



## **Australian Manufacturing Workers' Union**

### **Skills Australia Creating a future direction for Australian vocational education and training**

Ian Curry  
AMWU  
National projects Officer

08 8366 5800

[ian.curry@amwu.asn.au](mailto:ian.curry@amwu.asn.au)

## 1. Introduction

The Australian Manufacturing Workers' Union (AMWU) welcomes the opportunity to make this contribution in response to the Skills Australia Discussion paper '*Creating a future direction for Australian vocational education and training*'.

The AMWU represents the interests of over 120,000 Australian manufacturing workers employed in a wide range of manufacturing, engineering and related industries including workers engaged in food processing, metal & engineering, printing, vehicle and technical, supervisory and administrative occupations.

Manufacturing workers across all occupations, including production, trade, technical and para-professional, more than many others, rely on the quality and portability of their skills for their livelihood. The structures for the delivery, recognition and credentialing of skills, and in particular the apprenticeship model, are therefore of critical importance to them.

The AMWU is Australia's principal union for (but not limited to) skilled trades and has had a long standing, committed and productive involvement in vocational education and training on behalf of all of its members for many years.

We provide representation at all levels of the system including involvement at both state and national levels, on a variety of state and territory regulatory bodies, and also, importantly, in the network of Industry Skills Councils.

## 2. Submission Overview

The AMWU submits that the weaknesses associated with the VET and apprenticeships systems in Australia are summarised as follows:

- A disconnect between the training and the skills requirements associated with employment in a job, ie the training is not really vocational.  
The role of VET, in our submission, is to provide an individual with the skills and knowledge required to effectively carry out the work associated with a vocation to the standard required in employment.
- Attempts to exploit VET for other non-vocational purposes are compromising the fitness for purpose of VET in relation to its principle function.
- A lack of will on the part of training regulators to effectively police compliance with standards;
- A lack of action on the part of governments to properly structure subsidy and incentive schemes to support strategically important qualifications for vital occupations;
- The ideologically driven push for a deregulated and fully contestable training market based on a so-called 'student entitlement' which would effectively operate in the interests of training providers taking precedence over the need to manage training delivery and workforce development in the national interest;
- Declining quality of training delivery and outcomes;
- Declining apprenticeship completions;
- Pressure for fully institutional delivery of key trade, technical and production qualifications; and,

- Poor pay and conditions for apprentices.

The training system is losing the focus of training people in the skills they need to perform work in a job.

The AMWU submits that the restructuring of the eighties and nineties was meant to place skills formation at the centre of the Industrial Relations (IR) system however a succession of free market oriented governments has resulted in the emergence of a training market whose goal is profit.

We note the emphasis Skills Australia placed on the following 3 themes in the consultations surrounding the release of the Skills Australia Discussion paper:

- Improving the VET experience
- Lifting Performance; and,
- Establishing strong foundations for growth

The AMWU's responses to the series of questions proposed under each of the themes follows:

### 3. Improving the VET experience

#### 3.1 Should training providers be responsible for other than providing appropriate training?

***If VET is to help industry and enterprises make the most of the skills of their employees how can training providers be encouraged to take on this workforce development role, how can this be funded and how should this investment be measured?***

##### **AMWU Response:**

1. The question is should training providers play a leading role in facilitating workforce development.
2. Industry leadership is critical to the system. **Industry must lead** its own workforce development plans
3. Training providers should play the role of engaged service providers delivering fit-for-purpose products to assist in meeting the needs of industry.
4. If training providers are placed at the centre of workforce development it would risk an exacerbation of the existing supply driven system that operates in the interests of the training provider rather than the individual, the industry and the economy.
5. Training providers could assist by contributing to a longer term view of outcomes by engaging in some more strategic destination studies of student outcomes to differentiate the vocational outcomes achieved from other outcomes.

