

CSG POSITION ON:	Training & Skills
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Statement of Agreed CSG Position

What is the over-riding driver to make the industry successful and what is the scale and benchmarks required to deliver this.

Significant productivity gains could be made through high quality detailed design, project management and planning.

Availability of adequately skilled personnel is agreed to be a primary driver of productivity for the construction industry.

- Industry capacity may be constrained by the availability of skilled personnel.
- Development and retention of suitably skilled and experienced personnel is adversely affected by highly cyclical demand. Boom and Bust decimates this industries viability and is not addressed.
- Current industry training governance is siloed and inadequate and there are fragmentation and quality issues at training provider level.

Key Attributes of Agreed Position

- Skills should be targeted at levels and in subject areas required by industry
- There would be benefit in an industry wide assessment of training requirements based on forecast supply and demand across the respective professions and trades. This should encompass a wider strategic view as to what training is required to meet the needs of Build NZ for the medium to long term. This could differ from what Industry thinks it traditionally needs.
- Specific concerns exist in the following areas:
 - Design management is in short supply.
 - Currently training providers are fragmented leading to quality and efficiency concerns. This has stemmed from a lack of National standards.
 - Training of tradesmen to meet LBP criteria
 - Project management skills of LBPs interface skill set is currently missing.
 - A funding/training backstop is required to ensure that 3rd/4th year apprentices are able to complete their training in weak economic conditions.
 - Literacy and numeracy of unqualified industry personnel
 - Financial and business skills of trade and professionally qualified personnel are inadequate to support them in their own businesses.
 - Attracting and retaining adequate building industry graduates.
 - Promote the merits of construction careers to education providers and possible candidates at the formation of their career planning and decision process.

Primary Actions to Advance Topic

- Determine the practicality of industry-level governance coordinating training to meet medium-term industry and Build NZ skill requirements.
- Identify and validate the type of training required and delivery mechanism most likely to meet industry needs.
- Brief the Productivity Working Group on our findings.
- Support an industry-led strategy to implement such programmes

Addendum to Position Statement:

The Construction Industry faces significant challenges in meeting the training needs for future Build requirements of the country. The Boom Bust cyclical nature of the economy is a disincentive to both training and long term investment in construction related Company infrastructure. This extends into manufacturing and all providers across the Industry.

There is currently no real overview as to what would make the Industry successful or what the future Build needs of the Country are Residentially, Commercially or Infrastructure wise for the medium to long term. What are the training needs ?

On top of this the industry has no pan overview as to what training it requires. It currently operates in disjointed silos with each segment training what it thinks it needs without any cognisance to the bigger integrated picture.

There is a lack of National standards with some 70 different competing providers each with its own set of qualifications which leads to confusion and questionable training. It would be preferable that training providers be accredited and work to National standards. It is also noted that preparing graduates with business training along with technical skills will prepare them better to face the actual working environment that they will face.

Given the Boom Bust nature of the industry significant numbers of partially trained and fully trained personnel are lost to the industry often never to return. There needs to be consideration given as to how to keep these people within the industry during periods of low demand. The Boom Bust nature of our industry is also a disincentive for entrants to the industry with the best often opting for more stable career paths.

The segmentation of work skills and practices has resulted in the interface skill set becoming somewhat weakened. Some would say that the reintroduction of Building Cadets (NZCB) and Engineering technicians (NZCE) would help restore this gap in site management.

Overseas experience has shown that strong project and design management can lead to productivity gains through less rework and faster project delivery times. There is currently a shortage of these skills within the industry.

Clear benchmarks for measuring quality, productivity and scale of workforce required for the future, need to be the starting point for the future.