

2010-2011  
ANNUAL TRAINING PLAN



WE'RE BUILDING SOUTH AUSTRALIA'S FUTURE

## INTRODUCTION FROM THE PRESIDING MEMBER



I am pleased to submit the Construction Industry Training Board's 2010 -11 Annual Training Plan for your approval. The Board is required to submit its Annual Training Plan for Ministerial approval by 31 May each year, for the subsequent Financial Year, in accordance with The CITF Act 1993 (the Act).

Our plan has been developed with a broad range of external influences in mind. Construction data and stakeholders indicate that the industry in South Australia was particularly busy during 2009-10. This level of demand was driven by several influences including the Federal Government's Economic Stimulus Plan which includes the Building the Education Revolution, Social Housing, Defence Housing, Infrastructure and Local Government and Energy Efficient Homes. Activity has also been buoyed by the AdelaideAqua Desalination Plant and significant developments in the Adelaide Central Business District.

In the midst of this activity there has been a robust level of training activity involving short courses for existing workers to comply with new and emerging standards for occupational health and safety. However, there has been a small but concerning decrease in more intensive training among current workers in the industry. There has also been a slight decrease in apprentice commencements in some trade areas, notably electrical trades. Over the longer term these trends will lead to skills and labour shortages which inevitably cause bottlenecks in the construction process and increased costs for consumers and governments.

The Board has responded to these trends with a plan to stimulate training and employment outcomes:

1. The 2010-11 Annual Training Plan will include a new program to support and promote Workforce Development Initiatives (WDI). \$3.8M will be allocated for innovative projects to increase pathways for people into the construction industry. Increasing the number of Indigenous people and women in the construction industry will be part of the suite of projects that also includes the Heritage/ Artisan Support Program and Wise Guys which aims to turn tradesmen and women into construction trainers.
2. Increased funding will be available for current workers and employers to support ongoing training and to engage apprentices. Together with funding support provided by government and the Brick and Blocklaying Foundation, the construction industry in South Australia now provides the highest level of subsidies for apprentices and their employers in Australia.
3. Anecdotal and statistical evidence suggests that we need to do more to communicate these initiatives to the stakeholder community so the Board will also work systematically in the coming year to promote these incentives to stimulate demand and uptake.

I commend the Plan as a comprehensive blueprint for training and resourcing to increase the capacity and skills to support the South Australian building and construction industry's workforce development needs for the South Australian community into the future.

**Mary Marsland**

Presiding Member, CITB, May 2010





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## 1. ABBREVIATIONS

Annual Training Plan	<b>ATP</b>
Building the Education Revolution	<b>BER</b>
Construction Industry Training Fund	<b>CITF</b>
Construction Industry Training Board	<b>CITB</b>
Consumer Price Index	<b>CPI</b>
Current Worker	<b>CW</b>
Doorways2Construction	<b>D2C</b>
SA Department of Further Education, Employment, Science and Technology	<b>DFEEST</b>
SA Department of Transport, Energy and Infrastructure	<b>DTEI</b>
Industry Skills Board	<b>ISB</b>
Entry Level Training	<b>ELT</b>
Global Financial Crisis	<b>GFC</b>
Registered Training Organisation	<b>RTO</b>
Certificate IV in Training and Assessment	<b>TAA</b>
Recognition of Current Competency	<b>RCC</b>
Vocational Education Training	<b>VET</b>
Workforce Development Initiative	<b>WDI</b>

## 2. SUMMARY OF KEY ATP FACTS AND FIGURES

The Construction Industry Training Board's (CITB) Annual Training Plan (ATP) is prepared for the South Australian (SA) Minister of Employment and Training as one of its prescribed functions specified in Section 32 of the Construction Industry Training Fund Act (1993). The ATP outlines the funding programs and associated resources which form the basis of supported training activity in each reporting year.

The ATP is the result of consultation with key stakeholders in the SA building and construction industry and includes information about the courses that CITB will support for current workers and the apprenticeships that are deemed relevant to the industry and will therefore also attract CITB funding. The plan documents the objectives and strategies adopted by the Board and makes provision for a range of additional innovative programs and contingency funding.

The pages that follow provide an overview of the Board which manages the CITB and an outline of key operational arrangements are briefly described. The reader already familiar with CITB may choose to skip directly to the main body of this year's ATP commencing on page 9. More in-depth information about the CITB is available in the CITB's Annual Report: <http://www.citb.org.au/CITBInfo/AnnualReports/tabid/194/Default.aspx>

### Highlights

Despite the backdrop of the Global Financial Crisis (GFC) construction industry growth in SA has exceeded expectations. Once again, construction activity has outpaced training activity and the consequence for the future will be skills and labour shortages causing increasing bottlenecks and cost pressures. The Board has responded to these issues and, while retaining commitment to the existing programs, has proposed a substantial commitment to innovative strategies.

The ATP has been historically based on two programs; the Entry Level Training Program and the Current Worker Program. While these two programs will continue to underpin the Board's main effort, 2010-11 will see the introduction of a third program: Workforce Development Initiatives. Highlights of the ATP include:

1. \$3.8M for Workforce Development Initiatives (WDI) which provides the flexibility to broaden the scope of coverage to include people to be targeted for entry/re-entry into the industry via a range of mechanisms. An initiative to increase the number of Indigenous people in the construction industry is also part of the WDI. Program support expenditure on Doorways2Construction (D2C) will now be included in these funding arrangements.
2. Funding support for the Current Worker program has been increased to reflect CPI increases and additional funding for contingencies will bring the total for Current Workers to \$7.7M including \$1M for contingency funding to fund training in established courses where demand has increased due to emerging needs.
3. \$10M will be allocated to the Entry Level Training (ELT) which will be renamed to the Apprentice and Trainee Support Program to reflect the focus on apprentices, trainees and their employers. This program will also include the incentive for employers to sign a D2C student to a Contract of Training.

