Logistics Industries
WORKFORCE DEVELOPMENT PLAN
July 2015 Update

This document is an extract of the 2015 Workforce Development Plan prepared by the Logistics Training Council for the Western Australian Department of Training and Workforce Development. For more information please refer to the complete Workforce Development Plan.

Freight
Forwarding

This page is left intentionally blank.

FOREWORD

The Logistics Training Council Inc (LTC) continues to provide high level strategic information and advice to the Western Australian Government on the current and future workforce priorities of the Transport, Logistics and Wholesaling Industries in Western Australia. The LTC has taken a leadership role within the industry to ensure that the workforce and other strategic activities of the LTC align with the priorities set by the Minister for Training and Workforce Development, the State Training Board and the Department of Training and Workforce Development (DTWD) through the policy document 'Skilling WA – A Workforce Development Plan for Western Australia, Second edition'.

The 2015 Logistics Industries Workforce Development Plan is a blueprint for all activities required to move the Transport and Logistics Industries forward into 2016.

Transport and Logistics are essential to the future growth and development of WA, as these industries are the drivers of all activities in the State, including construction, mining, agriculture and tourism. The Transport and Logistics Industry in Western Australia encompasses those businesses and individuals engaged in aviation; freight forwarding; maritime; ports and stevedoring; postal; rail; road transport; warehousing; logistics; and wholesale.

A major challenge for the LTC is to encourage industry to plan for its future workforce, while investing in strategies such as training to ensure a viable, skilled workforce is available to meet its needs. Skilling WA sets out the blueprint for how the State will plan for tomorrow's workforce, with the LTC enabling industry to use this as a guide for how to move forward.

The downturn in the mining sector has had a negative impact on the Transport and Logistics sectors, but growth is still expected into the future, as the movement of freight, both in and out of Western Australia, increases. Population growth will have an even greater impact on this over the next decade as demand for goods rises.

The Transport and Logistics Industry faces many challenges in the next 12 months, including an ageing workforce; stronger competition from growth sectors such as construction, for skilled workers; attraction and retention issues; limited focus by many businesses on succession planning; and an industry that is poorly identified to a prospective new generation of workers.

The research carried out by the LTC to inform the Workforce Development Plan has been captured in the 2015 Logistics Industries Environmental Scan, and can be used as a companion to this report to ensure a full and valuable picture of the industry is gained.

The LTC will continue to work closely with all stakeholders over the next 12 months to implement the strategies identified and ensure successful outcomes are achieved. Since releasing the 2014 Workforce Development Plan, the LTC has been able to achieve the following outcomes:

- Establishment of traineeships in Train Driving and Furniture Removal.

- Publication of a Careers Pathway Handbook for the Aviation Sector, including promotion through Careers Advisors and Schools.

- Visits by the LTC to regional centres in WA, both to promote Transport and Logistics as industries of choice, but also to gather intelligence to inform future recommendations.

- Judging and mentoring of finalists in the WA Training Excellence Awards.

- Facilitation of workshops for the Transport and Logistics Industry Skills Council in WA.

- Participation by the Chief Executive Officer on the Department of Training and Workforce Development's website "Workplace Essentials for Better Business" Steering Committee to develop resources and strategies.

- Continual updating of the LTC website to incorporate more information on careers, training and the industry.

- Facilitation of the Heavy Vehicle Industry Safety and Training Alliance (HVISTA).

The LTC will continue to offer strategic leadership in the area of Workforce Development and ensure that all advice provided to Government and Industry is of the highest calibre, allowing informed economic and policy decisions to be made for the sustained growth of the industry.

The 2015 Logistics Industries Workforce Development Plan is an organic and vibrant document, one that will be continuously updated as new information is provided or the environment changes. It is expected to be utilised by the Department of Training and Workforce Development, other Government agencies, registered training organisations and key Industry stakeholders, providing valuable input into State and Industry Workforce Development strategies and becoming the benchmark for future activity. I commend this Plan to you and look forward to seeing positive outcomes as a result of its findings.

Cathi Payne
Chairperson
Logistics Training Council Inc

DISCLAIMER: The comments made in this document, where not attributed to a particular source, are the opinions of the Logistics Training Council.

Table of Contents

SECTION 3 – INDUSTRY PROFILE - FREIGHT FORWARDING

Industry Snapshot

Strategic Environment

- This industry encompasses the coordinated movement of products through the supply chain by various means, ie road, rail, air and sea. Most of the work is done by Freight Forwarders and Custom Brokers.

- This industry is mostly made up of small to medium sized enterprises with approximately 1,500 people working within domestic and international freight forwarding services in WA.[1] Industry has, however, indicated that this figure under-represents those actually working in the Sector.

- Given their susceptibility to fluctuating currencies and world markets, small family owned businesses operating in this space have small profit margins and have had to diversify in order to stay relevant.

- Key external drivers for businesses are derived from the demand for merchandise imports and exports. This mainly comprises of oil, mining, automotive and agricultural products and is susceptible to fluctuating world markets and oil prices. Western Australia accounts for 45 per cent of the country's merchandise exports.[2]

- Despite a fall in activity over the past year due to a slowdown in mining activity, employers remain cautiously optimistic about the growth potential of the sector beyond 2012.[3]

- The workforce for this sector is made up of 73 per cent men and 27 per cent women.[4]

- Of those working in this sector 0.3 per cent indicated that they had a need for assistance with core activities (people with disabilities) while migrant workers accounted for 31.5 per cent.[5]

- Statistics indicate that approximately 42 per cent of transport support service workers have no post school qualifications. 24 per cent have attained qualifications at certificate level, 13 per cent at diploma level and 17 per cent at tertiary level.[6]

Key Issues

- Although compliance with new licensing conditions regarding professional development for customs brokers is welcome, it is proving to be a financial challenge for small businesses with minimal profit margins.[7]

- The limited number of licences issued for Customs Brokers has placed significant cost and demand pressures on companies. As they are in high demand they have become expensive to hire and it is challenging for employers to successfully retain their services.

- In WA there is an identified gap where there are no clearly defined pathways for establishing a career in International Freight Forwarding. It has not been easy for employers to attract new workers to the industry, particularly the younger age group.