#### 3.2 Improving learners' experiences of VET

***If we are to get better results for learners do training providers need new or better ways of doing business? What aspects of VET delivery need to change and how? For example, work-based delivery; use of ICT; student support; qualifications offered; income support; employment services? Other changes?***

##### **AMWU Response:**

1. Training, skills and workforce development cannot be left to the market!
2. Publicly funded workforce development should operate in the interests of the public and the economy generally, rather than the narrow interests of individual enterprises.
3. The VET system should not operate as an employment subsidy to reduce the cost of skilled labour in the interests of individual employers.
4. Behavior is driven by access to funding and cost pressures. Activity follows the funding and the 'market' approach drives a cost reduction rather than quality approach. A market based approach makes this worse rather than better.
5. Training providers deliver the things that they can make money from rather than the things that industry and the economy needs.
6. VET delivery has to focus on the quality of the outcome: skills that meet the industry standard and can be used in employment.
7. The system's ability to ensure quality and compliance with standards is limited by political will and resource constraints.
8. Delivery methods should be determined on what suits the circumstances and the desired outcome: not what delivers the biggest profit. The concern is that e-learning is used because it's cheap, not because it's effective!
9. Students should be case managed and appropriate wrap around services (such as Language, Literacy and Numeracy support) employed on an as-needs basis.
10. Producing skilled workers is a complex business and more analysis should go into working out what training and support a vocational student may need. Only then should delivery methodology be determined ie LLN support, work-based delivery; use of ICT; student support; e-learning; income support; employment services etc

### 3.3 Current VET reforms

***Are current reforms, such as training package improvements, sufficient for developing skills for the future? Should there be more emphasis on skills sets? How can competency based training evolve further, building on the broad based skills and knowledge needed for contemporary careers? What role might VET degrees play?***

#### **AMWU Response:**

1. Training packages are designed to reflect the vocational standard required in employment. They set out to describe the competency required for effective performance in a job. We must keep the linkages to vocational outcomes strong.
2. Training packages are not concerned with how the training system might deliver that outcome, they are concerned only that the outcome is delivered and the quality of the outcome is consistent.
3. Packages are not designed to fix unemployment, school retention or a myriad other purposes. They are fit for their stated purpose of defining the vocational standard identified as required by industry.
4. Pre-employment and pre-apprenticeship programs are not genuinely vocational. They are pre-vocational and it is inappropriate for the system to attempt to align them to the existing Australian Qualifications Framework as if they were genuine vocational qualifications. The alignment is creating anomalies and in some cases, damaging the integrity of the AQF system.

5. There are those who argue that many workers don't want full, nationally recognised and portable qualifications, and that so-called 'Skill-Sets' or partial fragmented qualifications should be funded for those who only want certain skills. Invariably this argument is posited by employers who want public funding for narrow, enterprise specific, entry level training funded to suit their specific needs.
6. There is no public interest in this and the public should not be asked to underpin the cost of delivery of skills that have no portability or national recognition.
7. There is however a legitimate argument for public funding of post qualification skill-sets associated with, for example, post-trade training or skills associated with licencing or certification such as forklift training leading to a forklift licence or a restricted electrical licence.
8. Funding mechanisms and the delivery methodology of many training providers militate against competency based training.
9. Training providers are funded to 'deliver' training and the funding is by the hour.
10. Competency based outcomes will continue to be compromised until such time as the funding mechanisms reward achievement of competency **and the deployment of skills**, rather than the number of hours a student sits in a classroom.
11. It is not Competency Based Training that needs to 'evolve', it is funding and training delivery cultures.

### 3.4 Re-engineering apprenticeships

***Is the apprenticeship model the right one for the future or is it too constraining and bureaucratic?***

**AMWU Response:**

1. We should not blame the apprenticeship model for the weaknesses and bad behavior that result from poor policy decisions and cumbersome funding models.
2. A properly structured learning experience that integrates work and learning **in employment** remains the most effective way to produce skilled workers.
3. The bureaucracy associated with apprenticeship results from decisions associated with the management and funding of apprenticeship, not the form and nature of the relationship between an employer and an apprentice.
4. What is required to support better apprenticeship outcomes is greater national consistency (not lowest common denominator), closer attention to quality regulation and greater respect for the vocational standards that industry sets.
5. More attention to the obligations of the parties to Training Contracts and the behavior of intermediaries would also go a long way to producing better outcomes.

### 3.5 Improving apprenticeships

***What is the best way to raise apprenticeship completion rates and make apprenticeships more attractive to both individuals and employers?***

**AMWU Response:**

1. The AMWU made a detailed response to the Australian Apprenticeships Taskforce Discussion paper in June 2009, including the issues of completion, improving and promoting apprenticeships. Observations made in that submission which are pertinent to the question are attached hereto and marked "1".

