Building Trade Pathways
Strengthening trades training in Victoria

Skills Victoria
Introduction

About this paper

This paper presents the findings of a comprehensive investigation into the operation of Victoria’s apprenticeship system, which was undertaken by Skills Victoria during 2011. The apprenticeship system is the dominant pathway into the trades and the investigation found that it is, on the whole, functioning well. However, a range of challenges limiting the effectiveness of the system was identified. There are a number of opportunities for reform to improve the efficient supply of entry-level tradespeople to the Victorian labour market.

The opportunities for reform include the provision of alternative training pathways to a trade qualification. Potential quality, regulatory and administrative reforms to the apprenticeship system were also identified, many of which would also support alternative trade training pathways.

The paper has been written to facilitate feedback from and discussions with key stakeholders of the apprenticeship system.

In addition to this introductory section, the paper consists of two main sections:

• Section One provides a summary of key challenges identified through the Skills Victoria research.
• Section Two identifies potential reform directions that respond to these challenges, and invites comment on reform opportunities.
At its heart, the apprenticeship system is built on relationships – between apprentices, employers, training organisations and government. For this reason, feedback from stakeholders is essential to help guide improvements to further strengthen the apprenticeship system. Ultimately, the intention is that any reform directions adopted will benefit workers, employers, industry and the community as a whole.

In February 2012, several public workshops will be held to allow people to comment on this paper. More information about these workshops is provided at the end of this document.

The Victorian definition of apprenticeships excludes traineeships (which are included in the overarching Australian Apprenticeships system). Using this definition, discussion focuses on the ‘traditional trades’.

As will be seen, the challenges and potential reform directions are described at a high level, rather than in specific detail around what the directions would look like or how they might be implemented. This is because in this first stage of consultation we are seeking initial feedback on the broad themes and directions only – not their implementation. As noted, any new directions undertaken will require much more detailed working through – and we specifically seek expressions of interest from any parties interested in further involvement with particular reforms in Section 2.

Scope

The Skills Victoria 2011 research looked at the current functioning of the Victorian apprenticeship system and, while recognising its strengths, explored opportunities for improvement. These include the development of a more flexible training model for some cohorts, improvements to quality of training and assessment and better support services for employers and apprentices, as well as streamlined regulatory and administrative processes.

The study adopted an evidence-based approach. It included a broad review of existing research on the Victorian apprenticeship system, as well as a substantial analysis of sixteen years of Victorian apprenticeship data from the Skills Victoria DELTA database. This data included information on 228,558 apprentices in training from 1995 to 2010.

It is important to note that this document focuses on the issue of supply of ‘entry level’ workers into the trades. It is not about the broader and more complex issue of industry skill needs overall or ‘skill shortages’ (which means different things to different people). Neither is it about the skill needs of any specific industry.

A well-functioning apprenticeship system makes a positive contribution to meeting our skill needs. However, it should be remembered that apprenticeships are not, and will never be, the answer to all skill shortage issues. Skilled workers also come from other sources (e.g. skilled migration and workers with institutional qualifications); and skill shortages in a particular occupation or industry may not be caused by the functioning of the apprenticeship system (i.e. they might relate to wages or conditions within the specific industry).

The reforms canvassed in this paper are not intended to solve all of the challenges currently faced in a tight labour market. However, they are intended to make an important contribution to ensuring an efficient and effective stream of new, qualified entrants to the traditional trades.

Overview of apprenticeships and the labour market in Victoria

A strong and responsive trades training system is fundamental to meeting Victoria’s longer term labour needs. This is particularly important to the traditional trades which rely primarily on apprenticeships to deliver entry-level tradespeople. Many of these trade occupations face existing skill and labour shortages and/or projected demand pressures, which mean a well-functioning and efficient apprenticeship system and the creation of alternative entry-level pathways into the trades are essential components of meeting skill and labour needs now and into the future.

Apprenticeships represent about one-fifth of Victoria’s total training market and are the dominant training system for the trades. They offer large and small businesses essential skilled workers, contributing to the productivity and overall wellbeing of the State. They also offer thousands of Victorians a pathway to a secure career and strong employment outcomes.

Overall, the project found evidence to suggest that the number of apprenticeships is growing at a healthy rate. Apprenticeship commencements...
have grown more than twice as fast as the Victorian employed labour force since 1995 and more people are starting apprenticeships than ever before – at rates that are proportionally greater than those of many years ago (see Figure 1 below).