These initiatives reflect interest at all levels about the supports that can be implemented to support and promote trade training. The Commonwealth's 2010-11 budget includes several strategies designed to stimulate Vocational Education Training (VET), including 'Kick Start' bonuses for apprenticeships and streamlined pathways from school into trade level qualifications. CITB is at the forefront of these initiatives with well placed established programs, such as D2C. The Board's incentives are now the highest across all Australian States and Territories and efforts to publicise this to the SA construction industry will be a significant focus for this year's activities to encourage take-up of apprentice and other incentives.

### Summary of Funding Arrangements

As outlined in Table 1 to follow, the Board has resolved to provide support to a range of initiatives to increase the number of people entering the construction industry workforce. Almost \$4M has been allocated to a Workforce Development Initiative which will target sources of labour that can be recruited and trained to meet the burgeoning needs of the construction industry. A program of innovative initiatives will be developed during the year and implemented progressively.

Priority will be given to an Indigenous workforce initiative which will build on CITB's research into the barriers to Indigenous employment in the industry. The initiative will involve:

1. Recruitment of Indigenous students into D2C in schools throughout metropolitan and regional areas.
2. A focus on building on the success of the Ernabella program and replication of the program in other Indigenous communities.
3. CITB will work with the Indigenous community and construction industry leaders to find culturally appropriate and innovative strategies to find jobs for students graduating from D2C and for adults willing to enter into the industry and develop their skills.





**TABLE 1: BUDGET FIGURES FOR CITB TRAINING**

	2009-10 Budget	2009-10 (Preliminary)	2010-11 Budget
<b>Gross Levy Revenue</b>	\$17.5M	\$22.5M	\$19.9M
Current Worker Expenditure	\$7.2M	\$5.6M	\$6.7M
Contingency program	\$0.5M	\$0.5M	\$1.0M
Innovation program	\$0.5M	\$0.4M	0
<b>Total Current Worker</b>	<b>\$8.2M</b>	<b>6.5M</b>	<b>\$7.7M</b>
<b>Entry Level Training/Apprenticeship Training Support</b>			
Tuition funding	\$2.4M	\$1.8M	\$1.8M
On-Job funding	\$4.4M	\$3.9M	\$3.9M
Completion funding	\$5.2M	\$4.7M	\$4.2M
D2C Employer incentive	\$0.3M	\$0.1M	\$0.1M
<b>Total Entry Level Training/Apprentice Training Support</b>	<b>\$12.3M</b>	<b>\$10.5M</b>	<b>\$10.0M</b>
<b>Workforce Development Initiatives</b> (Internal Funds Allocation)			
WDI- Indigenous Program			\$0.5M
WDI - Innovation Programs			\$3.0M
WDI D2C Program			\$0.3M
<b>Total Funds Allocated Workforce Development Initiatives</b>			<b>\$3.8M</b>
<b>Total Programs*</b>	<b>\$20.5M</b>	<b>\$17.0M</b>	<b>\$21.5M</b>
<b>Number of Current Worker training places</b>	<b>32,000</b>	<b>36,000</b>	<b>35,500</b>
<b>Number of apprentices supported</b>	<b>4,000</b>	<b>4,000</b>	<b>3,600</b>



Table 1 provides an overview of the financial data associated with funding the training deemed appropriate in the ATP.

**The key messages are:**

- At the time the budget for the ATP 2009-10 was prepared in May 2009, gross levy revenue was predicted to be \$17.5M. As it turns out, on current projections the figure will be more like \$22.5M. The budget estimates were prepared when many people in the construction industry were still concerned about possible residual impacts of the Global Financial Crisis (GFC). The impact of the GFC in South Australia, however, was minimal in most areas of the industry. CITB collected several substantial levies for commercial projects including the desalination plant and State Government funded projects such as the new police headquarters. The Federal Government's stimulus package, in particular the Government's Building Education Revolution program, therefore built on what was already a relatively busy industry.
- The budget forecast for levy collections in 2010-2011 is in the order of \$19.9M. While construction activity is likely to be robust, the forecast is based on the assumption that activity will include construction for which the levy was paid during 2009-2010.
- The budget for training expenditure for 2009-2010 was \$20.5M but on current predictions, it will fall well short of this figure (\$17.0M). Advice from industry stakeholders is that current workers are simply too busy to

attend training, resulting in a slight decrease in expenditure from 2008-09 (\$7.0M) to \$6.5M in 2009-10. Budget estimates for current worker expenditure for 2010-11 are in the order of \$7.7M based on a range of factors such as the impending legal requirement that workers undertake mandatory roof truss training.

- The total number of Current Worker places in 2008-09 was 35,010 following the introduction of the new construction industry induction training (White Card) in that year which had robust take-up. The cost of White Card training is relatively inexpensive but the total volume is significant and therefore reduces the average cost of training places when aggregated across the program. Although it was predicted that there would be demand for 32,000 places in 2009-10, it is likely to be significantly more (36,000). This means that while there has been a higher level of demand for courses that are relatively less expensive, such as White Card and Work Zone Traffic Management, the impact on Current Worker expenditure was less than anticipated.
- Provision has also been made for Nail Plated Roof Truss training. It is anticipated that this training will be mandated following a roof collapse which caused deaths and considerable damage to a clubhouse at a golf course. It is difficult to anticipate precisely what demand will be for this training but if demand outstrips the initial allocation of funds, the Board has made provision in Contingency funding to respond.

