



A Commonwealth Government Initiative

**NATIONAL**  
**INDUSTRY**  
**SKILLS INITIATIVE**

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**BUILDING AND CONSTRUCTION  
ACTION PLAN**



## NATIONAL INDUSTRY SKILLS INITIATIVE

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#### STATEMENT OF AGREEMENT

This Statement of Agreement and Industry Skills Action Plan document at a broad level the agreed actions for industry and government emerging from the National Industry Skills Initiative. The attached Industry Skills Action Plan outlines in more detail the initiatives to address identified barriers to skills development for which industry, supported by government, has taken responsibility. There may be further actions which will emerge as this Plan evolves and as elements are progressively implemented.

The signatories to this agreement, on behalf of their organisations, agree to undertake action against the attached Action Plan in six key areas:

- **Leadership and co-ordination** – through the establishment of an industry-led Building and Construction Task Force;
- **Effective communication and interaction** between the industry, industry training providers, school leavers and other potential entrants to the industry;
- Finding **flexible solutions** to the industry's training needs;
- Fostering **innovative approaches** to skills development needs;
- Unlocking **sustained productivity** through skills development;
- Working towards a **nationally consistent approach** to training arrangements;

and to report on achievements against these action areas through a progress report by June 2002, and a final report to the Commonwealth Government by June 2003.

The Commonwealth undertakes to assist with implementation of the Action Plan through support of the Building and Construction Industry Task Force.

Peter Irving  
National President  
Housing Industry Association  
24 August 2001

The Hon Dr David Kemp  
Minister for Education,  
Training and Youth Affairs  
24 August 2001

Jack Hutchinson  
National President  
Master Builders Australia  
24 August 2001

# BUILDING BRIGHTER FUTURES

## Building & Construction Industry Skills Action Plan

The Building and Construction Industry Working Group was set the task of examining the process of skill development in the industry and the way in which this process could better meet the needs of the industry, both now and in the future.

The composition of the Working Group reflected a broad spectrum of the industry stakeholders in order to provide a grassroots report of the practical training issues that concern the industry. The Working Group made more than twenty recommendations as to how the training system could be better focussed on the industry's needs.

The Working Group's recommendations have been distilled into six overarching principles of an ideal training system. These principles provide a structure for an action plan. These principles also provide an important benchmark, allowing the rate of progress towards reforming training to be assessed.

The six principles of the action plan equip the industry for change with a practical training system that promotes:

- **Leadership and Co-ordination** – through the establishment of an industry-led Building and Construction Task Force.
- **Communication** and interaction – many industry participants felt frustrated by what they described as “the training industry” and all the related terminology and regulations. Training must be integrated with standard industry practice and be driven by employers not the ‘system’. Clear communication is essential to achieving this integration.
- **Flexibility** – reflecting the industry's need for adaptable solutions to training needs that span the enormous differences within the broader building and construction industry. The size and location of firms are important influences on participation in formal training.
- Fostering **innovative** approaches – encouraging a flexible and performance based approach will bring the industry's ingenuity to bear in devising new approaches to the skills development process. Funding must be directed to activities which encourage innovation.
- Unlocking sustained **productivity** increases – flexible and innovative approaches are the key to providing the industry with a driver for long term growth. More efficient skill development not only increases the industry's productivity, but also increases job satisfaction right across the industry.
- **Consistency** – 100 years after Federation, efforts to achieve a truly borderless market continue to be frustrated by inconsistent regulation and partial jurisdictions. This is despite the enormous efforts industry and governments have put into this area. A nationally accepted framework is an essential precursor to effective training outcomes. More must be done to achieve this goal.

In essence, the Working Group recognises that the process of skills development in such a complex multifaceted industry is an inherently difficult subject to address. The goal of delivering a practical industry focus on training requires communication between all stakeholders to deliver the flexibility and innovation that the industry

needs. This is necessary to unlock the industry's productivity increases and realise this potential on a national basis.