- Concern has been raised about the lack of infrastructure to support the logistics industry in regional areas, particularly Dampier in the North West, where operators find it difficult to coordinate the movement of goods.

- The industry is struggling to entice younger workers with adequate skills and experience for the successful implementation of succession planning and transitioning of older workers.

- As with many other industries, digitisation is taking place at an increasingly faster pace

than ever before. Airlines, forwarders and handlers have to work together to expand e-freight networks and uphold the secure transport of freight in paperless environments.[8]

Occupations/Skills in Demand

The following job role has been identified by industry as a future growth area:

Import/Export Clerk.

Overview of the Freight Forwarding Industry

Industry Analysis

Freight Forwarders manage the movement of goods on behalf of individuals or companies. They are responsible for arranging cargo to be delivered by rail, road, air or sea in the most timely and cost efficient manner possible. Some companies specialise in domestic freight whilst others focus on international freight. In some cases they act solely as an agent whereas other forwarders have a transport component attached to their business.[9] In WA the majority of operations are based in the metropolitan area out of the major transport hubs: Fremantle Port, Perth Airport, Cockburn, Kewdale and Welshpool.

Globally, freight forwarders are facing challenging times in an ever increasingly competitive environment. The industry report, Global Freight Forwarding 2014, indicated that there has been a shift in focus from globalisation to regionalisation. Such shifts are causing freight forwarders to revise their strategies and focus on emerging markets.[10]

Customs Agents or Customs Brokers look after the processing of goods coming in and out the country's ports and airports. The third party service is offered to importers, wholesalers and retailers who are subject to compliance with customs and quarantine requirements. The bulk of the services provided in this field are segmented into 85 per cent for imports and 15 per cent for export clearance. When combined this service offering is worth an estimated $3.2 billion.[11]

Although WA only accounts for 9.4 per cent of business locations nationwide, it is Australia's largest merchandise exporter, accounting for 46 per cent of total earnings ($113 billion). With regard to imports, the third largest import for WA after gold and petroleum is industrial equipment and machinery valued at over $3 billion for the mining industry. Annual growth is expected to rise by four per cent from 2012 to 2017. Machinery, transport equipment and parts account for 40 per cent of the total market share.[12] With the growth figures indicated, there will be a need for additional personnel to offset the workloads.

Initially, customs broking and freight forwarding, along with many other support services, were handled by the same company. Over time, growth within the sector has seen more operators branch out and start up their own companies and offer specialised services. In recent times operators have diversified to offer a one-stop service. Clients only have to deal with one company, therefore minimising risk and confusion when monitoring cargo movement.[13] This has placed a new wave of demand for various service offerings within the sector and requires additional training.

Across the board, most Australian companies expressed confidence in the growth and general outlook of the industry following a slight slump in activity in the last financial year. It was during this time that exporters took the opportunity to invest in product and service improvements because of the high 2011 value of the Australian dollar with benefits being reaped in 2012.[14]

Industry Trends

The lower value of the Australian dollar in recent times has made conditions favourable for exporters. Their goods have become more competitively priced with other markets. Exporters are cautiously optimistic about future prospects for 2015 and beyond.[15]

There has been a steady increase in the use of electronic air waybills across a number of countries. It is a tool that will assist small and medium sized forwarders in improving accuracy and efficiency of airfreight. The air waybill is the most important document for transporting freight by air. It is envisioned that it will eventually replace the paper air waybill with an electronic contract of carriage between the carrier and the customers.[16]

Negative currency effects lead to decreases in profits for certain firms. The largest percentage revenue increases have been achieved in the Asia Pacific region. In Australia this has mainly resulted from additional volumes and new business, particularly in the consumer, life science and health and technology sectors.

When compared to previous historical data trends, Western Australia has progressively become less reliant on the supply of manufactured goods from the eastern seaboard. Over the years, the changing direction of supply lines has been brought about by direct overseas deliveries to Western Australia and evolving national distribution channels. Instead of a dominant east-west supply line, there is an increasing north-south relationship with the Asia Pacific region.[17]

Although there has been a decline in the price of iron ore, it still remains Western Australia's largest export. It was valued at $63 billion in 2014 and accounted for 47 per cent of National merchandise exports. Other exported items include LNG gas and agricultural commodities where wheat had a 41 per cent increase from 2013 levels. Singapore retained its position as Western Australia's biggest source of imports.[18]

As from August 2012, major shipping lines adjusted their container free times and detention charges. Considerable pressure has been placed on operators to collect and return containers within seven (penalty free) days where they have previously had ten. Not only are the containers subject to quarantine inspections and treatments, there has to be an allowance for travel time including packing and unpacking to take into consideration. In this scenario container detention charges are likely to be incurred. Affected operators include forwarders, container parks and transport operators. In light of this and the Christmas season peak, Fremantle stakeholders have been encouraged to come together to synchronise operating hours that would help alleviate a gridlock that may likely take place in the lead up to the peak Christmas season[19].

In relation to freight forwarding, project logistics is a time sensitive process where a unique set of skills are utilised to transfer consignments within a set timeframe. A rise in the level of project logistics, particularly in the North West, has resulted in an increased movement of goods to the remote regions within WA. It is envisaged that activity will continue to increase and though activities are based out of Perth, companies are looking into establishing a physical presence in these areas.

Peak periods for both customs agents and forwarders are from October to December with a secondary peak time between January and February.[20] The fluctuations tend to influence employment trends as they are linked to the level of industry activity throughout the year.

Pricing in this sector is generally determined by supply and demand. Some operators will enter into negotiations with clients depending on the complexity of the service to be offered whilst others may opt for commission based charges.

Labour and Skill Demand

The introduction of a new qualification at Diploma level is aimed at customs brokers. There is a growing shift by industry toward training employees, particularly customs brokers at a higher level. There is a greater level of responsibility and care that needs to be taken when operating at this level.[21]

Many employers are seeking workers with previous experience in operations and customer service as they try to keep up with the demand of the resources sector. In addition to great attention to detail and communication skills, they also require knowledge of Electronic Document Interchange (EDI) systems which allow for the electronic manipulation of data and cost savings on reduced errors and manual handling.

