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Vocational Education and Training Taskforce  
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## **Industry Engagement in Training Package Development – Towards a Contestable Model**

The Australian Forest Products Association (AFPFA) welcomes the opportunity to provide comment on the *Industry Engagement in Training Package Development – Towards a Contestable Model* discussion paper.

AFPFA is the peak national body for Australia's forest, wood and paper products industry. We represent the industry's interests to governments, the general public and other stakeholders on matters relating to the sustainable development and use of Australia's forest, wood and paper products.

The following comments relate to ForestWorks' role as the training provider for the forest, wood and paper products industry. AFPFA would like to be sure that the proposed 'contestable approach' to training package development that emerges from this process provides similar opportunities for ForestWorks to continue to deliver a high standard of training services for our industry.

The forest, wood and paper products industry supports around 200,000 direct and indirect jobs nationally with a gross value of turnover of around \$22 billion. The industry is unique as the only carbon positive sector of the Australian economy, using a renewable and sustainable resource to produce building materials, furniture and paper products, while also storing carbon over the long term. It is vertically integrated from nurseries, forest management, harvest and haul, timber and wood processing, building frames and advanced manufacturing including pulp and paper. ForestWorks helps the industry to manage learning and development across the full extent of this value chain. The industry is fortunate to have ForestWorks, which understands our value chain and has directed learning solutions and standards across all sectors.

The forest, wood and paper products industry believes that when it comes to skills standards and qualifications development the following principles are critical:

## **1 Australia needs a framework of nationally recognised skill standards and qualifications based on industry job roles to remain productive and competitive**

A framework for nationally recognised qualifications and skill standards should be maintained across all sectors of the workforce. These training standards are not just for use by training providers, but are used by enterprises to assess, train and measure their workers competency.

Engagement at an enterprise level, and leadership by industry, needs to be at the core of standards and qualifications development. This ensures that training programs provide the skills and expertise required to maintain productive and globally competitive industries.

However, the development of these training programs requires leadership. This leadership within the forest, wood and paper products industry is provided by ForestWorks. Any future system should provide opportunities for ForestWorks to continue this leadership role.

## **2 The industry need the support of ForestWorks to continue to provide skills development expertise as well as to progress and sustain relationships with industry stakeholders and commitment to national development of skills.**

ForestWorks is industry owned (by association and company members) and one of its many activities is to undertake development of training packages skill standards and qualifications through industry engagement and industry research. This activity includes:

- maintaining industry and VET expertise, ongoing stakeholder relationships and providing a framework for workforce development and conduit between industry and government.
- managing industry-wide processes including committees for consultation and engagement in a value added approach to encourage industry and enterprise commitment and the donation of time and expertise
- maintaining the capacity to engage experts in undertaking job role analysis research within an industry context and able to access enterprises to perform this work

- carrying out training package development within an industry context to ensure skill standards not only suit the current situation but also target future skill needs
- developing a critical mass of knowledge, established relationships and a proven track record to make information exchange effective so that industry sees the value in contributing time to this activity.

The discussion paper proposes that this work can be done by independent consultants without an in-depth knowledge of our industry. AFPA do not see how external consultants without an understanding of the unique characteristics of the industry could effectively and efficiently perform these roles to the level required to assist our industry.

The quality services provided by ForestWorks relies on information, expertise and time donated as part of the industry's contribution to skills development. An independent consultant is unlikely to gain the same level of confidence from industry to access this information and expertise.

With regards to the question of industry coverage for this work, there is a view that this should be based on the full extent of industry's vertical integration so that all stakeholder groups are properly represented. Under the current non-contestable skills council model, ForestWorks has been prevented from coverage of industry sectors that are an important part of our value chain. AFPA hope that in the future the contestability approach will allow ForestWorks to carry out work consistent with our industry's structures and use their capabilities in other industry sectors where appropriate and as supported by industry.

### **3 Industry makes a significant contribution to the skill standards development work.**

The forest, wood and paper products industry contributes significantly to skills development by:

- donating time and allocating resources to workplace mentoring and training of workers at an enterprise level, and
- participating in committees and providing expert input into skills standards and qualification development, at an industry level via ForestWorks structures.

The discussion paper indicates that the government is seeking additional contribution from industry in the form of cash payments to support skills standards development. Seeking

more contribution than already is being provided will most likely lead to disengagement from participation in an overall VET sector approach to industry skills development. Industry values the fact that ForestWorks focuses on building human capability, which allows industry to focus on the other issues. ForestWorks can only do this with government support and funding. AFPAA is not aware of a cross industry funding model that would pay for these activities and funding this work through enterprise levies is not feasible or realistic.

In AFPAA's experience, skill standards development in an industry led system requires significant contributions of time and technical expertise from both the broader industry and individual enterprise. This contribution is likely to be many times greater than the cash cost of training package development.

#### **4 Quality outputs can be achieved through industry working with ForestWorks**

ForestWorks, working with industry experts and RTOs to develop nationally standard assessment tools, actively address quality issues within the VET sector, such as training delivery and inconsistent assessment outcomes. Under a new quality improved and contestable model, it is important that all RTOs use these industry endorsed instruments. ForestWorks has used its ISC role to support this function and this could be part of a training package development role going forward.

#### **5 ForestWorks does more than just deliver skills standards and qualifications.**

ForestWorks provides analysis of industry development and trends, workforce development support and a range of mechanisms for industry collaboration.

A key part of ForestWorks value to industry is its ability to:

- achieve common shared viewpoint across all industry stakeholders
- generate industry contribution and commitment to the process as represented with the amount of time and expertise industry and enterprise stakeholders are willing to volunteer to the process
- understand the industry/enterprise leadership role in the training package development

The forest, wood and paper products industry supports ForestWorks in many ways, but is not able to provide sufficient funding to completely support the development of industry wide skill standard and qualification development. Therefore, it is important that ForestWorks is given opportunities to bid for contestable funds.

ForestWorks has delivered a wide range of services to this industry and government for many years including before ISCs were formed by government.

In summary, AFPA and the broader forest, wood and paper products industry strongly supports a future system that will allow ForestWorks the opportunity to participate in a contestable environment for government funding. This will enable ForestWorks to continue its work to support the development and growth of our industry through its people development focus.

Yours sincerely



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