2. There has been plenty of research that clearly indicating 5 key barriers to apprenticeship completion:

The union's own research amongst apprentices found:

For **Apprentices** the issues of concern to them that ranked in the **top 5**, in order, were:

1. Lack of proper mentoring (93.33% of respondents)
2. Low apprentice pay rate (93.33% of respondents)
3. Poor quality training (86.67% of respondents)
4. Costs associated with training (66.67% of respondents)
5. Ratio of Tradespeople to apprentices (50.00% respondents)

The issues that gathered the highest number of **first priority** responses from Apprentices were exactly the same which indicates a very high degree of consistency in perceptions of the issues affecting them:

1. Low apprentice pay rate (36.67% of respondents)
2. Ratio of Tradespeople to apprentices (30.00% of respondents)
3. Lack of proper mentoring (16.67% of respondents)
4. Poor quality training (6.67% of respondents)
5. Working Conditions and OHS tied for 5th (3.33% of respondents each)

3. The most effective solution to low completion rates is to ensure that the issues outlined above are dealt with and that more attention is paid to the proper 'establishment' of the apprenticeship in the first place.
4. The establishment of an apprenticeship should result from the committed engagement of the employer as an **informed and demanding participant** in the apprenticeship is critical rather than as a passive 'client' of a broker.
5. The decision to engage an apprentice is not one that should be taken lightly, nor one that should be taken as a result of pressure from a third party broker such as a salesperson from an Australian Apprenticeship centre 'selling' incentives and subsidies.
6. An apprenticeship must be viewed and respected as more than a mere business transaction!

### 3.6 Diversified Qualification pathways.

What is your view of the diversified qualification pathways for apprenticeships suggested in Figure 9 of the discussion paper?

#### AMWU Response:

1. The AMWU is **strongly opposed** to the proposed model at Figure 9 of the discussion paper.
2. The net effect of the model would be to expand the time that it would take to produce a functioning tradesperson to upwards of 7 years.
3. The industrial relations implications would be substantial given the expectation that the massive pre-employment and pre-apprenticeship training proposed would result in a substantially higher entry level skill profile resulting in a substantially higher entry level wage outcome.

4. It is essentially a model that further distances the apprenticeship experience from employment and vocational competency to the industry standard, and places academic learning in an institution before the acquisition of vocational skills.
5. The point of an apprenticeship is to produce a skilled tradesperson capable of operating effectively in employment. Institutional delivery of trade training in the absence of employment is a measure that may solve some of the budget challenges of training providers but will not solve the skills challenges confronting industry.
6. The drive to institutional learning divorced from workplace experience appears to be driven by vested interests. Training providers are the ones proposing to shift the focus away from workplace competency to some form of theory driven, front end loaded 'teaching' where the individual pays, at their direct expense, a premium for getting half of the trade. This approach will be at the eventual expense of industry who will not get the skilled trades the economy needs.
7. The overwhelming bulk of industry strongly supports the apprenticeship model that has served Australia well for the entirety of the country's history. The integrated combination of training and work based learning remains the most effective way to produce skilled tradespersons capable of performing the work that the economy needs.
8. The notion that the acquisition of complex trade skills can be 'accelerated' is akin to getting the ingredients for a cake, placing them in the oven and cranking up the heat. Gone are the days when it was acceptable to assume that theory and practice were separate processes in trade training.

## 4. Lifting performance

### 4.1 Shifting the quality focus

***Are the current performance measures for the VET sector appropriate? Should we have greater focus on long term student outcomes in learning and work? On contribution to workforce development? On social and community outcomes? Others?***

#### **AMWU Response:**

1. Quality should be defined in terms of 'vocational skills that meet the vocational standard established by industry through Training Packages that are deployed in the economy'.
2. Qualifications that do not meet the vocational standard and do not deliver vocational skills that relate to a direct employment outcome should not be defined as vocational.
3. Too many qualifications are in effect pre-vocational or pathway programs leading to further training rather than direct entry into employment.
4. Performance measures for the VET sector should be outcomes focused with the outcomes defined in terms of utilising the qualification in employment in a relevant vocation. That is "Can the person who has completed the qualification apply the skills they have developed in employment to the standard expected by industry?; "Is the person competent?"
5. There is no vocational or economic benefit if the skills languish, serving only to boost qualification attainment statistics for bureaucratic purposes.