In 2010, 19,044 apprentices commenced training, representing a 93 per cent increase since 1995. There were also 47,473 apprentices in training at a point in time, representing a 61 per cent increase over that same timeframe.

In comparison, since 1995 the Victorian employed labour force has grown approximately 42 per cent. In other words, apprenticeship commencements have grown at just over double the rate of the overall workforce.

Victorian research completed in 2010 found that the forecast strength of the economy is a critical factor in a business’ decision to employ an apprentice or not and commencements fall in a weak economy. This is evident in Figure 2, which shows that there was a 15 per cent drop in apprenticeship commencements in Victoria between 2008 and 2009 – a result of the global financial crisis.
Commencement numbers have bounced back overall as the Australian economy has strengthened. However, they do vary at an industry level. For example, apprenticeship training in the building and construction trades has increased dramatically and recovered strongly following the global financial crisis. In contrast, other industries have achieved negligible growth or not yet reached pre-global financial crisis numbers. This reduction in commencements will flow through to lower completion numbers in coming years.

### A summary of challenges and potential reform directions

Whilst the strong growth in apprenticeship numbers is clearly evident, this is not to say that all is well or that there is no room for improvement in the system overall. The project identified four key challenges with the current apprenticeship system and corresponding reform opportunities to improve apprenticeship pathways into the trades. A summary is provided below.

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Section one: key challenges for Victoria’s trades training system

Challenge A: The traditional ‘one-size-fits-all’ apprenticeship model is unattractive to some people and could be improved to ensure the supply of tradespeople for the future

The traditional apprenticeship model generally consists of a period of three to four years, four days a week on-the-job and one in off-the-job training, with almost identical curriculum and qualification outcomes for apprentices. This model has worked well for the majority of apprentices and employers over many years. However, the ‘one-size-fits-all’ approach has limitations and there is clear evidence that:

- Perceived long training periods and low wages mean the apprenticeship system is not well suited or attractive to some people, such as mature-aged and experienced workers.
- The existing approach to training doesn’t provide opportunities for exposure to leading-edge technologies, or seamless pathways to gaining higher level qualifications in related or complementary fields. This limits the attraction for some potential apprentices and creates missed opportunities for maximising the productivity and capabilities of some apprentices.
- Apprenticeship training is vulnerable to economic cycles. Fewer apprenticeship commencements during downturns can lead to skills shortages when the economy improves.

The evidence

Gender and language background

Males are three times more likely to participate in an apprenticeship than females. Women have numbered only 13 per cent of Victorian apprenticeship commencements since 1995; if hairdressing is removed from the figures, the picture is even starker. Those with English-speaking backgrounds are four times more likely to participate in an apprenticeship than those of a non-English speaking background. Many non-English speaking apprentices also experience higher rates of contract cancellations than the average.

As many traditional trades are well-paid, and secure careers, it is a concern that cultural barriers to women and individuals from a non-English speaking background remain widespread.

Attractiveness of the apprenticeship model

While apprenticeships hold a particular attraction for many early school leavers, there is evidence that the system is not so attractive to higher achievers, mature-aged workers or those with previous work experience.

Providing innovative experiences, working with new technologies and exposure to other skill areas are not currently widely available and might prove a valuable way of attracting high achieving apprentices. Unlike many other areas of study/types of qualifications, opportunities for an apprentice to challenge themselves or to easily move to a higher level qualification are comparatively limited.
A more skilled and adaptable workforce could promote new ideas, new technologies and new methods. This in turn could aid efficiency and productivity growth.

Managing the impact of economic fluctuations on supply of apprenticeships

As already outlined, the cost of employing an apprentice becomes a concern during an economic downturn, which leads to fluctuations in the numbers of commencements year to year. During times of economic uncertainty, employers are less willing to employ new staff, particularly staff in training who are likely to be a ‘drain’ on short-term productivity.

Fluctuating supply in an economic downturn can create skill shortages down the track. In the short-term, a poorly functioning apprenticeship system may result in shortages of entry-level qualified tradespeople. In the longer term, these shortages are likely to lead to limited supply of experienced tradespeople.

