

Annual Training Plan
2015-16





Scope

The 2016 Annual Training Plan (ATP) sets out the program structure, qualification and course schedule that underpins the provision of training support funding for apprentices and workers in the Construction Industry for the coming year.

This plan introduces a changed structure in respect of Apprentice Training Support that represents the most significant shift in program structure for the CITB's clients since 2005.

The 2016 plan is resourced to support over 4,500 apprenticeship places and 21,000 Construction Worker training places in the coming year at a projected cost of \$14.3M.

The ATP includes an articulation of the strategies adopted by the Board in order to achieve desired outcomes. Broad financial allocations to key training support programs are indicated based on estimates of the resources available at the time of compilation. Expected revenue generation is a key parameter in Board Planning in the current environment.

Program		Funding
Priority 1	4,500 Apprentices Supported	\$8.7M
Priority 2	21,000 Construction Workers Supported with Short Course Up Skilling.	\$4.9M
Priority 3	Innovations – Emerging needs in Construction	\$0.1M
Priority 4	Access & Equity – D2C, Aboriginal Workforce, Mature Age, Women in Construction and Skilled Migrant Support	\$0.5M



Environmental context for the 2015/16 ATP

Context

Economic factors shape the industry workforce response, and industry demand for skills is the ultimate driver of training activity.

The industry is generally a reflection of the broader economy. Nationally the economy in early 2015 is characterised by a broad economic malaise driven largely by an international decline in demand for Australia's key exports, particularly mineral resources. Record low interest rates across the developed world and growing unemployment in Australia and particularly in South Australia are manifest.

South Australia's economy and the construction industry are generally at a lower ebb than the national average.

The construction industry in Australia is relatively efficient in terms of labour. However continuous advances in technology offer even greater efficiencies and it is contingent upon the industry to ensure the workforce keeps abreast of technological advances. Communications technology in particular offers significant productivity dividends.

The generation of our future workforce remains our fundamental priority.

Economic Factors

The South Australian construction industry has exhibited a general decline in activity since a peak in 2010/11 coincident with the local impact of Commonwealth stimulus funded projects that touched a broad spectrum of the industry. Major publicly funded infrastructure projects are coming to an end with nothing of a similar magnitude apparent in the pipeline.

- Declining levy revenue is a forward indicator of future levels of activity. Industry confidence directly impacts hiring intentions.
- Commercial construction activity will contract significantly, with the completion of the new Royal Adelaide Hospital anticipated in early 2016.
- Housing is exhibiting unusual patterns of activity. Conventional residential has exhibited a decline in approvals and commencements, but medium density multi-storey accommodation has exhibited a surge so that the overall position is one of more or less steady state, significantly this represents a shift in deployed skills.
- A more buoyant Civil sector is likely thanks mainly to large public works projects. However if recent trends are indicative, a lot of this work can be expected to bypass local contracting firms.

Workforce

- The industry workforce has declined in line with the contraction in industry activity.
- The trend in Apprentice numbers over the past five years has been of gradual decline, particularly in respect of new commencements, although this has now stabilised.

- These factors have combined to make attraction and recruitment into the industry more difficult than it has been previously. It is reflected in lower numbers in our doorways2construction™ program.
- CITB's reach into the apprentice population has paradoxically increased. Increased rates of uptake of CITB support measures have been evident since the deployment of the CITB Field Officer team in 2013/14.
- Competency Based Wage Progression, an industrial provision, has had a negative impact on the engagement of apprentices who had completed pre-vocational and pre-employment training such as doorways2construction™. Collaboration between CITB and Government (Trainee and Apprenticeship Services), and close consultation with the industrial parties facilitated by the CITB, have delivered a solution to this matter.
- The solution reinforced a focus on the principles of Competency Based Training. Competency is defined as *"The consistent application of skills and knowledge to the standard required in the workplace"*.
- This definition, which realised the solution to Competency Based Wage Progression, underpins CITB's key initiative in the adoption of a Digital On-job Training log book as the basis of the Apprentice Training Support platform in 2015/16 and beyond.