- Entry Level training, covering apprentice support and D2C, will also fall shy of the budget figure of \$12.3M and will most likely be approximately \$10.5M. This will still represent an increase over the 2008-09 expenditure (\$9.1M). The Entry Level Training budget (to be renamed Apprentice Training Support) for the 2010-11 ATP year is \$10M.
- The number of apprentices supported is tracking according to the 2009-10 ATP with a forecast for the 2010-11 ATP somewhat less as a number of apprentices complete their Contracts of Training and the short term reduction in commencements which occurred in the previous ATP year.

The net effect of the significant level of construction activity and relatively less construction training is that CITB will record continuing budget surpluses. Although the level of subsidies provided has now been increased and will have some impact on the budget, the reality is that the current level of skill shortages will deteriorate and result in bottle necks in the construction process and higher construction costs. Stimulating demand for construction training remains a pressing issue for skills shortages and workplace safety. The Board recognises that a training plan of itself will not stimulate increased employment. Industry engagement is the key to these endeavours and the Board will ensure that this is actively pursued.

<sup>1</sup> It is important to note that these figures only include direct funding for training for all initiatives other than WDI initiatives. For other initiatives, the table does not include any budget figures for the program support such as governance, communications, program delivery, overheads and associated administration costs. The Chief Financial Officer prepares these figures for the Board to consider based on the Minister's approval of the ATP.

<sup>2</sup> Estimate derived from July 2009 – Mar 2010 actual plus estimate for final quarter

## 3. ABOUT THE CITB

This section of the ATP provides an overview of the CITB to provide some context for the development of the ATP. The functions of the Board and an overview of operations is central to the objectives and strategies embodied in the ATP.

The Construction Industry Training Fund levy is imposed at the rate of 0.25% of the estimated value of each construction project over \$15,000 undertaken in South Australia. In general terms, the levy applies to everything from a home renovation to commercial buildings and significant infrastructure projects. Proceeds raised from the Fund are used to subsidise training for people employed in the South Australian construction industry. The training is provided by Registered Training Organisations (RTO) delivering approved courses designated in the ATP.

### Functions of the Board

The Construction Industry Training Fund Act 1993 prescribes the Board's functions. Members of the Board are nominated by the Minister and include representatives of employee organisations, representatives of employer organisations and other Ministerial appointees.

#### The functions specified in the Act include:

- Coordinating training and personnel development within the building and construction industry
- Promoting increased productivity, career opportunities, personal satisfaction and occupational health and safety within the building and construction industry through training
- Reviewing and evaluating employment related training programs to ensure that they meet the training and skill requirements of the industry
- Supporting appropriate training programs in the industry
- Ensuring a more equitable distribution of effort amongst employers in relation to employment related training.

In developing the ATP, the Board has sought input from its advisory committees to ensure that the objectives and strategies meet the priorities of the building and construction industry in South Australia. Advisory committees meet regularly and include:

- Training Policy Committee, comprising members of the Board to provide a forum for discussion about detailed matters relating to training policy
- Finance and Audit Committee, comprising members of the Board to provide a forum for discussion about detailed matters relating to finance and audit
- Joint Sector Advisory Committee, comprising members of sector committees to consider matters relevant across the various sectors of the building and construction industry
- Civil Sector Committee, comprising representatives of the civil construction industry
- Housing Sector Committee, comprising members of the housing/residential construction industry
- Commercial Sector Committee, comprising members of the commercial construction industry
- Specialist Services Committee, comprising members of the plumbing, electrical and other specialist services within the construction industry
- Entry Level Training Reference Committee, comprising members from various sectors with expertise about pathways into the construction industry and trade apprenticeships.

The Board set the parameters of the ATP based on the advice considered by these committees and approved the final course list in May 2010 (see Appendix 1).

### Overview of Operations

In addition to South Australia, construction training funds of various kinds operate in the ACT, Tasmania, Queensland and Western Australia. These funds are not only the largest sources of non-government funding for training in the building and construction industry they are the largest source of non-government funding for training across all industries. Each state and territory has varying administrative arrangements in place. The CITB in South Australia includes the following operations:

- Levy collection
- Funding support for construction training, including current workers and apprentices
- Industry Skills Board
- Research and Evaluation

These operations are briefly described below.

### Levy Collection

The Board is required to administer the Act within a sound corporate governance framework.

The Board seeks to ensure that the industry complies with the requirements under the Act, that levy funds are soundly managed and that systems and processes are fair, transparent and efficient.

The Board is provided with monthly reports on its financial position and performance as well as regular reports on levy collections, compliance, investments and training expenditure.

Approximately 10% of budgeted expenditure will be available to support administrative functions in 2010-11.

### Reserves Policy

The CITB Reserves Policy establishes two tranches of Reserve within the total of Accumulated Funds.

The Prudential Reserve exists as a defensive 'wind-up' provision in the unlikely event that The Act was to be repealed. The net amount will be subject to annual review based on actual contractual commitments and the like. At the start of 2010-11 it is expected to be of the order of \$8.8M.

