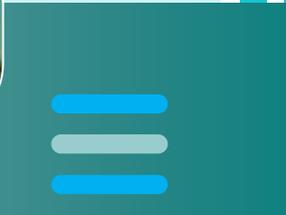




Stakeholder Consultation

Great Southern

August 2013





**REGIONAL STAKEHOLDER CONSULTATION PROJECT
GREAT SOUTHERN**

CONTENTS

PROJECT OBJECTIVES.....1

INTRODUCTION.....2

SUMMARY OF MEETINGS HELD IN ALBANY.....5

OBSERVATIONS.....8

RECOMMENDATIONS.....8

ACKNOWLEDGEMENTS.....9



REGIONAL STAKEHOLDER CONSULTATION PROJECT GREAT SOUTHERN

Project Objectives

RAPS will be conducting visits to the Great Southern to talk with employers and key stakeholders to gather information for the Workforce Development Plan and to establish the priority issues for this region.

To promote:

- The benefits of training in the workplace.
- VETiS programs within the RAPS industry scope.
- The benefits of training within Small Business.

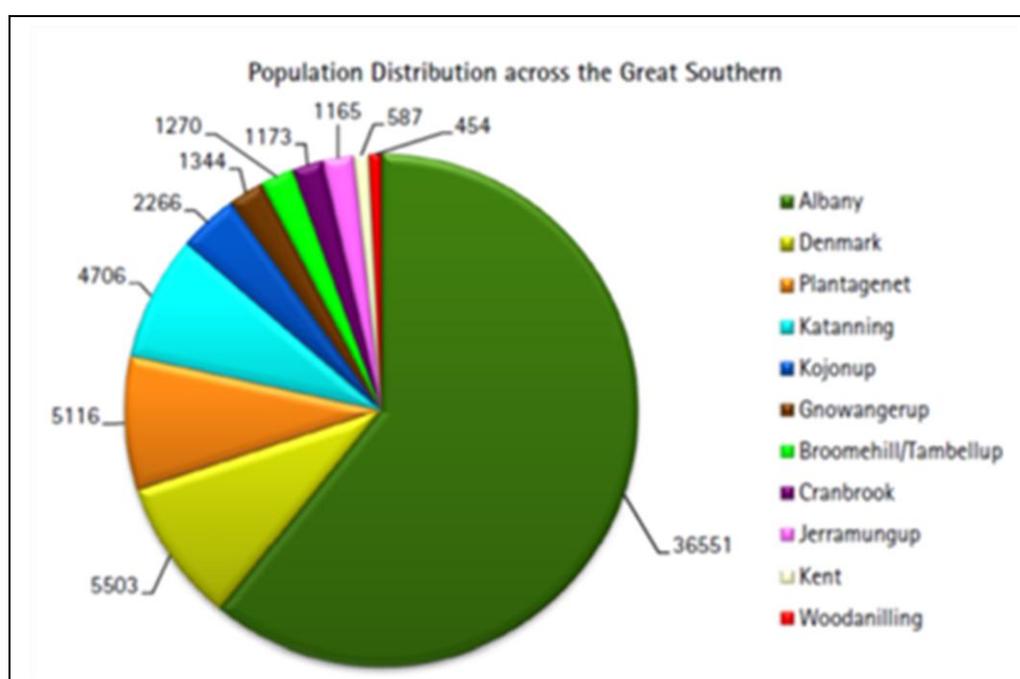
The primary aim of the Retail and Personal Services Training Council was to:

- Establish contacts and to form a working network with Small Business, Training Institutes and Agencies, Training Providers, Business Councils, Schools and Government Departments.
- Identify workforce needs and requirements of employers.
- Identify areas of need and opportunities within the Great Southern region.