Statistics indicate that approximately 42 per cent of transport support service workers have no post school qualifications. 24 per cent have attained qualifications at certificate level, 13 per cent at diploma level and 17 per cent at tertiary level.[22]

The following figure depicts online job advertisements for a selected group of freight forwarding occupations in WA. Job listings were taken from seek.com.au. As previously indicated through industry consultation, the rise in job vacancy posts corresponds with peak demand periods. Another reason for fluctuations can be attributed to the project life cycle for certain industries as imported materials are ordered as and when needed.

As seen below, the greatest fluctuations in job vacancies are for logistics coordinators. There has been significant growth in the need for logistics coordinators who can solve complex supply chain requirements on behalf of clients. As the demand for these roles are dependent on market forces eg exchange rates, they are subject to change with positions being offered on a contractual basis. Other job roles have not experienced such variations and thus, have been fairly consistent.

Figure 1   Job vacancies in Logistics per four-week period (2013 – 2014)
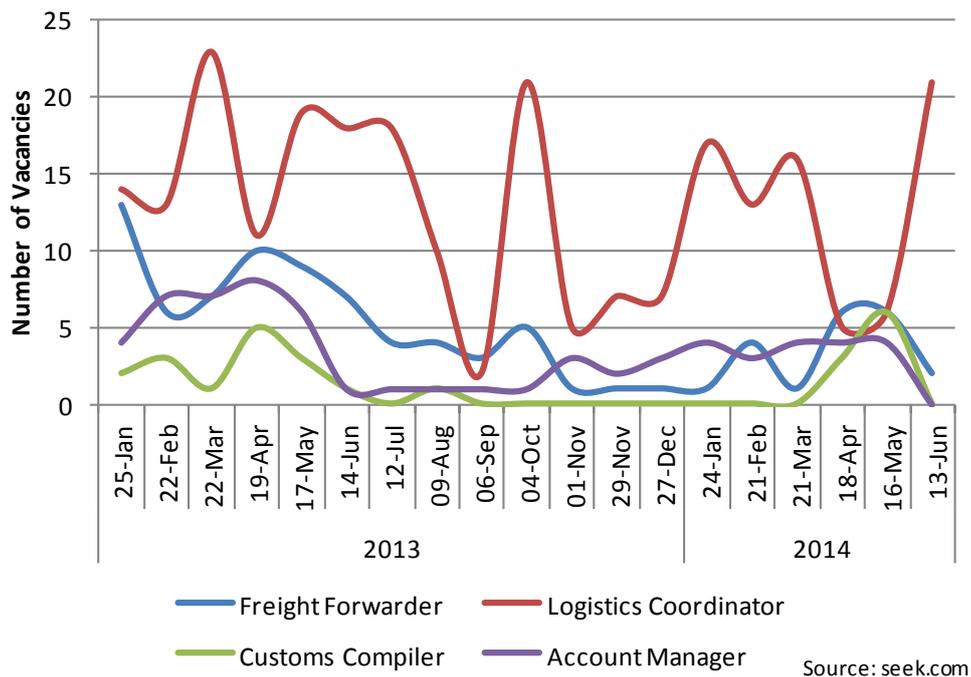
Regional Impact

The coordinated effort of delivering break bulk goods (goods packed in small, separable units) to areas such Port Hedland and Dampier, indicates the potential these regional centres have in attracting workers who are not necessarily involved with core mining activities. In addition to the sheer volume of commodities bound for export markets in and around China, there is also a significant amount of imports required to construct and maintain operational facilities. In addition to construction materials, imported heavy machinery, food and fuel are also transported. Some component parts are dismantled and transported to Perth to be serviced and sent back.

Regulatory Requirements

● A Customs Broker is a person who holds a licence granted in accordance with Part XI of the Customs Act 1901. Before a licence is issued, the individual must complete an approved course of study, gain sufficient experience and sit an examination conducted by the Customs Brokers and Forwarders Council of Australia.[23]

- Some changes have been made to the Aviation Transport Security Act of 2004 which affect operators involved with freight forwarding. As from June 2012, Accredited Air Cargo Agents (AACAs) shall be included in the definition of Aviation Industry Participants. Agents will, as a result, be required to report all security incidences as improvements are made to this area. The cargo clearance process has also been simplified by the removal of the term 'certification'. The term 'freight' has been replaced with the term 'cargo' as this is the more commonly used by industry.[24]

- As from July 2012, Customs Brokers are required to undertake regular continuous professional development.[25]

Gender/Age Participation

The average age of participants working in this industry is approximately 41 years and varies from organisation to organisation. Employers try to maintain a balance between the wealth of experience from older workers and the passing on of knowledge to new entrants. According to the Australian Bureau of Statistics, Freight Forwarders, Customs Agents and Brokers are classified under 'other transport services'.[26]

Major Challenges and Barriers

In an effort to keep up with the high demand for entry level workers in the freight forwarding space, industry is seeking the establishment of a traineeship. In light of the projected growth and demand for freight forwarders, industry faces the challenge of training new entrants and ensuring that they are adequately trained to industry standards.[27]

There are currently no traineeships in WA to assist employers with a means of providing adequate training pathways for gainful employment in the industry. The nationally accredited courses in International Freight Forwarding are relatively new and there has been a great level of interest shown by local companies in the new qualification which has the potential to yield great benefits for the industry.

Concern has been raised about the lack of infrastructure to support the logistics industry in regional areas, particularly Dampier in the North West, where operators find it difficult to coordinate the movement of goods.

The licensing element associated with the trade has, in recent times, become slightly more difficult to obtain. This can be attributed to the increased legislation aimed at reducing the illegal entry of dangerous goods into the country.

Small companies have indicated that they will struggle to comply with the recent changes to customs broking licence conditions. As from July 2012 (under the Australian Customs and Boarder protection notice 2012/29) a continuing professional development scheme is required for all licence holders. This is proving to be a very expensive exercise, especially for family owned businesses which have low profit margins and struggle to compete with economies of scale experienced by the big players in the industry.[28]

The lack of synchronised operating hours between wharfs, container parks and transport companies is resulting in delays, congestion and penalty charges incurred by operators and service providers. The operating environment is likely to worsen in locations such as Fremantle Port as it approaches the peak period leading up to Christmas.[29] If left unaddressed this will negatively affect the delivery times and cause blockages in the supply chain. Cost blow outs are ultimately passed on to the end user.