Priority 1

Apprentice Training Support – \$8.7M of allocated funding

- 1. To promote apprenticeships as a preferred pathway into the construction industry
- 2. To improve completion rates, and
- 3. Improve the quality of training.

These objectives are universally affirmed as the most appropriate way to meet the requirements of the Act and to best meet industry need.

A major change in the way the program is administered will take effect from 1 July 2015, by the introduction of a streamlined on-line claims system and on-line log book “My Profiling”.

- a. **On-job Training record** – This supports the maintenance of a formal record of the apprentices’ on-job training, a prescribed condition to the gaining of a qualification under a Training Contract. Paper log books have been a feature of our program since 2005. This Plan will see the introduction of “My Profiling” a smart phone based on-line log book as the basis of CITB apprentice support funding. This initiative will enable CITB to directly and materially contribute to the quality of competency based training for our future workforce by better connecting and demonstrating consistent application of skills and knowledge (acquired at trade school) to the standards required in the workplace among our supported apprentice population in close collaboration with their employers and training providers
- b. **Progressive Completion** – This funding stream is to be discontinued as its objectives will be met through the Digital Log Book on-job training record.
- c. **Tuition Support** is to be ‘re-branded’ to alleviate confusion in the market. The new title is “Trade School Fee Support”. It offsets the cost of formal off-job training. Due to the impact of changing external policy settings, such as the replacement of Skills for All with the “Work Ready” State skills development strategy, and Fair Work provisions, this mechanism is to be the subject of a review of cost effectiveness, as current data suggests that utilisation is not the accurate indicator of the apprentice workforce that it was previously.



	Trade School Support Funding	On-Job Funding
How Much	Up to \$900 over the term of the Apprenticeship (up to \$300 per year)	Up to \$2,100 on the anniversary of the Training Contract and submission of Digital Log Book (My Profiling) record. Up to \$1,050 for Electrical Trades
Who	RTO Only. Trainees benefit through discounted tuition	Employer
When Paid	One claim per calendar year	One claim per year on the anniversary of the Training Contract. (90 days to claim)

Priority 2



Construction Worker \$4.9M of allocated funding

This Program is robust, well balanced, very well recognised and accepted across the Workforce. No major change is proposed. It supports existing Construction Workers / employers in ensuring currency in respect of continuing personal and professional development, up-skilling and cross-skilling. There is a particular emphasis on safety and regulatory compliance, licensing, supervisory, technical, and allied business skills. This Program is seen as the key to support the retention, career progression, increased productivity and job satisfaction of workers in the industry in accordance with the requirements of the Act.

- 21,000 places
- Over 35 endorsed providers training in the metropolitan and regional areas

Please see our website at www.citb.org.au for a list of over 400 short courses available to CITB Training Card holders. Eligible workers receive a discount on the retail price upon registration, each course has a prescribed level of discount regardless of the retail price charged by the Training Provider.

Priority 3



Innovation \$0.1M of allocated funding

This Program addresses training in areas of emerging needs not otherwise readily met, in particular those that might confer competitive advantage on participants. Training support for the adoption of Building Information Modelling (BIM) and maintenance of Heritage Trades skills remain the key priority.

Priority 4



Access and Equity \$0.5M of allocated funding

The initiatives of the program are separately identified as a consequence of the strategic review process and include:

- a. **doorways2construction™**
- b. Aboriginal Workforce Development Initiative
- c. Mature age workers
- d. Women in the workforce
- e. Skilled migrant support

Funding program and sector split

Funding is allocated proportionally between entry to the construction industry and maintenance of existing workforce across programs and sectors based on Board objectives.

Table 2: Allocation of funding across the sectors

	Civil	Commercial	Housing	Total
Revenue (average over 5 yrs)	22%	38%	40%	100%
Allocation of Funding				
Apprentice Program	13%	24%	26%	63%
Construction Worker Program	7%	14%	16%	37%
Total	20%	38%	42%	100%

All figures in this table have been rounded.

**I'm Christine.
This is my business.
I became my own
boss at twenty-one
with help from the
Construction
Industry Training
Board.**



My Profiling App now
available for apprentices.
Contact your RTO.



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