



Positive Futures: Apprenticeships and Traineeships in Queensland

**Building on the strengths of the
apprenticeship and traineeship system**



**Jobs
Queensland**
Future skills. Future workforce.

**Report to the Minister for Training and Skills
June 2017**



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Chair's introduction

This report is the culmination of a project which began in November last year with the launch of the Positive Futures: Apprenticeships and Traineeships in Queensland discussion paper. Since the launch, Jobs Queensland has undertaken an extensive state-wide consultation process to discover what is working well within the system for employers, apprentices and trainees, industry and the broader community.

There are a number of external factors, such as economic and demographic trends, which influence outcomes within the apprenticeship and traineeship system and require longer term strategy. However, research undertaken for this project has identified a range of factors critical to successful outcomes which can be addressed by more immediate policy and action.

Many of the jobs of today will continue into the next decade and beyond, but most will be different in some way. Additional skills will be needed in response to industry developments and technological advancements that considerably change work practices. Already many entry level jobs are requiring new and higher skills and new ways of working. In addition, new jobs will emerge that will demand more of our apprenticeship and traineeship system.

Our apprenticeship and traineeship system can capitalise on these opportunities by directing a new focus to the skilling needs of future jobs. This may result in the emergence of new or different apprenticeships and traineeships (including higher level and dual apprenticeships) and additional industries using the system.

Preparing young people for the world of work is a critical step toward reducing youth unemployment. For more than 20 years, schools have successfully provided a pipeline of skilled labour to businesses through school based apprenticeships and traineeships. Early engagement with students and parents in career planning, improved school career development services and closer links between schools and local businesses are some of the ways we can improve the use of the system.

The 22 recommendations in this report provide advice to the Queensland Government to build on the strengths of the system to position Queensland to best meet current and future skills needs. Changes such as these will contribute to improving employment outcomes for Queenslanders, especially young people and those in regional areas. This will require collaboration between all tiers of government to stimulate, subsidise and promote apprenticeship and traineeship pathway opportunities.

On behalf of Jobs Queensland, I would like to acknowledge everyone who participated in the consultation and sincerely thank them for their valuable contributions, which, along with complementary research, informed the recommendations in this report.

Rachel Hunter
Chair, Jobs Queensland



Executive summary

This report is the result of extensive state-wide consultation and research by Jobs Queensland about Queensland's apprenticeship and traineeship system. The consultation sought to discover what is working well, and is focused on eight key themes: the changing nature and role of the apprenticeship and traineeship system; technological change; industry variances; attraction, retention and completion success factors; quality and satisfaction; pre-employment programs; school-based apprenticeships and traineeships; and incentives.

To complement the research and engagement conducted by Jobs Queensland, two specific pieces of research were commissioned. Ithaca Group was engaged to develop a series of case studies focused on identifying success factors critical to the completion of apprenticeships and traineeships. Victoria University was engaged to undertake analysis of the apprenticeship and traineeship funding model in Queensland and how this influences the choices employers and students/employees make in relation to training. The key findings of this work are summarised below.

Purpose of the system

The consultation found that the system has strong support, however to remain relevant and to attract apprentices and trainees, it needs to be focused on the skills needs for jobs of the future. In a dynamic environment, new pathways and alternative models are emerging. Stakeholders support the national training system but feel at times Queensland needs a stronger voice to advocate for our training needs. There are flexibilities in the system, however these are generally not well known or understood by both employers and apprentices and trainees. Apprenticeships and traineeships are pathways to interesting, diverse and rewarding careers, but this is not well promoted and despite information being abundant, it is complex and difficult to navigate. The role of the federally funded Australian Apprenticeship Support Network (AASN) is not well known or understood, especially in regional Queensland.

Technology

Stakeholders acknowledge the impact of technology on how industry does its work and what training is needed. Technology also impacts how training is delivered and administered. Employers generally prefer training providers to deliver face-to-face classroom or on-the-job training, rather than relying solely on online training. While technology opens opportunities, local access barriers can put some communities at a disadvantage.

Industries

Different industries have different needs and regulatory requirements as is evident through the report's profiling of various industries, such as construction, health and retail. Some training packages could better meet these needs. Overwhelmingly, stakeholders consider there is potential to include common competencies in training packages. Increased specialisation is driving collaboration and innovation in training delivery, and job opportunities in each region are limited by the nature of industry composition.

Retention and outcomes

Research by Ithaca Group identified a number of critical factors for the successful completion of apprenticeships and traineeships. These include clear expectations which are met, a good fit, mentoring and support, good quality training, healthy relationships and a positive workplace experience, and sustained motivation.

Quality and satisfaction

There are numerous sources of data available about the apprenticeship and traineeship system, but no commonly agreed target or measure of success, either state-wide or by industry sector. Outcomes are also not well defined. Good quality training is critical to the success of an apprenticeship or traineeship and Queensland's actions to improve quality are recognised.

Pre-employment programs

It is preferable that people have some knowledge or experience of the industry, and job-readiness skills, before they start an apprenticeship. Pre-apprenticeship programs and experiences are often the entry point to a pipeline that connects people to jobs.

School-based apprenticeships and traineeships

School-based apprenticeships and traineeships (SATs) are generally very well regarded and are seen to work best when there are strong networks between schools and industry. Parental involvement is important because they influence the commitment of most students undertaking SATs. Access to quality career information enables students to make well informed decisions so schools across Queensland need more information to better match students to job opportunities. There are some qualifications delivered in schools that create barriers for students who want to go on to full-time apprenticeships and traineeships. Employers in many industries consider more time in the workplace beneficial. To maximise individual student opportunities some schools may need assistance with scheduling to accommodate their local circumstances.

Incentives

There are varying views about the value of incentives. Most people acknowledge incentive schemes to be an important part of the system; deliberately employer focused with the intent of creating job opportunities. Victoria University found some evidence indicating that incentives paid to employers had been effective in leading to an increase in apprenticeship commencements, but not apprenticeship completions. There was support among stakeholders for incentives to be targeted for particular purposes such as increasing diversity or to support industries with forecast skills demand.

Incentives are hard to navigate and understand and frequent changes impact on business planning. Because incentive schemes vary from State to State and industry to industry, they can also be difficult to decipher and understand, and short-term changes can affect business cash flow. There is a view that there would be significant benefit from better alignment of State and Commonwealth incentives.

There were also widespread concerns about how Trade Support Loans are being used. Victoria University found no available evidence indicating that incentives paid to apprentices in the form of Trade Support Loans have been effective in increasing commencements or completions.

Recommendations to the Minister for Training and Skills

The 22 recommendations in this report provide advice to the Queensland Government to build on the strengths of the system to position Queensland to best meet current and future skills needs.

Purpose of the system

1. Work with key stakeholders in each industry to identify the qualifications and structured pathways needed for future jobs in Queensland. This may include funding new apprenticeships and traineeships, more dual and higher level apprenticeships, or introducing additional competencies to traditional apprenticeships and traineeships, in recognition of changing industry needs such as increased specialisation and demand for technical skills.
2. Establish dedicated vocational education and training content design and assessment expertise that has the authority to influence the development of national training packages that have the agility to anticipate and incorporate the skills needed for future jobs in Queensland.
3. Work with industry to develop and deliver a campaign to promote the status of apprenticeships and traineeships and career opportunities in Queensland industries to attract a diverse range of employees and more employers.
4. Promote system flexibilities and publish timely, consolidated information, which is user-friendly and mobile-enabled, about apprenticeships and traineeships, as well as regional job trends and career opportunities.
5. Put Queensland's case to the Australian Government for better support from the AASN by advocating for a review to:
 - identify gaps in servicing our distinct needs
 - better define the roles and accountabilities of the AASN providers, the Department, training providers, Group Training Organisations (GTOs) and employers, and streamline processes accordingly
 - improve the level and effectiveness of support services including mentoring through the apprenticeship or traineeship.

Technology

6. Build flexibility into the system to enable User Choice funding to be prioritised to include specialised, supplementary skill sets needed to help employers accommodate the impact of new and emerging technologies such as automation, robotics, mechatronics or new industries such as renewable energy.
7. Require User Choice training providers to publish specific information about their delivery methods and locations, demonstrating how they incorporate a balance of online, classroom and on-the-job training and assessment.
8. Continue to improve the use of technology in the administration of the apprenticeship and traineeship system.

Industries

9. Maximise the benefits of common core and elective competencies across groups of industries.
10. Work with industries and unions in areas that are most impacted by increased specialisation to develop options to ensure apprentices and trainees experience the full scope of practical training.