Another factor that tends to influence supply and demand is tariffs, whether direct or indirect. For example, reduced tariffs would result in an increase in demand for customs agents as more products at the cheaper price are imported and need to be cleared.

The implications of the carbon tax have not been fully felt by industry. The general consensus amongst exporters is that the tax had been set too high.

New and Emerging Skills

The Customs Connect Facility (CCF) has replaced customs' existing internal communication gateway for Electronic Data Interchange (EDI) and the internal Compile Online Method of Preparing Invoices from Lodgeable Entries (COMPILE) access point. It facilitates, opens and secures communication channels to the Customs Integrated Cargo System and other business applications.[30] As more organisations subscribe to this network, there is a growing need to have staff adequately trained/experienced in using this software which can be viewed as a potential barrier. This may also result in significant changes in business processes.

Industry Identified Occupations

The following job roles have been identified as future growth areas within the industry:

- Freight forwarding operator/operations coordinator
- Operations manager
- Importer/exporter

Workforce Development Opportunities

Western Australia has a growing freight forwarding industry which is attributable to a number of different factors. The population has exceeded prior growth estimates which in turn have impacted spending patterns and demand for products. The high value of the Australian dollar has created an environment whereby firms and individuals can import more goods into the country given the favourable terms of trade. The establishment of a traineeship would help support hands-on learning whilst meeting the training requirements of key personnel in the industry. This traineeship will also assist in alleviating the pressure on an industry that is responsible for organising the movement of goods into and within the state.

VET Training Data by Qualification – Enrolments and Completions

No traineeship data is available at this time.

Higher Education Pathways

ANZSCO code	Title	Qualification
591212	Importer/Exporter/Customs Broker	Degree in Project Management
591212	Customs Broker	Degree in Customs Broking

Industry Issues

- The industry has been dominated by a cohort of males and has the potential to include a higher proportion of female participants.

- The industry has previously had a poor image, being seen as unappealing with no incentive to join. The industry also has a negative image of itself in regards to attraction, career prospects and even longevity. It is important that this image be changed to reflect the current industry which has become cleaner and more vibrant, with much more reliance on modern technology. Concepts such as global communications networks and supply chains need to be promoted to young people.

- The industry has traditionally been seen as having few career opportunities or pathways. Although some pathways have been identified, many young people are still unaware of the existence of the industry or have not considered it as a career option. It is imperative that this cohort be attracted into the industry and that pathways be developed and promoted through schools and career development centres. In recent times there has been both national and global recognition of the importance of the supply chain and therefore transport and logistics is becoming an industry of choice.

- Given the nature of work and responsibilities of those working in International Freight Forwarding, employers have indicated that job roles would not be suited to those still in school. They mostly require people of secondary school age.

- When importing goods into the country, Customs Brokers are subject to regulations set out by the Australian Quarantine and Inspection Service. There is a great duty of care placed on those individuals responsible for protecting Australian Boarders from banned and illegal items. As a result, a Customs Brokers licence can be difficult to obtain, and candidates have to undertake a national exam upon the completion of relevant studies.

- There is a currently a shortage of high level workers to run the industry. With very few younger workers entering the industry, there are not many workers left with adequate skills and expertise to take over those approaching retirement age. This poses a serious threat regarding the longevity of some WA operators and could potentially see roles being redirected to the Eastern States.

SECTION 4 - INDUSTRY ISSUES AND STRATEGIES FOR WORKFORCE DEVELOPMENT PLAN

Skilling WA: Strategic goal 1		
Increase participation in the workforce particularly among the under-employed and disengaged, mature-aged workers, Aboriginal and Torres Strait Islander and other under-represented groups.		
Issue (from Section 3)	**Strategy**	**Skilling WA Priority Action**
Poor participation by females in the workforce The transport and logistics industry has been dominated by male workers for many decades, due in many instances to the physical nature of the work and the working conditions. This has included extended periods of time away from home, eg time at sea, on the road or in the air, which has not always suited a female workforce with family commitments. Whilst many work practices have changed to reflect the more inclusive work environment, there is still a major shortage of women in the transport workforce.	The LTC is working closely with industry groups representing women in transport to promote job roles currently being undertaken and identify other roles that could potentially be filled by women. This is being done in the following ways: • Creating a dynamic group of female industry champions to promote the industry's benefits to a future female workforce. The LTC is working with industry to identify these champions and develop strategies to promote them, eg school forums, website. • Development of a resource tool promoting women in the workplace, to be added to the Department of Training and Workforce Development's Workplace Essentials website.	1.1.02, 1.1.06, 1.1.08
Ageing workforce A major factor affecting all sectors of this industry is the ageing workforce, with many workers in their 60s and 70s. Due to the impending retirement of these workers and the current skills shortage, it has been recognised that there is a need to keep older workers in the workforce. It is important to utilise these workers to the best advantage, retaining their skills and knowledge whilst focusing on succession planning.	The DTWD has created a website to assist small to medium enterprises by providing relevant information on issues such as dealing with the ageing workforce and the attraction and retention of workers. The Chief Executive Officer of the LTC is a member of the Steering Committee developed to assist in the preparation of relevant materials for the "Workplace Essentials for Better Business" website. Many brochures have been developed, with Brochure 4 – 'Attracting and recruiting the people you need', one of these. Two further relevant brochures are in draft format – 'Investing in the experience of mature-aged workers' (to be released in October 2015), and 'Talent management and succession planning' (to be released in December 2015).	1.5.01, 1.1.06 Crossover 3.4.07