For some industries identified as facing current and/or projected demand shortages, a well-functioning and efficient apprenticeship system and the creation of alternative entry-level pathways into the trades are essential to meeting skill and labour needs now and into the future. Increasing the pool of people interested in a career in the trades, through promoting the use of CBC and RPL and developing alternative pathways form aspects of addressing industry skill needs, especially in the context of economic uncertainty.
Challenge B:

Some apprentices are not developing the skills, confidence and capabilities needed to equip them for a modern workforce

The issue

While many apprentices receive excellent training that prepares them well for their future careers, there is evidence that some don’t gain the skills and capabilities needed for the ever changing world of work. Research suggests that:

- Some apprentices lack the foundation skills required to work in their chosen trade and this deficiency is not being addressed through the apprenticeship system.
- While in many environments quality of training provision is excellent, greater consistency is needed across the board in both off-the-job and on-the-job training.
- Some completing apprentices are not competent to a standard acceptable to industry partly due to inconsistent standards of assessment.

The evidence

Concerns with literacy and numeracy levels of potential apprentices

Concerns are regularly raised about the poor literacy and numeracy levels among commencing apprentices, which may have an impact on their ability to complete and undertake a successful career in the trades. For example, a project looking at the maths skills of commencing bricklaying apprentices at Gippsland TAFE showed that:¹

- 75 per cent could not do basic maths, such as adding numbers with decimals or subtraction requiring ‘borrowings’;
- 80 per cent could not calculate the area of a rectangle, or the pay owed for working four and a half hours; and
- 20 per cent could not interpret millimetre measurements from a centimetre/imperial calibrated tape measure.

Low levels of literacy and numeracy are particularly common among early school leavers and the apprenticeship system serves as their continuing education in basic skills.

Lower achievement in reading and mathematics in Year 9 is associated with increased likelihood of participation in an apprenticeship.

Consistency of apprenticeship training

Apprenticeship training requires both learning in the workplace, under the supervision and instruction of the employer as part of the training contract (on-the-job training), as well as institutionally-based learning delivered by a registered training organisation (off-the-job training). Ensuring its success in both environments is a key challenge for the system.

On-the-job training

While work-based learning is a great strength of the apprenticeship model, it also presents some challenges. Three main concerns are frequently raised.

These are that day-to-day work may be prioritised over training needs; that some smaller workplaces may not be able to provide sufficient breadth and depth of work experience; and that some supervisors may not be appropriately trained.

With no specific government requirements around supervision, and considering the diversity of work environments in which apprenticeships may occur, the experiences of apprentices may vary significantly. In 2010 alone, there were 27,226 Victorian employers providing training to apprentices.

Insufficient breadth of training has been found to be a particular problem where all training is conducted at the workplace.²

Off-the-job training

Concerns have also been raised about off-the-job training, although it too has strengths. For example, 2009 and 2010 national data from apprentices and employers demonstrated high levels of satisfaction with off-the-job training, at 82 per cent of completing apprentices and 74 per cent of non-completers – and an even higher percentage of satisfied employers.

Criticisms of off-the-job training are nonetheless frequently raised by stakeholders. For example, the recently released report by Skills Australia on the Australian vocational education and training system noted ‘the need for a comprehensive package of reforms in the sector’s quality practices, especially in the delivery of teaching and assessment’³.
The three major issues that surface relate to: the quality of training facilities and the teacher workforce; currency and industry relevance; and the inadequate connection between on-the-job and off-the-job training.

Concerns about assessment

There have been longstanding concerns about the consistency of apprenticeship assessment, particularly perceptions that learners are sometimes inappropriately assessed as competent. Research by the National Quality Council found industry has the following concerns with assessment practices in vocational education and training:4

- A lack of consistency (perceived or real) between assessors conducting assessments;
- Variations in assessment techniques and tools;
- Inconsistency in assessment practices between RTOs;
- Lack of rigour in assessment of competencies regarded by industry as ‘critical’ in the workplace.

Although completion of an apprenticeship qualification should indicate that an individual is qualified to work in the occupation, the failure rates of occupational licensing assessments in some industries demonstrate that passing an apprenticeship is not always sufficient to demonstrate trade competence to the standards required.

Using an example from the plumbing industry, there is significant diversity in the failure rates of apprentices from different training providers sitting their occupational registration exams. Research completed in 2010, revealed that apprentices from the worst performing providers failed 37 per cent of assessments, while apprentices from the best performing providers failed only 10 per cent of assessments. This suggests significant inconsistency in training and assessment.

Moreover, in many institutions, teaching and assessment have become separated functions, with workplace assessors determining student competence but not delivering instruction.5 While those assessors would hold the requisite Certificate IV in Training and Assessment (Certificate IV TAE), they would not necessarily have industry experience; and also would not contribute to curriculum development.6 There are opportunities for a greater role for industry in assessment.

