

**Inquiry into the delivery of vocational education and training in regional, rural, and remote Queensland**

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## 1. REGIONAL, RURAL AND REMOTE

At the outset, it is noted that the Central Highlands Regional Council local government area is characterised as regional, rural and remote for the purposes of the inquiry.

## 2. THE MAJOR BARRIERS TO THE PROVISION OF LOCALISED AND PLACE-BASED VET, AND PRIORITY AREAS AND COHORTS IN QUEENSLAND & OPPORTUNITIES FOR THE DEPARTMENT OF EMPLOYMENT, SMALL BUSINESS AND TRAINING TO FACILITATE IMPROVEMENTS

Council makes the following comments with respect to the matter for examination titled 'The major barriers to the provision of localised and place-based VET, and priority areas and cohorts in Queensland' and 'Opportunities for the Department of Employment, Small Business and Training to facilitate improvements in these areas':

### 2.1 Barriers and opportunities in the water and wastewater treatment space

#### 2.1.1 Workforce shortages in the water and wastewater treatment space

Council is a major regional employer, employing 454 employees as at 31 December 2022. Council is responsible for the provision of a number of critical community services, including water and wastewater treatment and water supply. Council presently has vacancy rates of approximately 28% across the water treatment and wastewater treatment plant operators and vacancy rates of 33% for plumbers supporting the water and wastewater network, which poses a significant critical service delivery and therefore public health risks within the region. The shortage in the water and wastewater treatment business is not unique to Council and is a challenge which is experienced across the local government sector in Queensland – notably, a Local Government Skills Shortage Survey 2017 reported the following findings:

Rank	Technical and Trade Occupation	Percentage		
		Current shortage	Force to recruit less skilled applicants	Future shortage
1	Wastewater Treatment Operator	28.3%	13.2%	35.8%
2	Water Treatment Operator	22.6%	9.4%	30.2%

The National Local Government Workforce Skills and Capability Survey reported that water treatment operators represented the highest occupational skills shortage for urban regional local governments into the future for the operational and trade category and the second highest skills area in which urban regional local governments were required to recruit less skilled applicants, with wastewater and sewerage operators ranked fourth (2022 Local Government Workforce Skills and Capability Survey).

The challenge is more pronounced in regional, rural and remote areas of Queensland, however commentary at a Water Skills Partnership Meeting on 6 December 2022 highlighted that water and wastewater treatment operator recruitment issues are also being experienced by major utility providers in the South East of the State.

It is anticipated that the issue will be exacerbated by an aging water skills workforce, with 35% of the workforce aged over 50 years in 2020 and therefore approaching retirement over the forthcoming decade. As a matter of concern, the 2020 Queensland Water Workforce Composition Snapshot highlighted that only 11% of the workforce is under the age of 30.

Council is attempting to address the workforce shortage in-house, however despite Council offering traineeships to undertake a Certificate III in Water Operations to both existing and new employees, Council faces difficulties in both recruitment of trainees and retention of those trainees once Council has invested in the provision of training, owing to skills demand in the sector.

Key contributing factors to the water skills shortage include:

- Limited access to quality training providers due to trainee numbers and location ; and
- Training providers for niche and critical skills applications not being fast tracked for user choice funding/approval as skills assured suppliers (**SAS**).

### 2.1.2 Limited offering for water and wastewater treatment training and qualification in Queensland

To compound the issue, in the past year, Queensland TAFE withdrew from the skills assured supplier market for provision of Certificate III in Water Operations registered training. As a result, there are currently only two Registered Training Organisations (**RTOs**) delivering National Water Training Packages (**NWP**) who have SAS status in Queensland, namely:

- Simmons & Bristow; and
- Water Training Australia.

SAS status is critical in allowing employers and students to access the user choice subsidy scheme. Outside of these arrangements there is the option for full priced or fee-for- service packages provided by RTOs approved by the national Vocational Education and Training regulator, the Australian Skills Quality Authority (**ASQA**), however such alternative options are associated with significant cost for Council, and therefore inevitably the ratepayer. To illustrate this cost impact, as Council were not able to organise water treatment training through a Queensland RTO with SAS status, Council have negotiated with Viridis Consultancy (a Brisbane based company) and Fusion Training Solutions (an RTO in New South Wales) to deliver a Certificate III in Water Industry Operations for seven staff members at a cost of a minimum amount of \$6,500.00 per staff member, without access to any government subsidy, in addition to travel costs for providers to travel to the Central Highlands region.

