



# WA workforce development plan: A skilled workforce for the future

## Issues paper





# Background

Extensive research has identified that Western Australia will not have sufficient workers – both skilled and unskilled, to meet the future demands of industry. There is a need for a Statewide *WA workforce development plan* to ensure industry has access to a skilled workforce in order to maximise future opportunities.

The unprecedented scale of planned resource projects means Western Australia is now on the brink of a significant upturn in economic activity.

For example, the \$43 billion Gorgon natural gas processing project is the largest of any kind in Australia, and will have a significant positive economic impact for Western Australia. In total, there are currently more than \$100 billion worth of resource projects either committed or under consideration for Western Australia during the next few years. These projects alone are likely to create more than 40,000 jobs in construction and 12,500 permanent jobs.

In addition, the flow on effect is likely to lead to a significant increase in demand for both skills and labour in all industries and regions throughout Western Australia. Strong growth in the resources sector can lead to other industries being ‘crowded out’ of the labour market when trying to attract staff.

Access Economics has predicted a significant increase in employment for Western Australia, as outlined below, with more than 350,000 new jobs estimated to be created by 2019/20.



Source: Access Economics September 2009

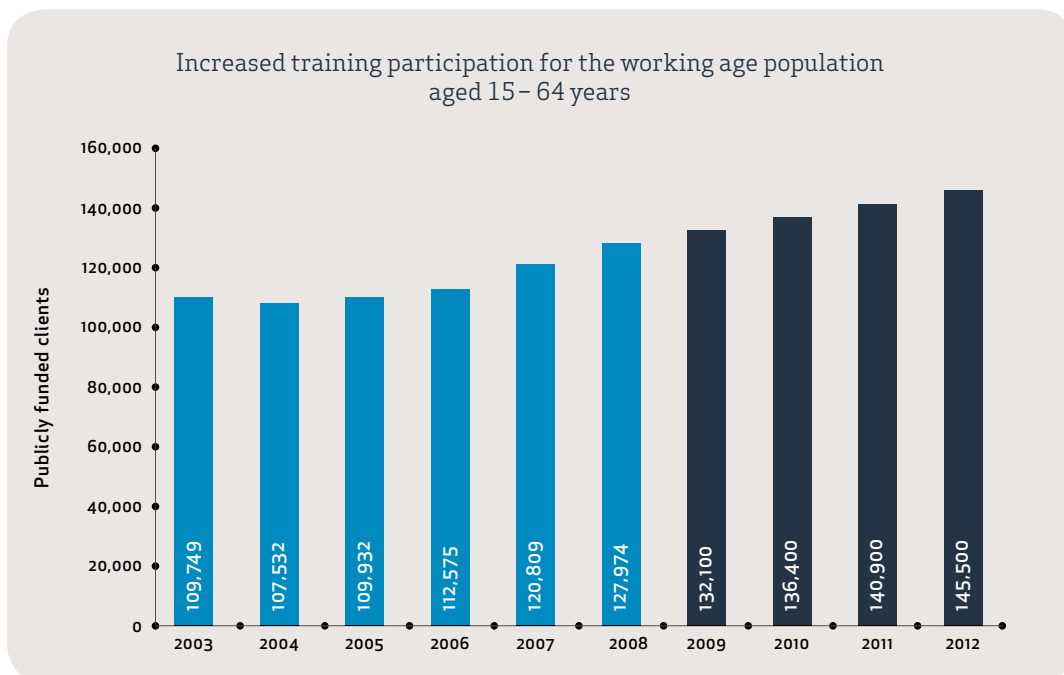


These projections complement a range of other research, including from the Chamber of Commerce and Industry Western Australia and the Chamber of Minerals and Energy Western Australia, all highlighting significant employment growth and the difficulty in building and maintaining a capable workforce during periods of sustained economic expansion.

The recent approach to training in Western Australia has been successful, having achieved an increase in overall enrolments and most notably participation in apprenticeships and traineeships and higher level qualifications. However, this is no longer sufficient. There needs to be a fundamental change to the training system to take advantage of the economic opportunities that lie ahead and provide industry with the skills they need.

Such fundamental change was initiated in May 2009 when the State Government launched *Training WA: Planning for the future 2009-2018*, which outlines the 10 year vision to transform Western Australia's training system. The focus is on two key areas – significantly increasing participation in training so people maximise their potential; and ensuring greater flexibility for the training system.

The target for training participation to 2012 is outlined below.



Source: Department of Training and Workforce Development

These changes were consolidated on 31 August 2009 with the State Government announcing the creation of the new Department of Training and Workforce Development. The Department of Training and Workforce Development will ensure a more focussed delivery of training services to industry and the community.





## WHAT IS WORKFORCE DEVELOPMENT?

Workforce development is aimed at building, attracting and retaining a skilled workforce to meet the economic needs of Western Australia.

Rather than focussing exclusively on training, the new Department of Training and Workforce Development will work with industry, the community and government to:

- maximise utilisation of skills in the workplace to increase productivity
- maximise workforce participation
- promote efficiency and mobility in the labour market, including a seamless transition from training into the workforce.