Retention and outcomes

11. In partnership with the Australian Government, strengthen the approach taken by AASN providers in Queensland to assess the suitability of employers to take on an apprentice or trainee before the training contract sign-up.
12. Develop up-to-date industry-endorsed resources to support employers and supervisors of apprentices and trainees, including a Queensland supervision guide that uses workplace friendly technology, and provides information about upskilling opportunities for supervisors.

Quality and satisfaction

13. Explore the feasibility of introducing a capstone test of competency, as determined by each industry, to ensure apprentices are equipped and ready to enter a trade prior to the completion certificate being issued by the Department, and how it would impact reporting and timing of payments to training providers.
14. Explore the range of data that could be provided to industries to enable them to set targets for healthy completion rates and levels of satisfaction for apprenticeships and traineeships in Queensland.



Pre-employment programs

15. Encourage young people (aged 15 to 19 years) to participate in a form of work experience before they start an apprenticeship in Queensland. This may include short-term work experience, structured workplace learning or work placements as agreed with industry.
16. Encourage schools to formalise the role of industry liaison/vocational education and training coordination as best suits their local arrangements.

School-based Apprenticeships and Traineeships

17. Support schools to provide quality career development services through:
 - engaging with local employers about apprenticeship and traineeship opportunities for students and industry job trends
 - engaging students and parents in career development planning well before they develop their Senior Education and Training Plans for Years 10 to 12
 - promoting apprenticeships and traineeships as interesting and rewarding career paths full of opportunity
 - providing timely and targeted information about industry and job trends and local opportunities relevant to apprenticeships and traineeships that schools can share with students and parents.
18. Identify the structured pathways accepted by industry that best facilitate students' entry into apprenticeships and traineeships, and provide this advice to schools, students and parents.
19. Identify industries in which two days a week in the workplace or block release is considered necessary for students to successfully transition to careers. Demonstrate to schools how best to incorporate this into their timetabling and showcase examples of good practice.

Incentives

20. Advocate to the Australian Government for employer incentives to be adjusted in accordance with the Consumer Price Index.
21. Improve promotion of the range of incentives and financial support that is available to Queensland employers and apprentices and trainees by industry, region and special circumstances.
22. Request the Australian Government improve the support available to help apprentices and trainees to complete their training, including through evaluation of the Trade Support Loan program.

Background

In November 2016 Jobs Queensland released the discussion paper, *Positive Futures: Apprenticeships and Traineeships in Queensland* as part of a state-wide engagement process to give stakeholders the opportunity to comment on how the apprenticeship and traineeship system is meeting the current and future skills needs of industry and how it could be strengthened.

This significant project is part of Jobs Queensland's remit as an independent statutory entity providing sector leadership and strategic advice to the Minister for Training and Skills on skills demand and the performance of the apprenticeship and traineeship system. The focus of this advice is designed to build on the strengths of Queensland's apprenticeship and traineeship system and to identify opportunities to support workforce needs.

The Queensland apprenticeship and traineeship system is dependent on cooperative relationships between a range of stakeholders including the State and Commonwealth governments, industry and employers, apprentices and trainees, unions, Registered Training Organisations (RTOs), GTOs and support providers. Together the Australian and state governments are responsible for the program design of the apprenticeship and traineeship system.

The Queensland Government administers and funds the apprenticeship and traineeship system. In 2016–17, training subsidies through the User Choice program account for \$206.3 million of the \$230 million annual investment. The Australian Government also invests in the Queensland apprenticeship and traineeship system with the largest single direct contribution made through the provision of employer incentives. In 2016–17, an estimated \$90 million is being paid to Queensland employers.¹

Methodology

A combination of research and extensive stakeholder engagement has informed this report. The discussion paper posed 31 questions about the changing nature and role of the apprenticeship and traineeship system, technological change, industry variances, attraction, retention and completion success factors, quality and satisfaction, pre-employment programs, school-based apprenticeships and traineeships and incentives. Feedback was sought at regional forums and through written responses and an online survey.

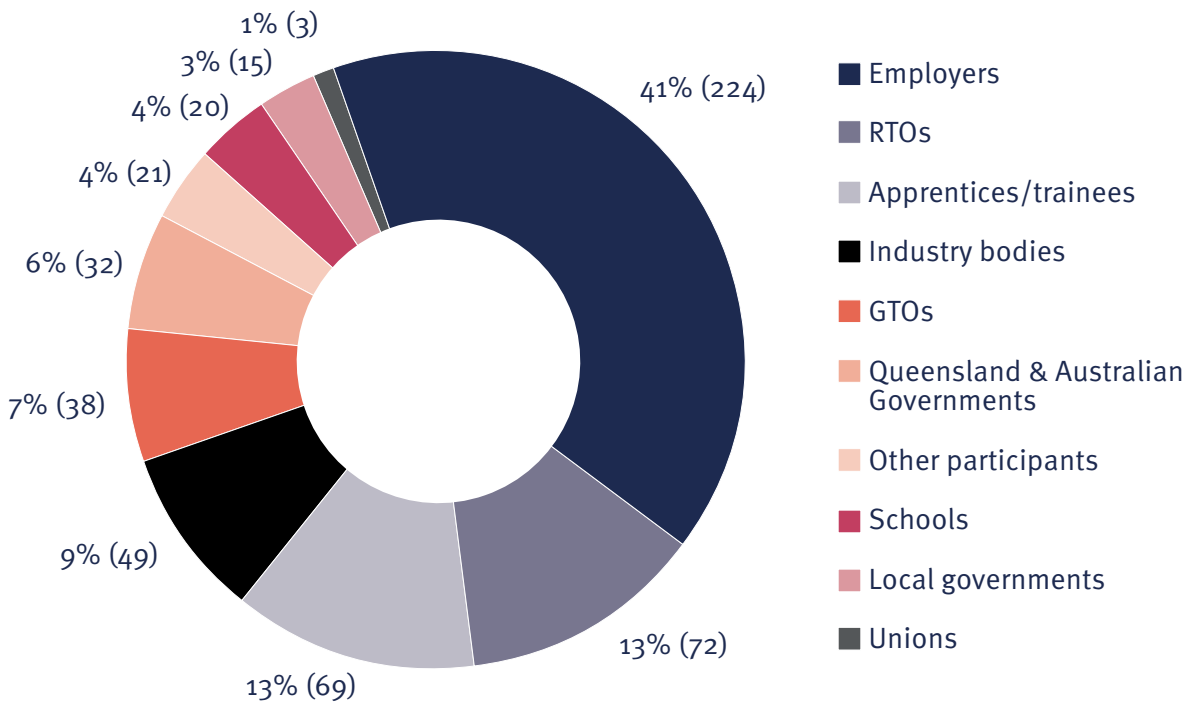
Feedback was received from a variety of stakeholders including employers, industry bodies, unions, current and former apprentices and trainees, RTOs and GTOs. Figure 1 shows a breakdown of the groups of stakeholders who provided feedback about the discussion paper.

A total of 292 survey responses were received. Jobs Queensland conducted 26 forums across the State, which were attended by 404 people. A list of the regions and locations visited is at *Appendix 1*. There were 29 formal submissions and four email responses received at the Jobs Queensland mailbox. A list of respondents is at *Appendix 2*.

1. Centre for International Research on Education Systems, 2017, *Review of the apprenticeships and traineeships funding model*, Melbourne.

Figure 1: Responses by stakeholder group²

Total participation by stakeholder group



Stakeholders from the following industries were represented:

- Accommodation and food services
- Administrative and support services
- Agriculture, forestry and fishing
- Arts and recreation services
- Construction
- Education and training
- Electricity, gas, water and waste services
- Financial and insurance services
- Health care and social assistance
- Manufacturing
- Mining
- Other services
- Professional, scientific and technical services
- Public administration and safety
- Rental, hiring and real estate services
- Retail trade
- Transport, postal and warehousing
- Wholesale trade

To complement the research and engagement undertaken by Jobs Queensland, two specific pieces of research were commissioned. Ithaca Group was engaged to develop a series of case studies focussed on identifying success factors critical to the retention and completion of apprenticeships and traineeships. This included interviews and case studies. A summary of the critical success factors is included in this report at Table 2. Case studies are included under the Retention and Outcomes and Quality and Satisfaction sections of this report.

2. The sum of percentages in Figure 1 exceeds 100 per cent due to rounding. Figures in brackets represent actual numbers.