Challenge C:
The system could do better to attract the right people and support them to successfully commence and complete their training

The issue

While there has been significant investment in information and support services by the Victorian and Commonwealth Governments, there is evidence that:

- Apprenticeship opportunities are not always well promoted and the quality and accessibility of the information on apprenticeships makes it difficult for potentially interested individuals and employers to find out how to commence an apprenticeship— and to properly understand their obligations once they do.
- The variety and number of support services creates confusion and inefficient outcomes for apprentices and employers.
- Complex administrative processes and difficulties in accessing training places can cause delays in the commencement of an apprenticeship.
- As discussed in Challenge A, the lack of flexibility in the apprenticeship model and the absence of alternative pathways into the trades discourage some people from pursuing a trade qualification.

The evidence

Perception of apprenticeships

Apprenticeship pathways are strongly associated with lower educational achievement. The 2010 DEECD On Track destinations survey found that only a small number (5.3 per cent) of students finishing Year 12 or equivalent entered apprenticeships. The rate was slightly higher for those finishing a Victorian Certificate of Applied Learning (VCAL) at 9.3 per cent. In contrast, 27 per cent of early school leavers took up an apprenticeship.

The proportion of school leavers going into apprenticeships has slightly grown since 2004 – for both early school leavers and Year 12 completers (see Figures 3 and 4 below). However, it should be noted that there has been a steady downward trend since 2008 in the proportion of early school leavers participating in an apprenticeship.
Apprenticeships compete against a number of other education and employment options. As Figure 3 illustrates, institutionally-based courses and apprenticeships compete for the same group of early school leavers.

A survey conducted for the South Australian Manufacturing Industry Skills Advisory Council (MISAC) in 2008 indicated that a lack of encouragement, communication and information at school level was a key barrier to apprenticeship commencements.

As noted earlier, research suggests that there may be an untapped market of potential apprentices (e.g. women and those from non-English speaking backgrounds). In addition to those two groups, Figure 4 suggests that another relatively untapped cohort may be the group of young people who have completed their senior secondary certificate. This group may believe they are unsuited to an apprenticeship or may simply not know about the opportunities an apprenticeship offers.

There are persistent student perceptions that vocational education and training is only a pathway for non-academic students. This may mean that students with higher academic performance are not given information about such options and may, therefore, never consider a career in the trades.
Completion and cancellation rates

The efficiency of the apprenticeship system is affected not only by the numbers who take up an apprenticeship, but also by those who complete. Current completion rates for Victoria stand at 67 per cent (excluding those apprentices who withdraw during the initial three month probationary period) although rates vary at the specific industry level.

While this figure is relatively strong compared to many other forms of education and training, Skills Victoria notes that the efficiency of the apprenticeship system has slightly deteriorated since 1995. The proportion of apprentices who withdraw during the probationary period has increased by nearly half since 2000, with a maximum of 8.3 per cent withdrawing in 2008. Overall completion rates for apprentices have also not significantly improved over time.

Research indicates that there can be numerous causes for apprenticeship non-completion and cancellation. Sometimes causes are simply unknown. For example, results from a 2011 NCVER survey showed that the most common reason given for non-completion was ‘doing something different/better’, but this doesn’t explain why the apprentice considered something else better.

In 2010, the number of cancellations that were initiated by apprentices was more than twice the number initiated by employers. Reasons and factors contributing to apprentices cancelling their apprenticeship include:

- **Mismatch or incompatibility** – Reported across most industries, but particularly in automotive where employers report this as the main factor in 17 per cent of cases and in hairdressing where employers report this in 13 per cent of cases. By comparison, electrical reports quite low levels of ‘mismatch’ (8 per cent by both apprentices and employers) as well as hospitality (5 per cent by employers and 7 per cent by apprentices).7
  - **Workplace issues** – Research completed in 2011 found that the most common reason for cancellation of an apprenticeship, at 28 per cent, was dissatisfaction with workplace conditions or treatment. Workplace issues include: unfair treatment; conflict in the workplace; wages and lack of overtime pay; inadequate support for training; workplace bullying; and sexual harassment.8
  - **Mentoring and support** – Research highlights that improved mentoring and pastoral care services improves apprentices’ experiences and leads to better completion outcomes.9
  - **Quality of training** – Only a relatively small proportion (10 per cent) of apprentices in a 2011 Victorian study identified this as the main reason for a cancellation.10 However, a number of other studies indicate that inadequate training is one of the most important reasons for cancellation.11
  - **Demographic variations** – Research indicates that cancellations are also more likely to involve those who are younger, have left school before completing Year 12, have lower socio-economic status, and low levels of literacy.