## 4.2 Qualification Completion issues

***Should we be worried about low qualification completions rates in VET? Are qualification completions an appropriate success indicator? Should funding be linked to provider performance to improve student outcomes?***

**AMWU Response:**

1. We should be worried about the low completion rate for qualifications. The cost associated with non completions is significant and represents significant wastage.
2. We shouldn't accept the often quoted excuse that students opt out when they get the individual skills that they need.
3. Invariably it is an employer mounting that argument
4. Properly designed vocational qualifications will reflect the needs of the occupation at an industry level, not simply the job as it is in a particular enterprise. The mobile nature of employment in the current age demands competency in the full range of vocational skills to maximise our chances of building productivity and innovation in the economy.
5. There is no broader public interest to be served in subsidising the narrow skills needs of individual employers.

## 4.3 Public Information of provider's key performance indicators

***What information about VET providers' performance, including key performance indicators, should be made public?***

**AMWU Response:**

1. Key performance indicators should be available on the public record and include
2. Costs (including often hidden fees and charges)
3. Commencements and completions
4. Destination studies for graduates
5. History of audits including non-compliances
6. Qualifications of trainers
7. Risk Category assigned by the regulatory authority for audit purposes.

## 4.4 Ensuring Quality Outcomes

***How can the quality and relevance of graduate outcomes be improved? What is industry's role? Is there a place for moderation and review of assessment by external bodies such as the Industry Skills Councils?***

**AMWU Response:**

1. There should be a strong role for Industry Skills Councils in guiding and reviewing the performance of auditors of quality, and in providing public guidance on what to look for when assessing the performance of a training provider.
2. Training Packages should clearly indicate where simulated work environments are not appropriate for particular units of competency or qualifications.

#### 4.5 Ensuring Quality inputs

***How can we promote and support professional practice in VET teachers and trainers?***

**AMWU Response:**

1. There ought to be a proper approach to professional development of trainers, teachers and VET professionals that recognises that Certificate IV in Training and Assessment is only an entry level qualification for those involved in VET delivery and that there is more to the design, delivery and assessment and continuous improvement of VET programs than low level training delivery.
2. There is a need for a range of qualifications to underpin the full extent of skills and knowledge required to cater for vocational training at all levels.
3. Regulators should pay attention to delivery practices in relation to VET training and assessment qualification delivery to ensure this high risk area is free from non compliant behaviour.

#### 4.6 Better connections across sectors

***What are the best models for future VET and higher education collaborations—dual-sector universities, formal networks of institutes and universities, or polytechnics? Other approaches? Is this something governments should facilitate or should it be left up to institutions?***

**AMWU Response:**

1. VET should not be judged on the basis of where it occurs.
2. Genuine vocational learning can take place in schools, in the ACE sector, in universities and at registered training organisations. What matters is meeting the vocational standard and doing it with employment in mind. That is what makes it vocational.
3. The best models are those that accommodate the needs of the student and can deliver results that meet the standards in an ethical way.
4. Funding mechanisms often create an artificial divide based on the institution at which the learning is to take place. The divide sets up competition to win the funding.

#### 4.7 Portability and recognition of prior learning between educational streams

***What changes to credit transfer and/or articulation arrangements need to take place to increase the number of students who move between school, ACE, VET and higher education?***

**AMWU Response:**

1. The premise underpinning the question is that increasing the number of students who move between school, ACE, VET and higher education is necessary. The issue is really one of what recognition arrangements are there for learning already completed?
2. Whether students move between the sectors should be a reflection of their confidence that the particular sector that they move to will provide a fit for purpose outcome for them.

3. The removal of artificial barriers to recognition of prior learning (where relevant) would suffice.
4. Credit should be granted for learning that has been completed and does not need to be repeated.

#### **4.8 Strengthening Links between VET, schools and Adult Community Education**

##### ***How can the links between VET and schools and VET and the Adult Community Education sector be strengthened?***

###### **AMWU Response:**

1. The AMWU is a strong supporter of the efforts made by the ACE sector in building the capability of individuals in the community and notes that the sector punches above its weight in terms of outcomes, both social and economic. We further note that the sector operates in a significantly less secure funding environment.
2. We submit that the formal VET sector and the schools sector could benefit from closer relationships with the ACE sector.
3. Both the school and VET sector need to strengthen their focus and respect for the vocational standards that industry determines through Training Packages. If the various sectors are engaged in vocational education and training they should meet the same standard irrespective of the nature of the institution.
4. Adherence to the industry standard would make it harder to maintain the current "if you weren't trained by us we won't recognise the outcome" mentality that appears to pervade the industry.