The new Department of Training and Workforce Development will work cooperatively and collaboratively with industry, community and government in creating a coordinated and strategic *WA workforce development plan* for the State.

This will ensure Western Australia is able to build, attract and retain a skilled workforce to meet the economic needs of the future.

The Plan will assist the Government and the new Department of Training and Workforce Development to guide workforce development policy and training delivery in line with the needs of the growing economy.

## WORKFORCE DEVELOPMENT FRAMEWORK

Workforce development will occur at three different levels:

1. **enterprise** – workforce development to identify skilled labour requirements of individual businesses, including the number of skilled workers required and skills of existing employees
2. **industry/regional** – broader identification of skilled labour needs for the industry and the regions including attraction and retention needs and long term planning for future occupations
3. **government** – whole of Government strategies to support the State's workforce needs, including lifting workforce participation, coordinating wider Government services and ensuring integration with Australian Government initiatives.

This whole of Government *WA workforce development plan* will address among other things:

- labour market demand and supply on an industry and regional basis
- identification of skill and labour shortages
- enhancing attraction and retention of skilled workers



- increased participation in the workforce
- the need for whole of Government coordination
- targeted use of migration
- the need for comprehensive career development
- enhancing the training and workforce development culture of organisations
- strategies and actions to address issues and gaps.

At the industry/regional level, the development of industry specific and regional specific workforce development strategies are being undertaken, with workforce development at the enterprise level being encouraged, fostered and supported by the Department of Training and Workforce Development.

The framework will lead to the following outcomes:

**Enhancing the training system** to be demand driven, customer focussed and flexible, with the role of training providers broadened to include partnering with employers to foster new workplace practices.

**Greater industry engagement** including direct involvement of industry and enterprises in planning and program development. Industry will also be engaged through the State Training Board, peak employer and industry bodies and the network of 10 industry Training Councils. The industry Training Councils, which represent all sectors of industry, will lead the creation of industry workforce development plans.

**Enhanced planning** through higher level labour market analysis and forecasting, greater focus on planning for those areas critical to the development of the State and providing industry with tools and information to assist their own planning.

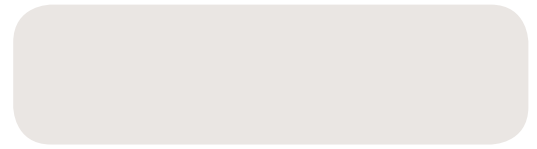
**Increased participation in the workforce** particularly for those people disadvantaged and disengaged from the labour market. This will include strategies targeted specifically to Aboriginal Western Australians coordinated through the *Training Together – Working Together* initiative.

**Whole of Government coordination** including liaising with other Government departments on issues relating to local infrastructure and housing, social inclusion, economic and regional development, and sustainability.

**Improved use of migration** including assistance to support Government and industry to effectively target migration from interstate as well as temporary and permanent migration from overseas as needed.

**Comprehensive career development** to assist Western Australians transition between jobs and help influence career choices in line with employment opportunities and industry need. This will include the development of an interactive Training WA Career Centre website.





## WHAT HAS ALREADY BEEN ACHIEVED?

The Department is already:

- working with industry and Government stakeholders to identify the workforce development implications of the State's resources and construction projects. This work is being undertaken during the period October 2009 to May 2010
- working closely with industry Training Councils to develop industry workforce development plans for Western Australia
- overseeing the development of regional workforce development plans for Western Australia
- working with the State Training Board in the *Training Together - Working Together* initiative to provide sustainable employment outcomes for Aboriginal people
- taking a lead role in the development of a strategy to maximise training and employment opportunities for Aboriginal people through the planning and implementation of the East Kimberley Indigenous Workforce Development Strategy.



# The Project

## Oversight

The Minister will have responsibility for the development of the *WA workforce development plan*.

In developing this plan the Department of Training and Workforce Development will ensure that a whole of Government approach is taken together with comprehensive industry engagement.

## The project team

The project will be supported by a project team based within the Department of Training and Workforce Development.

This project team will be supported by a number of experts in workforce development, including labour market analysis, engagement with industry, regional issues, as well as Australian Government initiatives. This expertise will be sourced from appropriate public and private organisations as needed.

## Engagement process

Workforce development requires the Government to work cooperatively and collaboratively with industry and all other stakeholders.

To ensure the *WA workforce development plan* meets the skills needs of industry, a consultative process will be undertaken. This will include:

<u>Briefings to stakeholders on the <i>WA workforce development plan</i> process</u>	<u>Nov/Dec 2009</u>
<u>An invitation for stakeholders to comment on the discussion paper through workshops and submissions</u>	<u>May 2010</u>
<u>Final report</u>	<u>Oct 2010</u>

Aboriginal Western Australians is inclusive of Torres Strait Islander people.



Stakeholders can register interest in attending upcoming briefing sessions or directly submit their views by contacting Gary Fitzgerald:

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Alternatively write to:

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During the process of developing the *WA workforce development plan: A skilled workforce for the future*, information and updates on progress will be provided at [trainingwa.wa.gov.au](http://trainingwa.wa.gov.au).