The balance of Accumulated Funds comprises the Strategic Reserve. The Strategic Reserve, is available to the Board with the primary aim of supporting extant training programs or meeting emerging needs (contingency and innovation) during 'down cycles' in the industry. It is for exactly this purpose that the Strategic Reserve will fund a planned deficit budget in 2010-11 in accordance with the Board's decision in February 2009 to maintain existing programs, levels of funding and scope of eligibility in the face of the current economic downturn.

The Board's current policy is that the Strategic Reserve will not be depleted below a level of \$1.0M on an on-going basis.

At June 2011, the Strategic Reserve is expected to be of the order of \$13.2M.





### Funding for Construction Training

Support provided by the Board is divided into the following programs:

- Current Worker (CW) program is to cater for existing workers
- Apprenticeship Training Support (ATS)
- Contingency
- Innovation

The Board has determined that the total funding available for these programs during 2010-11 will be in the order of \$17.7M and cover some 35,500 training places and 3,600 apprentices. This will represent a significant commitment to training in terms of funding and training places.

### Current Worker Program

The Board anticipates that growth in the Current Worker program will level out in 2010-11, with an allocation made for 35,500 training places, including 14,000 places for White Card. Demand for training in areas linked to licensing outcomes was strong in 2009-10 and it is unlikely that this demand will abate in the foreseeable future, particularly as new COAG led national standards for licensing are progressively introduced. The Board has endorsed funding for select Certificate IV, V & VI level units to accommodate licensing and other requirements.

### Contingency

Contingency funding is set aside for skills development needs that emerge at short notice. In the previous ATP year funding was provided for training in:

- Brick and blocklaying pre-apprenticeship program
- Civil plant operations
- Insulation installation
- RPL projects (to qualify) a range of workers in
  - Scaffolding
  - Rigging
  - Plastering (solid and fibrous)
  - Wall and ceiling lining
- Provision of the "industry component" of select Productivity Places Program places
  - Certificate IV in Building and Construction (Building)
  - Certificate IV in Building and Construction (Site Management)
  - Certificate IV in Building and Construction (Estimating)
  - Certificate IV in Occupational Health and Safety

### Apprenticeship Training Support

The Apprentice Training Support program (formerly known as the Entry Level Training program) is predicted to level out to \$10.0M in 2010-11 (down slightly from 2009-10). The main reason for the slight decrease is the reduced number of apprentice commencements as a result of the uncertainty created by the global financial crisis.

Overall there has been a steady increase in apprentice starts over the past five years from 1507 in 2003-04 to 2502 in 2008-09. Commencements peaked (2715) in 2007-08 while virtually all of the slowing in commencements in 2008-09 occurred in electrical apprenticeships rather than in general construction. There is, at the time of preparing the ATP, no evidence of an increase in apprenticeship cancellations. While there was a small increase in suspensions in mid to late 2009, the majority have been reengaged.

### Workforce Development Initiatives

The Board initiated a fund for innovative strategies that was previously part of the Current Worker Program. In the 2010-11 ATP year this fund has been designated as a separate program with increased emphasis on workforce development. A range of programs is included to respond to emerging needs in the industry:

- Girls in Construction – the first all girls D2C program is now in operation at the Pasadena High School drawing students from neighbouring schools. The program has links to designated employers that provide support and mentoring and work placement opportunities.
- Northern Area Initiative – CITB has appointed a project officer to work with building and construction contractors working on various housing developments in the Northern suburbs, particularly those at Blake's Crossing. The aim of the project is to provide a direct link for workers in the residential sector who can be difficult to engage in training.



- Ten Percent Policy – CITB is working closely with DTEI and DFEEST to ensure that 10% of labour hours associated with the Nation Building and Jobs Plan are allocated to apprentices and trainees. Training to up-skill and cross-skill current workers and provision to encourage the employment of people with barriers to employment is also made in the determination of the 10% target. CITB has developed a web-based program to facilitate the input of data by contractors constructing Building the Education Revolution (BER) projects. The objective of the initiative is to encourage additional engagement of apprentices, new entrants and training to meet immediate skills and labour shortages and hit targets for the needs of the future workforce. CITB is working with stakeholders to promote the extension of this initiative to all State and Federally funded construction projects in South Australia.
- Heritage/Artisan Support program – provides funding for specialist training in Heritage/ Artisan trades. Previous courses have focused on traditional timber framing and stonemasonry. During the 2010-11 ATP year fibrous plastering and an advanced course in stonemasonry will be held.
- Skilled migrant support funding – provided on a short term basis to assist skilled migrants to obtain training they need to enter the construction industry.

- Wise Guys – mature age building and construction workers were recruited to assist them to attain a Training and Assessment (TAA) qualification. This initiative is important to ensure that we have a supply of skilled trainers with current workplace experience to shape the training and development of our future workforce. Another Wise Guys program will be held during the 2010-11 ATP year.

Innovative programs are developed throughout the year as stakeholders advise the CITB about emerging issues. The Board considers these issues as they arise and considers funding training responses. The most significant of these new projects for 2010-11 will be the Indigenous Workforce Initiative. All projects are evaluated before the Board considers whether they warrant integration into the Contingency or Current Worker programs.

### Scope of CITB Funding Support

The scope of the CITB funding support is prescribed in The CITF Act, 1993 Part 6 Section 32 Clause 8. In essence the Board is required to ensure that the resources of the Fund are only allocated to structured training programs relevant to the building and construction industry in the state.

