

**Building and Construction Industry Training Board —**

Mr S.J. Price, Chair.

Ms S.F. McGurk, Minister for Training and Workforce Development.

Ms T. Allen, Chief Executive Officer.

Mr L. Baptie, Business Services Manager.

Dr S. Gallacher, Chief of Staff, Minister for Training and Workforce Development.

[Witnesses introduced.]

**The CHAIR:** This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

I give the first question to the member for Cottesloe.

**Dr D.J. HONEY:** My first question is of a historic nature on this matter. I refer to page 396 of budget paper No 2 and page 126 of budget paper No 3. There is virtually no detail in there at all. It is a really lean description of what is going on compared with other areas. I wonder why more detail has not been provided to explain the operations of the board, such as the costs and the like.

**Mr W.J. JOHNSTON:** It is an off-budget agency.

**Dr D.J. HONEY:** I know, but it could have some detail.

**Mr W.J. JOHNSTON:** It is under the standing orders of the Parliament.

**Dr D.J. HONEY:** I will let the minister answer.

**Ms S.F. McGURK:** It is good to have an experienced former minister over there to make the point that the Building and Construction Industry Training Board produces its own annual report with detailed financials that are available at any time. Of course, parliamentary questions asked throughout the year are also available. The Building and Construction Industry Training Board is a statutory authority. As members know, it is funded through a levy that is administered by the board. The board receives no appropriation from the consolidated account, which I think answers some of the questions the member has. Perhaps if he could outline some specific questions, it might be a bit easier to answer.

**Dr D.J. HONEY:** On page 126 of budget paper No 3, we can see that from 2023–24, as I understand it, \$37.2 million has been provided for a four-year apprentice support program. What is the participation rate for that scheme to date?

**Mr W.J. JOHNSTON:** Can I please get a clarification on the reference?

[10.10 am]

**Dr D.J. HONEY:** It is page 126 of budget paper No 3.

**Ms S.F. McGURK:** I am just trying to find the page.

**Dr D.J. HONEY:** It is under the operational plan and new initiatives in budget paper No 3.

**Ms S.F. McGURK:** Okay. It is operating expenditure, and you are asking about —

**Dr D.J. HONEY:** I am asking about the \$37.2 million for the four-year apprentice support program, which I understand commenced in 2023–24.

**Ms S.F. McGURK:** Yes, that is right. The whole support program and support payments have been put in place. It includes both the tool allowance and the apprentice completion grant. The estimated cost of that entire initiative is over \$37.2 million. The member asked for the number of apprentices the program has supported. I am sorry that I do not have that information. I have read it recently, but I do not have it in front of me. Sorry; in 2023–24, 1 122 apprentices received the completion bonus. As for how many have received the tool allowance, I would need to get that figure to the member.

**Dr D.J. HONEY:** That is fine. Have we seen an uptick in the number of apprentices in building trades; and, if so, what is the magnitude of that uptick?

**Ms S.F. McGURK:** Yes, that is right. The building and construction industry fund probably does not relate specifically to an item in this fund. It does not fund all the apprentices. It funds only particular programs designed to increase under its program. I just gave back my file for the Department of Training and Workforce Development to be placed elsewhere, but my recollection is that the number of apprentices and trainees in the building and construction industry has increased by just under 100 per cent compared with pre-pandemic levels. It has been a fantastic increase. A record number of apprentices and trainees are in the system at the moment across the board.

The construction training fund will focus on particular programs designed to support people in the industry. We have the group training organisation subsidy incentive in place, which has been very popular. There is an increase in funding to the base employer grant that is available. We have programs to support employers wanting to take on apprentices and trainees, particularly apprentices, in the construction industry. For instance, \$15.1 million in this budget was put in place for a 25 per cent increase in the base employer grant.

**Dr D.J. HONEY:** In relation to that increase in the base employer grant, we have seen a number of dramatic collapses of building companies. Are there adequate places for apprentices so that they can be placed in those programs, or are we struggling to find placements for the apprentices?

**Ms S.F. McGURK:** I will hand over to Tiffany Allen to answer that question.

**Ms T. Allen:** Thank you. Yes, although there have been some insolvencies, there are new builders coming on board and they have an appetite for training because they are trying to look for a new workforce. We have not found any instances in which an apprentice has not been able to find an employer. It is sometimes the reverse.

**Dr D.J. HONEY:** Another part of that is the \$5 million increase to the capital grants program for registered training organisations. Is that program current or is it an entirely new program that will commence at the end of this financial year?

**Ms S.F. McGURK:** Yes, this is a new program but it was announced previously. We have had the first round. This program is in partnership with industry to help address the current lack of physical premises for training capacity, which was impacting critical building and construction trades. The request was considered quite carefully by the board because it is not common for it to assist private training organisations, but it was acknowledged that they were having trouble with some of their facilities. This is the first time that this particular program has been put in place, but this is the second round that has been put out to offer for private registered training organisations.

**The CHAIR:** That completes the examination of the Building and Construction Industry Training Board Authority.