INTRODUCTION

The Great Southern region is the second smallest region in Western Australia, bordering the southern ocean on the south coast of Western Australia and extending inland for 200 kilometres. Representing 1.5% of the State's total land mass and covering 39,007 square kilometres of diverse landscape, this region comprises 11 Local Government Authorities, including the City of Albany, Shires of Broomehill-Tambellup, Cranbrook, Denmark, Gnowangerup, Jerramungup, Katanning, Kent, Kojonup, Plantagenet and Woodanilling. Offshore islands and 250 kilometres of southern coastline are a key attraction in the region. The region's current population is estimated to be 60,135, with a median age of 41.¹ Aboriginal Australians are recorded as being 3.4% of the region's population.²

At the time of the 2011 Census 15,668 people were in the 45–64 age cohort, representing 28.3% of the Great Southern region. Approximately 23.2% or 12,862 people were in the 25–44 age cohort and 30.1% of the population was aged over 55 years. The 2012 report on population profiles and projects by the Western Australian Planning Commission estimated that the Great Southern region would continue to experience significant population growth. An average annual growth rate (AAGR) of 1.2% is suggested. The AAGR for young people aged 0–19 years is approximately 0.5%, for the age groups 20–64 years it is approximately 0.9% and older people have a rate closer to 3.7%. The region has a population projection of 64,200 people by 2016.³



Source: ABS (2012) 3218.0 Regional Population Growth

¹ Regional Development Australia Great Southern WA, Regional Plan 2012-2020

² ABS (2012) 3218.0 Regional Population Growth

³ Great Southern Workforce Development Plan 2013 - 2016

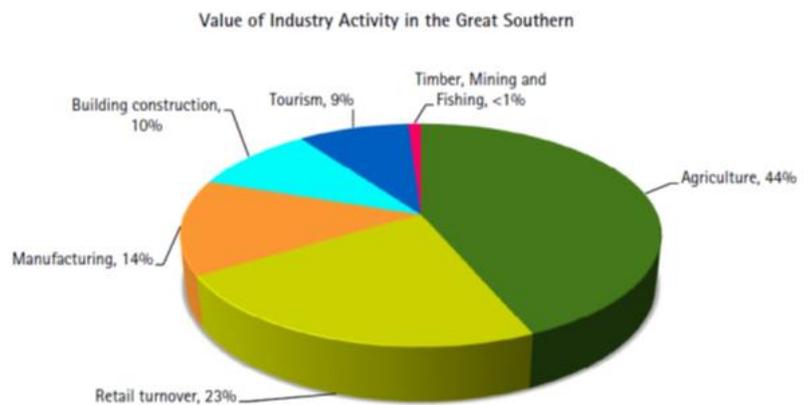
The labour force in the Great Southern region has increased by 4,435 people from 2002 to 2010 and has remained stable in comparison to the State's total workforce, at around 2.7%.⁴ There is a positive trend of increasing employment in the Great Southern region within several industries including retail.⁵ The 2011 Census showed 30% of Aboriginal people aged 15 years and over were employed. Conversely, the Aboriginal unemployment rate in the Great Southern was 16.5% compared to 4.5% for non-Aboriginal people in 2010.⁶ The region has a reduced workforce in the 20-40 year old cohort, with the notable trend of people migrating out of the region between the ages of 15-25 years. Migration of people returning and new people in the region begins to gradually improve for people aged 25 years and peaks between the ages of 45-49, suggesting that many younger people find it necessary to seek tertiary education, employment and career opportunities in the metropolitan area.

Data from the 2011 Census indicates that 37.3% of the total labour force is over 50 years of age. The Great Southern region has a larger ageing population over 50 than the State and Australian averages, providing two important implications for labour demand in the future. First, over the next decade or so, a relatively large proportion of the population will move into retirement, fuelling greater demand for replacement labour to fill the gaps left by retirees. Secondly, the older age structure will shape the local economy and service sector.⁷ As a result of more retirees settling in Albany, the healthcare industry is increasing and more retirement places are opening. This potentially could help retail within the region.

Since the report was written, the latest figures indicate that the Great Southern region had an unemployment rate of 4.8%. This was higher than the average for Western Australia, which had an unemployment rate of 4.0%.⁸

The City of Albany, the State's oldest European Settlement, is the region's administrative, business and financial hub. Albany is the major centre for light industry and tourism and home to approximately 36,042 residents, or 61% of the region's population. District centres in the Great Southern region with a population of around 5,000 include the towns of Denmark, Katanning and Mount Barker.