Skilling WA: Strategic goal 3		
Attract workers with the right skills to the Western Australian workforce and retain them by offering access to rewarding employment and a diverse and vibrant community and environment to live in.		
Issue (from Section 3)	**Strategy**	**Skilling WA Priority Action**
Attraction and retention of workers The movement out of traditional freight roles into other more highly paid roles has been seen as the biggest barrier in all sectors, particularly road transport and rail, where skills are easily transferable into other industries. However, the downturn in the mining sector has minimised the impact somewhat. The loss of younger workers from regional locations also depletes the levels of available skilled and semiskilled labour pools. Many leave to pursue further studies in specialised subject areas and higher level qualifications at university. Others leave in search of broader career prospects that are not offered locally. It is often left to older workers to shoulder the increased workloads and longer hours. The prospects for retirement are further delayed with no one to take over.	The DTWD has created a website to assist small to medium enterprises by providing relevant information on issues such the attraction and retention of workers. The CEO of the LTC is a member of the Steering Committee established to assist in the preparation of relevant materials for the "Workplace Essentials for Better Business" website. Many brochures have been developed, including Brochure 4 – 'Attracting and recruiting the people you need'. Two further relevant brochures are in draft format – 'Investing in the experience of mature-aged workers' (to be released in October 2015), and 'Talent management and succession planning' (to be released in December 2015).	3.4.03, 3.4.05, 3.4.07
Lack of succession planning As the workforce ages, employers are continually faced with the challenge of replacing their retiring workers who have accumulated vast amounts of tacit knowledge over the years. This information is difficult to transfer by written or verbal means. Without the appropriate measures in place there is looming uncertainty which negatively impacts the long term viability of both the company and the industry.	The DTWD has established a website to assist small to medium enterprises by providing relevant information on issues such as dealing with the ageing workforce and the attraction and retention of workers. The CEO of the LTC is a member of the Steering Committee established to assist in the preparation of relevant materials for the "Workplace Essentials for Better Business" website. A Brochure has been developed, 'Talent management and succession planning', which should be released in December 2015. Through facilitation and links to success stories, companies will be provided with the tools on how to implement succession planning measures. Suitable workers can be identified and prepared over time to transition into upcoming roles.	3.4.03, 3.4.07

Skilling WA: Strategic goal 3		
Attract workers with the right skills to the Western Australian workforce and retain them by offering access to rewarding employment and a diverse and vibrant community and environment to live in.		
Issue (from Section 3)	**Strategy**	**Skilling WA Priority Action**
Keeping up with rapidly changing technology With technology changing at such a rapid pace, it is difficult for industry, government and Registered Training Organisations (RTOs) to keep up-to-date, and to implement new technology and processes into the workplace. It is also an ongoing expense, particularly for small companies who cannot afford to keep up with their larger counterparts. As well as having a profound impact on logistics management, with the introduction of Radio Frequency Identification (RFI) and inventory monitoring and control mechanisms, new technology includes remotely operated trains and trucks, modernised shipping vessels and remotely automated aviation systems.	Industry stakeholders will be consulted on what competencies/attributes they would prefer employees to have to cope with evolving work practices. The LTC will also investigate and assist the entity responsible for national training package development to incorporate technological elements into training requirements or skill sets. This will be achieved through the continuous improvement register. Driven by industry, this will ensure that relevant elements of rapidly changing technology are incorporated. Skill sets for industry will offer up-to-date skills needed to complement the theoretical aspects of training offered. Using a best practice model as a benchmark is another method that could be investigated.	3.4.03, 3.4.07

Skilling WA: Strategic goal 4		
Provide flexible, responsive and innovative education and training which enables people to develop and utilise the skills necessary for them to realise their potential and contribute to Western Australia's prosperity.		
Issue (from Section 3)	**Strategy**	**Skilling WA Priority Action**
Poorly identified pathways The transport industry has traditionally been seen as having few career opportunities or pathways. Although some pathways have been identified, many young people are still unaware of the existence of the industry or have not considered it as a career option. It is imperative that this cohort be attracted into the industry and that pathways be developed and promoted through schools and career development centres. In recent times there has been both national and global recognition of the importance of the supply chain and this provides an opportunity for transport and logistics to become an industry of choice. Focussing on online shopping and supply chain concepts may also assist in attracting young workers.	The LTC is creating flexible, clear and relevant pathways and opportunities for advancement in the rail and maritime sectors, including aligning job roles to qualifications; illustrating career progression and opportunities; and creating innovative materials which can be used at expos and distributed to schools and career development centres. The pathways will be authentic with clear outcomes in terms of actual jobs and qualifications, ranging from VET level through to tertiary level. Resources have already been developed for the Supply Chain, Road Transport and Aviation sectors.	4.2, 4.3.01
Limited opportunities and interest through VET in Schools Whilst there has been a high success rate where VET in Schools (VETiS) programs have been introduced through targeted projects, there has been a limited uptake of opportunities by schools generally. This can be attributed to a number of factors, including a lack of knowledge of the industry by both school careers advisers and students. The industry is not seen as interesting or exciting with limited pathways available for students, especially when compared to more highly visible and highly paid careers. In some cases employers would like to engage with students, but may not have a relationship with a school and may not know how to proceed.	The LTC will continue to promote opportunities in the industry to school careers advisors and VET coordinators to highlight VET in schools programs and school based traineeships. This will include the establishing of suitable school based traineeships, eg Yard Operations. The LTC will also be exploring the proposed launch of a Small School Cluster Careers Guidance Pilot Program in the South West Metropolitan region, in association with other Training Councils and the State Training Board.	4.2.05, 4.3.01, 4.3.03, 4.3.04