The Queensland Water Directorate and Water Skills Partnership, of which Council is a member and its Manager of Water Utilities is the Chair, has been engaged in ongoing discussions and engagement with the Department of Employment, Small Business and Training (**DESBT**) regarding the status and assessment of the viability of the 'thin' SAS RTO market. Unfortunately, despite advocacy, DESBT has decided not to open a general application process for SAS status for 2022-23. Instead, DESBT has advised that it will continue to assess and manage requirements for additional suppliers and may invite registered training organisations to apply for SAS status if a need is identified – unfortunately this offers no guarantees for the water skills sector.

Council sees the following opportunities to address the skills shortage which it urges the Committee to take into account in relation to its recommendations for the inquiry:

- Open a general SAS application process in 2022-23 to allow additional suppliers providing a Certificate III in Water Operations to apply to become SAS;
- Subsidise travel costs for training providers in regional Queensland; and
- Create training hubs in regional centres as a way of addressing this critical shortage.

## 2.2 A physical location for place-based VET opportunities in Emerald servicing the broader Central and Central West Queensland regions

On 20 June 2018, Emeritus Professor Peter Coaldrake released a report in relation to the review of the future of vocational education, training and skilling in central-western Queensland which promoted the closure of the former Queensland Agricultural Training College in Emerald (**former Emerald Agricultural College**).

Since October 2021, Council has been undertaking due diligence and master planning to inform a business case and ultimate decision by Council with respect to the purchase of the former Emerald Agricultural College from the Department of Agriculture and Fisheries, via an inter-agency transfer. However, Council recognises that developing an innovation and training hub is not its core business and that the former Emerald Agricultural College would better be owned in partnership with of by the State Government. Relevant to this inquiry, a number of organisations and private sector companies have expressed interest in locating within the site to creating training centres. Those organisations and private sector companies include:

- BHP/BMA;
- The Central Queensland Centre for Rural and Remote Health (a Commonwealth funded Department of Rural Health in collaboration with James Cook University);
- RDO Equipment (formerly Vanderfield);
- An IVF, Artificial Insemination and Semen Collection company;
- The Country Universities Centres;
- LeadAg, an agricultural pathways program run by CHRRUP; and
- Field Solutions Group.

Interest spans the mining, health, ag-tech, tertiary education, veterinary and telecommunications sectors and if realised, would result in beneficial re-utilisation of the former Emerald Agricultural College built assets.

The location and existing infrastructure are ideal for training and Council is open to a partnership with DESBT and the State government more broadly to realise training and broader innovation hub principles within the site. It is suggested that the Committee consider the prospect of re-utilisation of the former Emerald Agricultural College to foster new training and innovation opportunities within its report.

Council is currently preparing a site vision and precinct plan for the former Emerald Agricultural College to illustrate the benefit of activation of the former Emerald Agricultural College as an innovation and training hub.

## 2.3 Regional University Centres

The concept of establishing regional university centre hubs (**RUCs**) is playing a crucial role in tertiary education and skills development in regional Australia. In doing so they are also supporting the supply of local labour into the very tight labour markets of many of the state's regions, where employers of all stripes – including state and local government agencies – are competing fiercely for workers in short supply. There is potential for a RUC to be established in Emerald by Country Universities Centres, subject to Country Universities Centres normal processes.

Supporting and working with RUCs will be an important and effective strategy for the government to help ensure the flow of skilled staff needed to deliver key services locally. Local availability of tertiary education is highly effective in delivering labour supply in regions – research work conducted for the Regional Universities

Network (RUN) found that around seven out of ten RUN graduates will go on to work in a regional area, compared to about two out of ten graduates nationally.

Currently, the RUCs in regional Qld are supporting more than 500 students enrolled in tertiary studies. These 500 students represent an important contribution to the pipeline of local labour supply in regional Queensland in the near to medium term – particularly in the towns where the RUCs are located. It is important to note that RUCs complement, rather than replace, existing and planned university investments and activities in regional areas, such as satellite campuses and study centres.

On behalf of Council, I would like to take this opportunity to thank you for your consideration of this submission.

Should you have any queries in relation to this submission, please do not hesitate to contact Millicent Bradley Woods, Principal Projects Advisor on [REDACTED].

Yours faithfully

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**Sharon Houlihan**  
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