



Australian Furniture Association Ltd
- Submission to VET funding Review -
9 April 2015

The Australian Furniture Association is a Not for Profit organisation that provides services to its members. A registered employer group, the Australian Furniture Association (AFA) has a proud tradition of supporting Victorian furniture manufacturers and their suppliers since 1918. Now the Australian Furniture Association provides information, representation and support to businesses operating within the furniture (built-in and freestanding) and bedding industry nationally.

Our members consist of main stream manufacturers, bespoke makers, students, trainers and suppliers in addition to a number of industry related reciprocal members.

As a peak Australian industry association which has gone through quite radical change over the past two years, the AFA now represent the interests of the furniture sector from raw material supply through to the end user. The AFA welcomes Australian Government initiatives which support the enhancement of industry leadership in the development of the skills required for a highly skilled, value add and innovative furnishing industry. To achieve this, the industry requires the provision of suitable training at grass roots level and a creditable Certificate II qualification that builds to an acceptable career pathway. The ideal qualification provides opportunities for articulation into an Apprenticeship or beyond.

Industry endorsed high quality training is the key to enabling this valuable manufacturing industry to work collaboratively for a strong productive and sustainable furniture industry that designs and manufactures quality, iconic furniture to world markets and represents
"Australian Furniture for Every Room in the World"

The Furnishing Industry comprises of a broad demographic of sectors and business models which fall into one of the following categories: micro, macro, small to medium enterprises and large high volume manufacturers.

Furnishing Industry Sectors

- Furniture Making
- Timber and composite machining
- Furniture Finishing
- Upholstery
- Soft Furnishing
- Cabinet Making



It is the Australian Furniture Association's view that where possible and where warranted, that all industry sectors be represented in any discussion or change.

A more balanced stakeholder representation including manufacturers, educators and suppliers should reflect a true cross section of the industry. As a peak industry body the AFA represents stakeholders nationally and firmly believes that any development in the delivery of qualification for training of skilled workers should be assisted by specialists who know the industry.

FACTS:

- In 2013, there was \$140 million in total furnishing related exports. This consisted of furnishing related products made from the materials: Miscellaneous furnishing related products (\$59 million and 42%), Metal furnishing related products (\$47 million and 34%), Wood furnishing related products (\$27 million and 19%), and Plastic furnishing related products (\$7 million and 5%).
- In 2013, the \$140 million total furnishing related exports by category consisted of: 'Office and specialist furniture' (\$33 million, 24% of all exports); 'Cabinets, desks and similar furniture' (\$31 million, 22%); 'Other furniture' (\$25 million, 18%); 'Chairs and seats furniture' (\$24 million, 17%); 'Doors, windows and their frames, furniture' (\$23 million, 16%); and 'Bedding and mattresses furniture' (\$4 million, 3%).
- The majority of total furnishing related products were exported from **Victoria (32%, \$39 million)**, New South Wales (22%, \$27 million), Queensland (18%, \$26 million), and Western Australia (24%, \$29 million). Over the past decade, total furnishing related exports have varied, with an overall decrease of 1% (\$1 million). During this time, there has been notable growth in exports from Western Australia (\$11.9 million, an increase of 69%) and Queensland (\$7.9 million, an increase of 55%).
- It is important to note that 11% (\$17 million) of total furnishing related exports are re-exports, and over the past decade re-exports have decreased by 45% (\$14.4 million).

The two data sets use tariff lines classified by the Australian Bureau of Statistics (ABS) Australian Export Commodity Classification (AHECC) database.

Q1: What type of training best suits your sector?

- On the job
- Block release training at RTO
- In house industry group training
- Other – please specify

Dependent on the Enterprise, a blended approach to training is the ideal solution. In some cases the product produced is a set range of furniture low, middle, or top end and in each case provide a set bundle of skills and knowledge. Often the Qualification requires the Apprentice, Trainee or Student to complete a minimum of Twenty Eight Units of Competency with a mix of Core, Mandatory and Industry Specific.

Not all Enterprises are equipped to satisfy the requirements listed under the Training Package Qualifications Packaging Rules, or the Assessment requirements of each Unit of Competency. The training delivered should provide a variation in design, materials technology, construction methods and manufacturing techniques, and an underpinning knowledge and preparation of the necessary employability skills for individuals to be able to carry out tasks in the workplace. Businesses in the Furnishing Industry can be Micro, Macro, Small to medium or Large, and for this reason a one cap fits all approach to training simply doesn't work.

A Micro / Macro business Ordinary Day Release training may be a more suitable offering for a SME with a larger number of employees. Block Release is less likely to cause business stress if an apprentice is in training for a five day period, rather than spread out across a number of weeks. An additional merit in Block Release is the opportunity for continuity allowing for faster progression and sometimes improved standards of work.