In contrast, the reasons and factors for employer-initiated cancellation include:

- **Performance on the job** – This was more commonly reported as a concern for employers in food (15 per cent), automotive (14 per cent), building and construction (12 per cent), and hairdressing (13 per cent) industries. Performance appears to be less of an issue for employers in electrical (7 per cent), engineering (9 per cent) and hospitality (10 per cent).
- **Fluctuations in business** – In Victoria in 2010, 12 per cent of cancellations were employer initiated due to economic reasons. The recent global financial crisis certainly had some impact. Growth in the number of completing apprentices slowed from 2008 to 2009 (growing only 0.4 per cent between 2008 and 2009 compared with an average annual increase of 7.5 per cent previously).
- **Poor recruitment practices** – Research suggests that good recruitment is one of the major factors leading to completion. A Group Training Australia survey found that some apprentices are employed for reasons (such as a personal connection between apprentice and employer) that have little bearing on the apprentice’s aptitude or commitment to the trade.12

Support for apprentices and employers

Inaccessible information and confusion around what help is available can certainly be a barrier to people entering the apprenticeship system in the first place. It may also lead to people ‘falling through the gaps’ in terms of support.

Current service provision of support services can be confusing and is not
always well integrated. Research confirms that improved services with higher levels of support for apprentices and their employers can result in higher levels of completion.

The lack of a ‘one-stop-shop’ for addressing the pastoral care needs of apprentices means there is no continuity of support. A recent study found that despite the availability of support services, many of the apprentices interviewed for the research described feelings of being left ‘on their own’ and not knowing where to go for advice and assistance. A central point of contact could improve the understanding of what support is available and consequently completion rates.

**Challenge D:**

**The regulation of apprenticeships could be more efficient and effective**

**The issue**

A successful apprenticeship system should be supported by a regulatory framework that is efficient, effective and user-friendly. It should facilitate freedom of movement across jurisdictional boundaries. The regulatory framework for Victoria’s apprenticeship system does not currently meet these criteria.

The regulation of the apprenticeship system could be improved to provide better clarity and remove any unnecessary costs and delays for employers and apprentices.

**The evidence**

**Regulation and administration**

The complexity of apprenticeship regulation in Australia has recently been raised in two significant national policy reviews: the Apprenticeships for the 21st Century Expert Panel report and the Skills Australia paper Skills for Prosperity.

At the national level, jurisdictional inconsistency in the regulation and administration of apprenticeships creates complexity for national employers, and barriers to apprentices moving between jurisdictions. There is work in progress at the national level on national harmonisation of the apprenticeship system. Identified areas for improved harmonisation include:

- The rules and processes faced by employers and apprentices relating to the approval, variation, transfer, cancellation and completion of a training contract and its associated training plan
- Rules to assess competency and time served credits applicable to an apprentice when establishing a new training contract or transferring an existing contract to another jurisdiction.
At the State level, apprenticeships are regulated in Victoria by the Education and Training Reform Act 2006 (Vic) (ETRA). There are opportunities to update the ETRA in light of changing labour markets and modern training practices. For example, one potential inefficiency in the ETRA is the 'mutual consent requirement' – that is, the requirement that an apprenticeship training contract can only be cancelled, varied or suspended by mutual consent. Apprentices and employers are required to lodge separate cancellation forms setting out the reason(s) why they wish to cancel the training contract, even where the cancellation is straightforward. This process imposes a significant burden on apprentices and employers. Evidence also suggests that there are many inefficiencies in the operation of administrative systems within the Victorian apprenticeship system, including:

- Delays in enrolment processes and therefore commencement – to illustrate, an enrolment with a training provider requires a DELTA number. For a DELTA number to be generated, six administrative steps must be completed involving both the AAC and Skills Victoria. A delay at any of these stages will cause delays in training enrolment and commencement.
- Duplication of enrolment and administrative processes – the IT systems used by training providers, Skills Victoria and the Commonwealth Government do not interface effectively.

- Paperwork – for example an apprentice eligible for both the Living Away from Home Allowance and the Tools for the Trade payment requires 40 payment authorisations co-signed with their employer over a three-year period.
Section two: potential reform directions

Potential reform direction A:
Develop a more attractive, flexible and responsive training model

This section suggests a number of potential reform directions that respond to the challenges outlined in Section 1. The public workshops scheduled for early 2012 will focus discussion on the material presented in this section.