Victoria University’s Centre for International Research on Education Systems was engaged to undertake analysis of the apprenticeships and traineeships funding model in Queensland and how this influences the choices employers and students/employees make in relation to training. Key findings relating to incentives have been incorporated into this report.

An Apprenticeships and Traineeships Industry Advisory Group played an important role in guiding the development of this report and especially the recommendations. The Industry Advisory Group was chaired by Rachel Hunter, Chair of Jobs Queensland and comprised industry, employer and union representatives. Details are provided in Table 1.

Table 1: Apprenticeship and Traineeship Industry Advisory Group membership

Chair – Jobs Queensland and Apprenticeship and Traineeship Industry Advisory Group
Construction Skills Queensland
Ipswich City Council
Amigo’s Bar and Grill
Golden West Apprenticeships
Energy Queensland
Australian Meat Industry Council
Electrical Trades Union
Queensland Teachers’ Union
Hastings Deering (Australia)
Health and Community Services Workforce Council
Queensland Hotel Association

Definitions

The following definitions have been used for the purposes of this report:

Australian Apprenticeship Support Network (AASN)	providers are the first point of contact for the administration of training contracts and deliver tailored advice and support to employers, apprentices and trainees.
Apprentice	is an employee who is being trained in an apprenticeship if a training contract for the apprenticeship has been signed by the parties to the contract.
Apprenticeship	means employment-based training declared by the chief executive under Section 8 of the <i>Further Education and Training Act 2014</i> to be an apprenticeship.
Department	refers to the Queensland Department of Education and Training.
Group Training Organisation (GTO)	Group Training Organisation as defined in the <i>Further Education and Training Act 2014</i> .
Qualification	combines several units of competency that are required to work within a particular occupation or at a particular level within an industry.
Registered Training Organisation (RTO)	means Registered Training Organisation as defined in the <i>Further Education and Training Act 2014</i> .
School-based apprenticeship or traineeship (SAT)	means employment-based training declared to be an apprenticeship or traineeship under the <i>Further Education and Training Act 2014</i> where the apprentice or trainee is a school student; the parties have signed an apprenticeship/traineeship training contract; the student's school timetable or curriculum reflects a combination of school studies, paid work for an employer and training in an apprenticeship or traineeship occupation; the apprenticeship or traineeship counts towards the award of a Queensland Certificate of Education or its equivalent and progression towards a vocational qualification and can count towards a selection rank for university.
Skill sets	are single or combinations of units of competency from a nationally endorsed training package, which link to a defined industry need.
Trainee	is an employee who is being trained in a traineeship if a training contract for the traineeship has been signed by the parties to the contract.
Traineeship	means employment-based training declared by the chief executive under Section 8 of the <i>Further Education and Training Act 2014</i> to be a traineeship.
Training package	is a set of nationally endorsed standards and qualifications for recognising and assessing people's skills in a specific industry, industry sector or enterprise. Training packages contain qualifications, units of competency and assessment guidelines.
Units of competency	define the particular skills and knowledge and the standard required to be competent in these.

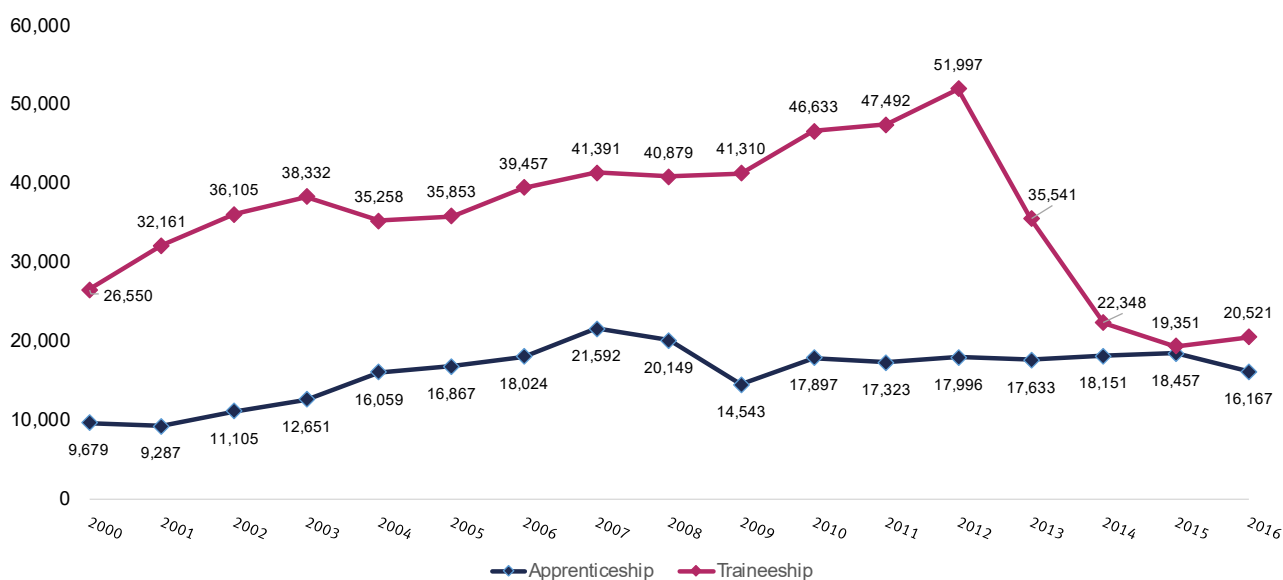
Overview

What research tells us

Apprenticeships and traineeships provide an important employment pathway. Research shows that in Queensland 81.8 per cent of apprentices and trainees were employed six months after completing their training, compared with 74 per cent of students graduating from the vocational education and training (VET) system.³ In 2015 more than one quarter of Queensland employers employed apprentices and trainees.⁴

Graduates of the apprenticeship and traineeship system fare well compared with their university counterparts (while acknowledging that some university students will continue studying rather than enter full-time employment). Nationally, 83.1 per cent of graduates who undertook their training as part of an apprenticeship or traineeship were employed after training, with a median annual income of \$46,900 in 2015.⁵ In comparison 68.8 per cent of bachelor degree graduates were in full-time employment within four months of completing their degree⁶ with a median annual income of \$55,500.⁷

Commencements, apprenticeships and traineeships, Queensland, 2000 to 2016



Source: Department of Education and Training 2016, Direct Entry-Level Training Administration (DELTA) database, Queensland

Consistent with the national trend, Queensland's total number of apprenticeship and traineeship commencements has fallen since 2012, principally due to a significant decline in traineeship commencements. Latest data shows that apprenticeship commencements remained relatively stable between 2010 and 2015 before decreasing in 2016, while there was an increase in traineeship commencements. Overall in 2016, 36,688 people started apprenticeships and traineeships. This comprised 16,167 apprenticeship commencements and 20,521 traineeship commencements.⁸

3. Department of Employment, 2016, *Australian Jobs 2016*, Canberra

4. NCVER, 2015, *Australian vocational education and training statistics: employers' use and views of the VET system 2015*, Adelaide

5. NCVER, 2016, *Australian vocational education and training statistics: government-funded student outcomes 2016*, Adelaide

6. Graduate Careers Australia, 2016, *GradStats Employment and Salary Outcomes of Recent Higher Education Graduates December 2015*, Melbourne

7. Graduate Careers Australia, 2016, *2015 Australian Graduate Survey: Graduate Salaries*, Melbourne

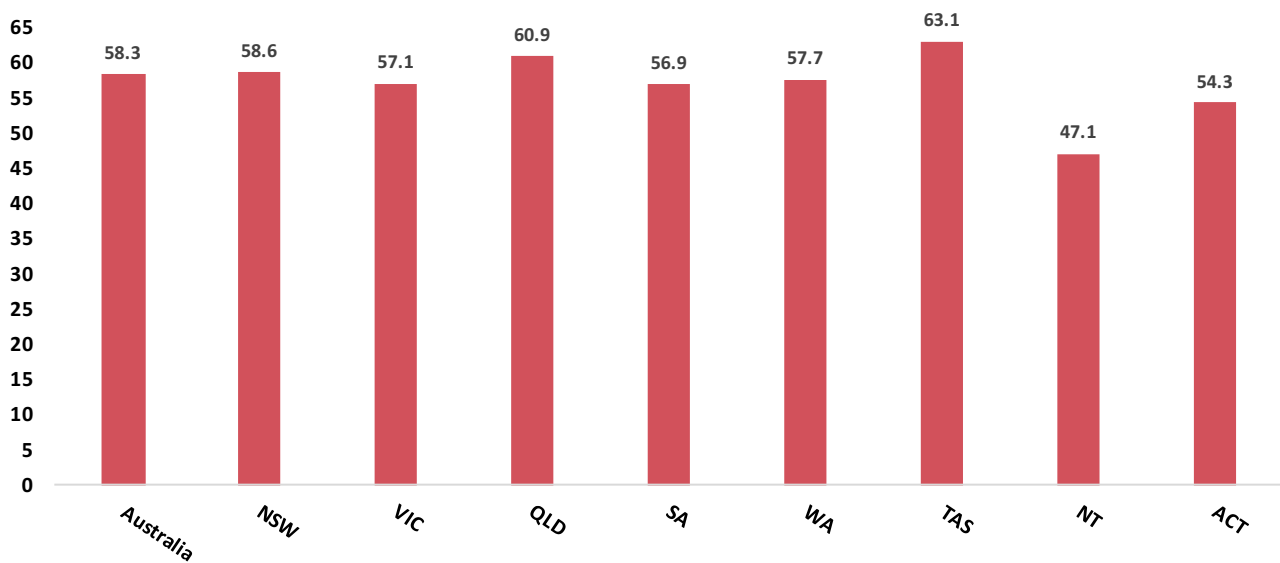
8. Department of Education and Training, 2016, *Direct Entry-Level Training Administration (DELTA) database*, Queensland