The CITB does not provide capital funding to associations or RTO, or any other agency or entity. Neither does it fund generic training or 'transition to work' programs. It defines the industry as those companies engaged in the industry which generate more than 80% of their revenue from building and construction. The only exception to this is the funding support provided to the Doorways2Construction, Vocational Education Training in schools program.

Eligible individual workers must be employed in the industry and generally engaged in on-site construction activities. However, with increasing emphasis on productivity gains made through offsite construction, the distinction between onsite and offsite is being reviewed by the Board.

The CITB has an extensive range of policies that underpin its governance framework to ensure compliance with The CITF Act 1993.

### Funding Program Sector and Program Split

The Board has sought to maintain the proportion of funding for the Current Worker program at 45% of total training funds expended and Entry Level Training at 55%. ATP 2010-11 is expected to show about 2% variation, offsetting to some extent the 2009-10 outcome, but remains broadly consistent with the Board's intent.

The Act requires that the Board ensure that funding is distributed across the building and construction sectors in approximate proportion to levy collections from each of those sectors. While this is a complex and inexact administrative exercise Table 2 indicates that while the Act is indicative rather than prescriptive, funding provision is consistent with the intent of the Act and is determined by demand for training places.



**TABLE 2: ALLOCATION OF FUNDING ACROSS THE SECTORS**

	Civil	Commercial	Housing	Total
<b>Entry Level Training Program</b>	6%	23%	25%	53%
<b>Current Worker Program</b>	17%	17%	13%	47%
<b>Total*</b>	22%	39%	37%	100%
<i>*rounded</i>				

Of note is an increase in commercial and civil construction activity. This can be attributed to the number and scale of major infrastructure projects already in progress or planned.

### Industry Skills Board

The role of the Industry Skills Board (ISB) is performed by the CITB under administrative arrangements with the Department for Further Education, Employment, Science and Technology (DFEEST). The ISB is one of nine across South Australia covering a range of industries which align somewhat with national Industry Skills Councils funded Federally by the Department of Education, Employment and Workplace Relations.

ISBs receive \$200,000 per year to perform workforce development functions prescribed in a funding deed with DFEEST. In practice, shared

objectives with the CITB enable the Construction ISB to achieve many workforce development projects and strategies that would not otherwise be possible without the contributions of the training fund. The research and evaluation team perform the functions associated with the ISB role in conjunction with the CITB management team. The objectives of the ISB are to:

1. Provide robust and substantiated advice on industry skills and workforce development priorities that enable Government/Training and Skills Commission to perform their functions under the Training and Skills Development Act 2008
2. To ensure that national training packages have relevance to South Australian industries and workforces

3. To increase the number of employers investing in high performing workplace practices through:

- Encouraging employer uptake of high performing workplace practices
- Promoting the benefits of education and training
- Brokering and implementing workforce development programs with organisations.



More information on the ISB is available in the CITB Annual Report: [www.citb.org.au](http://www.citb.org.au).

### Research and Evaluation

Under the CITF Act the Board is required to conduct or commission research to help in decision making, policy formulation and advisory functions. Much of this research is integral to the development of the Annual Training Plan (ATP) which involves a structured process of consultation and feedback. The ATP is submitted for Ministerial endorsement by the end of May each year.

The research undertaken includes quantitative and qualitative data collection to monitor construction industry trends, including collation and analysis of data from sources such as the Australian Bureau of Statistics and face to face consultation with people in the building and construction industry.

The research team commissions projects as part of the evaluation of programs funded by the CITB. These projects include the annual survey of past participants of CITB funded training to obtain

direct feedback from course participants and/or their employers on the quality, effectiveness and relevance of the training funded by the CITB.

A survey to assess awareness of CITB funding is periodically commissioned. Effectiveness is directly related to industry awareness of CITB training support activities. The research objective is to understand who is, and who is not aware of the CITB training fund. This contributes to strategies to refine communication to increase awareness and access to the training fund for the future. It is also used to report on performance measures for the key objectives and strategies contained in the ATP.





#### 4. OBJECTIVES, STRATEGIES AND OUTCOMES

The following tables identify program objectives, strategies and outcomes. The information contained therein was developed for the ATP in 2006-07 and it was the Board's intention that these objectives remain in place to enable evaluation of the outcomes. Objectives, strategies and outcomes will be developed progressively for the Workforce Development Initiative.