## **5. Establishing strong foundations for growth**

### **5.1 Funding sources for growth**

##### ***If VET is to grow how is this to be funded? What are your thoughts on - increased tuition fees with income-contingent loans; increased co-funding of programs for employers; the introduction of an industry levy?***

###### **AMWU Response:**

1. The Victorian experience of introducing an entitlement model supported with income contingent loans is failing. Students are not well placed to determine the best qualification for them and they are effectively at the mercy of the marketing departments of training providers.
2. Employers are the consumers of skills, and yet they contribute little to their development.
3. Industry based levies like the construction industry training fund supported by taxation measures and a more sophisticated use of group training arrangements should be considered along with shifting the focus of apprenticeship and VET training away from quantity of commencements and on to quality of completions.
4. VET qualification completions continue to decline due to quality, relevance, churning and fitness-for-purpose related issues.
5. The quality of the initial decision to undertake a VET qualification needs to be given greater attention, particularly by funding bodies.

6. Increasing the number of apprenticeship completions can be done a number of ways.
7. Increase the number of commencements in an environment where the completion rate is 50%
8. Decrease the number of commencements but increase the number of completions by more effective use of mentoring

## 5.2 Completion linked funding

***What potential benefits or issues do you see if public funding to providers were to be based on outcomes such as qualification completions? Could entitlement funding be combined with outcome-based funding? If so, how would this work?***

### **AMWU Response:**

1. Moving to a simplistic model based on completions could encourage a tick and flick approach which could result in completion rates increasing while the quality of the outcome plummets.
2. Behavior is shaped by funding, and bad behavior is encouraged by bad funding models!
3. A model that valued the deployment of vocational skills in employment as a consequence of the completion of a vocational qualification would be a measure of success that could complement other funding measures.

## 5.3 Governance for the future

***What do you see as the top policy priorities to recommend to governments for a new intergovernmental agreement for skills and workforce development?***

### **AMWU Response:**

1. Ensure there is genuine bipartite leadership of the system through well resourced Industry Skills Councils
2. Support an effective and aggressive National VET Quality Regulator and empower it to rebuild confidence in VET outcomes. A priority would be to review qualification anomalies that create a lack of equivalency in the Industrial Relations setting. For example a nominal 240 hour AQF III qualification in retail being accorded the same minimum wage outcome as a 960 hour AQF Level III in Engineering Fabrication.
3. Make VET 'vocational' ie "of or pertaining to a job"
4. Abandon the notion that markets could ever be the source of solutions to market failure in a training system that floats on a sea of public funding.
5. Reaffirm commitment to a national training system based on competency determined by industry
6. Abandon attempts to deliver key trade skills 'on the cheap' though ill considered institutional models that have more to do with supporting the bottom line of states and training providers than building the skills base of the economy.

The AMWU would support a prohibition on the delivery of key trade related qualifications in the absence of a training contract. The experience with institutional delivery of trade qualifications to international students is beginning to become an issue for domestic students.

7. Institutional delivery of trade qualifications will not produce skilled tradespeople who deploy their skills in the economy.

#### **5.4 Government overlap**

***How can any weaknesses in shared government responsibility be addressed?***

**AMWU Response:**

1. Stop the duplication in effort
2. Stop the cost shifting
3. Stop pretending that every jurisdiction is somehow so unique that it needs its own variation on every theme.

#### **5.5 Operational Flexibility**

***What type of flexibility might TAFE institutes need to operate effectively in a more competitive market? Are any governance reforms needed to increase operational flexibility?***

**AMWU Response:**

1. The absence of flexibility is a consequence of culture and resources, not governance. TAFE Institutes need to be resourced and permitted to operate flexibly. That will require an investment in professional development to allow TAFE staff to engage in the relationships with industry that are necessary to build an understanding of the needs of industry.
2. The challenge in changing culture cannot be underestimated.
3. The accountabilities that attach to publicly owned organisations such as TAFE put them at a significant disadvantage in a competitive market where compliance with standards cannot be assured.