The significant decline in traineeship commencements since 2012 is largely due to changes in Commonwealth funding and incentives and also the introduction of new programs such as the Certificate 3 Guarantee (C3G), which offer employers the option to employ graduates from mainstream training programs rather than entering into formal training contracts. While this has resulted in a reduction in training commencements in many areas, it has led to an overall increase in the number of students enrolled in the comparative qualification and being prepared for employment in the industry.

Queensland has the second highest individual completion rates in Australia, after Tasmania. In 2015, 60.9 per cent of apprentices and trainees in Queensland completed their training, compared with 58.3 per cent nationally.⁹

Individual completion rates, states and territories, 2011 (%)



Source: NCVER 2016, *Australian vocational education and training statistics: completion and attrition rates for apprentices and trainees 2015*, Table 2, Adelaide

The profile and diversity of apprentices and trainees is changing, driven by government policy, programs and incentives to meet industry needs and to encourage the employment of target groups including Aboriginal and Torres Strait Islander peoples and people with disability. In 2015, less than half of all new apprentices were aged 19 and younger, compared with almost 70 per cent in 2006. Conversely, the proportion of new trainees aged 19 years and younger in 2015 increased to 50 per cent in 2015. The definition of adult workers varies from 19 to 21 to 25 years of age depending on data sources. Apprenticeships and traineeships are male dominated although the difference in traineeships is minimal. The proportion of Indigenous apprentices and trainees and those with a disability has increased, although actual numbers have fallen in some cases.

The pathways to entering apprenticeships and traineeships are also changing. Participation in SATs is strong in Queensland with 1265 students starting apprenticeships and 5585 starting traineeships in 2016.¹⁰ Science, technology, engineering and mathematics (STEM) skills are growing in importance, with 70 per cent of employers indicating that they view employees with STEM skills as the most innovative.¹¹

9. NCVER, 2016, *Australian vocational education and training statistics: completion and attrition rates for apprentices and trainees 2015*, Adelaide

10. Department of Education and Training, 2016, *Direct Entry-Level Training Administration (DELTA) database*, Queensland

11. Commonwealth Science and Industrial Research Organisation, 2016, *Tomorrow's Digitally Enabled Workforce*, CSIRO, Brisbane

What industry tells us

Apprenticeships and traineeships continue to be important in developing a skilled workforce. Nevertheless, the economic cycle and wages sensitivities can lead to a downturn in numbers. While different industries have different training needs, they share many common views about opportunities to strengthen the apprenticeship and traineeship system in Queensland.

Flexibility for future needs

Apprenticeships and traineeships need to maintain a level of flexibility to keep pace with industry changes. The level of qualifications varies across industries from certificate II to diplomas. With many occupations requiring both broader generic vocational skills and more specific and technical skills, apprenticeships and traineeships as they currently stand may not meet the future needs of some industries because of the level of qualification or the content.

The focus of future trade and skilling pathways should be on the needs of industry, employers and the economy, not the parameters of the existing apprenticeship system.

Construction Skills Queensland submission

Impact of technology

The rapid pace of technological change in industry is placing pressure on training. Industry is adapting to new ways of doing business, investing in new equipment and upskilling to keep up with the pace of change. Apprentices and trainees who can quickly adopt technology and adapt to change will be valuable assets to industry.

The application of technology on systems and their operations is advancing rapidly with highly specialised skills required. Industry will increasingly be looking to apprentices who are able to quickly and safely develop skills either on-the-job or through Original Equipment Manufacturers training to support incremental new technologies as they emerge.

Queensland Resources Council submission

Information and communication

There is an abundance of information about the system. However, because of the diverse range of industries, careers, opportunities and support on offer, information can be difficult to navigate, complex and not communicated clearly or simply. Information that can be easily filtered or targeted to specific apprenticeship and traineeship opportunities would be most helpful.

Improved communication on apprenticeship programs will help employers understand how to use the system and employ more apprentices and trainees.

Australian Sugar Milling Council submission

There is also a view that the status of apprenticeships and traineeships should be raised through increased promotion.

There is an urgent need to raise the profile and reputation of apprenticeships with parents, educators and young people.

Australian Business Solutions Group submission

Preparation for the workforce

People need solid foundational skills and they need to be fully informed and prepared before commencing an apprenticeship or traineeship. While a degree of cancellation is inevitable, the more opportunity a person has to experience the industry before starting an apprenticeship or traineeship, the more likelihood they will successfully complete and go on to further career development.

Fundamental to the apprenticeship and traineeship system in Queensland is the prerequisite knowledge base to enter and progress within the system. The foundation skills of literacy, numeracy and digital proficiency are the essential building blocks to either enter or complete a trade apprenticeship and to become a successful tradesperson.

Motor Trades Association of Queensland submission

Partnerships and support

Partnerships produce the best outcomes for employees, employers and industry in general. This can extend to sharing information and experiences, to sharing resources and in some cases, sharing apprentices and trainees.

The move to enable employers to share an apprentice or trainee is a positive step forward. This involves trainee-sharing across businesses who might offer compatible seasons and production cycles to ensure continual employment, while also exposing the trainee to multiple sectors within agriculture.

Rural Jobs and Skills Alliance submission

The system can also provide learning and development opportunities for employers and staff as well as for apprentices and trainees.

Mentoring of an apprentice or trainee in the workplace is one of the most valuable and effective development opportunities an organisation can offer their employees, particularly those entering the workforce. The guidance and support of a highly experienced mentor can lead to engaged workers and improved performance of the organisation.

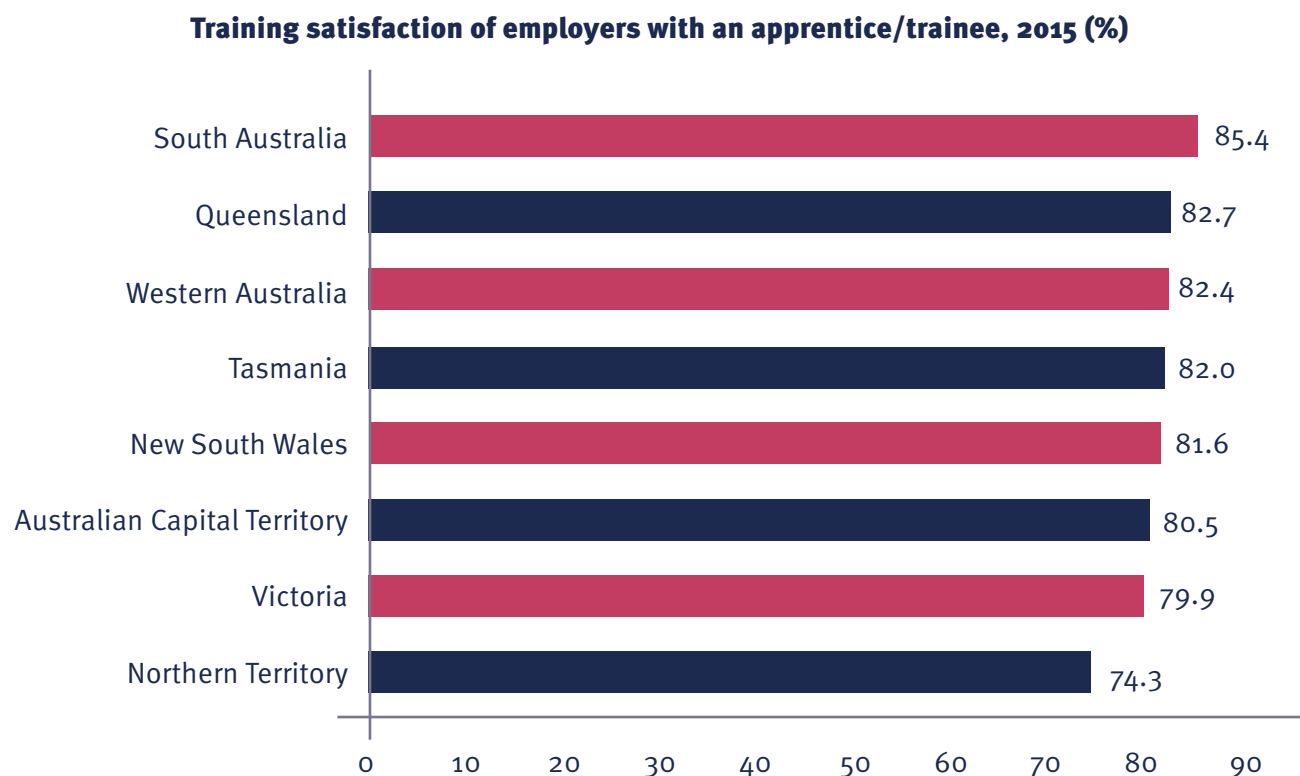
Chamber of Commerce and Industry Queensland submission

