



## **Submission**

# ***Reforming Support Services for the Australian Apprenticeships System***

**July 2013**

### **About the Australian Industry Group**

The Australian Industry Group (Ai Group) is a peak industry association in Australia which along with its affiliates represents the interests of more than 60,000 businesses in an expanding range of sectors including: manufacturing; engineering; construction; automotive; food; transport; information technology; telecommunications; call centres; labour hire; printing; defence; mining equipment and supplies; airlines; and other industries. The businesses which we represent employ more than 1 million employees.

In preparing this submission Ai Group has drawn on the expertise of its Education and Training Policy team and also its member advisors located in Queensland, New South Wales, Victoria and South Australia who are dealing directly with member companies on a day-to-day basis on skilling issues.

## INTRODUCTION

Apprenticeships, particularly in high skilled trades, are of crucial and continuing importance to the Australian economy. The skills developed and nurtured within an apprenticeship become the essential and highly-valued, applied trade, technical and business skills that underpin a very sizeable part of our productive economy.

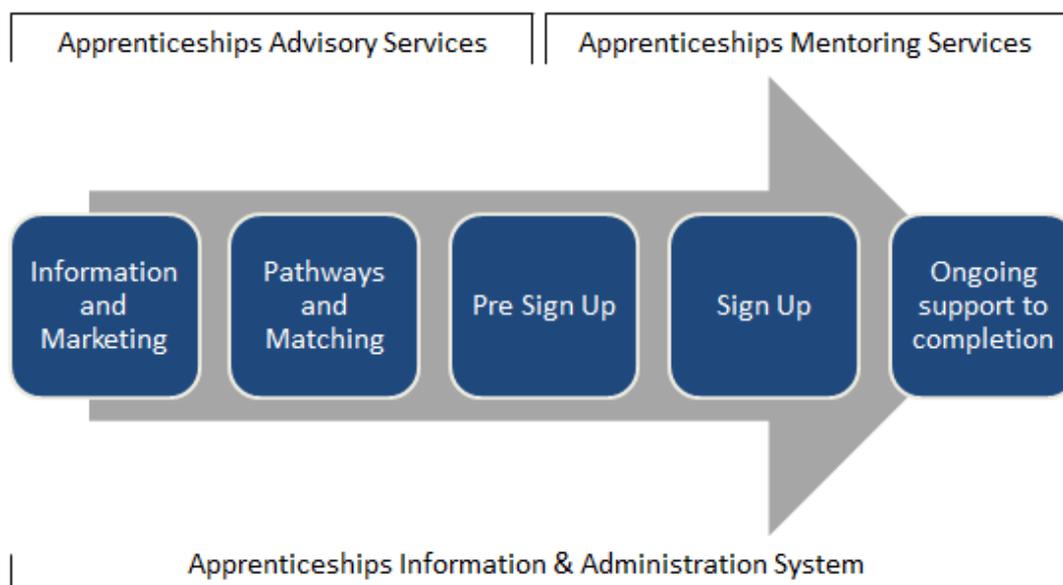
Ai Group's recent report *Apprenticeships: Achieving Excellence*<sup>1</sup> stated that the apprenticeship system is under strain due to a number of challenges: national inconsistency, poor completion rates, persistence of time-served rather than competency-based approaches to delivery and the future application of the pathway in an increasingly knowledge-based economy.

At the centre of current challenges is the shift in focus away from employers and apprentices to the training provider. We need to get back to the core relationship between employers and apprentices. This is where we need to direct our support.

A range of measures are needed to shore-up and advance apprenticeships. Some of these are structural and others are more directly associated with the employer-apprentice relationship. At the workplace level support needs to be directed towards employers and apprentices. We need to make the employers the primary customer of the system. Employers require access to effective incentives, advice and professional development through supervisor workshops and access to mentor support. Apprentices require better career advice to improve apprenticeship matching and mentoring support to assist completion.

The broad directions outlined in the Commonwealth's Discussion Paper *Reforming Support Services for the Australian Apprenticeships System* are complementary to the measures outlined by Ai Group. Ai Group welcomes these improvements to bring employers and apprentices to the centre of the system.

Ai Group provides feedback to the proposed model of Australian Apprenticeship Support Services as per the diagram below.



<sup>1</sup> Australian Industry Group, *Apprenticeships: Achieving Excellence*, June 2013

Ai Group believes that the market for Australian Apprenticeship Support Services can be supported by a range of intermediaries that should provide a fit-for-purpose model for the employer and their apprentice. This could include Group Training Organisations, Industry Associations, current operators of Australian Apprenticeships Centres (AAC) or other organisations that meet a number of quality indicators which will need to be determined. A variety of Australian Apprenticeships Support Service delivery models should be encouraged.