END

## ATTACHMENT "1"

### The AMWU June 2009 submission in response to the Australian Apprenticeships Taskforce Discussion Paper included the following observations.

"The apprenticeship model is well supported by apprentices and the community in general as an effective learning model that works despite some of the barriers that ideologically driven reforms and marketisation of the training market have erected over the last decade.

The effects of some of these so called reforms can be seen in growing non-completion statistics in apprenticeships and traineeships where the number of cancellations and withdrawals in the 12 months ending 31 December 2008 was 135 200, 2% higher than the 132 400 cancellations and withdrawals in the 12 months ending 31 December 2007.<sup>1</sup>

A recent Survey<sup>2</sup> conducted in 2008 by Colmar Brunton Social Research on behalf of the Manufacturing Industry Skills Advisory Council of South Australia (MISAC) made a number of findings in relation to barriers to the commencement and completion of apprenticeships.

#### "Barriers

A lack of encouragement, communication and information at school level was identified as a key barrier to apprenticeship commencements, while the wage structure and costs associated with training were identified as obstacles to completions – along with a sense from apprentices that they were not able to transfer their course curricula to workplace experience as quickly or as broadly as they would like.

#### Incentives

Clear incentives for both commencements and completions were identified in the ability to earn an income while training – and that this training would lead to excellent career opportunities in trades which would always be in demand.

Key strengths of the apprenticeship program were found in the quality of training and training facilities; interesting work; and a general quality work experience as an apprentice.

#### Perceptions about training

'Quality of training' was considered by apprentices to be the most important element of the apprenticeship experience.

#### Potential Improvements

Apart from a consistent call for an increase in wages, recommendations for improvements to the apprenticeship program focussed on continuous on-the-job learning, including a call for more opportunities for work-place practice and more opportunities to pair with a qualified tradesperson."

Other long term effects of the trend to jettison vocational training and apprenticeship during times of economic downturn include the consolidation of training effort into a boom bust cycle where the economy works feverishly to train in times of growth and then drastically reduces its efforts during the downturn which in effect means there are

<sup>1</sup> NCVER [http://www.ncver.edu.au/statistics/aats/quarter/dec2008/atts\\_decqtr08.pdf](http://www.ncver.edu.au/statistics/aats/quarter/dec2008/atts_decqtr08.pdf) page 4

<sup>2</sup> <http://www.misac.com.au/cgi-bin/page.cgi?id=444> page 1

never enough skills available in the good times when they are required to capitalise on the opportunities that can come from growth.

The establishment of the training sector as a competitive commercial space has, of course, resulted in capacity to train being 'tailored' to the opportunities to extract a commercial return, which in turn means that during the times when training is jettisoned, training capacity is degraded to the point that there is insufficient capacity come the good times which compounds the problem described above.

Whilst we note that some employers have worked hard to retain the investment that has been made in their apprentices, we are saddened at the speed with which other employers have vacated the vocational training and apprenticeships field.

The AMWU welcomes the efforts being made by the Federal Government to support the employment of apprentices at this time but believe that those efforts must be carefully targeted.

To that end we, like the ACTU, are concerned to ensure that there is consideration of key issues that go to:

- The integrity of the training contract;
- The effective targeting of subsidies and entitlements;
- The role of the training provider;
- Practical support for apprentices; and,
- Industry and employer support in maximising the retention of apprentices and completion of apprenticeships.

We submit that the last years of the Howard Government saw support measures introduced ostensibly to support increased opportunities to train and retain apprentices, although in our submission those measures were skewed heavily in the interests of employers and training providers often at the expense of apprentices.

#### Maximising commencements and increasing completions

The AMWU submits that if the goal is to maximise commencements and increase completions then the last thing that should be done is to leave it to the market.

The AMWU believes that public funding support for vocational training should be distributed in the public interest.

Not all apprenticeships or traineeships result in skilled workers whose qualifications have the same social, economic or strategic impact. There is merit in governments making strategic decisions about the nature and extent of funding support they choose to provide to particular apprenticeships/traineeships.

This may mean funding for some but not others or different levels of funding for different programs.

Greater levels of support for apprentices in strategic occupations would encourage higher levels of commencement.

No consideration of apprenticeship commencements and completions would be complete without consideration of the circumstances under which apprenticeships operate and under which apprentices are employed.