Retail is one of the main industry sectors employing people in the Great Southern region, along with the agriculture, farming and fishing industry; and growing government services including



Source: Great Southern Development Commission Economic Profile

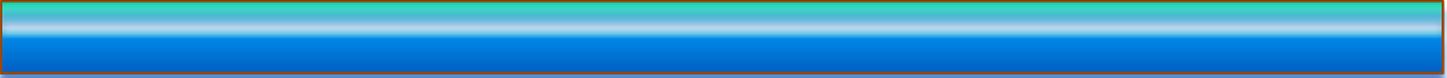
⁴ DEEWR (2010) Estimated Great Southern Labour Force 2002-10

⁵ Regional Development Australia Great Southern WA, Regional Plan 2012-2020

⁶ ABS (2012). National Regional Profile: Australia, WA and Lower Great Southern Statistical Division

⁷ Regional Development Australia Great Southern WA, Regional Plan 2012-2020

⁸ Regional Education, Skills and Jobs Plan Great Southern 2012-2014



health, education, public administration and safety.⁹ The retail hub of the Great Southern region, the City of Albany has many business chains as well as thriving unique local businesses. York Street is the main shopping area, and features a mix of clothing boutiques, sports stores, newsagencies, homewares, music outlets, dining options, gifts, jewellery, books, art and craft supplies, entertainment and professional services. Recent growth has seen the establishment of new shopping complexes across the City, including a major redevelopment of Chester Pass Road which includes both large and small retail outlets.¹⁰

The Great Southern Institute of Technology (GSIT) is the largest registered training organisation in the region, with four campuses that operate in the main regional centres of Albany, Denmark, Mount Barker and Katanning. There are many training opportunities for Great Southern residents, including the use of GSIT vocational training in new areas with employers, and a new trade training centre is planned for North Albany Senior High School. To allow the Institute to respond to the region's training expectations, improve qualification levels of Aboriginal students and ensure accessibility to student entitlements and income contingent loans, the GSIT aims to continue further with infrastructure development.¹¹

⁹ Regional Development Australia Great Southern WA, Regional Plan 2012-2020

¹⁰ City of Albany. (2013) About Albany

¹¹ Regional Development Australia Great Southern WA, Regional Plan 2012-2020

SUMMARY OF MEETINGS HELD IN ALBANY

The following is a summary of information obtained from organisations and individuals in Albany during RAPS visit in August 2013.

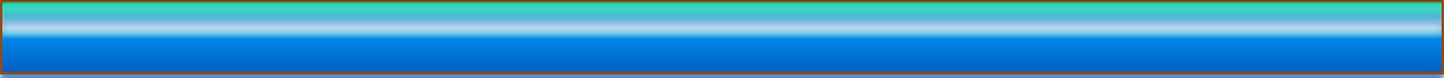
It was apparent from various comments made that, whilst the retail industry within Albany is on the downturn, the area has not been affected to the extent of other regional areas and indeed the metropolitan area. Constant sales in retail outlets were observed and large shopping centres were not dissimilar to those in the metropolitan area. We were provided with information on how shopping centres in Albany had changed in the last ten years and now consist mainly of multi-national retailers rather than sole traders. Seven day trading is not yet operating in the Great Southern region, although we were informed that there is a strong lobby group of multi-nationals pushing for it.

We were advised that there were 55 businesses for sale in the Albany region across a broad section of industries, including retail, and that 32 businesses had closed down since June 2012. Included in this were 7-8 major retailers. Additionally, consultations revealed that many businesses were not re-signing their leases nor were landlords re-negotiating leases. Reasons provided as to why some businesses were struggling included online shopping, mining companies closing and tourism being down by 14% in the region – possibly as a result of more people taking overseas holiday's rather than local recreation.

Meetings held with representatives of the Albany Business/Small Business Centre and the ApprentiCentre established that most businesses comprised between 1 and 4 employees and that the quality of retail employees within the region has fallen, as a result of losing people to the mining sector.

