packaging rules. SkillsDMC has submitted a report NQC, advising them of the SkillsDMC Board and Resources and Infrastructure Industry sectors position in relation to the policy
Continuous Improvement of the RII09 Resources and Infrastructure Industry Training Package - TPWPs and Issues Register (20)	Each of the SkillsDMC Sectors has a Training Package Working Party that oversees the continuous improvement of the RII09 Resources and Infrastructure Industry Training Package.  There is an online Issues Register on the SkillsDMC website where issues are submitted for consideration by the Training Package Working Parties

The project/activities are widely reported in the national press, industry publications and our web page [www.skillsdmc.com.au](http://www.skillsdmc.com.au).



## Certificate I Implementation (Queensland)

Through the efforts of SkillsDMC and the Queensland Minerals and Energy Academy, we are ensuring that both the Community and local industry are preparing workers for the future.

With industry desperate for workers, it's never been more important to engage the local community. Local workers mean less transients – and that means less training and re-training, and lower attrition rates.

The Queensland Minerals and Energy Academy (QMEA) has known this for a long time. That's why they chose Moranbah State High School as the pilot school for the trial of the Certificate for good reason. The school had worked very closely with the local industry over a number of years.

### **Customised competencies**

Delaney Nugent, Project Officer for the QMEA, says that “The feedback we were getting from our local industries was that previously, students they hosted to do work placements were not as prepared as they would like in a number of areas.” she says. “The Certificate 1 provided the perfect vehicle to meet the needs of the industry.”

Local industry wanted students to come to site with knowledge of the policy and procedures, hazard identification, risk management and operating procedures of a worksite. SkillsDMC took their specific needs on board and designed the complete training package. “They gave us the support we needed to provide extra resources and assistance to make it into a workable package for our local setting.” says Delaney.

### **Eager students**

With industry being so important to the community, a large number of students applied. However, the selection process was rigorous. “The students needed to demonstrate an interest and an ability in the mining sector.” says Delaney. “They also had to have references from two teachers to show that they had the right commitment to their study and attendance to school.”

### **Put to work**

The first section of the course was classroom learning. Both Moranbah High School teachers and QMEA trainers were involved. Then, the real work began. Local sites reported that, unlike previous students, the pilot group had substantially more knowledge on site from day one. “We try to make it as realistic as possible to what's going to happen on site.” Says Delaney. “So, when they went on site they weren't walking around blindly, they knew what the standard operating procedures were, and if they didn't know what they were they knew where to look for them. “The feedback from the supervisors was the same, that these students went out there and were already site-savvy. “

### **Outcome**

This program has been such a resounding success that the local community views it as a milestone in local progress. Students have been able to identify career paths at an early stage of their lives.

Parents of children as young as 9 are enquiring as to how they can put their child's name down for a much coveted spot in the course. Industry looks to a future of more local workers – work ready and looking forward

to a career in mining. And, everyone who lives in and around Moranbah can only benefit from the continuing working relationship within community.



## **The future**

There is now a permanent place for the Certificate I in Resources and Infrastructure, both at Moranbah State

High School and within the QMEA. However, offerings will be constantly under review. SkillsDMC will work closely with the QMEA to constantly improve the program.

Delaney looks even further into the future. “As the demand from industry demonstrates that they require a higher level qualification, then we would investigate the offering of the Certificate II in Resources and Infrastructure, Work Preparation as an addition to our offerings.”

## **Western Australia**

The Bunuba Community, Kimberly Diamond Company, SMYL Community Services and SkillsDMC worked together to give indigenous people the basic skills and ability to work in local mines.

Indigenous people in the Kimberley region of WA have been looking for ways to engage the resources industry, specifically mine sites in and around their communities. SkillsDMC, in conjunction with SMYL

Community Services and Kimberley Diamond Company have delivered the program involving various communities across the Kimberley. It began as a local Bunuba community project, says Kimberley Diamond Company co-ordinator Tanya Turner. “They were looking for a program that was appropriate for Indigenous people but that also would have the end product of actually making people employable.”

### **A comfortable learning environment**

The 12 week live-in training program began at the local Leopold Downs cattle station. The first group consisted of 15 Indigenous men and 2 women, while the second was 7 Indigenous men.

The format was planned to reflect normal work attendance hours, rosters and schedules, while training encompassed both certified units and life skills focusing on retention and completion rates.

Because a number of the trainees had no formal education, they were also helped with a diverse range of needs, including numeracy and literacy.