What employers tell us

Queensland has the second highest employer satisfaction rate in Australia, with 82.7 per cent satisfied that their apprentices and trainees were obtaining the skills they required through this training in 2015.¹²

We have had really good experiences with apprentices as they bring new enthusiasm to the business, fresh outlooks and also bring back and share their experiences at TAFE.

Electrical contractor, Brisbane



Source: Table 11, NCVET, 2015, *Survey of Employer Use and Views, publication tables*, NCVET, Adelaide

Preparation for the workforce

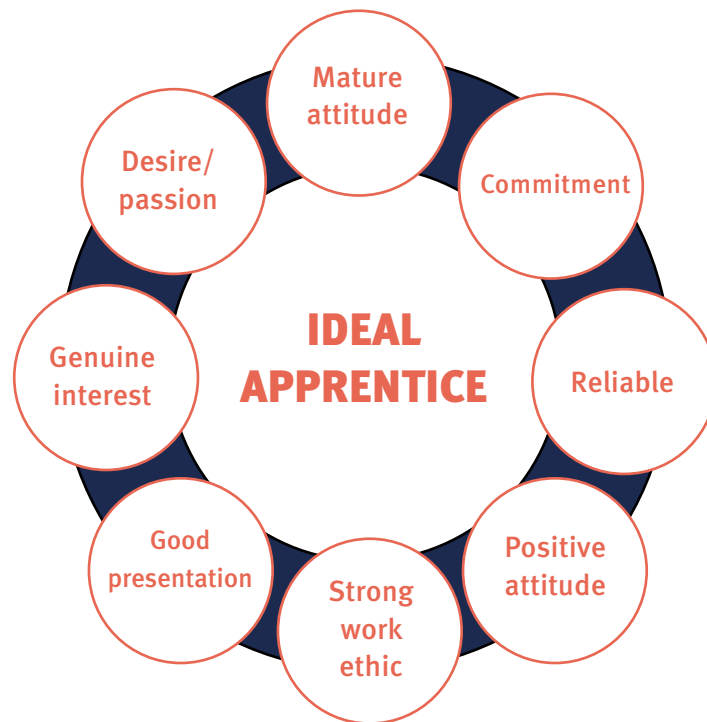
Employers believe it is very important that potential apprentices and trainees have a good knowledge about the job as well as a clear understanding of the expectations of the employer. Potential employees need to have the right attitude and work ethic, and benefit from on-the-job experience or opportunities to test their interest and aptitude, before committing to an apprenticeship or traineeship. Many employers are developing a preference for workers aged 25 or older who have had experience in the workforce before commencing an apprenticeship or traineeship.

Adult apprentices have life skills, good attitudes and can offer more to the employer and community.

Employer, Gold Coast

12. NCVET, 2015, *Australian vocational education and training statistics: employers' use and views of the VET system 2015*, Adelaide.

Main qualities sought by employers



Source: Department of Employment, 2016, *Australian Jobs 2016*, Canberra

Impact of technology

Many employers still require employees with practical skills, but there is an increasing need for them to also deal with changes in technology faster and proactively. Many small to medium businesses feel that larger employers are better equipped to embrace new technologies and expose apprentices and trainees to the new digital literacy skills required. Employers in some of the industries experiencing a rapid rate of technological change identified opportunities for apprentices and trainees to help businesses take up technology.

The automotive industry has changed so much that our apprentices now are highly skilled technicians who require competence in both information technology and engineering.

Automotive employer, Brisbane

Information and communication

Employers need information that is specific and targeted to their business and circumstances, and face-to-face communication is preferred. Frequent changes to apprenticeship and traineeship support structures can be confusing. Many employers are keen to engage with school students and career counsellors to promote their industries and provide information about their workplaces and expectations.

Potential apprentices and trainees, especially school students, need to know about industries and the range of career opportunities that are available within each industry.

Construction employer, Rockhampton

Flexibility for future needs

A common concern is the ability of employers to offer continuity or the full scope of on-the-job training required by the training package. This can be due to factors such as seasonality or specialisation. While employers are aware of the benefits of using GTOs, they are generally not aware of the options for flexibility that currently exist within the apprenticeship and traineeship system, especially temporary or permanent transfers or the ability to share apprentices or trainees.

Partnerships and support

Good relationships between employers, apprentices and trainees and training providers are essential to ensure each party receives support to successfully perform their roles. Regular communication between training providers and employers is important. Employers generally prefer training providers to deliver face-to-face classroom or on-the-job training, rather than relying solely on online training. Some employers need training and support to help them successfully recruit and supervise apprentices and trainees.

The support from the training companies is imperative because in some small to medium business there is not sufficient staff to undertake every area of training.

Electrical employer, Rockhampton

13. Queensland Resource Council, 20 January 2017, *Submission to Jobs Queensland on 'Positive Futures Apprenticeships and Traineeships in Queensland'* Discussion Paper, Brisbane

What apprentices and trainees tell us

Most people now expect to have more than one career during their lifetimes. Apprenticeships and traineeships appeal to young people because they offer a combination of paid work with study and good job prospects and career paths after completion. Many apprentices and trainees stated that wages are a deterrent and that some employers see them as “cheap labour”.

I am an adult apprentice and I decided to complete my training as an adult so that I have the skills relevant for future advancement as university is so expensive. By completing the apprenticeship, I can work and earn and learn on-the-job.

Apprentice, Gladstone

Preparation for the workforce

Apprenticeships and traineeships, including SATs, provide a good introduction to future careers and preparation for the workforce. Programs and opportunities to experience a job before committing to a training contract help build confidence.

Work experience on-the-job definitely assisted in securing my apprenticeship.

Apprentice, Gladstone

You go into the field of work with the hands-on experience to know what to expect and how to react.

Apprentice, Brisbane

Information and communication

Young people need access to career information about the jobs and opportunities that best suit them and their circumstances. This is especially important in regional areas where job opportunities in some industries are limited, and ongoing employment may not be available locally. They also need to receive information through the communication platforms with which they are most familiar, especially mobile technology.

Greater advocacy from teachers towards vocational subjects in Years 10, 11 and 12 would do a lot of good.

Apprentice, Gladstone

Flexibility for future needs

The system is seen by some apprentices and trainees as one size fits all, lacking the flexibility or agility to accommodate changing circumstances or the impact of the rapid pace of technology on industry. Changed business or personal circumstances should not automatically mean cancellation or non-completion of an apprenticeship or traineeship. Many young people feel employers should be responsible for finding them a new job if they are made redundant. They also were not aware of the flexibility options such as temporary and permanent transfers to other employers and suspension of their training under extenuating circumstances.

The apprenticeship system is a generic system focused on the main hub of the industry but very outdated... Luckily, I have had the opportunity to work with various employers and be exposed to various fields of the industry with some great tradespeople to help me along the way.