## Objective 1: Leadership and Co-ordination

Aim	Strategy	Proposed outcome	Performance Indicators
<p>Task Force to provide industry leadership and co-ordinated responses to skill shortages in building and construction</p> <p><b>Recommendations 1, 25</b></p>	<p>Establish an industry-led Building and Construction Task Force comprising representatives of relevant industry associations, government and other groups as appropriate with the following Terms of Reference:</p> <ul style="list-style-type: none"> <li>• Develop an interim operational plan to include issues related to the roles of members, the potential sources of funding, meeting procedures and communication with stakeholders.</li> <li>• Develop a strategic long term plan to address the skill needs based upon its own review of the Report of the Working Group and this Action Plan. Assign priority to action items and identify funding sources.</li> <li>• The Task Force, once established, is to review strategies, targets and KPIs to ensure that they are, and through regular review of progress, remain, ambitious but realistic and achievable.</li> <li>• Develop a distribution strategy for the Working Group report. Widely disseminate copies of the Working Group Report and Executive Summary to stakeholders.</li> </ul>	<p>Interim operational plan for Task Force in place</p> <p>Prioritise Action Plan to include both long term strategic initiatives and short term action items to respond in a timely fashion to critical needs</p> <p>Action plan always current</p> <p>All Stakeholders are better informed, and able to contribute to the long term solution</p> <p>All stakeholders are better informed, able to contribute to the long tem solution</p>	<p>Operational Plan developed and agreed by 31 October 2001.</p> <p>Prioritised Action Plan developed and agreed by 1 November 2001. Funding and other resources are identified and secured by 1 December 2001</p> <p>Action plan reviewed at each meeting of the Task force</p> <p>Report distributed to Stakeholders.</p>

Aim	Strategy	Proposed outcome	Performance Indicators
	<ul style="list-style-type: none"> <li>Identify appropriate Working Groups or Sub Committees to progress particular areas of responsibility. Each Working Group to include at least one member of the Task Force and others with an interest or involvement in the area of responsibility.</li> </ul>	Principal standing Sub committees or Working Groups in place.	Principal Sub committees established and met by 30 November 2001.

**Objective 2: Communication between trainers, industry and those being trained.**

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Promote the appeal of skilled careers in the industry <b>Recommendation 4</b>	National communication campaign to target school leavers, parents, and career advisors including media releases, good news stories, editorial copy including:	18 month campaign	Awareness of the industry's appeal grows	Material developed and distributed throughout 2002. Increase in VET and New Apprenticeships participation
<b>Recommendation 5</b>	<ul style="list-style-type: none"> <li>Conduct of a comprehensive review of available resources for career information to identify best practice</li> </ul>	6 months	Collection and review of existing resources	Completed by 20 December 2001
	<ul style="list-style-type: none"> <li>Produce information resources for schools, careers advisors and other intermediaries.</li> <li>Develop a distribution strategy and disseminate materials.</li> </ul>	Within 9 months	Careers advisers are aware of resources available and confident in the accuracy of their advice.	Materials produced by 30 June 2002 Materials distributed by end August 2002
<b>Recommendations 12, 13, 14</b>	Promote linkages between VET in Schools programs, industry and training providers examining the extension of the BEPA program as a model of best practice with relevant agencies.	2 years commencing 1 January 2002	Greater number of effective linkages in place between schools and industry.	Action Plan developed by March 2002 and promoted to targeted areas throughout 2002

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
<p>Promote the benefits of training to industry</p> <p><b>Recommendations 6, 11</b></p> <p><b>Recommendation 4</b></p>	<p>National campaign to promote industry to those who have left, particularly in areas, geographic and trade, where there are skill shortages.</p>	<p>Ongoing</p>	<p>Attract people with trade skills back to the industry.</p>	<p>Research funding availability and best practise models by 30 February 2001. Better linkages created and evident by 30 September 2002</p>
	<p>Develop, or strengthen, industry recognition awards for apprentices, Registered Training Organisations, and employers for their contribution to training in the industry.</p>	<p>2 year pilot</p>	<p>Publicity for technical excellence achieved through training</p>	<p>Widespread industry interest in entering awards and increased media interest in promoting the winners.</p>
	<p>Review available information on the level, nature and scope of investment in training within the building and construction industry. Then develop a strategy to market to industry the benefits of training, with consideration of:</p> <ul style="list-style-type: none"> <li>• an industry forum to emphasise the message on training as an investment</li> </ul>	<p>2 year program</p>	<p>Greater understanding throughout the industry of the practical benefits of training</p>	<p>Review conducted by 30 November 2001. Strategy developed by 31 December 2001 Industry forum conducted during 2002</p>
	<ul style="list-style-type: none"> <li>• Using industry associations' training and promotional events and expanding the use of industry associations' web sites to promote benefits.</li> <li>• Funding a series of articles and case studies in industry publications on the benefits of training.</li> </ul>	<p>2 Year program</p>	<p>Assist associations to promote training</p> <p>A flow of positive training stories to industry.</p>	<p>Material developed by 30<sup>th</sup> February 2002. Increased Visits to training pages Complete articles by 30 March 2002. Estimate proportion of the industry reached</p>