This direction responds to the following challenge outlined in Section 1:
The traditional 'one-size-fits-all' apprenticeship model is unattractive to some people and could be improved to ensure the supply of tradespeople for the future.

Potential reform opportunities include:

1. Victoria to accelerate completions by promoting more systematic use of RPL and CBC by:
   - Advocating to Fair Work Australia to explore current barriers to RPL, CBC and more flexible models in modern awards (including part-time apprenticeships).
   - Working with specific industries that are interested in greater uptake of RPL and CBC.

2. Develop innovative apprenticeship models for talented apprentices that:
   - Expose high achieving apprentices to new technologies, work experiences and broader skills (e.g. project management).
   - Work with training providers and innovative large employers to develop pathways for future industry leaders into master trade and other tertiary qualifications.

3. In partnership with industry, investigate opportunities for alternative models of training delivery (including more institutionally based training with structured work placements), focused on:
   - Individuals that already have experience in the workplace, including out of trade apprentices and mature-age workers.
   - Securing the supply of trained tradespeople for employers unable to take on enough apprentices during an economic downturn.
Rationale for possible reform options

A more flexible approach, through increased adoption of CBC and RPL, would enable suitable apprentices to progress more quickly through their apprenticeship, and in so doing could potentially attract more people whose skills and experience meant they could complete training more quickly.

Innovative apprenticeship models may attract different cohorts of apprentices, including mature workers with relevant experience and higher achieving school leavers.

An alternative model of training delivery may also attract more mature and experienced workers – including groups who may wish to maintain current employment in a related field whilst studying. Such a model may also be less vulnerable to economic downturns and be more responsive to long term industry needs when downturns inevitably occur. Alternative models could include work placements outside of the apprenticeship model such as:

- **Simulated workplace training**: training provided in a custom built training facility that provides opportunities for apprentices to undertake activities that they would normally encounter ‘on-the-job’ under particular specifications;
- **Work-integrated training**: where institutional training is complemented by work placement components at various stages of the training; or,
- **Combination models**: courses that include both institutional and workplace based training for fixed periods – for example the current model for nursing which involves two years of institutionally-based learning, followed by a two-year work placement.

It is essential that any model adopted takes account of the practical needs of employers and the standards and skills required of a fully qualified worker in a particular industry. Regardless of the range of different models that may be appropriate, strong industry participation in the design and implementation of the model will be a key factor for success.

1. **To what extent do you agree with each of the reform directions presented?**
2. **If you disagree with any possible reform, what is the reason for your disagreement?**
3. **Do you believe there are any obvious reform directions that have been overlooked?**
4. **If so, what are these and what evidence do you rely on to support your view?**
5. **Are there any reform opportunities that you particularly support? If so, would your organisation wish to be engaged in further development and scoping of these recommendations?**
Potential reform direction B:

Equip apprentices for 21st century jobs

This direction responds to the following challenge outlined in Section 1:

Some apprentices are not developing the skills, confidence and capabilities needed to equip them for a modern workforce.

Potential reform opportunities include:

4. Victoria could help individuals gain the necessary foundation skills in training and in the workplace by:
   - Developing new approaches to delivering pre-apprenticeship courses to early school leavers, embedding trades learning into VCE and VCAL programs.
   - Piloting ‘communities of practice’ to create more attractive pathways for vocationally-oriented students. These communities would involve TAFE institutes and schools to align curriculum and build themed pathways.
   - Working at the national level to incorporate additional language, literacy, digital literacy and numeracy content into trades training, including pre-apprenticeships and apprenticeships.
   - Advocating that the National Foundation Skills Strategy includes a specific focus on language, literacy and numeracy skills for apprentices and in workplace based training.

5. Victoria could encourage consistent standards of on and off-the-job training by:
   - Increasing support for new employers of apprentices in on-the-job training and/or where there is evidence of increased risk of non-completion.
   - Make information about the quality of training at registered training organisations (RTOs) more accessible to employers and support national standardisation of training quality reporting.

6. Work with industry and providers to trial improved assessment processes involving:
   - Industry-approved best practice assessment focussed on core competencies.
   - Appropriate mechanisms for external validation of trade qualification assessments (e.g. a voluntary industry program to validate the quality of participating RTO assessments).
   - Developing guidance material to support communication between RTOs and employers. This would help create a shared understanding of apprentices’ competencies and the way in which competencies can be achieved.
Rationale for possible reform options

Supporting foundation skills
Improving the content and delivery of trades training has the potential to better equip individuals with essential foundation skills, as well as train apprentices in the skills relevant to modern industry needs. Research suggests that foundation skills are more effective when embedded into the core competencies rather than incorporated as separate components, making them relevant to the specific trade.