Apprentice, Bundaberg

Appeal rights

Some concerns were raised about the impact on apprentices and trainees of changes introduced through the *Further Education and Training Act 2014*. Specific concerns were raised about the removal of the right to appeal to the Queensland Industrial Relations Commission decisions to cancel a training contract, and decisions about stand downs in relation to a training contract. As a result, apprentices and trainees must now rely upon unfair dismissal laws and the general stand down provisions in State and Commonwealth legislation.



What training organisations tell us

The costs incurred by training providers for apprenticeship and traineeship delivery are higher than for other delivery due to the additional requirements to communicate with employers regularly and undertake workplace visits.

Impact of technology

While technology has brought considerable benefits for training providers through cost effective options such as online training delivery, there is considerable cost in keeping up with the pace of technological change in industry.

Providers are looking for ways to overcome the imposts of meeting new and changing training needs and investment in capital. This includes being able to source infrastructure funding to support the development of learning applications that assist apprentices and trainees to address technological changes including augmented reality applications.

Access to information and the utilisation of social networks provides solutions instantaneously meaning that businesses and training providers need to have the right infrastructure in place to aid learning.

Apprentice Employment Network submission

Flexibility for future needs

The training packages for some qualifications are not keeping up with industry. Training providers are looking to work more closely with the Queensland Government to ensure the national content best meets the needs of our industries.

The GTO model offers flexibility of employment and training, continuity of employment for apprentices and trainees and cost sharing among multiple host employers, especially in regional and remote areas.

Under the GTO model, apprentices and trainees can be transferred to visiting contractors who are working in the community, and on completion of a job, when a subcontractor will normally leave the community, the apprentice or trainee could be transferred back to a regional council.

MEGT (Australia) submission

Preparation for the workforce

Informed career advice and pre-apprenticeship and traineeship experiences of the industry benefit both the employer and employee. They provide the platform for young people to gain skills and an understanding of the job, as well as a recruitment pool for employers.

Good sound career advice is paramount if students, job seekers and people from diverse backgrounds are to understand the VET pathway, particularly apprenticeships and traineeships.

Apprentice Employment Network submission

Support for employers

Employers need support to fulfil their obligations to apprentices and trainees, especially in their supervisory and management roles.

As expected, employers have differing levels of awareness and understanding of the training system, maturity around recruitment and supervision and understanding of the role employers perform to validate assessments on-the-job.

Australian Council for Private Education and Training submission



What people in the regions tell us

There is less choice for apprenticeships and traineeships in regions. The seasonal nature of work opportunities in regions due to weather, tourism trends and short-term work contracts also creates ongoing employment issues. Specialisation of industries also impacts on the ability of employers in regional and remote Queensland to deliver continuity of training. Support for employer groups who provide collaborative and collective training facilities and employment in regional areas in industry sectors that have limited scope of continuity of employment would be welcomed.

Apprenticeships and traineeships provide opportunities for regional Queensland to retain qualified workers and build the capacity and capability of the local community.

Mount Isa forum

There are additional costs associated with travelling to undertake training and maintain regular face-to-face communication with employers in regions. For example, there is an additional cost to employers of sending apprentices out of the community to the RTO, or a cost to the RTO of going to the community to undertake classroom or on-the-job training.

Information and communication

Better information is required about the qualifications needed and job opportunities available by industry and by region. Some communities are creating their own jobs expos and forums to promote local training and employment opportunities.

Having available supply/demand statistics and information about available opportunities would ensure SATs lead to employment.

Townsville forum

Impact of technology

Technology offers more training options and opportunities for people in regions. However, lack of internet connectivity and digital coverage limits choice for people in some regional communities in Queensland because they cannot easily access online delivery. This will improve over time, however Queensland is still regarded as having the second worst internet connectivity in Australia.¹⁴

Connectivity continues to be a major challenge for the region.

Longreach forum

14. Schirmer, J, Yabsley, B, Mylek, M and Peel, D, 2016, *Wellbeing, resilience and liveability in regional Australia: The 2015 Regional Wellbeing Survey*, University of Canberra, Canberra

Partnerships and support

Opportunities that bring together apprentices and trainees from various industries to meet others and build networks is particularly important in communities in regional areas, especially where there are shared competencies that could be delivered face-to-face. Recognition of the shared responsibilities of apprentices and trainees, employers and training providers and a collective commitment to a structured apprenticeship or traineeship are key to successful outcomes.

The scope of experiences within each industry can differ and impact on portability so it's therefore important to create opportunities for small or specialised workplaces.

Rockhampton forum

Preparation for the workforce

People in regional Queensland support the need for pre-apprenticeship and traineeship programs, but feel they have less choice than people in metropolitan areas because the full range of pre-apprenticeship and traineeship experiences and programs is not available to regional communities. They consider they are particularly disadvantaged because there are not enough local employers to host the number of students required to make many formal pre-apprenticeship programs viable.

A regional training hub would enable students from outlying communities to complete a pre-apprenticeship program and then return to their home communities to take on an apprenticeship.

GTO, Maranoa



Photo courtesy of Queensland Health.

Summary of critical success factors and enablers

Research was undertaken by Ithaca Group to identify and analyse critical factors for the successful delivery of apprenticeships and traineeships in Queensland, and to test and elaborate on these using a broad range of case studies. The outcomes of the work included the definition of six critical success factors which are listed below.

Table 2: What makes an apprenticeship or traineeship successful?¹⁵

Critical success factorsare enabled by:
1. Clear expectations which are met	<ul style="list-style-type: none"> • realistic employer expectations • clear communication at the start of an apprenticeship/traineeship about roles and responsibilities, expectations of both parties, and consequences if these expectations are not met • an understanding between employer and apprentice/trainee which encourages goodwill and trust • the perception of 'fairness' in the workplace • maintaining a 'fair deal' for apprentices/trainees which acknowledges that they are both employees and students.
2. A good fit	<ul style="list-style-type: none"> • clear, accurate and easily accessible information for employers, potential apprentices/trainees and parents • structured processes to assess the suitability and capability of potential apprentices/trainees, which ensure an appropriate match of apprentice/trainee to employer • apprentice/trainee understanding of job requirements, rights and responsibilities, future opportunities and ingredients for success.
3. Mentoring and support	<ul style="list-style-type: none"> • arrangements to monitor and support the apprentice/trainee on-the-job, in off-the-job training, and in personal development • high quality employment relationships • improving access to existing support systems.

15. Ithaca Group, 2017, *What makes an apprenticeship successful? Summary of critical success factors and enablers*, Brisbane

Critical success factorsare enabled by:
4. Good quality training	<ul style="list-style-type: none"> • real on-the-job training provided by a skilled person, who can coach and mentor the apprentice/trainee • ensuring that day-to-day work is not prioritised to the detriment of training needs • implementation of processes to ensure high-quality supervision, including self-evaluation • ensuring that apprentices/trainees receive broad exposure to training environments, both in and out of the workplace, and the necessary resources • helpful RTOs and consistent communication between the RTO and employer.
5. Healthy relationships and positive workplace experiences	<ul style="list-style-type: none"> • good, open communications and mutual respect between the apprentice/trainee, employer, work colleagues and RTO • fair work practices and a safe workplace culture that prevents bullying • external support to assist employers in cultivating positive attitudes towards apprentices/trainees • processes to ensure that an employer has the structures, policies, practices, understanding, attitudes and skills to provide a suitable training environment • recognition of high quality employers.
6. Sustained motivation	<ul style="list-style-type: none"> • maintaining a ‘fair deal’ for apprentices/trainees • varied and increasingly challenging work experience and off-the-job training delivered by an RTO • experiences which enable apprentices/trainees to build their understanding of how to cope in different situations with increasing autonomy.

Detailed findings and recommendations to the Minister for Training and Skills

Purpose of the system

The system has strong support

Apprenticeships and traineeships play a key role in secure and meaningful job creation for Queenslanders. The apprenticeship and traineeship system continues to have strong support in Queensland and nationally and is highly regarded by most industries and employers.

The apprenticeship and traineeship landscape is healthy, with an increasing appetite to employ apprentices which is illustrated by the fact that the intake of apprentices and trainees is up 50 per cent since 2006.

Construction Skills Queensland submission

The purpose of the system is seen through the multiple perspectives of stakeholders.

- At an industry level, it provides a platform to develop a highly skilled workforce.
- For employers, it enables planning for future skills needs, succession and an opportunity to pass on their skills and knowledge.
- For the individual, it creates a pathway to a rewarding career and the opportunity to gain a qualification while working.

In an industry sector based on materials science and process optimisation, trade apprenticeships are one of the primary ways to upskill personnel and improve the competitiveness and profitability of the enterprise.