The Colmar Brunton research conducted for MISAC made a number of findings relating to what apprentices thought of their experience of the apprenticeship system:

"The Colmar Brunton report found that one of the key barriers to participation in apprenticeships is lack of information, communication and encouragement at a school level.

This is compounded by:

- A perceived 'pressure' for students to go on to university, with trades considered a 'lesser' career path (sometimes by family and friends as well as careers advisors),
- Limited understanding of what an apprenticeship entails, so that it only becomes an 'option of choice' for those who have a specific passion (such as an apprentice mechanic fulfilling a life-long goal to work with cars), and
- A perception of low wages (although the ability to 'earn-while-you-learn' is also an incentive).

In the focus groups, participants spoke about a perceived lack of:

- Promotion at school-leaving age,
- Mentors to demonstrate the value of a trade qualification, and
- Opportunities for hands-on experience,

coupled with what they now thought to be low wages during apprenticeship and a less than desired increase once qualified."<sup>3</sup>

And

"While the focus groups discussed 'barriers' to people choosing an apprenticeship, the survey asked apprentices to nominate 'obstacles' they had encountered during the apprenticeship program.

Respondents were given a list of 15 potential obstacles and invited to circle any they had met – meaning they could choose more than one.

The 'top five' obstacles nominated were:

- a. Cost of tools, tuition and/or books,
- b. Inconsistent work / lack of work,
- c. Family or personal problems,
- d. Problems with co-workers, employers or sexual harassment and discrimination, and
- e. Limited ability to put the techniques learned at the RTO into practice at work."<sup>4</sup>

The research supports the long held view of the AMWU that the more needs to be done to encourage take up and completion of apprenticeships by providing a more supportive environment in which genuine learning, in the context of employment, can take place.

The report paraphrases the views of the apprentices on what is required to strengthen and encourage apprenticeships as follows:

- Lift the profile in schools – a trade is a 'desirable option'
- More opportunity to turn 'learned techniques' into 'practiced skills' in the workplace
- 'Earn-while-you-learn' – with quality training and quality training facilities
- 'Skills in demand' – means long-term career opportunities

<sup>3</sup> <http://www.misac.com.au/cgi-bin/page.cgi?id=444> page 6

<sup>4</sup> ibid page 8

- Training is relevant and contemporary – let's get it into practice!
- A structured on-site training plan to plot the use of skills – so everyone knows what to expect
- More pairing with qualified tradespeople for continuous learning
- Expectations need to be met – or changed – both need improved communication

The survey also supports the view of the AMWU that there needs to be more involvement by industry in the quality of assessment area of the system to help to build confidence among employers and apprentices about the quality of the outcomes that come from training.

The AMWU supports the proper use of pre-apprenticeship programs designed to facilitate entry into relevant trade apprenticeships.

There is clear evidence that those who complete a proper pre-apprenticeship program are better informed about the choices and options they have and are much more capable of making a judgement about whether to pursue a trade. An NCVER report on pre apprenticeship programs found "Those who undertake pre-apprenticeships are more engaged with the occupation and are more likely to have plans for higher-level training after they complete their apprenticeships."<sup>5</sup>

In the same NCVER report "85% of apprentices said they intended to do further study related to their apprenticeship after finishing and those who had done a pre-apprenticeship were significantly more likely to be planning further study than those who had not, suggesting a stronger attachment to the occupation and greater prospects of retention."<sup>6</sup>

We do not support programs so generic in their nature that they do not contribute to the preparedness of an individual for a specific and relevant trade.

**We are concerned that low level generic 'work preparation' and pre-vocational programs are becoming pre-requisites to entry into a trade apprenticeship and may be discouraging people from taking up a trade.**

Where effective pre-apprenticeship programs are established, more needs to be done to identify the outcomes of training and learning that occurs in a pre-vocation or pre-apprenticeship program and relate that learning to credits against relevant components of the qualification the subject of the apprenticeship.

The AMWU is concerned that credit for competence already achieved is the exception rather than the rule and where it does exist it is commonly, and improperly, applied to the end of the nominal term rather than the beginning, where it would influence wage outcomes and provide a real incentive to the individual to continue into an apprenticeship.