The Albany Business/Small Business Centre consists of small businesses and representatives of TAFE and the Regional Development Commission, who meet on a weekly basis. They have an 18 site business incubator and is a small registered training organisation (RTO) delivering Certificate III and IV in Customer Service and Finance. They have a contract with the Department of Education, Employment and Workplace Relations (DEEWR) to run the New Enterprise Incentive Scheme (NEIS). This Scheme provides job seekers with accredited small business training, business mentoring, and income support to help them turn a business idea into a viable business and help them to become a self-employed business owner. The Albany Small Business Centre reported that they had a good uptake of the \$200 vouchers offered to businesses towards (unaccredited) training. Additionally the Centre helps businesses to have an online presence and run Facebook workshops to help promote businesses. We were advised that small businesses are progressing steadily to understand how to utilise the internet and have an online presence.

Representatives from both the Albany Business/Small Business Centre and the ApprentiCentre advised us that apprenticeship numbers in some areas are on the increase as local people are contracting to areas further afield and adopting better marketing strategies to expand their businesses. The repair industry is increasing while retail is decreasing. The comment was also made that Skill Sets are a better way to go rather than full qualifications, particularly for industry specific retailers. There is not enough



time for both employers and employees to spend time training, especially when a high percentage of their staff is part-time or casual.

Consultations with the Great Southern Institute of Technology (GSIT) revealed that the Institute is concerned about the impact of the Entitlement Model particularly in terms of planning staff requirements and whether severances will be necessary. Additionally, that any increase in fees could impact on student enrolments.

The Institute's other concern relates to qualifications that are institutional and diploma and above. There are many students in Denmark and Mt Barker that are involved in music, art and healthcare programs that don't necessarily result in a qualification. TAFE Institutes currently offer services for the community, but not necessarily for vocational purposes.

It was considered by some, due to thin markets, questionable as to whether private RTOs should be in the arena in the Great Southern region. We were advised that there are private RTOs conducting quick courses in Health, which is of particular concern. Regional areas, in particular, need help to cater for thin markets as TAFE Institutes provide a service for these.

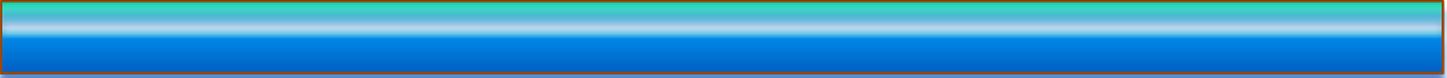
The Department of Training and Workforce Development (DTWD) are aware of these difficulties and State Training Providers have prepared a joint paper for the Minister on service operations.

We were advised that GSIT have only 16 international students currently enrolled. They would like to have more international enrolments, hence the need to offer more strategies to attract students.

RAPS met with two schools within the region, St Joseph's College and Albany Senior High School. Consultations with St Joseph's College revealed that they have an existing Trade Training Centre offering a number of courses, including Retail, and that they have identified that there are some areas that are hard to set up due to the cost of training and equipment. A Trade Training Centre is planned at North Albany Senior High School, primarily for the delivery of qualifications in health and allied services, children's services, general community services and aged care. Albany Senior High School does offer Certificate II in Hairdressing and also have work placement students at Retravisio, Priceline, Woolworths, Coles and Target.

Meetings held with VET Co-ordinators from the above schools established that they experience difficulty in finding work placements for school students with employers in the RAPS industry sectors. Apparently Floristry and Hairdressing employers have taken on students in the past that have not worked out, and are now hesitant to take on future students. St Joseph's College advised they are not delivering Certificates in Retail due to the lack of staffing resources. Staff require qualifications and currency in industry areas but the costs of training staff and associated expenses are too high.

The comment was made that there is a lack of career development available in the crucial years of a student's life. The first reason for this is that the designated staff in Careers



Development positions do not always possess the knowledge to deliver accurate vocational education training. The second is that there is not enough time in the school curriculum. Family and social influences are also factors that can affect a student's career development.