Queensland Plastics Industry Training Committee submission

The practicality of the system, which provides a relevant learning environment, along with paid work, technical and employability skills is regarded as a significant strength by all stakeholders.

An apprenticeship is undoubtedly the most vocationally direct and fit-for-purpose model for the development of skills for work because of the combination of employment, work-integrated learning and formal skills and knowledge development under a Training Contract. These characteristics must continue to form the basis of the system going forward.

Australian Manufacturing Workers' Union submission

The principal focus of apprenticeships and traineeships has broadened from young people entering the workforce to now accommodate adults who are changing careers or entering the workforce. The increase of older workers taking up apprenticeships and traineeships is regarded as a positive because of their life skills, commitment, work ethic, maturity and stability, however higher wage rates apply.

To remain relevant and attractive, the system needs to focus on skills for the future

The role of the system is evolving as industries, jobs and skills requirements change. The apprenticeship and traineeship system is driven by industry primarily based on current labour market demand. This means the changing and emerging needs of industries are not always reflected in training packages and the review cycle makes it difficult to implement changes in a timely way.

Training packages must balance the rigour needed to maintain standards with the agility to respond to emerging needs and opportunities offered by business process innovation and technological advancement. A more future-focused approach would help create opportunities for new industries to use the apprenticeship and traineeship system, or for current industries to use the system differently.

Apprenticeship and traineeship content and training programmes absolutely have to remain relevant, and be very agile to incorporate the continuous and accelerating change that is taking place.

Australian Sugar Milling Council submission

New pathways to trades and alternative models are emerging

In 2016–17, the Department's User Choice program provided \$220 million in public funding toward the cost of training and assessment services for eligible Queensland apprentices and trainees including school-based participants.¹⁶ Funding for key trade apprenticeships has remained relatively consistent over time with construction, electrical, engineering, automotive, hairdressing and cooking trades representing the majority of User Choice investment (almost 90 per cent in 2016–17). While these areas represent the industries with greatest demand for apprentices, the User Choice program also supports those arrangements for occupations with fewer participants – these can be in long-term niche markets such as aircraft maintenance, polymer processing, locksmithing or stonemasonry, or represent emerging occupations that are yet to mature.

There are more than 300 apprenticeship and traineeship qualifications currently funded under User Choice in Queensland, including two diploma level apprenticeships, 25 certificate IV level qualifications and one dual apprenticeship.¹⁷ It is important to identify the apprenticeship and traineeship composition and pathways that will best meet current and future needs, acknowledging that many aspects of the current system work well and will not need to change significantly in the foreseeable future.

The water industry employees are evolving to require a wide range of skill sets in order to perform their roles, this includes requirements for dual trades and dual qualifications. Employees need to be both multi-skilled and also skilled in specialised pieces of equipment or processes.

Queensland Water Directorate submission

Institutionalisation of training through initiatives such as the C3G is having an impact on apprenticeships, and particularly traineeships, in some industries. New models are emerging as training adapts to deliver the range of new skills and higher level qualifications that will be needed by many of the jobs of the future. Nationally, alternative delivery pilots include both industry-specific apprenticeship pilots and higher level qualification (diploma or associate degree) apprenticeships. One such pilot is with the National Electrical Contractors Association to deliver their Electrical Innovative Delivery and Pathways Project over a two-year period.

16. Department of Education and Training, 2016-17, *Annual VET Investment Plan*, (<https://training.qld.gov.au/site/docs-data/Documents/strategies/vetinvest/annual-vet-investment-plan.pdf>), accessed 29 June 2017

17. Department of Education and Training, 2016, *2016-17 User Choice price list*, (<https://training.qld.gov.au/providers/funded/userchoice/pricing>), accessed 18 April 2017

Just like dual degrees are proving to be attractive to students and employers, there is a view among many stakeholders that there is an increasing place for dual apprenticeships, particularly in the mining industry where there is increasing demand for people with instrumentation/electrical qualifications and fitting/welding qualifications. Currently the only dual apprenticeship funded under User Choice is the five-year Certificate III in Electrotechnology and Certificate III in Instrumentation and Control.

Queensland needs a stronger voice to advocate for our future training needs

Queensland industry remains supportive of the national system for VET and are the key influencers of training package content.

Currently the Department has service agreements with 10 industry bodies, to provide real-time industry sourced intelligence about the operational implementation of the Annual VET Investment Plan. These VET Industry Advisory Organisations (VETIAOs) provide services such as the collation of Queensland industry views about the national VET agenda, training package development, and advice about the design and implementation of the new Queensland VET Quality Framework. In addition, VETIAOs have investigated the effectiveness of the Queensland Government's investment in VET in meeting industry's immediate training needs, and alerted the Department to any aberrant behaviour within the training market.

At times industry requires additional support to ensure significant issues are addressed as a priority. Industries, regions and training providers alike are looking to the Queensland Government for support in advocating critical concerns to ensure training package content and development more effectively accommodates both current and future skills requirements. This may include representing Queensland industry issues through the national training package development process, or influencing national forums such as the Australian Industry and Skills Committee, Skills Senior Officials Network or, if necessary, the Council of Australian Governments Industry and Skills Council.

The water industry is technologically advancing at a rate that the National Water Training package and VET system do not appear to be keeping up with. The requirements to be competent in a range of technologies are increasing, however where these are not covered through the training package there is no opportunity for including the training in traineeship training requirements.

Queensland Water Directorate submission

For such advocacy to be most effective, the Queensland Government may need to establish a small, dedicated VET content design and assessment capability with the expertise and appropriate authority to undertake this role. This function could sit within the Department, within Jobs Queensland or be considered in the context of future industry advice arrangements.

The training package for most of the trades represented by the Service Trades Council is a nationally accredited training package. Therefore, it is very difficult to modify this training package without long and convoluted consultation with other jurisdictions.

Services Trades Council submission

The flexibility of the system is not well known or understood

Over the past three years a new range of flexibilities have been introduced into Queensland's apprenticeship and traineeship system. These include permanent and temporary transfers between employers, the Out of Trade Register which can help apprentices and trainees who are seeking to re-enter the industry, and the Registered Trades Skills Pathway Program which helps existing workers gain trade qualifications. The Registered Trades Skills Pathways program is currently offered within the construction, hospitality and manufacturing industries, with additional places dedicated to Aboriginal and Torres Strait Islander workers in the Cape York region.

...temporary transfers between employers enable industry to self-regulate and produce competent tradespeople. In addition, GTOs provide a simple solution to employers who would like to employ an apprentice or trainee however understand that their business does not have the full scope of work required to successfully complete an apprentice.

Construction Skills Queensland submission

The use of work based learning or institutional learning varies across industry, however innovative and flexible delivery options are emerging within industry sectors. Simulation is providing apprentices with the opportunity to develop their skills on equipment and with processes that they may not have access to in their own workplace.

Apprenticeships and traineeships are not well promoted as pathways to interesting, diverse and rewarding careers

Apprenticeships and traineeships offer paid work and entry-level qualifications to careers and prepare people for ongoing learning and career progression. They can also offer entry-level career opportunities for people from diverse backgrounds and are an opportunity for employer-led stewardship of a young person's training.

Some people though, regard apprenticeships and traineeships as a lesser option to university pathways. Engagement with key influencers including parents and school careers advisers is critical to improving awareness and understanding of the system and the opportunities apprenticeships and traineeships offer. There is also a view that there is a need for promotion of the system, like the New Zealand *Got a trade? Got it made!* campaign which is a joint initiative of a range of industry training organisations. Promotion of the Queensland system should be culturally inclusive to attract people from diverse backgrounds and communities.

Information is abundant, but complex and difficult to navigate

All stakeholders want simple, clear and targeted information that will help them make the right decisions. There is a lot of information available from a wide variety of sources. However, collectively the available information is difficult to navigate, complex and does not always make best use of the full suite of media and platforms that people currently use. Frequent change to apprenticeship support structures is confusing for both employers and employees.

Currently the information provided has so many caveats and multiple links to other information that it becomes too difficult and tiresome to navigate. Employers are time poor, so the simpler and more relevant the information is, the more likely it will lead to engagement. A clear understanding of what is involved and the potential benefits is essential.

Rural Jobs and Skills Alliance submission

The role of the AASN is not well known or understood, especially in regional Queensland

The AASN was established by the Australian Government two years ago with a primary role of providing advice and support services tailored to the needs of employers and apprentices and trainees from pre-commencement to completion. The AASN replaced Australian Apprenticeship Centres which were the entry point to apprenticeships across the country from 1998, operating under contract to the Australian Government until 30 June 2014. The Australian Government funds AASN providers to deliver against key performance indicators which focus on participation – from commencement, to retention and completion.