Skilling WA: Strategic goal 4		
Provide flexible, responsive and innovative education and training which enables people to develop and utilise the skills necessary for them to realise their potential and contribute to Western Australia's prosperity.		
Issue (from Section 3)	**Strategy**	**Skilling WA Priority Action**
Road Transport: Training linked to regulatory requirements only The transport industry is heavily regulated, and for many companies training is linked to regulatory requirements, not qualifications. Currently there are no mandatory requirements in WA for drivers to have any formal training, apart from the relevant licence, which does not provide the background and knowledge required to become a truck driver. The freight task has increased dramatically in recent years, resulting in an increasing number of heavy vehicles sharing the roads with motorists. The safety of all road users is paramount and truck drivers, in particular, need to be skilled and competent to do their jobs. The number of crashes involving heavy vehicles is cause for concern and needs to be addressed.	Promotion of training that will meet regulatory requirements as compliance-based, and building the capacity of the organisation through additional skills contained in the qualifications. The LTC is continuing to work with key stakeholders to identify suitable training once a licence has been achieved so drivers are job ready and more employable. The Heavy Vehicle Industry Safety and Training Alliance (HVISTA) has now been formed to establish strategies to address the issues and move forward.	4.5.05
Poor language, literacy and numeracy skills Poor language, literacy and numeracy (LLN) skills have been identified in a number of sectors including warehousing and logistics, road transport and stevedoring. Employers are reporting that job roles are becoming more multi-skilled, the impact of which is compounded by underlying literacy and numeracy issues and the ability to successfully complete paperwork. This will also impede the upskilling and career progression of staff.	The inclusion of foundation skills which include LLN in new training packages and the requirement for trainers to complete an LLN unit for training and assessment qualifications will ensure that trainees have the best opportunity to improve their levels of LLN. The LTC will also encourage and support RTOs providing training for their staff in the LLN specialisation.	4.1.01, 4.1.02 Crossover 2.3.03

Skilling WA: Strategic goal 4		
Provide flexible, responsive and innovative education and training which enables people to develop and utilise the skills necessary for them to realise their potential and contribute to Western Australia's prosperity.		
Issue (from Section 3)	**Strategy**	**Skilling WA Priority Action**
Limited regional delivery, especially for niche industries with expensive training requirements Some sectors, eg maritime, with their large presence in the north west, have to send employees to Perth for training. Many require simulators which are exorbitantly costly and difficult to access. Training for small companies in regional centres is also difficult as they may not necessarily have the numbers for Perth-based trainers to visit on a regular basis, and may not have the staff to supervise their trainees to the extent required in the meantime.	A coordinated and cooperative approach between industry partners, providers and the LTC is required to successfully run training in regional areas, and includes the following: • Promotion of training and coordination of training dates and venues by appropriate regionally based organisations, followed by training en masse in regional centres to ensure local access is cost effective. • Larger companies with the ability to run their own courses in regional centres to invite companies to participate in training sessions if places available, so it is cost-effective. • Stronger partnerships and auspicing between RTOs and industry, both state and nationally, to strengthen regional access. • Greater support for RTOs in thin markets, especially in a coordinating role and with greater financial incentives. Other strategies could include travel and accommodation funding for regional trainees to visit metropolitan depots of industry partners and the use of E-learning to improve remote delivery capacity for industry.	4.4.01, 4.4.10, 4.5.01

Skilling WA: Strategic goal 4		
Provide flexible, responsive and innovative education and training which enables people to develop and utilise the skills necessary for them to realise their potential and contribute to Western Australia's prosperity.		
Issue (from Section 3)	**Strategy**	**Skilling WA Priority Action**
Shortage of high level workers to run the industry and low investment in training of WA managers There is currently a shortage of high level workers to run the industry. Whereas once staff were promoted from operational backgrounds, many companies are now seeking staff with higher level business skills, which operational staff may not necessarily possess. This applies particularly to the area of project management. It has also been identified that some employers have low levels of investment in the training of their managers.	Core skills required by supervisors and managers at all levels of a business need to be highlighted as this will assist with career progression. Case studies of successful managers are a useful tool, especially those with the ability to inspire others. The use of traineeships and or cadetships would be of great benefit in addressing the training needs of industry. A process where skills gaps are identified amongst new and existing workers will significantly lower the operational challenges associated with inadequately skilled workers as they can be upskilled where required. Through clearer identified pathways into management positions, there is likely to be more interest in the positions that are difficult to fill as awareness becomes more prominent along with greater flexibility in meeting training requirements (especially for those that have to juggle work duties and study).	4.5.05, 3.4.07 Crossover 1.3.03
Long lead time to train workers in some sectors There is a long lead time to train some workers, with many requiring three to four years, yet with fluctuations in the industry, commitment to train is a problem. Whilst there is a strong commitment to train in some companies, there are many obstacles, eg lack of berth space on ships or required flying time.	Companies need to work together to identify opportunities to job share their workforce. This is done in aviation where larger commercial airline cadets work in regional areas to accrue their flying time. It is also necessary to recognise alternative pathways to gaining skills and knowledge, especially in the maritime industry which is still undergoing regulatory changes to streamline processes.	4.4.06, 4.5.05 Crossover 3.4.03, 3.4.07

Skilling WA: Strategic goal 4

Provide flexible, responsive and innovative education and training which enables people to develop and utilise the skills necessary for them to realise their potential and contribute to Western Australia's prosperity.

Issue (from Section 3)	Strategy	Skilling WA Priority Action
Aviation: Future predicted shortage of experienced pilots There has been a major resurgence in the Aviation Sector with many new airlines entering the sector and those already operating expanding into new markets. This has seen an increased demand for experienced pilots who, as a result of the reduction in cadet training in recent years, are now thin on the ground. This has been exacerbated by a lack of training opportunities at Perth Airport utilising the Instrument Landing System (ILS). **Aviation: Shortage of experienced instructors for pilots** There is a shortage of experienced instructors for pilots. An example of this is for pilot training in the aviation industry, where trainers are only paid for flying time, not time on the ground making preparations and conducting briefings and debriefings. Many new pilots take on instructor roles as a way to gain flying time, but this is not always the preferred option.	The Logistics Training Council, under the guidance of the Department of Training and Workforce Development, is due to commence work on the development of a State Aviation Training Strategy. The task at hand will be to further investigate and ascertain the current and future skills needs of the Aviation training sector in Western Australia. This was identified as one of several key strategies put forward by the Department of Transport in its 2015 State Aviation Strategy Paper. Stakeholders of the WA Aviation Training Strategy initiative include employers, regulatory authorities, government agencies and training providers. With a focus on training related aspects, the consultation process will assist with the development of an appropriate action plan that will meet the needs of industry moving forward.	4.5.05 Crossover 5.2.03, 5.2.04

SECTION 5 - RECOMMENDED PRIORITY ACTION PLAN

Skilling WA Strategic Goal 1: Poor participation by women
Strategy from Section 4: Work closely with industry groups representing women in transport to promote job roles currently being undertaken and identify roles that could potentially be filled by women.