The participation of community elders meant that the learning environment was non-threatening and culturally aware.

Dylan, an Elder who helped with training, says “The message I want to get to them is that we have to work together (with the mines). I always say that they got the technology, we got our culture, let’s put it together and work together.”

### **On site**

The second phase involved a worksite induction at the actual minesite. Says Tanya, “Finally, they got to touch things, sit on machinery and handle radios and fire extinguishers. They were very excited.”

Indigenous workers from the mine were recruited and trained to support the trainees. Both the participants and other mine staff were able to develop a much better understanding of each other, breaking down some of the barriers and misconceptions they had of each other.

“Interestingly”, says Tanya , “a couple of the mine staff expressed surprise when they heard some of the Indigenous trainees conversing in another language. After being told that yes they have their own language a couple of the mine workers subsequently have started to learn the local language. This further reinforces the integration of all parties.”

### Outcomes

“In the times of labour shortages, everybody’s scrambling for workers. So, we’ve just increased the number of people that are possible for us to employ.” says Tanya. All 7 of the students in the second program were offered employment on completion of the training. And, the course is now an important aspect of the local community. “I’m constantly having people ring up asking when the next course is and what do they have to do to get on the course.” says Tanya.

The course is also constantly assessed and modified to meet the needs both of the mine and the trainees. “Every time we deliver it, we see what we can do better.

### The future

The unquestionable benefits this course has delivered to the mine and the local community has ensured that it will remain a permanent fixture. “Our site is really happy with the content of the course and with the training organisation that’s delivering for us.” With the federal government backing a push for training Indigenous men and women to work in local mining sites, the Certificate I program looks set to play an important part in this initiative. The future is looking good for Kimberley Diamond Company and the Bunuba community.





## Industry Stakeholder Engagement

As a consequence of our close working relationships with our industry stakeholders, we have been able to grow and assist enterprises with their workforce planning and development responsibilities.

It has also become apparent to all parties, the need to co-ordinate the efforts of the organisations operating in our sectors. To this end the Minerals Council of Australia and its affiliate State/Training offices are in consultation to achieve the best outcomes for our efforts and those of the NRSET Chair by Minister Gary Gray.

### **Discussions will focus on**

#### Scope

Each party brings its specific organisational roles, functions and capability to this model. The model will draw on the leverage that individual and collective capability, for the greater benefit of the resources sector and its stakeholders. Existing roles, functions and capability will continue to reside with the respective party. New value-added roles will be assigned by common assent in accordance with the primary business objectives of the parties. Organisational redesign, whether by transfer of roles, functions, and or resources is outside the scope and purpose of this model.

#### Purpose

To consult and advise on resource sector industry skills shortages and initiatives to address those shortages.

To collaborate on policy development and responses, and on skills initiatives, where of identifiable value to the resources sector, its companies, governments and the parties to do so.

To optimise alignment of an outcomes in the parties' respective skills objectives

To speak with a "common voice" on skills issues on behalf of the resources sector; and

To reduce duplication of effort and accompanying resource utilisation by the parties.

SkillsDMC is very confident of an outcome which will be of benefit to governments, enterprises, individuals, stakeholder and the Australian economy as a whole.

## Across Industry Skills Council Cooperative Arrangements

SkillsDMC is one of the original members of the Industry Skills Council Forum, a body established to promote best practice across a wide range of workforce planning and development strategies.

SkillsDMC personnel attend Chair, CEO and operational Meetings, arranged by the Forum Secretariat. SkillsDMC contributes its share of the costs of running the Secretariat.

SkillsDMC has a formal relationship with AgriFood (ISC) to promote workforce stability in regional and rural areas which is essential to both of our industry sectors.

The Gunnedah/Narrabri project is an example of how two ISCs are working together (including our industry associations) to support skills development in rural and regional Australia.

More recently the joint Regional Workforce Development Strategy Paper listed on the next page, notes the close working relationships of the ISCs and industry stakeholders.



## SkillsDMC and Civil Contractors Federation Partnership

A skilled workforce is a critical and core requirement if Australia is to meet the challenges ahead. Nowhere is this more so than in the Infrastructure Sector.

Governments are committing substantial funds to building civil infrastructure in areas such as roads, ports, bridges and rail, as well as opening up new sub-divisions and maintaining existing structures. Infrastructure is also a key component of the productivity agenda and will be a critical part of providing for population projections that have Australia as home to 35 million people by 2050.