## INFORMATION AND MARKETING

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Ensuring Australian apprentices and employers receive information and advice about the apprenticeship system is one component of ensuring the right Australian apprentice is in the right job. However, this is not the only component that ensures a good fit between employer and apprentice. Ai Group's concerns are clearly expressed in the NSW government report, *A fair deal: Apprentices and their employers in NSW* that states "there is extensive information that is currently focused on the 'sale' of apprenticeship product to employers and apprentices"<sup>2</sup>. We believe that a greater emphasis on the aptitude or suitability of applicants and the value of apprenticeships would have a positive impact upon completion rates.

Ai Group expects that the effective promotion of Australian Apprenticeships requires more than information and marketing. A recent report for the Department of Education and Early Childhood Development, *Meeting the Information needs of Employers in Victoria* indicates that information alone is rarely enough. It is the combination of advice from a trusted source that enables employers to have confidence in the decisions they make about training and skills.<sup>3</sup> The service will need to help potential applicants match their skills, interests and qualifications with available apprenticeship job opportunities. Helping individuals to understand their talents, potential and interests, as they relate to an apprenticeship or traineeship can make a significant contribution to improve completion rates. Australian Apprenticeships Support Services that involve information, advice, ambassadors and mentoring can also be particularly valuable in helping raise aspirations and motivation.

As a first step, Ai Group believes that it's important that the Commonwealth, States and Territories governments in conjunction with industry develop a National Australian Apprenticeships Information and Marketing Strategy. This strategy must be aligned with the approaches within the National Career Development Strategy in order to enable a more strategic approach to providing improved career development for all Australians.

Ai Group agrees that there is a plethora and duplication of information which is causing confusion in marketing Australian Apprenticeships. Ai Group is supportive of one comprehensive, coherent and consolidated website as a catchment for all information which includes jurisdictional variations. The current Apprenticeship Pathways website<sup>4</sup> is a first step in achieving this portal but requires a contemporary 'look and feel' and improved content to attract young people and employers. A national help-line and the use of social media including Facebook, Twitter and Youtube would also assist. Ai Group's ApprenticeNET Facebook<sup>5</sup> page would provide a useful model.

Ai Group considers that the Australian Government's work with state and territory governments to harmonise Australian Apprenticeships arrangements is essential to ensure a successful national approach to marketing and provision of information.

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<sup>2</sup> NSW Board of Vocational Education and Training, *A fair deal: Apprentices and their employers in NSW*, November 2011

<sup>3</sup> Department of Education and Early Childhood Development, *Meeting the Information Needs of Employers in Victoria*, July 2013

<sup>4</sup> <http://www.aatinfo.com.au/Home>

<sup>5</sup> <https://www.facebook.com/ApprenticeNET>

Industry Skills Councils (ISCs) play an important role in providing a nationally consistent and industry centred approach to marketing and information which should feed into this portal. Marketing should be national since occupations are fundamentally the same regardless of the state or territory. The occupational information in the Job Guide or Myfuture could be used as a first step in achieving this. Self-assessment apprenticeship and traineeship career suitability tools and quizzes could also assist engagement with the information. For example a provider might establish access points in major shopping centres. These access points could promote apprenticeship careers and provide resources and advice to young people and their families.

## PATHWAYS AND MATCHING

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Career advice is an important component of ensuring potential apprentices and trainees are choosing an Australian Apprenticeship that suits and interests them. Young people are often unable to recognise and understand their aptitude for an Australian Apprenticeship. Face to face advice plus the use of aptitude assessment tools and selection assessment tools would assist.

Many young people begin their pathway towards an Australian Apprenticeship through work experience, VET in Schools programs, school-based apprenticeships, Access and pre-apprenticeship programs. These pathway programs should also feature a quality matching service which supports entry into an Australian Apprenticeship. These matching services should be supported by Apprenticeships Advisers who can directly assist potential candidates into appropriate apprenticeships and traineeships. These support services can provide a specialist service that would work with relevant local organisations including: School Business Community Partnership Brokers, Registered Training Organisations, career development in schools, Job Services Australia agencies and Youth Connection providers as shown in the diagram below.



Apprenticeship Advisory Services can provide detailed knowledge of apprenticeships, which is often missing in local careers or transition services.

Ai Group supports a website that can provide a close link between Australian Apprenticeship information and marketing and local Australian Apprenticeship vacancies, through an online vacancy board, and regional job alerts for potential apprentices. The existing Australian JobSearch website provides a free and easy to use vacancy board to assist job seekers into employment which connects

employers with potential employees. The functionality of this website could provide a useful tool. We would also see benefit in linking participants of pathway programs to this website. The Australian Government should consider supporting this website with a smart phone App to work across social media platforms.

To ensure engagement with equity groups we would support campaigns and specific programs to achieve desired Australian Apprenticeship equity targets.

Ai Group sees enormous benefits in integrating state and territory out-of-trade registers into a national register and connecting this register with an Australian Apprenticeships vacancy board. Apprenticeship Support Services should aim to get out-of-trade apprentices and trainees onto this register as and when appropriate.