We say that conditions should apply to the endorsement of a pre-apprenticeship program:

- It should clearly identify how successful completion will contribute to credit for both competency and 'time served' against the requirements of a Training Contract; and
- It should lead to, (but not necessarily result in) and be based on, a relevant Training Package Qualification.

---

<sup>5</sup> NCVER "Pre-apprenticeships in Three Trades" <http://www.ncver.edu.au/research/proj/nr05010p.pdf> "Key Messages - page 7 NCVER October 2007

<sup>6</sup> Ibid page 9

We say that any credits that result from the successful completion of such a program should be applied to the commencement of the nominal term of the apprenticeship.

We believe that measures to support commencement and completions of apprenticeships should be introduced that include the establishment of nationally agreed and legislated for standard minimum terms and conditions for the employment and training of apprentices that support structured and effective employment based learning environments that complement formal training undertaken as part of the Training Contract.

In our view minimum standards are required to provide comfort and support to people engaged in apprenticeships in order to overcome barriers to take up and obstacles to completion and should address such issues as:

- Improvements in the wages and conditions of apprentices;
- Mandatory provision of pre employment orientation on OHS, Contract of Training and employment rights, including rights to access legislative measures for dispute resolution;
- Specific measures that address issues such as suspensions in relation to apprentices employed by Group Training organisations;
- Measures to improve the health and safety of apprentices;
- Protections from harassment and abuse of apprentices;
- Measures that guarantee the right to effective recognition of prior learning (RPL);
- Effective implementation of competency based wage progression in parallel with competency based completion and the effective engagement of the apprentice in decisions relating to their competency or otherwise;
- Measures to improve access to quality training and support for both on and off the job training;
- Guaranteed access to work and learning experiences that are relevant and appropriate to the trade that is the subject of the apprenticeship;
- The right to information from unions and employer associations;
- The right to union membership and participation in the affairs of their union;
- Measures to boost the number of apprenticeships by removing barriers to the take up and completion of apprenticeships such as those barriers described in the aforementioned Colmar Brunton research;
- Measures to encourage the take-up of adult apprenticeships by existing workers;
- Measures to defend the trades from fragmentation and quick-fix training schemes including the use of intermediate or fragmented qualifications;
- Measures to defend against the inappropriate use of so called 'skill sets' that are intended to break down the comprehensive and generic skills base of the trades;
- Protection from abuse of competency based apprenticeship models;
- Defence against fully institutional delivery of trade qualifications in the absence of an apprenticeship;
- Defence against the use of 'accredited courses' that undermine national industry training package qualifications developed by the industry parties through national Industry Skills Councils;
- Improved protection of wages, employment and employment conditions for existing workers who become apprentices.

The AMWU believes that greater attention should be paid to the establishment of contracts of training to ensure that the arrangements are suitable and consistent with the desire to have them successfully complete.

The use of mandated intermediaries through the Australian Apprenticeships Centre's (AAC's) has failed to deliver the sort of supports that are required to facilitate sustainable apprenticeships.

There is a case to be made that the introduction of AAC's has interfered in the relationship that is required to be developed between an employer and an apprentice for the apprenticeship to be sustainable.

It is our view that AAC's must be much more effective in ensuring the person being signed to the Training Contract, the employer, the qualification and the vocation are coherently relevant to the circumstances.

Approval of Training Contracts should only be provided where there is acceptable confidence that the Training Contract arrangement is based on an appropriate relationship between the person, the qualification and the vocation, the employer and that the employer has undertaken to provide work experiences that are consistent with the learning required of the qualification and the obligations contained in the standard form of the contract.

The AMWU believes that the increasing number of cancellations of contracts of training represent wasted opportunities and wasted resources.

The AMWU submits that:

- it is far too easy to effect a cancellation of a contract;
- there are insufficient resources devoted to maintaining contracts of training to completion;
- greater consistency in relation to the criteria that must be met before a cancellation is approved and states, Territories and the Commonwealth should consult with industry peak bodies on the establishment of a binding code of practice to apply to apprenticeship cancellations which recognises cancellation of a Training Contract as a last resort.

The AMWU believes that Skills Australia should be required to report to the Ministerial Council on an annual basis on the effectiveness of the Contract of Training system, and in particular, the level of completions and non-completions and the reasons that can be established for non-completions.

The report should also include any advice Skills Australia may have to offer the Ministers on strategies to improve the effectiveness of the system."