Recommended Priority Action(s)	Steps to Implement Actions	Priority	Date to be completed
1. Create a dynamic group of female industry champions to promote the industry's benefits to a future female workforce. The LTC will work with industry to identify these champions and develop strategies to promote them, eg through school forums and the website.	• Organise a steering committee of stakeholders who are interested in promoting the roles of women in industry and utilising the industry association "Transport Women". • Source and engage industry champions through industry associations and business contacts. • Create industry profiles for champions. • Upload profiles to website and promote in newsletters. • Speak at industry forums highlighting women in transport. • Conduct a launch to introduce industry champions with appropriate guest speakers.	High	Ongoing
Lead Agency: Logistics Training Council			

Skilling WA Strategic Goal 1: Poor participation by women			
Strategy from Section 4: Work closely with industry groups representing women in transport to promote job roles currently being undertaken and identify roles that could potentially be filled by women.			
Recommended Priority Action(s)	**Steps to Implement Actions**	**Priority**	**Date to be completed**
2. Develop a resource tool promoting women in the workplace to be added to the DTWD's Workplace Essential website.	• The LTC, working with other stakeholders, eg Chamber of Commerce and Industry (CCI), DTWD, Training Councils and Department of Commerce, will establish a working group to gather relevant information for the leaflet. • Desktop research will be carried out to identify appropriate materials and strategies to be used in the leaflet. • The Working Group will draft the leaflet, following guidelines established by the DTWD. • Draft leaflet will be presented to Workplace Essentials for Better Business Steering Committee. • Any suggested changes will be made before final leaflet is produced by DTWD and placed on their Workplace Essentials for Better Business website.	High	June 2016
Lead Agency: Logistics Training Council in conjunction with DTWD			

Skilling WA Strategic Goal 3: Ageing Workforce
Skilling WA Strategic Goal 3: Attraction and retention of workers
Skilling WA Strategic Goal 5: Lack of succession planning

Strategy from Section 4: Work with the DTWD on the Steering Committee formed to create materials for the "Workplace Essentials for Better Business" website to address the above issues raised in Section 4:

Recommended Priority Action(s)	Steps to Implement Actions	Priority	Date to be completed
3. The CEO will participate on the "Workplace Essentials for Better Business" Steering Committee to develop resources and strategies to address the following: ▪ Ageing workforce ▪ Attraction and retention of workers ▪ Succession planning	• Attend Steering Committee meetings, where possible. • Actively engage with other members to develop resources. • Work with the committee to identify further strategies for the promotion of the website, resources and other beneficial information. • Identify promotional opportunities. • Promote the Workplace Essentials for Better Business website and resources through the LTC website, newsletters, industry and RTO forums.	High	Ongoing
Lead Agency: Department of Training and Workforce Development			

Skilling WA Strategic Goal 4: Poorly identified pathways			
Strategy from Section 4: Create flexible, clear and relevant pathways and opportunities for advancement in the rail and maritime sectors, to be used at expos and distributed to schools and Workforce Development Centres.			
Recommended Priority Action(s)	**Steps to Implement Actions**	**Priority**	**Date to be completed**
4. Create flexible, clear and relevant pathways and opportunities for advancement in the rail and maritime sectors, including aligning job roles to qualifications; illustrating career progression and opportunities; and creating innovative materials which can be used at expos and distributed to schools and career development centres. The pathways will be authentic with clear outcomes in terms of actual jobs and qualifications, ranging from VET level through to tertiary level. Resources have already been developed for the Supply Chain, Road Transport and Aviation sectors.	For each of the Industry Pathways Guides to be developed, the following steps will occur: • Establish a steering committee to plan methodology and management. • Conduct research to ascertain what materials are currently available. • Conduct surveys and meetings with stakeholders to gain information and feedback. • Investigate alignment of qualifications to job titles. • Formulate case studies based on success stories and focus on career progression. • Analyse research and prepare templates. • Liaise with stakeholders and obtain feedback. • Generate materials and supporting documentation. • Upload materials onto website. • Distribute materials to schools and career development centres. • Gain feedback and evaluation of project.	Acute	June 2016
Lead Agency: Logistics Training Council			

Skilling WA Strategic Goal 4: Limited opportunities and interest through VET in Schools			
Strategy from Section 4: Promote opportunities in industry to school careers advisors and VET coordinators to highlight VET in schools programs and school based traineeships.			
Recommended Priority Action(s)	**Steps to Implement Actions**	**Priority**	**Date to be completed**
5. Promote opportunities in industry to school careers advisors and VET coordinators to highlight VET in schools programs and school based traineeships. This will include the establishing of suitable school based traineeships, eg Yard Operations. The LTC will also be exploring the proposed launch of a Small School Cluster Careers Guidance Pilot Program in the South West Metropolitan region, in association with other Training Councils and the State Training Board.	• Develop a list of school careers advisors with access to the main transport hubs and make contact to arrange meetings to discuss and outline strategies to be implemented. • Identify appropriate schools and conduct targeted visits. • Promote opportunities in the industry to career advisors and distribute relevant materials at VET coordinator functions. • Target industry to identify their specific needs in regards to Yard Operations, with this information provided to the TLISC. • Survey companies to gauge the possible take up of Yard Operations and if the feedback is positive, apply for the qualification to become a school based traineeship. • At the completion of the project ascertain the number of students taking up traineeships in transport and logistics. • Explore the proposed launch of a Small School Cluster Careers Guidance Pilot Program in the South West Metropolitan region, in association with other Training Councils and the State Training Board.	Acute	June 2016 and ongoing
Lead Agency: Logistics Training Council, also school careers advisors in collaboration with the lead agency.			