An alternative pathway for early school leavers interested in pursuing an apprenticeship, with a strong focus on continuing their broader education and development of general skills, will also help build the foundation skills of younger apprentices.

There are opportunities to deliver pre-apprenticeship courses to early school leavers that are better linked with general education while still including the development of trades-based skills.

Consistency in training
In addition to working towards improved foundation skills on entry, apprentices would benefit from more consistent training provision both on- and off-the-job to develop the skills they require for a career in the trades.

A targeted, risk-based approach to compliance could improve the consistency of work-based training delivery across the board without increasing the burden on employers who already have experience in training apprentices.

As part of wider reforms to Victoria’s demand driven training market, Victoria could also consider improving information about training quality available to users of the system to inform their decisions about where their apprentice should be enrolled.

Improved assessments
To build on improvements to on-the-job and off-the-job training, there is also an opportunity to improve assessment processes to ensure that entry-level tradespeople achieve a more consistent standard of competency regardless of which employer and RTO provides their training.

Industry and providers could be encouraged to jointly develop best practice assessment procedures, particularly for trades where there are no independent licensing processes.

Victoria should work with industry and training providers to develop common assessment procedures within Victoria and pilot models of external validation or moderation of assessment.

1. To what extent do you agree with each of the reform directions presented?
2. If you disagree with any possible reform, what is the reason for your disagreement?
3. Do you believe there are any obvious reform directions that have been overlooked?
4. If so, what are these and what evidence do you rely on to support your view?
5. Are there any reform opportunities that you particularly support? If so, would your organisation wish to be engaged in further development and scoping of these recommendations?
Possible reform direction C:

**Improve information, accessibility and support**

This direction responds to the following challenge outlined in Section 1:

The system could do better to attract the right people and support them to successfully commence and complete their training.

Potential reform opportunities include:

7. Support the creation of redesigned Australian Apprentice Centres (AACs) as state-based ‘one stop shops’. The new service could be responsible for a wider range of supports including:

- Providing an information portal on opportunities for Victorian apprentices.
- Providing information on alternative trades training with work placement options.
- Working with schools to improve the attractiveness of careers in the trades.
- Delivering improved support services for prospective, current and out-of-trade apprentices through an integrated case management approach.
- Delivering improved support services for employers to build training capacity and facilitate workplace swaps to increase the breadth of work experience available.
- Developing streamlined administrative processes.

**Rationale for possible reform options**

Improved information and support services have the potential to attract more entrants into trades training and to improve completion rates. There is scope to redesign services in order to make them more effective and user friendly.

Significant investment has been targeted at increasing commencements in apprenticeships, with consequences across the system as a whole. But there is also a need to shift the focus from just getting people in the door, to assisting individuals to make better training choices. This involves:

- Providing good quality information before entering an apprenticeship or alternative trades training programs.
- Supporting training to completion.
- Equipping employers to support and train people undertaking on-the-job training in their workplace.
There is potential to advocate at the national level to integrate Commonwealth and State services and enable personalised services based on individual circumstances. Redesigned, state-based ‘one-stop-shops’ would effectively address a number of the problems already outlined.

Redesigned ‘one-stop-shop’ support services could:
- Simplify administrative processes.
- Provide a single source of information.
- Consolidate support services for people seeking to enter into an apprenticeship arrangement or alternative trade training pathway. This would include working with schools to improve information about opportunities in the trades.
- Improve support services to employers.

There is an argument for consolidated support services being overseen by the States and Territories. This would allow for key services, including the responsibilities for sign-up and management of training contracts for apprentices, to be tailored to the specific needs of employers and apprentices in each jurisdiction. As the regulation and management of training contracts sits best with the States, adding the responsibility for sign-up of training contracts provides an opportunity for significant efficiency gains, and smoother processes from the point of view of employers and apprentices. In addition, ‘one-stop-shops’ could integrate better with careers advice at senior secondary schools. Consolidated support services would be better equipped to identify and address gaps in the provision of services to apprentices.

For example, unlike students at schools or VET institutions, apprentices do not currently have access to systemic support for personal issues (such as family, drugs, or mental health) although these issues significantly impact upon apprentice retention and completion.13

1. To what extent do you agree with each of the reform directions presented?
2. If you disagree with any possible reform, what is the reason for your disagreement?
3. Do you believe there are any obvious reform directions that have been overlooked?
4. If so, what are these and what evidence do you rely on to support your view?
5. Are there any reform opportunities that you particularly support? If so, would your organisation wish to be engaged in further development and scoping of these recommendations?
Potential reform direction D:
Streamline and improve regulation

This direction responds to the following challenge outlined in Section 1:
The regulation of apprenticeships could be more efficient and effective.