## PRE-SIGN UP

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Ai Group considers that pre-sign up information and advice will be part of information and marketing as discussed above and/or the support given to employers at the time of sign-up.

Ai Group considers that significant improvements can be made to the quality of pre-sign up information and advice given to employers. Two common complaints heard from our members are that they receive incorrect advice about the choice of qualification and insufficient information about how the apprenticeship will operate, for example that progression and completion will be based on achievement of competency. Part of the solution lies in the availability of trusted, accurate, industry specific, easily accessible, and timely information. The recent report *Meeting the needs of Employers in Victoria*, states that employers see industry bodies as a credible and reliable source of information and advice<sup>6</sup>.

Industry Associations are very well placed to provide an Apprenticeships Advisory Service that is best suited to the needs of the employer and industry. Industry Associations have the capacity to positively impact on completions by ensuring there is a better match between workforce development needs and Australian Apprenticeships.

Any Advisory Service providing information and advice will need to be appropriately trained to know where to access the latest information and to understand variations between different industry sectors and different sorts of qualifications. Variation in regulatory requirements in different states and territories will also need to be understood.

## SIGN UP

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Ai Group is supportive of the Australian Government's move towards an intuitive, self-serve, online Australian Apprenticeships administrative portal for sign-up processes. We see there is significant opportunity for pre-populated information and alerts to be in the system, which should result in administrative efficiencies. However we see that assistance would be required for those companies that need help using the new self-serve system. This could be provided through an online help tool, a help phone-line, user guides or face-to-face assistance through the service providers. These providers could include: Group Training Organisations, Industry Associations, current operators of Australian Apprenticeships Centres (AAC) or other organisations. We also see some benefit in providing an incentive for employers and Group Training Organisations who self-serve through the portal.

The self-serve system will need to be supported through a comprehensive change management strategy that reaches all companies regardless of size. Ai Group sees this as the greatest risk, which

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<sup>6</sup> Department of Education and Early Childhood Development, Meeting the Information Needs of Employers in Victoria, July 2013

if not undertaken well, may impact on the take-up of apprenticeships, as some employers will see this as another time-consuming administrative task to do. It is important to note that large companies may not be able to undertake their own self-serve as some have a number of small sites that operate in a similar way to SMEs. Also large employers operating across multiple jurisdictions require more support in order to navigate variable elements of different state and territory arrangements. Apprenticeship Support Service providers will be important for ensuring that all administrative and training contract completion requirements are met.

## ON GOING SUPPORT

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One often frustrating and confusing aspect of the support services is the duplication on the ground. This is compounded by multiple and different support services operating in the same region. Whilst there is capacity for an employer to use the services of a single organisation across multiple regions, there are additional state or territory administrative requirements and this can add to frustrations and confusion.

The core relationship in an apprenticeship is between the apprentices and the employer<sup>7</sup> in the workplace. Administrative arrangements and support measures need to primarily address this relationship. Ai Group is supportive of a risk-based mentoring service for employers of Australian Apprenticeships. Ai Group has seen significant benefits for Australian apprentices and their employers through a mentoring service, which should be coupled, where appropriate, with apprentice supervisor training to help supervisors develop their own skills in this area.

Ai Group cautions the use of the proposed Australian Apprenticeship Classification Index assessment tool as it may determine the service provided rather than a lasting relationship established between the employer, apprentice and their mentor. We are also concerned that the tool may be misused for selection purposes.

We see opportunities for there to be integrated mentoring support provided to employers and their apprentices that incorporates sign-up processes with on-going mentoring through a range of models including Group Training Organisations, Industry Associations, current operators of AACs or other organisations. The mentoring service needs to incorporate periodic risk assessment which determines the type and scope of service provided at that point in time. The individual's circumstances and the relationship between the apprentice and their employer, or supervisor, can change over the duration of the training contract; this means the mentoring service must be needs-based. Therefore the service must be flexible, dynamic and comprehensive including referral to specialist agencies, as an example, Service Slider<sup>8</sup> provides a useful model for this.

Ai Group is supportive of a model that separates Australian Apprenticeship regulatory compliance and enforcement from the providers of Australian Apprenticeship support services. Both groups need to have a thorough understanding of each other's roles and responsibilities so that referral can occur.

We anticipate that support service providers will need some discretionary funding to purchase additional services depending on apprentice/employer needs and service availability, for example, WELL program funding could be used to provide tutoring in literacy and numeracy.

Ai Group's sees that the skills of support service providers should be in counselling, mentoring, school to work transition, problem solving, relationship building and knowledge of referral services. These are essential skills for the role whilst trade and technical skills are not essential but desirable.

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<sup>7</sup> Australian Industry Group, Apprenticeships: Achieving Excellence, June 2013

<sup>8</sup> <http://serviceslider.org.au/>