Against this background the Deputy Prime Minister the Hon Julia Gillard MP requested Skills Australia undertake a pilot project with the Civil Contractors Federation (CCF) and SkillsDMC, to inquire into a number of skills issues within the civil construction industry. This request was in response to the Civil Contractors Federation policy paper, which identified the current Australian and New Zealand Standard Classification of Occupations (ANZSCO) as a barrier to the industry being eligible for skills programs and therefore being able to meet the current and future demands of government and private infrastructure investment.

In particular CCF raised the following key issues:

- The current ANZSCO code system often does not accurately reflect the occupations within the civil construction industry, and where it does the skill level requirements are at too low a level;
- The ANZSCO code system provides the framework and classification system used by the Australian Government to research and govern the National Skills Needs List, Skilled Migration criteria, funding for training available to the Long Term Unemployed, careers advice information to school leavers, such as the Job Guide and the Skilling Australia for the Future initiative.
- An alternative mechanism to ANZSCO codes needs to be established that will ensure policy decisions on funding and incentives include the needs of the resources and infrastructure industries.

### Occupation Review Overview

SkillsDMC and the Civil Contractors Federation partnered to conduct a targeted industry workforce profiling survey to establish:

1. Occupation titles, skill levels and qualifications applicable to the industry
2. Priority skills needs occupations
3. Current and forecast skills shortages
4. Other issues relating to meeting industry labour requirements

The survey was conducted nationally and respondents included 71 enterprises with a combined workforce of 20,200 direct employees and over 7,000 contractors. These enterprises covered the full range of civil construction operations.



# Joint Regional Workforce Development Strategy of the National Farmers' Federation, the Minerals Council of Australia, Agrifood Skills Council and SkillsDMC.

## Introduction

The National Farmers' Federation (NFF), the Minerals Council of Australia (MCA's), Agrifood Skills Council and SkillsDMC have worked in collaboration to identify key workforce issues impacting on the capacity and capability for our industries to realise their full productive potential.

Our objective is to ensure we have an adequate skilled workforce to meet the business needs of enterprises (across our industry sectors) in regional Australia. This is achieved through an integrated practical solution that addresses workforce planning and development and skill shortages in regional Australia while simultaneously enhancing national productivity.

To implement the recommendations identified in this paper we are recommending the establishment of a new Regional Workforce Planning and Development Partnership Agreement between Government, Industry Skill Councils and the Peak Organisations for Australia.

## 1. Funding Arrangements for VET to Meeting Regional Needs

### Recommendation 1

- 1.1 Fund Skills Sets and relevant qualifications that meet industry's need in regional Australia.
- 1.2 DEEWR (through the ISC's), work directly with enterprises and empower the states and territories to reform the VET sector to meet the training needs of regional Australia.
- 1.3 Increase and index funding for workforce planning and development in regional Australia to reflect real costs of off and on-the-job training.
- 1.4 Facilitate the acquisition of qualifications through the accumulation of Statements of attainment and Skill Sets.
- 1.5 Adjust Government funding programs to encourage enterprises to plan workforce development strategies to satisfy existing and future needs.
- 1.6 Fund Skills Sets to encourage employers to access publicly funded programs.
- 1.7 Reduce recognised training fees for individuals and employers.

## 2. Reduce the Costs and Bureaucracy Related to Implementation

### Recommendation 2

- 2.1 Reduce red tape or fund industry brokers to assist enterprises with program administration and paperwork.



- 2.2 Rationalise the number of employment and training funded programs.
- 2.3 Review and improve the integration of training and employment programs and target those of relevance to regional Australia.
- 2.4 Support and fund the establishment of workforce development capacity and capability in regional centres.
- Adjust the regional funding differential to ensure it is adequate for RTOs to service the legitimate needs of regional stakeholders.

### 3. VET delivery mechanisms meet regional needs

#### Recommendation 3

- 3.1 Establish industry needs and VET sector partnerships to accommodate the accessibility of training required in remote and regional Australia.
- Provide funding to accommodate training of apprentices in fly-in, fly-out mining operations and the seasonal needs of the agriculture sector.
- Provide Funding to enable on-the-job training to be delivered to satisfy on-site industry identified.

### 4. Bridging jobs, qualifications, industry and communities

#### Recommendation 4

- 4.1 A job related workforce planning and development model to take account of the variable nature of jobs and training opportunities in remote and regional Australia.
- 4.2 Partnerships between all stakeholders ensure that Indigenous employment and training programs are linked to real jobs and sustainable employment outcomes.

