

## Training and Skills Development Bill – May 7<sup>th</sup>, 2008

**Mr PEDERICK (Hammond) (16:27):** I rise today to make a few comments in regard to this bill. I would like to expand on some concerns that the Liberal Party has with the bill and I also indicate that, although we support the bill, we will clarify certain matters during the committee stage. One of those parts of the bill that we will clarify is the Training and Skills Commission to make sure that we get the right representation across industry, the union movement and others, so that whatever we do we get the right representation on this commission to make sure that we get the outcomes for the people being trained.

We also have some concerns with training contracts. Those employing trainees must ensure that those trainees are under a training contract, but it could be by other means as approved by the minister. This would add a bit more flexibility in regard to future training needs in this state. Due to the skills shortages we have now, and any future shortages, we will certainly need flexibility in this area.

I acknowledge a scheme that has been undertaken at the Australian Zircon mine at Mindarie in my electorate that is just firing up. If it is not at full production, it is very close. Its objective is to put farmers into mining but keep them at home on the farm. There is a lot of potential in this state.

We have already seen in many areas of the state, because of the ravages of drought and other situations, farmers who might have had one son at home on the farm and, when the other one needed to do something when he came home from school or university or other work, he decided to get an occupation in the mining sector, which could be at Roxby Downs.

There are also people in the position where they would like to stay at home and operate the farm but do not have enough income. In light of these trying times over the past five years, I think it would be a positive step to have programs where we can have people in like-minded occupations. I acknowledge that, for quite a long time, Roxby Downs has been labelled 'Kimba North' which symbolises the impact of farmers from the west coast heading to Roxby to make their fortunes, I guess.

It has certainly happened locally in my area. There was a particular case of a bulldozer operator who, with flexibility from the mine operations people, could do his major functions on the farm and then operate one of the D11s when he was able to, and it shows great flexibility. I think we will see more of this flexibility in the future. I think we will have to see it if we are going to not only have a suitable mining workforce (and we do know miners love hiring people from rural areas), but also sustain regional communities. We really need to look at that to ensure that we do not just suck people from one sector into another, and I think it can be done in a balanced way.

It certainly needs some flexibility on all sides and I recognise the difficulty in that. As I have said in this place before, having worked for a couple of years in the mining industry in the fly-in fly-out options, obviously you have to have plenty of flexibility engaged. Also, there are some concerns about the approval of training contracts and the time lines. If you do not get the contracts classified in four weeks, if there is a hold-up in the approval, then the employer can be hit with a fine. In these days of bureaucracy and red tape this can happen. I do not want to see people unduly fined in this process.

I note that employers will have to be registered under guidelines approved by the commission, and I just wonder whether that could be managed in a better way so that we just have a filtering mechanism to ensure that we do not have (let us say) fraudulent employers getting in on the scheme but have people connected in the appropriate way. If there is to be registration, I hope that it is not too rigorous a process because the red tape that employers have to go through is phenomenal, and people have to realise that it is a two-way street out there as far as employing people, whether they be trainees, apprentices, or even full-time workers.

We have seen a boom in people on contracts and this includes people working in government sectors. I have seen ridiculous cases where people have been employed for 12 month contracts because people are worried about all the industrial relations carry-on if they want to get rid of someone. When someone is on a 12 month contract, they spend three

months getting into the job, six months doing the job and three months finding the next job. You are basically down to about 50 per cent productivity.

Also, I want to see that compliance is handled effectively and that there is not too much rigorous activity placed on employers. I note that there is some flexibility in the bill for serious misconduct of an apprentice or a trainee and it gives some flexibility for the employer, but obviously they have to report to the commission. I think it is important that employers and employees have the capacity to be represented by their respective associations in industrial hearings. I note that the government believes that the hearings will be a formality and lawyer-free. I believe that we will need some clarification on that.

As far as disputes going before the Industrial Relations Commission, I hope that there is some independence in this and perhaps (whether there is another tribunal before it gets to commission level or whether it is part of the same process—the government can clarify that I guess during a committee hearing) there should be an independent training disputes tribunal, so that we make sure everyone gets the right outcome there.

I just note that there are also some industry organisations concerned with the increase in penalties, the doubling of penalties from a maximum of \$2,500 to a maximum of \$5,000. We need to outline when these penalties will apply.

I would like to acknowledge some of the training providers that operate in my electorate of Hammond. We have Murraylands Training and Employment Association of South Australia, WorkSkil Recruitment and Training, MADEC Jobs Australia, TAFE (conducting quite a lot of training in my area especially based out at Murray Bridge), the Australian Apprenticeships Centre, MASS National who operate out at Mount Barker, Skilled, Business SA and Statewide Group Training.

With all our training, we need to make sure that local training and apprenticeship agencies get equal opportunity whether they be big or small contracts to supply apprentices or trainees, especially in their own local areas, but even if there is potential to go outside. As I have said before, I am very passionate about regional employment and I acknowledge that we are on the cusp of a mining boom which will take people out of regional communities, and I think we have to make sure that we pair people up from regions with the mining sector. With those few words, I conclude my remarks.