## PROGRAM 1 – APPRENTICE TRAINING SUPPORT

Objectives	Strategies	Outcomes
To encourage prospective new entrants in schools and the community to consider careers in the industry	<p>Provide information and advice on training and careers to schools and the community that promote construction careers and increase the potential pool of applicants</p> <p>Support schools and community groups to provide a positive experience of the industry to prospective new entrants through involvement in the D2C program</p> <p>Encourage support and engage the teaching community in the delivery of D2C through the provision of scholarships</p>	<p>An increased awareness and acceptance of building industry careers amongst school students and other potential candidates</p> <p>An increased interest by schools and the community in the D2C program</p> <p>Maintenance of a population of appropriately qualified, committed and enthusiastic teachers delivering D2C</p>
To encourage enterprises to take on apprentices and trainees in approved vocations	<p>Provide financial incentives to enterprises taking on D2C graduates under contracts of training</p> <p>Provide financial incentives to enterprises for placing apprentices and trainees in approved vocations</p> <p>Develop a marketing plan to contact potential employers not currently involved in apprenticeship programs</p> <p>Implement the 'Ten Percent Policy' to redress the perceived deficiencies of 'Inskill' as highlighted in the 2007 Industry Leaders Forum. Do this by collaboration with DFEEST and DTEI. Elicit DTEI commitment to a rankings system of tender selection which includes a training and employment 'Pre-Qualification Index'.</p>	<p>An increase in the proportion of D2C participants gaining contracts of training</p> <p>Apprentice and trainee commencements in approved vocations are consistent with 10 year long term trend</p> <p>Increased awareness of financial and tangible benefits of employing under contracts of training</p> <p>A monitoring and reporting system developed and implemented, that measures contractor performance against a benchmark of ten percent of labour hours worked by apprentices and trainees. Initially to be applied on projects undertaken as part of the Nation Building and Jobs Plan. To be extended to all State Government projects with an ultimate objective of including Commonwealth projects.</p>
To maximise the proportion of new entrants undertaking approved vocational qualifications	<p>Provide financial support to off-set the cost of tuition fees for apprentices and trainees under contracts of training in approved vocations</p> <p>Provide financial incentives to enterprises to support the completion of approved vocational qualifications</p> <p>Encourage new entrants to have relevant skills acknowledged through a formal recognition framework</p>	<p>The levels of apprentices and trainees in approved vocations in-training are sufficient to maintain the industry workforce at required levels</p> <p>An increase in the proportion of new entrants in approved vocations gaining formal recognition of their skills</p>
To improve the quality of workplace learning and training of apprentices and trainees in approved vocations	<p>Provide financial incentives to enterprises to ensure their apprentices and trainees in approved vocations receive a broad range of on-the-job experiences consistent with their training plans</p> <p>Encourage and support apprentices and trainees in their final years to take up training opportunities that develop skills for business and licensing requirements</p>	<p>A wider acceptance and adoption of on-the-job recognised training</p> <p>An increase in the number of recently completed apprentices in approved vocations gaining appropriate licenses</p>
To raise awareness of safe work practices amongst apprentices and trainees in approved vocations	<p>Ensure that D2C participants, apprentices and trainees in approved vocations are supported in safety training available to the industry</p>	<p>Participation levels in approved OH&amp;S specific training is consistent with workforce numbers</p>

The key strands of the Apprentice Training Support are: Doorways2Construction (D2C), Career Initiatives and Apprenticeship and Traineeship Support.

Apprentice and Traineeship Support includes: Tuition Funding for apprentices, On-Job Training (Log Book) Incentive and Completion Incentive for eligible employers.

## PROGRAM 2 – CURRENT WORKER PROGRAM

Objectives	Strategies	Outcomes
To facilitate, support and promote a training culture across the industry	<p>Reduce the cost of training to industry by subsidising endorsed training programs delivered by CITB approved Registered Training Organisations</p> <p>Promote to, and broadly engage stakeholders and enterprises regarding the benefits of training to the industry</p> <p>Provide training which is accessible to all, regardless of geographic location</p>	<p>A greater uptake of training, measured by hours of training and numbers of training places</p> <p>Improved levels of awareness of the importance of training and the means by which it can be accessed</p> <p>Balanced regional training provision and delivery</p>
To improve workplace productivity and performance by developing and maintaining a highly skilled and accredited workforce	<p>Broaden and develop the skills base of the industry workforce</p> <p>Address changing techniques, technology, regulation and compliance applicable to the industry</p> <p>Improve the proportion of the workforce with recognised qualifications by supporting the uptake of skills recognition processes</p>	<p>An increased application of skills learnt</p> <p>The workforce has a broader skills-base which keeps pace with changing technologies and industry requirements</p> <p>An increase in the proportion of the workforce with recognised AQF qualifications</p> <p>An increase in the number of recognised current competencies (RCCs) funded</p>
To ensure a more equitable distribution of effort amongst enterprises in relation to employment-related training in the industry	<p>Promote skill development at the enterprise level to encourage enterprises to invest and participate in training</p>	<p>An increase in the number of new enterprises accessing training funds</p> <p>An increase in the number of enterprises registered and active in the Current Worker Program</p>
To enhance career opportunities and broaden workforce employability through training	<p>Promote and support the up-skilling and cross-skilling of the existing workforce and those returning to the industry</p>	<p>The skills of the workforce meet industry requirements</p>
To facilitate the development and adoption of safe work practices across the industry	<p>Liaise with key stakeholders in relation to training and personnel development requirements</p> <p>Ensure that the industry and its workforce are supported in all aspects of safe work practices, through training.</p> <p>Promote increased OH&amp;S within the industry through training</p>	<p>The level of training activity is balanced against present and projected economic trends</p> <p>A demonstrated commitment to training in the area of safer work practices</p> <p>A safer working environment through training</p>

# CONTINGENCY PROGRAM

Objectives	Strategies	Outcomes
To address training needs in skill shortage areas that are not otherwise covered by the Current Worker or ELT Programs (Contingency)	Provide training in skill shortage areas to individuals who would otherwise be ineligible for Current Worker or ELT Programs	Build capacity in skill shortage areas with employment outcomes and attract more people to the SA construction industry.

In consultation with its advisory committees, the Board has established a schedule of training activities that are appropriate to the needs of the sectors in the industry. To manage the growing list of proposed activities, courses not used from one year to the next are placed on a dormant list. Courses used in the previous year, and those meeting unmet demand with industry support will be known as active courses. A formula is used to vary allocations from one year to the next. The original allocation is compared to actual take-up for each course and new allocations.

