Submission to the National Resources Sector Employment Taskforce
April 2010
The Australian Council for Private Education and Training (ACPET) is the peak, national industry association for independent providers of post-compulsory education and training. ACPET represents more than 1,100 organisations, from schools to higher education institutes, delivering a full range of education, training and English language courses to both domestic and international students.

Private training institutions are the 'engine room' of the Australian training sector and deliver over 4,000 accredited and non-accredited courses to an estimated 2.2 million students at any one time.

ACPET welcomes the opportunity to provide input into the Australian Government’s National Resources Sector Employment Taskforce.

**Delivery of training to the resources sectors**

ACPET Members are the market leaders in the delivery of training to the resources sectors. ACPET Members have been responsive to the needs of industry and have delivered tailored and innovative training to the resource sector.

Industry requirements are effectively conveyed to the education and training system when strong relationships exist between all stakeholders. Strong relationships are built when training organisations are able to show their commitment to industry and develop training programs that fit the needs of industry. This includes providing training outside of traditional hours and training environments.

ACPET Members have been able to use their strong relationships to show the resource sector that value of training in order to improve the efficiency of their operations. The improvement in efficiency of operations manifests itself when mining companies understand that investment in training and education can be as important to efficiency dividends as investment infrastructure and equipment.

**Apprenticeships**

The Taskforce needs to look at the key messages from the National Centre of Vocational Education and Research (NCVER) report *Cost of Training Apprentices* to develop a systematic approach to the factors which significantly impact on employers initially engaging and then retaining Australian Apprentices particularly during times of full employment. The key messages\(^1\) from the report are:

- The apprenticeship model involves a substantial financial commitment from employers. The numbers currently involved in training apprentices attests to apprentices' value to employers.

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\(^1\) NCVER report: Cost of Training Apprentices, 2009, pg3
The highest costs to employers are for supervision, as apprentice wages are more or less equal to their productivity.

The effect of government incentives on employers’ decisions to train apprentices is minimal, as they do not represent a significant discount to employers.

Apprentices also incur costs, based on the loss of potential wages (opportunity cost). The opportunity cost is very sensitive to the alternative wage available to the apprentice.

Apprenticeships are more attractive to young people (because of lower opportunity costs) and will be unattractive to older people, unless the premium paid to qualified trades people is substantial.

Use of a systematic approach
The number of different arrangements across the various states and territories can be confusing to the clients, particularly employers operating nationally. ACPET support a systematic approach and streamlining of policy reforms so that there is decreased confusion about the type of support which is available.

Providing the client with choice
Currently, states and territories are responsible for managing the funding, through User Choice contract arrangements, to cover the direct cost of training Australian Apprentices. The intent of User Choice is to support the client to choose the provider most suitable to meet their needs by using learner-centred funding and advisory services. Previously, the provision of nationally recognised training and qualifications was mostly limited to the state and territory Technical and Further Education (TAFE) institutes although under new systems, non-government organisations can now register to provide nationally recognised training and qualifications under User Choice.

ACPET acknowledges that the non-government RTO now delivers a small portion of User Choice contracts but that the client is still limited in their choice due to contestable and non-contestable divisions of User Choice contracts by some of the states and territories. The national website Training.com.au states that the client (employer and apprentice) can negotiate aspects of the training such as:

- the structure and content of the training;
- where the training will be delivered;
- how it will be delivered;
- when the training will occur and
- which trainer/facilitator will conduct the assessment of training.

Good practice strategies and solutions currently being used in meeting the needs of clients should be systematically endorsed and supported. Flexibility is still needed in a systematic approach to allow for industry needs, occupational differences, individual workplace practices, regional requirements and the individual needs of the client whether it is the employer or the apprentice.

**Appropriate and alternative models for delivering training**

Appropriate models are models that deliver results and as such the full spectrum of available training that provide flexibility to industry and learners is necessary. ACPET members are able to meet the needs of clients through responsive, flexible and innovative delivery arrangements and partnerships. The flexibility that ACPET Members provide ensures that education and training solutions can be tailored to specific organisations and regions.

**Figure 1** The Mine Entry Program (MEP) is an alternative model of training being developed by ACPET Member, Performance Training Pty Ltd.

The MEP initiative is a result of a need within the mining community for a more effective and efficient way to:

- improve the work readiness of new entrants to the mining workforce
- establish a quality minimum benchmark of mandatory skills and knowledge within the existing workforce
- deliver better training outcomes on a larger scale consistently across regions
- ensure optimal use of valuable training resources

ACPET would be pleased to facilitate an information session for the National Resources Sector Employment Taskforce in order to provide a detailed briefing on the MEP.
Figure 1: The Mine Entry Program

1. RTO Meets with Mine Entrant to develop Training Plan.
2. Mine Entrant enrolls in MEP.
3. Mine Entrant performs MEP coursework.
4. MEP Logbook issued to entrants who successfully complete coursework.
5. Mine Entrant undergoes relevant Stakeholder’s Site-Specific Induction (recorded in MEP logbook).
6. Mine Entrant performs supervised work in accordance with training plan and completes MEP Log Book.
7. Authorised Mine Site representative signs off MEP Log Book to confirm practical competency.
8. Completed MEP Log Book submitted to RTO for record keeping and final sign off.
9. RTO issues appropriate Qualification.
10. RTO Meets with Mine Entrant to revise Training Plan and adjust as required.
11. Mine Entrant embarks on career pathway and as per individual training plan.
12. RTO and Stakeholder support Mine Entrant with their ongoing professional and personal development.
Skills for Sustainability

In 2009 the National VET Sector Sustainability Policy and Action Plan was endorsed, and COAG released the Green Skills Agreement. This agreement will be the platform for the development of skills for sustainability in the resources sector.

Recognition of training

The taskforce should examine the development of a national database to track the delivery on unaccredited training to the resource sector. The database can be used to track learning and recognition can be provided as recognition of prior learning (RPL) requirements. The MEP also had a logbook component which will help track on the job training and ensure adequate recognition can be provided.

Encouraging school leavers and graduates to enter the resource sector

A harmonised effort to promote the resource sector has a career pathway needs to be initiated. Working in the resource sector should not just be seen as driving behemoth trucks and working 12 hour shifts in poorly ventilated shafts. A marketing model similar to the Australian Defence Force should be introduced. This will promote a career in the resource sector as a career for life that provides a multitude of employment opportunities, transferable skills in diverse, well paid employment that is rewarding, challenging and stimulating.

Extend VET FEE HELP to include Certificate III and Certificate IV

Currently VET FEE-HELP is available to students who are studying a diploma, advanced diploma, graduate certificate or graduate diploma courses with an approved VET provider, to pay for all or part of their tuition costs.

Students studying a Certificate III or a Certificate IV cannot access VET FEE HELP. There are significant skills shortages in the resource sector in both core operations areas and support services, by opening up VET FEE HELP to Cert III and Cert IV an opportunity exists for school leavers to fund their own study through VET FEE HELP in order to gain the skills to work in the resource sector. Given that a person’s likelihood of being unemployed is reduced by 40 percent if they have obtained a VET qualifications there is an opportunity to use the extension of VET FEE HELP to assist in the skilling of new entrants into the resources sector.

Contact Details

Mr Ben Vivekanandan
Manager, Policy and Research
Tel: 03 9412 5912
E: ben.vivekanandan@acpet.edu.au