### 5. Quality, Quantity and Enterprise Performance

#### Recommendation 5

- 5.1 Convert the National competency recognition system to ensure consistent quality is achieved across all jurisdictions.
- 5.2 Develop high quality nationally recognised assessment tools consistent with the endorsed units of competency and enterprise derived standards of performance.
- 5.3 Establish funding and implementation models that focus on regional industry workforce identified needs.
- 5.4 Develop and implement a VET workforce development program relative to the national competency based system.
- 5.5 Develop RTO capacity and capability to ensure training delivery is delivered in a manner compatible with industry needs.





- 5.6 Establish a structure and funding arrangement to allow regional Enterprises help themselves.
- 5.7 COAG to oversee reform of VET sector employment practices to enable flexibility of delivery.

## 6. **Build the Pool of People in Regional Australia**

### **Recommendation 6**

- 6.1 Stakeholders assist enterprises to create real jobs with genuine career pathways.
- 6.2 Stakeholders assist industry to identify and promulgate leading employer of choice programs.
- 6.3 Provide employment structures conducive to quality of life of the workforce and their families (e.g. holistic fly-in, fly-out, seasonal worker programs).

## 7. **Sustainable Communities**

### **Recommendation 7**

- 7.1 Government and industry invest in hard and soft infrastructure relative to economic and regional needs.
- 7.2 Provide incentives to encourage/maintain life in the regions (e.g. job sharing, local markets, tax incentives).
- 7.3 Reform of Government-imposed employment constraints is required (e.g. limits on capacity for those of benefits to accept seasonal work, etc.).
- 7.4 Develop critical mass of community service providers (e.g. health, schools, etc) in regional areas.
- 7.5 Ensure that industry does not become a surrogate for Government responsibilities.

## 8. **Attracting urban and Retaining Regional People**

### **Recommendation 8**

- 8.1 Provide sound education options (local and distant) in the region, including job related literacy and numeracy.
- 8.2 Provide local jobs for youth with genuine career pathways across a range of industry sectors.
- 8.3 Increase capacity to attract women into non-traditional roles through the local system.
- 8.4 Increase capacity to attract the underemployed and unemployed, including women, Indigenous, youth, older people and those with a disability.
- 8.5 Provide relocation assistance for the transition from city jobs to regional jobs and living in regional Australia with an emphasis on those wishing to start a business.
- 8.6 Broaden industries' employment and recruitment practices.



- 8.7 Provide an agreed common entry level (Certificate II) qualification for agriculture and mining sectors.
- 8.8 Facilitate genuine VET in schools programs that are fully funded and resourced, and linked to local regional enterprises.
- 8.9 Offer transition training programs in metropolitan areas with skill sets related to regional jobs.



## Summary

Since its establishment in 2003 this Industry Skills Council has achieved substantial stakeholder support through consultation and providing objective advice as it relates to workforce planning and development. S

SkillsDMC plays an active role in workforce data gathering and on the bases of this industry intelligence provides guidance on how to gain the benefits of the National Competency recognition system.

SkillsDMC applies best practice strategies in all aspects of contemporary workforce planning and development. These practical strategies are supported with analysis tools and services developed by SkillsDMC in consultation with industry stakeholders.

SkillsDMC activities are overseen and government by a representative group of senior industry personnel with continuous inputs from all stakeholders and Foundation Makeup.

The effectiveness of SkillsDMC can be measured against measurable performance indicators providing stakeholders value for the funds and resources invited in the National System.

SkillsDMC prides itself on its capacity and capability to identify problems, the magnitude and location of the problem and make recommendations on how to fix the problem.

All funds provided to SkillsDMC are directed towards the development and implementation of performance based, industry led education and training. Funds provided by government is supplemented by industry to develop and maintain a trained and competent workforce.

SkillsDMC leads by example through its activities related to the PPP initiative. Enterprises are using the SkillsDMC Systems Approach and gaining the benefits from the planned, organised and active arrangements inherent in contemporary workforce planning and development activities.

With the probability of a second “boom” in the resources sector, interested parties are coming together to ensure a structure is in place to develop and sustain the required workforce in the right place, with the right skills and at the right cost for the benefit of the Australian economy, governments, enterprises and individuals.



# Appendix 1

## Environmental Scan 2010



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