The Board will engage endorsed registered training organisations (RTO) to provide training, assessment and other services to be delivered to the industry in accordance with the approved schedule of courses. The majority (80%) of the allocation will be assigned to RTOs active in the previous ATP year. Those who are not active will need to apply for new contracts from the 20% remaining of the allocation. The Chief Executive Officer will allocate discretionary funds to meet unmet training demand from the industry throughout the year. Requests for funding over

and above the allocated 20% of unallocated funds will be considered by the Board and, where necessary, met from funding reserves.

Funds in the Current Worker Program will continue to be allocated to the skill categories in the approximate proportions of: Core construction skills (50%), Construction management (13%), OH&S (21%), Business management (12%), and 'Other' (4%).

# WORKFORCE DEVELOPMENT INITIATIVES

Objectives	Strategies	Outcomes
To develop new training programs, new opportunities and/or innovative delivery of training in skills shortage areas (Innovation)	Engage industry participants by applying different approaches and/or methods to training that are outside the Current Worker or ELT Programs	To facilitate new approaches to training in areas of skills shortages with employment outcomes

This initiative includes funding previously allocated to the Innovation program included in Current Worker funding. The new initiative will be funded to provide \$3.8M in 2010-11 and depending on stakeholder support and evaluation of the initiatives, may be expanded in subsequent years. Various projects that have previously been supported by CITB, including program development and a range of supports for D2C, the Heritage/ Artisan Support program, Wise Guys and the Skilled Migrant Support program will be included in this funding stream.

The most significant of the new programs to be supported through this initiative is the Indigenous Workforce Initiative which will include a focus on Indigenous participation in D2C and innovative partnerships with industry and Indigenous stakeholders to increase the number of Indigenous people entering the construction industry. Measures to evaluate outcomes will be developed and reported in the 2011-12 ATP.





## 5. RESOURCING THE ATP

### Levy

Levy revenue increased from \$16.8M in 2008-09 to \$22.5M projected to the end of 2009-10. There have been several drivers behind the increases in levy collections. In particular Commercial Levy collections alone are forecasted to increase from \$6.1M in 2008-09 to \$10.7M in 2009-10 being a \$4.6M increase in levy collections in this sector. In 2008-09 Commercial Levies represented 36% of total levy revenue but in 2009-10 this is forecasted to be 45% of total levies. Included in this \$4.6M are Levy collections from the BER projects forecasted to amount to \$2.6M in 2009-10 and levy collections received from the Desalination Plant, the new Superschools, new State Aquadome and major new commercial developments at Glenside and Burnside.

Forward projections for 2010-11 amount to a total levy revenue collection of \$19.9M and have taken into account the cessation of levy revenue received from the BER projects and the affect on the housing market that predicted increases in the interest rates may have. Whilst it is currently believed that the surge in Commercial Levies received in 2009-10 will not be sustained in the 2010-11 year this will be partly offset by revenues from the Civil sector on major projects including the New South Road Superway and Electranet city west substation.

### Training

The accumulated surplus from increased activity in the past year and prior gives the CITB confidence and resources to put in place a rigorous, innovative and sustainable Plan for 2010-11 and beyond. For 2010-11, CITB has increased rates of funding support to accommodate Consumer Price Index (CPI) increases, and the net level of funding is expected to continue to grow.

There has been an increase in Current Worker training activity, due primarily to the increased activity in construction induction training. SA was the first state positioned to deliver training under the new national arrangements and workers from the SA industry now have a qualification that will transcend state borders.

There has also been an increase in training associated with Cert IV level qualifications including competencies required for licensing requirements. It is anticipated that demand for this training will be maintained over the longer term. New licensing requirements for high risk occupations such as rigging and scaffolding will place additional demand on training.

## APPENDIX 1

### Active Courses for 2010-11

There are currently 300 courses available for Current Workers to undertake with funding support from the CITB. Courses are delivered by RTOs that have received endorsement from the Board and are listed on the CITB website. At the commencement of the ATP year RTOs are allocated places that they can offer to approved CITB card holders. Funding support is provided at a rate determined by the CITB's Current Worker Funding Model available at the CITB website. If the number of places allocated to an RTO for a course is not used during the designated ATP year the number of places allocated in subsequent years will be adjusted accordingly based on a formula and input from people in the construction industry. Where no allocation of funds is made to a course, it indicates that while industry stakeholders have indicated a need for the training, no RTOs have been allocated the places at the time of preparing the ATP. Contingency funding is available to ensure that demand for the course can be met.

A list of the courses which attract CITB funding can be found in the Training Support section of the CITB website ([www.citb.org.au](http://www.citb.org.au)).