Skilling WA Strategic Goal 4: Road Transport: Training linked to regulatory requirements only **Skilling WA Strategic Goal 4:** Road Transport: Concerns over safety issues			
Strategy from Section 4: Promotion of training that will meet regulatory requirements as compliance-based, and building the capacity of the organisation through additional skills contained in the qualifications.			
Recommended Priority Action(s)	**Steps to Implement Actions**	**Priority**	**Date to be completed**
6. Work with the Heavy Vehicle Industry Safety and Training Alliance (HVISTA) to identify suitable training once a licence has been achieved, and to develop strategies to address the issues and move forward.	• Identify skills required by Heavy Vehicle Truck Drivers in order for them to gain competence to be a truck driver. • Identify issues facing the licensing and training of heavy vehicle truck drivers. • Develop strategies to address them. • Work with key stakeholders to prioritise actions and identify appropriate steps to be taken. • Present findings and recommendations to the relevant Government Departments.	High	Ongoing
Lead Agency: Logistics Training Council			

Skilling WA Strategic Goal 4: Shortage of high level workers to run the industry and low investment in training of Western Australian Managers			
Strategy from Section 4: Apply for traineeships in higher level qualifications, which will address the training needs of industry and encourage companies to invest in training.			
Recommended Priority Action(s)	**Steps to Implement Actions**	**Priority**	**Date to be completed**
7. The use of traineeships and or cadetships will be of great benefit in addressing the training needs of industry. A process where skills gaps are identified amongst new and existing workers will significantly lower the operational challenges associated with inadequately skilled workers. Through clearer identified pathways into management positions, there is likely to be more interest in the positions that are difficult to fill as awareness becomes more prominent along with greater flexibility in meeting training requirements (especially for those that have to juggle work duties and study).	• Consult with industry stakeholders regarding requirements of supervisors and managers. • Survey companies to gauge the possible takeup of the Certificate IV and Diploma of Logistics. • Identify pathways into management positions. • Investigate the flexibility options of employers to allow staff to train. • Approach suitable registered training organisations regarding their capability to deliver the Certificate IV and Diploma of Logistics. • Submit an application to the State Training Board for the establishment of a traineeship in Logistics.	High	June 2016
Lead Agency: Logistics Training Council			

Skilling WA Strategic Goal 4: Predicted future shortage of experienced pilots **Skilling WA Strategic Goal 4:** Shortage of experienced instructors for pilots		
Strategy from Section 4: The Logistics Training Council, under the guidance of the Department of Training and Workforce Development, is due to commence work on the development of a State Aviation Training Strategy.		

Recommended Priority Action(s)	**Steps to Implement Actions**	**Priority**	**Date to be completed**
8. The Logistics Training Council, under the guidance of the Department of Training and Workforce Development, is due to commence work on the development of a State Aviation Training Strategy. The task at hand will be to further investigate and ascertain the current and future skills needs of the Aviation training sector in Western Australia. This was identified as one of several key strategies put forward by the Department of Transport in its 2015 State Aviation Strategy Paper. Stakeholders of the WA Aviation Training Strategy initiative include employers, regulatory authorities, government agencies and training providers. With a focus on training related aspects, the consultation process will assist with the development of an appropriate action plan that will meet the needs of industry moving forward.	• Define project scope and responsibilities. (DTWD) • Establish a Steering Committee and set Terms of Reference. (DTWD) • Consult with metropolitan and regional stakeholders. • Liaise with and obtain input from interstate counterparts engaged in similar endeavours: (eg members of the Aviation skills and training working group; Department of Infrastructure and Regional Development) • Collate and prioritise industry training needs based on feasibility. • Allow for stakeholders to provide feedback and comments. • Review and confirm the proposed strategy with the Steering Committee. • Generate a report and present recommendations to the Steering Committee for final sign off. • Present final report to WA Department of Training and Workforce Development.	Acute	Late 2016
Lead Agency: Department of Training and Workforce Development				

SECTION 8 - LIST OF TABLES

SECTION 9 – GLOSSARY

Occupations in Demand Ranking

An occupation listed on the SPOL may be assigned to one of five separate categories:

State Priority 1	These are the highest priority occupations. They will generally be of the highest skill level (critical occupations), statistically ranked very highly and experiencing unmet demand.
State Priority 2A	These are at the second highest level of priority. They will be of the highest skill level and statistically ranked very highly meaning that it is desirable to maintain supply in these occupations, despite there being little evidence of unmet demand.
State Priority 2B	These are at the second highest level of priority. They are not necessarily occupations of the highest skill levels, but they will be statistically ranked very highly and they are experiencing unmet demand.
Priority 3	These are the third tier and represent industry or regional-level priority occupations. They tend to be either occupations experiencing unmet demand or highly-skilled occupations. Statistically, they will be ranked at a lower level than State priorities.
Other Identified Occupation	This category refers to occupations where issues have been identified through consultations undertaken across various industries or regions; however at the current time there is not enough evidence to support the existence of widespread unmet demand or other, non-market factors which would see their elevation to a priority status.
	These occupations are being closely monitored by DTWD for any evidence which may see them elevated to a priority status in the future.

Endnotes

[1] 2011 Census of Population and Housing
[2] WA Statistics 2011
[3] Industry consultation
[4] 2011 Census of Population and Housing
[5] 2011 Census of Population and Housing
[6] 2011 Census of Population and Housing
[7] Industry consultation
[8] Des Virtanen's, IATA website December 2012
[9] IIBIS World, Customs Agency Services in Australia, March 2012
[10] The Ti blog, Research analysis consulting, accessed July 2015
[11] IBIS World, Customs Agency Services in Australia, March 2012
[12] WA Statistics 2011
[13] Industry consultation
[14] Export Council of Australia, Confidence bounces back for Australian Exporters, August 2012
[15] DHL Export barometer 2015
[16] E-AWB hits record high, May 2014 – www.iata.org
[17] Review of activities in 2014, Freight and logistics Council or Western Australia, February 2015
[18] Department of State Development, Western Australia Economic Profile, June 2015
[19] Transport and Logistics News, New container rules will hurt industry, August 2012
[20] Industry consultation
[21] Industry consultation
[22] 2011 Census of Population and Housing
[23] Australian Customs Service
[24] Air Cargo Security Requirements 2012 – www.infrastructure.gov.au
[25] http://www.customs.gov.au/notices/acn/default.asp
[26] 2011 Census of Population and Housing
[27] Industry consultation
[28] Industry consultation
[29] Fremantle Port steps up supply chain campaign, Supply Chain Review, 7 August 2012
[30] IBIS World, Customs Agency Services in Australia, March 2012