Q2: Is Recognition of Prior Learning and training of existing workers important to you?
Yes

In some industry sectors, it is difficult to attract appropriately skilled staff. In some Enterprises there are often people who have been employed as a labourer, and then been upskilled in that workplace. These skills should be recognised.

No
Please expand on your answer in 25 words or less.

Q3: Which segments of training apply to your sector, e.g. school leavers or mature age workers or others?

- School leavers
- Trainee/apprentice
- Mature age workers
- Upskilling existing workers

All four categories apply to the Furnishing Industry Sectors.

School leavers who enter the workforce at apprenticeship level

School leavers who move into the tertiary environment and continue studies in Furniture

Design and Technology

Apprentices trained either “on the job” or “off the job” or through a blended mix of training. This classification of apprentice has included mature aged workers in the past; however, due to the reduction in Government incentives, these numbers have dropped.

Upskilling of existing workers in Industry specific qualifications is almost non-existent due to inappropriate qualifications that are on offer. Previously when the Certificate IV or Diplomas included a Design or Technology base the qualifications provided more relevant skills and knowledge.

Q4: What is the level of awareness around training and apprenticeships within your sector?
Tick one below and comment about your choice in 25 words or less

Very low awareness	
Low awareness	✓
Some awareness	
High awareness	

In many cases employers aren't fully aware of the content of a qualification or where they can access this information - an example being Training.gov.au. It is critical to provide assistance to the end user to navigate websites, locate relevant information and understand how qualifications or Units of Competency can be unpacked.

Q5: Please comment on the relevance of allocation of funding re training (i.e. funds for tools, funds to employee, funds to employer)

The Furnishing Industry does not offer attractive salaries. In the past Apprentices have been attracted to the industry by incentives such as tools for the trade and fee subsidies, living away from home allowance and travel allowances for regional apprentices.

In some cases Employers are providing apprentices with an opportunity to gain skills and knowledge that may not have been accessed elsewhere. In many cases this investment is significant, for what has been termed as a 'high risk' industry.

Q6: Do you have appropriate apprenticeship and traineeship pathways within your sector and access to them?

- Is your training available in all States
- What training is available
- Does it suit the requirements of your industry?

No. In some Industry Sectors that are deemed "Thin Markets" such as Upholstery, Wood Finishing and Wood Machining, there is little or no training available. In some States delivery is at risk of closure, and other States Students are being transitioned into training that could take place elsewhere or by a Provider from another State.

Eg. The Training of Furniture Making / Cabinet Making in the Northern Territory , where Trainers from Tasmania are in discussions to complete training for up to nine final year Cabinet Makers employed in the Kitchen and Bathroom sector.

Training in the trades of Cabinet Making and Furniture Making will remain strong in most States and Territories due to the nature of the sector. At the moment Bespoke / Boutique makers will help to grow the Furniture Making sector



Training is available in Victoria in the following:

Cert II

- Furniture Making
- Furniture Finishing (Polishing)
- Picture Framing

Cert III

- Cabinet Making (kitchens, bathrooms, built in fitments)
- Furniture Making
- Furniture Finishing (Polishing)
- Flooring Technology (Timber, Carpets, Resilient)
- Glass and Glazing
- Picture Framing (workplace)
- Wood Machining
- Upholstery

Cert IV

- Furniture Design and Technology

Diploma

- Furniture Design and Technology

Associate Degree in Design (Furniture)

Q7: Current funding:

- Does your organisation receive any Government funding, or is in receipt of a Government grant in respect to training? **No**
- Does your organisation require Government funding with which to promote training? **Yes**
- In particular, how would you use or direct funding or how would your industry benefit from Government funding? (e.g. Promotion of Apprenticeships within your industry or promotion of RPLs, etc.)

In many of the Secondary Colleges, Teaching staff are required to do more with less. Some institutions have invested in a Technology wing and highly skilled teachers to deliver VETiS Furnishing or Design and Technology (Wood). Some are auspiced and supported by a Vocational Educational Institution (TAFE) and some are private providers or registered RTO's in their own right.

A large number of educational institutions still consider Furniture Trades to fit into 'woodwork'. Seed funding for the AFA's Education and Training Officer to visit Secondary Colleges, initially those Colleges considered feeders to the Industry would be a priority for the AFA. Dissemination of information to provide current and relevant detail on career opportunities across the Furnishing Industry is critical. From Certificate III and the articulation pathways through to Bachelor of Design in Industrial Design, the wider community requires greater education and promotion on the benefits of careers in the industry in order to grow the industry both in the State of Victoria and beyond.

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