

14 July 2021

Department of Training and Workforce Development  
16 Parkland Road  
Osborne Park  
WA 6017

Via email: [SkillsSummit@dtwd.wa.gov.au](mailto:SkillsSummit@dtwd.wa.gov.au)

**SUBJECT: WESTERN AUSTRALIAN SKILLS SUMMIT 2021**

Following the postponement of the Western Australian Skills Summit 2021 Cement Concrete & Aggregates Australia (CCAA) welcomes the invitation to provide ideas and suggestions to the Department of Training and Workforce Development (DTWD) on how to address existing skills needs in the heavy construction materials sector to ensure Western Australia continues to build and grow.

CCAA is the peak industry body for the heavy construction materials industry in Australia including the cement, pre-mixed concrete and extractive industries. Our members operate cement distribution facilities, concrete batching plants, hard rock quarries and sand and gravel extraction operations throughout Western Australia. For your information, a list of CCAA members in Western Australia is provided in Appendix 1.

CCAA members nationally account for 80% of total industry output, with the industry generating \$15 billion per annum in revenue, employing 30,000 Australians directly and supporting the employment of a further 80,000 people. CCAA members produce and supply the heavy construction materials that are used to construct Western Australia's infrastructure. Providing both the raw material and finished product, heavy construction materials contribute to the construction of our roads, railways, bridges, ports, airports, hospitals and school.

CCAA's members service local, regional and national building, construction and infrastructure markets. The reliable and cost-effective supply to these markets is fundamental to sustainable growth and it is CCAA's aim to promote policies that recognise the importance of these materials to Western Australia's sustainable future.

CCAA members have been experiencing a recent welcome increase in demand for heavy construction materials, i.e., the cement, concrete and aggregates, that underpin an expanding construction sector. CCAA has long advocated for a flowing pipeline of infrastructure projects and Government housing stimulus packages to support the construction sector so that the sector powers economic growth, building Western Australia.

Strong economic activity has been supported with the Government's continued focus on a \$3 billion per year infrastructure spend and the Government's housing stimulus measures with the latest Housing Industry Forecasting Group <sup>1</sup>predicting new housing starts to hit a five-year high.

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<sup>1</sup> <https://www.dplh.wa.gov.au/getmedia/1182af45-bc83-4fa3-9734-8235b85617ad/HIFG-Housing-Industry-Forecasting-Group-May-2021> accessed 2 July 2021

However, increases in demand from a low base in the current COVID restricted environment has delivered unique challenges.

The ability for the heavy construction materials supply chain to support the revitalised construction sector is at risk due to a skills shortage across a range of areas, from heavy vehicle drivers to plant operators. Companies are struggling to retain workers and are left competing for a reducing pool of talent which can lead to rising wages and increased material costs, decreasing housing affordability and increasing the cost of infrastructure for Government. Competition for scarce labour within Western Australia could also be expected to increase as the broader resources sector expands over the coming years.

### **Actions to date**

CCAA together with its member companies has addressed these emerging issues in our sector in the following areas:

- Heavy Vehicle Driver Training – liaising with Western Roads Federation and Central Regional TAFE to provide work experience and potentially full-time work to graduates of the Government’s Heavy Vehicle Driving Operations Skill Set program.
- Liaising with the Department of Transport and other peak bodies regarding a revised infrastructure delivery program that seeks to smooth out expenditure over the next 4 years, extend the pipeline of projects and push additional work into 2025-26 and beyond.

But more needs to be done. With the Chamber of Commerce and Industry of WA recently warning the state's workforce is nearing full employment with an unemployment rate of 4.7 per cent, training incentives alone will not provide the required workforce.

### **Recommended Actions**

CCAA recommends the following actions are implemented to address the WA skills shortage. A wide-ranging policy response is required to address the complexities of the issues.

- Stronger support for a range of training programs to upskill a range of labour.
- Strong support to remove barriers and attract people from a larger pool of resources, including women, older people and culturally and linguistically diverse cohort, into the workforce.
- Procurement and funding policies that incentivise full use of the available labour.
- Accelerated COVID vaccine rollout.
- Strong support for additional skilled intra-state migration now.
- Strong support for skilled international migration once the health and quarantine situation allows.

Western Australia’s economy needs to be internationally competitive to continue to attract capital to invest into the state to ensure a sustainable and competitive heavy construction materials industry. This in turn facilitates Western Australia’s productivity, housing affordability and lower infrastructure costs.

There is no more important time than now for the construction sector, supported by an efficient, well resourced heavy construction materials supply chain, to provide the engine to build Western Australia's post COVID economy and create jobs.

CCAA looks forward to continuing to provide input into the rescheduled Skills Summit 2021.

Yours sincerely



**ROGER BUCKLEY**




**State Director Western Australia**

**APPENDIX 1**

**CEMENT CONCRETE & AGGREGATES AUSTRALIA**

**MEMBERSHIP**

**FOUNDATION MEMBERS**

 <p><b>ADBRI</b> Adbri Limited</p>	 <p><b>Boral Australia</b></p>	 <p><b>Cement Australia Pty Ltd</b></p>
 <p><b>Hanson</b> HEIDELBERGCEMENTGroup Hanson Australia Pty Ltd</p>	 <p><b>Holcim</b> Holcim (Australia) Pty Ltd</p>	

**WESTERN AUSTRALIA**

**ORDINARY MEMBERS**

<p>Flyash Australia Pty Ltd Fulton Hogan Industries Lime Industries Pty Ltd</p>	<p>Pilatti Bros Transport Ransberg Pty Ltd T/a WA Premix and WA Bluemetal Urban Resources Pty Ltd</p>	
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**ASSOCIATE MEMBERS**

<p>Concrete Colour Systems Concrete Waterproofing Manufacturing Pty Ltd T/a Xypex Australia</p>	<p>GCP Applied Technologies Sika Australia Pty Ltd Westrac</p>	
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