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
<b>(Recommendations 20, 9)</b>	<p>Examine communication strategies on training and innovation in building and construction in regions. Establish a pilot project of regional field officers in targeted areas to provide face to face contact with industry and arrange industry forums.</p> <p>Research programs/initiatives available (including flexible learning options) to overcome barriers to involvement in training for existing workers and those wishing to participate in entry level training, in particular:</p> <ul style="list-style-type: none"> <li>• English as a second language</li> <li>• literacy and numeracy issues.</li> </ul>	<p>6 months to establish. Run for 3 years</p> <p>2 year program;</p>	<p>Provide an on-site presence across regional and rural areas to promote training solutions</p> <p>Expand industry involvement in innovative programs</p>	<p>Number of sites visited and material distributed.</p> <p>Research programs available or under development by 30 March 2002.</p> <p>Approval to distribute, promote suitable courses available to RTOs by 30 June 2002.</p> <p>Alternatively research funding availability for course development by 30 April 2002</p> <p>Subsequent access to training.</p>
<b>(Recommendation 4, 5)</b>	<p>Use critical training needs such as business skills, computer skills and succession planning to spearhead a wider acceptance of the value of training.</p>	<p>2 years</p>	<p>A training blitz, delivered through industry associations, to provide these important skills, for which demand already exists, to demonstrate the importance of a commitment to training</p>	<p>Available course materials reviewed.</p> <p>Materials promoted to industry by 30 June 2002</p> <p>Participant appraisal of material</p> <p>Subsequent uptake of training</p>

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Improved linkages between trainers, industry and trainees	Research best practices on strategies for improving linkages between industry and training providers, particularly those linked to local skills needs and employment opportunities. Discuss findings at appropriate forums at regional level.	12 months	Models of best practice in industry-training provider cooperation identified	Appropriate strategies identified by end-2001.
<b>Recommendation 12</b>	Ensure that all training reflects industry practice and requirements through development of enhanced Professional Development tools (with input from industry) for trainers and employers in building and construction	June 2002	Training better aligned with current industry practices	Information /benefits communicated to ITABs etc by 30 June 2002
<b>Recommendations 5, 14</b>	Undertake appropriate activity to ensure that all vocational education and training (VET) training undertaken in VET in Schools meets the appropriate National Training Qualifications Framework industry standards and Registered Training Organisations (RTOs).	End-May 2002	Student's learning at school is recognised by industry.	Review research by Construction Training Australia (CTA) and implement best practice by 30 May 2002
<b>Recommendation 10</b>	In order to test the extent User Choice in training is fully implemented and funded in accordance with agreed principles, review the availability of building and construction qualifications and relevant funding mechanisms in each jurisdiction, in order to test the extent that User Choice is fully implemented and funded	February 2002	Current status of implementation of User Choice in industry documented.	Greater engagement by VET with RTOs who provide ongoing training Review conducted by February 2002
<b>Recommendation 10</b>				

**Objective 3: Greater flexibility in the provision of training.**

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Promote Group Training solutions <b>Recommendation 15</b>	In the context of the National Review of Group Training, examine impediments to the operation of Group Training Companies in building and construction, including the adequacy of funding for Group Training Companies, potential for growth and regional/remote delivery of services	6-9 months	Impediments identified and strategies developed	Review Working Group outcomes and develop strategies by 30 June 2002  Impediments addressed. Industry to review payment schedule to remove barriers and promote apprentice uptake
Greater flexibility in funding <b>Recommendation 3</b>	Research ways in which specialised occupational outcomes can form part of nationally recognised qualifications within Training Packages and be funded in the same way as other Training Package outcomes.	6 months	Encourage the development of tailored training	Input to the review of Training Packages.  The number of specialist training programs developed
<b>Recommendation 21</b>	Examine industry training levies to seek more direct benefits to contributing companies through the provision of exemptions for training undertaken, giving priority to entry level training programs to promote a training investment and other issues contributing to more effective operations	12 months	Levy delivers benefits in training outcomes	Conduct industry levy forum to discuss and lobby State/Territory ministers responsible.
Develop Pre-Vocational programs <b>Recommendation 8</b>	Examine the possible structure of programs under the National Training Packages that will provide early employment benefits for trainees and prospective employers	12 months	Apprentices better prepared upon commencement	Development of nationally agreed flexible programs by March 2002