Potential reform opportunities include:

8. Prioritise national regulatory reforms to:
   • Develop principles of mutual recognition for training contracts and
     apprenticeship qualifications to allow apprentices to move more easily between
     jurisdictions.
   • Harmonise State/Territory-based apprenticeship regulation to reduce
     complexity for employers and training providers working across jurisdictions.

9. Enhance Victorian regulation of apprenticeships by:
   • Removing regulatory and administrative barriers to contracts being transferred
     between employers.
   • Investigating the likely impact of repealing the mutual consent requirement for
     cancelling and suspending training contracts.

Rationale for potential reform options

National harmonisation of some regulatory arrangements would reduce complexity for
national employers and facilitate jurisdictional mobility for apprentices. But sufficient
jurisdictional flexibility must be retained so that States and Territories can address
local needs and encourage innovation.

While harmonisation of apprenticeship regulation is progressing through national
forums, implementation is expected to take several years. Therefore, in the short
term mutual recognition rather than harmonisation may be more achievable in some
cases. For example, principles of mutual recognition could be introduced in each State
and Territory’s legislation to allow an apprentice to continue their apprenticeship in
another jurisdiction even if that jurisdiction does not recognise the qualification as an
apprenticeship.

At the local level, Victorian apprenticeship regulation should be made simpler
and more efficient so that it imposes a lower regulatory burden on employers and
apprentices.

1. To what extent do you agree with each of the reform directions presented?
2. If you disagree with any possible reform, what is the reason for your
disagreement?
3. Do you believe there are any obvious reform directions that have been overlooked?
4. If so, what are these and what evidence do you rely on to support your view?
5. Are there any reform opportunities that you particularly support? If so, would your
organisation wish to be engaged in further development and scoping of these
recommendations?
How can you provide feedback on potential reform options?

Five facilitated public consultation workshops are scheduled for the second half of February 2012 to seek feedback on the potential reform directions and discuss the potential impact of reform.

Each workshop will be a half-day session and will involve:

- An introduction to the project and purpose of consultation
- A short presentation on the key findings, evidence and potential reform options
- Facilitated small group work to develop feedback on reform opportunities
- Summary of next steps.

Workshops will be held as follows:

<table>
<thead>
<tr>
<th>Region</th>
<th>Workshop Date</th>
<th>Time</th>
<th>Location</th>
<th>RSVP Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dandenong</td>
<td>Monday 13 February 2012</td>
<td>12.00pm – 4.00pm</td>
<td>Comfort Inn Dandenong 124 Princes Highway, Dandenong</td>
<td>Monday 6 February</td>
</tr>
<tr>
<td>Traralgon</td>
<td>Tuesday 14 February 2012</td>
<td>12.00pm – 4.00pm</td>
<td>GippsTAFE Academy 49–63 Princes St, Traralgon</td>
<td>Monday 6 February 2012</td>
</tr>
<tr>
<td>Bendigo</td>
<td>Thursday 16 February 2012</td>
<td>12.00pm – 4.00pm</td>
<td>Bendigo &amp; District RSL 73–75 Havilah Rd, Bendigo</td>
<td>Monday 6 February 2012</td>
</tr>
<tr>
<td>Geelong</td>
<td>Monday 20 February 2012</td>
<td>12.00pm – 4.00pm</td>
<td>Geelong Conference Centre Auditorium, Adams court, Eastern Park Gardens Geelong</td>
<td>Monday 13 February 2012</td>
</tr>
<tr>
<td>Melbourne</td>
<td>Thursday 23 February 2012</td>
<td>9.30 – 1.30pm</td>
<td>William Angliss Conference Centre 555 La Trobe St, Melbourne</td>
<td>Monday 13 February 2012</td>
</tr>
</tbody>
</table>

If you would like to attend one of these workshops, please email your details and the specific workshop you would like to participate in to tradepathways@edumail.vic.gov.au by COB on the relevant RSVP date.

If you are unable to attend any of the scheduled workshops but would like to provide input please send an email to tradepathways@edumail.vic.gov.au or contact the Building Trade Pathways project team on 9637 2479 to discuss alternate arrangements.


8. Ibid.


10. Ibid.