## APPENDIX 2

### Table 3: Apprentice Qualifications Supported by CITB

Old Code	Old qualification name	New code	New qualification name
<b>Construction Plumbing &amp; Services TP</b>			
BCF30100	Certificate III in off-site construction (Shop Fitting)	CPC31808	Certificate III in Shopfitting
BCF30200	Certificate III in off-site construction (Joinery/Timber/Aluminium/Glass)	CPC31908	Certificate III in Joinery
BCF30300	Certificate III in offsite construction (Stairs)	CPC32208	Certificate III in Joinery (Stairs)
BCG30103	Certificate III in Bricklaying/Block laying	CPC30108	Certificate III in Bricklaying/Blocklaying
BCG30203	Certificate III in Carpentry	CPC30208	Certificate III in Carpentry
BCG30303	Certificate III in Concreting	CPC30308	Certificate III in Concreting
BCG30603	Certificate III Painting and Decorating	CPC30608	Certificate III in Painting and Decorating
BCG30703	Certificate III in Rigging	CPC30708	Certificate III in Rigging
BCG30798	Certificate III in General Construction (Carpentry - Framework/Formwork/Finishing)	CPC31508	Certificate III in Formwork/Falsework
BCG30803	Certificate III Roof Tiling	CPC30808	Certificate III in Roof Tiling
BCG30903	Certificate III in Scaffolding	CPC30908	Certificate III in Scaffolding
BCG31003	Certificate III Solid Plastering	CPC31008	Certificate III in Solid Plastering
BCG31203	Certificate III in Wall and Ceiling Lining	CPC31208	Certificate III in Wall and Ceiling Lining
BCG31303	Certificate III in Wall and Floor Tiling	CPC31308	Certificate III in Wall and Floor Tiling
BCG31506	Certificate III in Formwork/Falsework	CPC31508	Certificate III in Formwork/Falsework
BCP30103	Certificate III in Plumbing	CPC32408	Certificate III in Plumbing
BCP30303	Certificate III in Roof Plumbing	CPC32608	Certificate III in Roof Plumbing
BCP30503	Certificate III in Fire Protection	CPC32808	Certificate III in Fire Protection

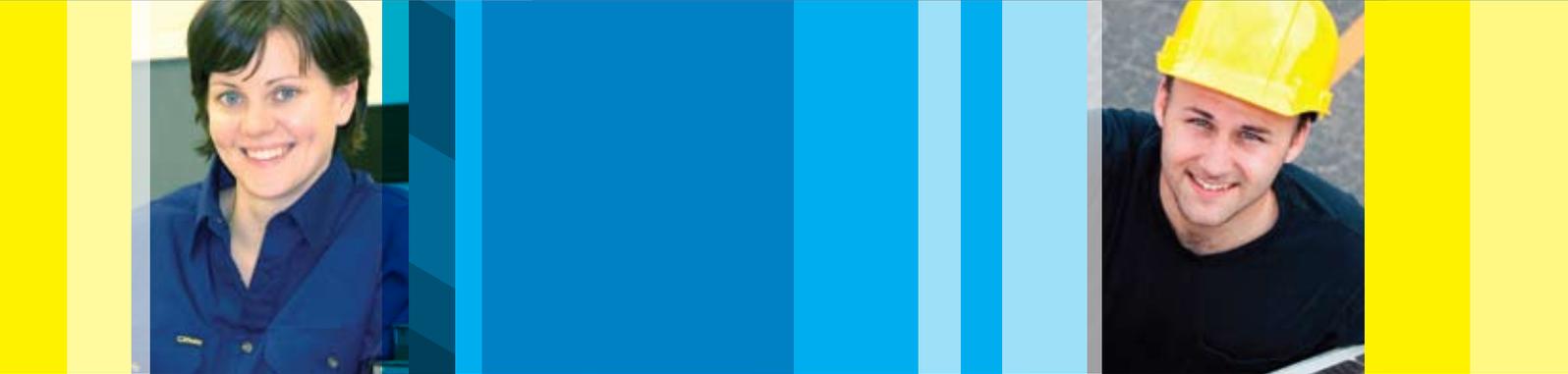


Old Code	Old qualification name	New code	New qualification name
<b>Resources &amp; Infrastructure (Civil) TP</b>			
BCC20103 BCC20107	Certificate II in Civil Construction	RII20709	Certificate II in Civil Construction
BCC30103 BCC30107	Certificate III in Civil Construction	RII30909	Certificate III in Civil Construction
BCC30203 BCC30207	Certificate III in Civil Construction (Bituminous Surfacing)	RII31009	Certificate III in Bituminous Surfacing
BCC30503 BCC30507	Certificate III in Civil Construction (Pipe Laying)	RII31309	Certificate III in Pipe Laying
BCC30603 BCC30607	Certificate III in Civil Construction (Plant Operations)	RII30809	Certificate III in Civil Construction Plant
BCC30703 BCC30707	Certificate III in Civil Construction (Road Construction and Maintenance)	RII31409	Certificate III in Road Construction and Maintenance
<b>Electrotechnology TP</b>			
UTE30299	Certificate III in Electrotechnology – Building Services	UEE31007	Certificate III in Fire Protection Control
		UEE31407	Certificate III in Security Equipment
UTE30699	Certificate III in Electrotechnology – Data Communications	UEE30407	Certificate III in Data & Voice Communications
UTE30999	Certificate III in Electrotechnology – Refrigeration & Air Conditioning	UEE31307	Certificate III in Refrigeration and Air-conditioning
UTE31199	Certificate III in Electrotechnology – Systems Electrician	UEE30807	Certificate III in Electrotechnology Electrician
<b>Furnishing TP</b>			
LMF30602	Certificate III in Glass and Glazing		

**TABLE 4: SUBSIDIES AVAILABLE FOR PROGRESSION THROUGH APPRENTICE QUALIFICATIONS**

Incentive Funding	How Much	Paid to Whom
D2C	\$1,000	The Employer
Tuition	Up to \$1,600 over the four year Apprenticeship	The Employer or the RTO (for the benefit of the apprentice)
Progressive Completion	Up to \$1,800 depending on the period being claimed (Note: Electrical trades receive 50% of the funding (\$900))	The Employer
Final Completion	Up to \$1,800 depending on the period being claimed (Note: Electrical trades receive 50% of the funding (\$900))	The Employer
On-Job	Up to \$1,800 depending on the period being claimed (Note: Electrical trades receive 50% of the funding (\$900))	The Employer





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