**Objective 4: Innovative approaches.**

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Promote training and employment in regional and rural areas	Local Government to be encouraged to work with industry to develop training strategies in their area	6-12 months	Increased training in regional and rural areas	Strategies developed by April 2002
<b>Recommendation 14</b>				Regional and rural apprentices increase
<b>Recommendation 16</b>	Industry to examine with Government the support arrangements that will assist New Apprentices who are disadvantaged by their location	6 months	An industry view developed on support arrangements	Position paper developed by end March 2002
<b>Recommendation 18</b>	Examine the use of on line services by employers to develop their business operations and provide training to their employees or prospective employees	12-24 months	On-line delivery of education and other business services to the industry	Research suitable available services by March 2002.
				Pilot suitable course by September 2002
				Number of self-paced training courses available.
Innovation	Conduct research into building product and process innovation and the implications for skill demands	12-18 months	A better understanding of how changes shape skill demands	A position paper by end 2002
<b>Recommendation 26</b>				

**Objective 5: Sustained productivity increases from training.**

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Skill forecasting  <b>Recommendation 22, 23</b>  <b>Recommendation 2</b>	Review the collection and analysis of industry training data, including regional analysis.	9-12 months	Better training data is available to track industry's performance	Review conducted by 30 February 2002  Better monitoring of industry's performance.
	Training data is used to identify appropriate skill and training needs through the development of a skill demand model	3-6 months	Training data can be used to identify industry skill needs	Skill needs model developed by March 2002  Better understanding of skill needs.
	Accurately measure industry's investment in training across major variables – eg trade, industry, location, firm size etc.	12-18 months	A better understanding of training expenditure	Mapping completed by Sept 2002  Details are communicated/ promoted to industry  Training maps available
Review incentives  <b>Recommendation 7, 16</b>	Industry to examine all training incentives to see if they correlate with investment decisions, including the impact on rural and regional businesses in the building and construction industry; and then provide advice to the governments.	6-9 months	A better understanding by governments of the impact of incentives	Advice provided to governments by mid-2002

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Training wages <b>Recommendation 8</b>	Agree on principles to underpin training wages to complement training reforms	24 months	A broad agreement on principles	All stakeholders agree with principles by March 2002
Reduce attrition <b>Recommendation 20</b>	Research retention strategies adopted by employers and employees to increase completion rates	9–12 months	Increase application of retention strategies	Summary of research completed by June 2002
Induction training <b>Recommendation 9</b>	Provide New Apprentices with practical and life skills to boost safe work practices and productivity through the development of 'employability skills'	6-9 months	Training incorporated into all apprentice schemes.  Improved relationships and on-site productivity	Review materials available by 30 November 2001  If required seek funding to develop program by end February 2002  Programs developed and implemented by Sept 2002

**Objective 6: National consistency of training approaches.**

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Implementation of National Training Framework <b>Recommendation 10</b>	Forge Government and industry partnerships to promote consistency and remove existing barriers	12-18 months	Consistency in use of the National qualifications	Australian Qualification Framework fully implemented during 2002. Greater use of Framework by end 2001

Aim	Strategy	Timeframe	Proposed outcome	Performance Indicators
Public sector contracting <b>Recommendation 19</b>	Public sector demand in the commercial and civil construction industries offers Governments an opportunity to encourage increased apprentice numbers and promote training outcomes. Examine best practice examples and include in promotion strategy.	1 year	Greater training in commercial and civil construction industries	Best practices in public sector construction contracting identified and disseminated by end 2002
Advisory structure <b>Recommendation 24</b>	Examine existing national and State/Territory advisory structures on employment, education and training in building and construction with a view to establishing appropriate advisory structures which reflect the diversity of the industries	June 2002, with involvement in implementation over 2 years	Clear, uncomplicated advisory status.	Develop suitable industry structures by Feb 2002.  Seek implementation by end June 2002
Industry licensing <b>Recommendation 27</b>	Industry participate with appropriate agencies and existing Review mechanisms, to ensure that industry licensing be nationally consistent, and that licensing arrangements be reflected in Training Package developments, as appropriate	2 years	Greater consistency will eliminate confusion	Changes to Training Packages agreed by end-2002.Licensing bodies engaged /agreement reached by Sept 2002.  New arrangements implemented by mid 2003  Single licensing scheme implemented, which is consistent with National Training Agenda.
Skill requirements of engineering construction & metal engineering firms <b>Recommendation 25</b>	In keeping with the need for consistency of approaches to development of training in the industry, the Task Force will pursue the investigation of skills requirements in the engineering construction and metal engineering firms	1 year	National consistency in identifying skills needs across all firms in the industry	Study completed by early 2002

