



Mr. Tom Dixon  
CTF Training Fund  
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CLOVERDALE WA 6985

**2024 STATUTORY REVIEW OF THE BUILDING AND CONSTRUCTION INDUSTRY TRAINING  
FUND AND LEVY COLLECTION ACT 1990**

Dear Mr Dixon,

Thank you for inviting us to contribute to the Statutory Review of the Building and Construction Industry Training Fund and Levy Collection Act 1990.

As a key provider of construction industry skills, South Metropolitan TAFE values its partnership with the CTF. We welcome the chance to offer constructive recommendations on how the CTF can best fulfill its role in nurturing skilled workers for the construction sector.

Kind Regards

Darshi Ganeson  
Managing Director  
South Metropolitan TAFE

15 May 2024

**Statutory Review of the  
*Building and Construction Industry Training Fund and Levy Collection Act 1990 (WA)***

**Submission of South Metropolitan TAFE**

**Introduction**

South Metropolitan TAFE is a publicly funded Registered Training Organisation providing skills for the construction industry.

**Term of Reference**

**a) Effectiveness of the Board**

**2) Structure of the Board and its effectiveness in meeting the needs of different sectors of the industry**

The current composition of the CTF Board enjoys broad representation from the construction industry and unions with one board member from a registered training organization. Given the increasingly dynamic skills agenda, including the newly signed national skills agreement between the Western Australian State Government and the Commonwealth, there could be merit in broadening the skills matrix of the CTF Board to include greater representation from the training sector. This may assist in deepening the understanding of trends in the VET sector and how the CTF can adapt quickly to support these trends.

**b) Attainment of the objectives of the Building and Construction Industry Training Fund and Levy Collection Act 1990 including:**

**1) To improve the quality of training.**

SMTAFE notes recommendation twenty from 2019 review of the ACT to remove “improve the quality of training from the Act”. SMTAFE believes that there is a role for the CTF to improve the quality of training and this objective should remain.

For clarification, the role of the CTF regarding “quality of training” should not intersect with the role of TAC and ASQA as VET regulators. The opportunity for the CTF to improve the quality of training is to use the fund to assist the construction training sector to keep pace with rapid technological advancement and clean energy transition, through targeted investment in training innovation.

The existing Capital Grants Program is a sound vehicle for this, but SMTAFE is of the view that the current eligibility requirements are too narrow, restrictive, and inflexible. The Capital Grants Program should seek to remove restrictive criteria and fund genuine innovation in submissions from private or public RTO’s. By making this change, the fund has an opportunity to support new projects, invest in future enabled equipment (including digital twins) and rapid prototype innovative ideas. If this CTF investment succeeds, it could significantly elevate the quality of construction training industry-wide. This can be realised within a suitable framework that ensures accountability for the allocated funds. As an illustration of unnecessary limitations, TAFE colleges are ineligible from accessing the

Capital Grants Fund due to their government funding status. This decision carries an opportunity cost, as it disperses finite TAFE funding across various priority sectors. The Resources Sector often steps in to support TAFE colleges, ensuring they remain up-to-date with industry standards and offer high-quality training.

The inclusion of TAFE colleges in the CTF Capital Grants could greatly improve the quality of construction-related training facilities and infrastructure. This enhancement would make these TAFE institutions more appealing to both prospective and current students, who are sought after by the competitive construction industry. Moreover, employers who contribute to the CTF levy but opt to send their apprentices to TAFE colleges do not directly benefit from the improved training facilities or infrastructure funded by their levy contributions.

Another unnecessary restriction is the need for applicants to demonstrate inability to self-fund projects. Support for innovative projects should not be contingent on the applicant experiencing financial hardship as this eliminates well considered projects and diminishes outcomes.

By removing these restrictions and broadening the eligibility criteria, the CTF will encourage submissions from all Western Australian RTO's and fund the most meritorious projects. This will accelerate the improvement to training quality that the construction industry is seeking. Alternatively, a separate CTF Construction Training Innovation Fund could be established alongside the Capital Grant Funding to support the construction training providers to innovate and become future enabled.

## **2) To increase the number of skilled persons in the building and construction industry.**

SMTAFE believes that this objective is achievable with a more agile approach to the application of the CTF funds for training delivery. This includes adapting the use of the CTF funds to compliment and leverage broader changes in training funding policy.

An example of this is the opportunity to adapt the Construction Careers Scholarship Program to compliment changes to VET funding for school-based students.

A recent change to government policy resulted in a significant increase in the supply of training places for school-based students to access government funded VET courses, including a broad range of construction courses. The subsequent strong demand from schools for these courses disrupted the existing market for the CTF scholarship program. This shift inadvertently created competition between two funding sources for the same cohort and diminished the demand for CTF scholarship places.

Despite this change SMTAFE continues to see value in the CTF Careers Scholarship Program, particularly the wrap around support it affords the scholarship recipients. As a solution, SMTAFE identified an opportunity to leverage the expanded government funded construction training places and use the CTF funding to complement the training with a suite of valuable wrap around services for more students, including CTF uniforms, PPE, and mentors for participants from diverse backgrounds. This solution would significantly increase the CTF reach and visibility and potentially improve student completions and transition into apprenticeships. This idea did not receive support but serves as an example of how the CTF funding parameters need to be nimble and where necessary change quickly. This will ensure the CTF achieves its objective to increase the number of skilled persons in the building and construction industry.

**C) The need for this Act to continue in operation**

SMTAFE is supportive of the Act remaining in operation. The CTF is a unique vehicle for industry to contribute to the skilling of its existing and future workforce. This review serves as a valuable opportunity to ensure the CTF adapts to current and future needs.

**f) Consider the benefits of a more diverse construction workforce and assess whether First Nations people participation and gender imbalances in training are being adequately addressed under the Act.**

In 2023, SMTAFE trained 320 female students and 200 Aboriginal students in construction related pathways. Approximately half of these students were apprentices, with the remainder undertaking VET delivered to students in schools, pre-apprenticeships and institutional courses and skill sets. These students from diverse backgrounds would have limited or no current involvement with the CTF. SMTAFE believes that the CTF could support diversity in the construction industry by expanding how CTF funding is allocated to provide wrap around and value add services to attract and support construction students in mainstream courses from target diversity backgrounds. This extra support to existing programs could assist these students to complete construction courses and transition into apprenticeships or other construction job roles.

**Name: Blair Marsh**

**Position: General Manager of Training Services**

**Date: 15/5/2024**