RAPS was advised that the Great Southern Institute and the Education Office are in partnership to deliver a Certificate I in Training and Employment program to Year 10 students, including a trades stream incorporating hands on activities in various industries.

With the introduction of the changes to the Western Australian Certificate of Education (WACE), it is highly likely that the Department of Education Services (DES) will continue to fund Vocational Education Training in Schools (VETiS).

RAPS also met with representatives from the Albany Worklink Inc, which is the location of the Lower Great Southern's Workforce Development Centre.

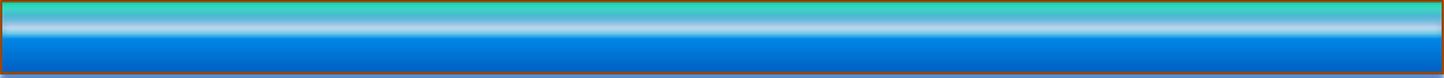
Worklink Inc, which has been operating for 25 years, has a training arm (LWG Training) which offers business and retail traineeships. They focus on young people (15-17 year olds), at-risk school students and 16-17 year olds who have been disengaged from School. We were advised that over a six year period, the number of trainees reduced dramatically by 75%, with the removal of employer subsidies and the crowding out effect being the main reasons for this.

Additionally, Worklink Inc. provides speciality programs including the Australian Apprenticeship Access Program, which aims to assist job seekers between the ages of 15 and 63 to become job ready or return to work and increase their chances of gaining an apprenticeship, traineeship, employment, further education or training. The program consists of eight weeks pre-vocational training; incorporating three nationally recognised training units; work experience placement; up to 13 weeks job search support and 13 weeks post placement support.

Byte Into Business is a Certificate II in Business course specifically designed for Aboriginal people who want to learn new skills or upgrade skills for the workplace. Customer Service, word processing, business technology, business correspondence and work readiness are included in this course. We were advised that Worklink Inc. have had great success in working with Aboriginal boys.

The Centre also operates a Headspace facility, which is the national youth health foundation. Headspace Albany assists young people (12-25 years old) with mental health and general well-being issues and helps provide education, employment and other services.

All employment programs include work experience, which they believe is crucial in preparing young people for work, and the Centre has built up good relationships with a number of employers.

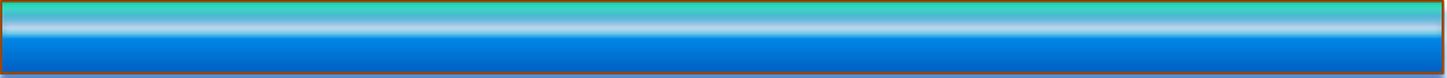


OBSERVATIONS

- Community Pharmacy is an area worth considering for VET in schools
- Skill sets are a better option than full qualifications, particularly for industry specific retailers
- The quality of retail employees has fallen due to losing people to the mining sector
- With the help of the Albany Small Business Centre, small businesses are progressing well in relation to utilisation of the internet and having an online presence
- Employers are experiencing difficulties with training, particularly where a high percentage of their staff are part-time or casual
- Staff at the Great Southern Institute of Technology expressed concerned in relation to the impact of the new entitlement model for the non-vocational courses
- State Training Providers have prepared a paper for the Minister of the Department of Training and Workforce Development, in relation to the services they provide including thin markets in regional areas

RECOMMENDATIONS

- That appropriate resources and funding are needed to deliver programs in schools
- That resources and funding for more career development in schools is required
- That strategies to attract international students to the Great Southern Institute of Technology could be considered
- That skill sets rather than full qualifications, particularly for retailers is necessary



ACKNOWLEDGEMENTS:

Albany Business Centre & Albany Small Business Centre

Vicki Brown, Manager

Albany Senior High School

Karen Douglas, Workplace Learning/ VET Coordinator

Albany Workforce Development Centre

Barbara Helsby, Chief Executive Officer

Jill Pearce, Training Manager

Paul Hines, Retail Training Manager

ApprentiCentre, Great Southern

Jerome Vann, Apprenticeship Consultant

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Bill Swetman, Acting Managing Director

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