The AASN provides universal services for employers and apprentices such as essential administrative support, payment processing and regular contact. Targeted pre-commencement services such as screening, testing and job-matching, and in-training services such as mentoring, are provided to employers and individuals assessed as needing additional support to complete the apprenticeship.¹⁸ The Queensland Government also contracts the four Queensland-based AASN providers to deliver a range of administrative services, including registering training contracts.

The role of AASN providers, their intersection with other stakeholders and the range of support available through them is not well known or fully understood. Their coverage across the State is varied, as is the level of relevant industry expertise. While additional industry specialist mentoring services were announced in the 2017 Commonwealth Budget, both the research undertaken by Victoria University for this project and various stakeholders suggested that AASN services could be expanded to improve apprenticeship outcomes. The findings of Ithaca Group's research into the critical success factors for the delivery of apprenticeships and traineeships could also help inform and support the work of AASN providers.

18. Department of Education and Training, Australian Apprenticeships, 2015, *Australian Apprenticeship Support Network*, (<https://www.australianapprenticeships.gov.au/australian-apprenticeship-support-network>), accessed 31 March 2017, Canberra





Recommendation 1

Work with key stakeholders in each industry to identify the qualifications and structured pathways needed for future jobs in Queensland. This may include funding new apprenticeships and traineeships, more dual and higher level apprenticeships, or introducing additional competencies to traditional apprenticeships and traineeships, in recognition of changing industry needs such as increased specialisation and demand for technical skills.

Recommendation 2

Establish dedicated vocational education and training content design and assessment expertise that has the authority to influence the development of national training packages that have the agility to anticipate and incorporate the skills needed for future jobs in Queensland.

Recommendation 3

Work with industry to develop and deliver a campaign to promote the status of apprenticeships and traineeships and career opportunities in Queensland industries to attract a diverse range of employees and more employers.

Recommendation 4

Promote system flexibilities and publish timely, consolidated information, which is user-friendly and mobile-enabled, about apprenticeships and traineeships, as well as regional job trends and career opportunities.

Recommendation 5

Put Queensland's case to the Australian Government for better support from the AASN by advocating for a review to:

- identify gaps in servicing our distinct needs
- better define the roles and accountabilities of the AASN providers, the Department, training providers, GTOs and employers, and streamline processes accordingly
- improve the level and effectiveness of support services including mentoring through the apprenticeship or traineeship.

Technology

Technology is impacting industries in a variety of ways. For some it means significant changes, while for others the impact is minimal. The Committee for Economic Development of Australia predicts that around five million jobs that existed in 2015 may be lost to technological advancement between 2025 and 2030.¹⁹ Deloitte argues that the role played by technology in boosting employment often goes overlooked because of its more conspicuous disruptive effects.²⁰ McKinsey research shows automation will affect portions of almost all jobs to a greater or lesser degree, depending on the type of work they entail, however it will eliminate very few occupations entirely in the next decade.²¹

Technology impacts on how industry does its work and what training is needed

Innovation is driving new jobs and therefore new qualifications and training needs. The increasing use of robotics, automation, and the use of predictive maintenance and mobile applications by industries is seeing a change in training requirements for apprentices and trainees to understand this technology. For example: drones are being used extensively in agribusiness and construction; instrumentation/control system knowledge is becoming more of a requirement for the sugar industry; and in the automotive industry significant technological changes include autonomous vehicles, electric motors, smart materials and vehicle-to-vehicle communication. For some industries this will require new skill sets.

While there are vast differences between industries in the use and impact of technology and the pace and impact of change, there is a shared view about the need for the apprenticeship and traineeship system to be, and remain, ahead of the game.

The rapid pace of technology change and the introduction of technology to replace manual tasks usually learnt during an apprenticeship are significantly impacting training requirements.

Service Trades Council submission

New technologies are driving increased specialisation in many industries. This may lead to the need for some very specialised qualifications in the future or lead to new opportunities for training in general business skills and software use, in addition to broader generic vocational skills. For others, specialisation may mean that employers, especially in regional areas, cannot provide the breadth of on-the-job training required by the qualification.

Within the electrotechnology sector, technology is rapidly evolving, increasing the options for specialisation across the industry.

Master Electricians Queensland submission

As well as keeping up with the pace of technological change in industry, training packages also need to reflect the increasing use of technology in learning, business and daily life.

19. Committee for Economic Development Australia, 2015, *Australia's future workforce? June 2015*, CEDA, Melbourne

20. Stewart, I, De, D, Cole, A, August 2015, *Technology and people: The great job-creating machine*, Deloitte, United Kingdom

21. Chui, M, Manyika, J, Miremadi, M, July 2016, *McKinsey Quarterly, Where machines could replace humans – and where they can't (yet)*, McKinsey & Company, Chicago



Technology impacts on how training is delivered and administered

The unique feature of the apprenticeship and traineeship system is that it combines paid on-the-job experience with training. Technology has driven considerable changes in the methods of training delivery over the years, giving people much more choice and reducing the cost of training delivery in some instances. Mobile technologies, flexible and digital delivery of training will become more important if training delivery methods are to keep up with the millennial workforce which is technologically savvy and able to quickly adapt to products and new developments.

However, just as the apprenticeship and traineeship system balances theory with practical training, many people require a balance of online and face-to-face delivery. Learning that is delivered solely online does not suit everyone, or all industries, and is associated by many with poor quality. Online tutorials and some online assessment, combined with classroom or employment-based learning and assessment that also provide opportunities for apprentices and trainees to create learning networks, are generally regarded as a good balance.

Employers and apprentices and trainees need to be able to compare the range of training delivery methods offered locally to inform their choice of training provider. The Department's Queensland Training Information Service (QTIS) database contains detailed information about the apprenticeships and traineeships that are approved for delivery in Queensland, including supporting courses and qualifications, restricted calling and preferred suppliers.²² The addition of information about the range and location of training delivery methods offered would enable employers and apprentices and trainees to compare options and make informed choices about their training provider.

Ongoing improvements to the administration of the system and enrolment processes were welcomed. The myApprenticeship website – which allows apprentices and trainees to securely view information such as their training contract, results and progress, request information and lodge applications for travel and accommodation allowances – is being expanded to employers, training providers, AASN providers and GTOs.

Technology opens opportunities, but local access barriers can put some communities at disadvantage

Technology has opened the door to more training options and opportunities for people in regional Queensland. However, in some locations, lack of internet connectivity and digital coverage continue to remain a barrier, limiting choice and access to online and mobile information sources. While this is improving, Queensland is still regarded as having the second-worst internet connectivity in Australia.²³

There is still regional variance in access to technology including NBN and digital coverage.

Toowoomba forum

22. Department of Education and Training, 2017, *Queensland Training Information System*, (<http://www.qtis.training.qld.gov.au>), accessed 7 May 2017

23. Schirmer, J, Yabsley, B, Mylek, M and Peel, D, 2016, *Wellbeing, resilience and liveability in regional Australia: The 2015 Regional Wellbeing Survey*, University of Canberra, Canberra



Recommendation 6

Build flexibility into the system to enable User Choice funding to be prioritised to include specialised, supplementary skill sets needed to help employers accommodate the impact of new and emerging technologies such as automation, robotics, mechatronics or new industries such as renewable energy.

Recommendation 7

Require User Choice training providers to publish specific information about their delivery methods and locations, demonstrating how they incorporate a balance of online, classroom and on-the-job training and assessment.

Recommendation 8

Continue to improve the use of technology in the administration of the apprenticeship and traineeship system.

Industries

Different industries have different needs and regulatory requirements

Business productivity and profitability and the economic outlook of industries are key drivers of apprenticeship and traineeship demand, affecting different industries in different ways. Most industries are very good at matching the number of apprentices and trainees they need to the availability of work.

The importance of apprentices and trainees to our industry cannot be underestimated. Whilst in recent times it may appear on the surface that apprentice and trainee numbers have declined, a longitudinal view demonstrates the apprentice and trainee market follows closely the economic trends of our industry – industry is very good at regulating the number of apprentices and trainees it needs relevant to the availability of work.

Construction Skills Queensland submission

Regulation across industry can also affect the use of apprenticeships and traineeships and the pace of change in updating training packages. For example, in industries that require a high degree of prescription, such as those working with electrotechnology, it can be slow and cumbersome to make changes to training packages that reflect contemporary practice and the use of new technologies.

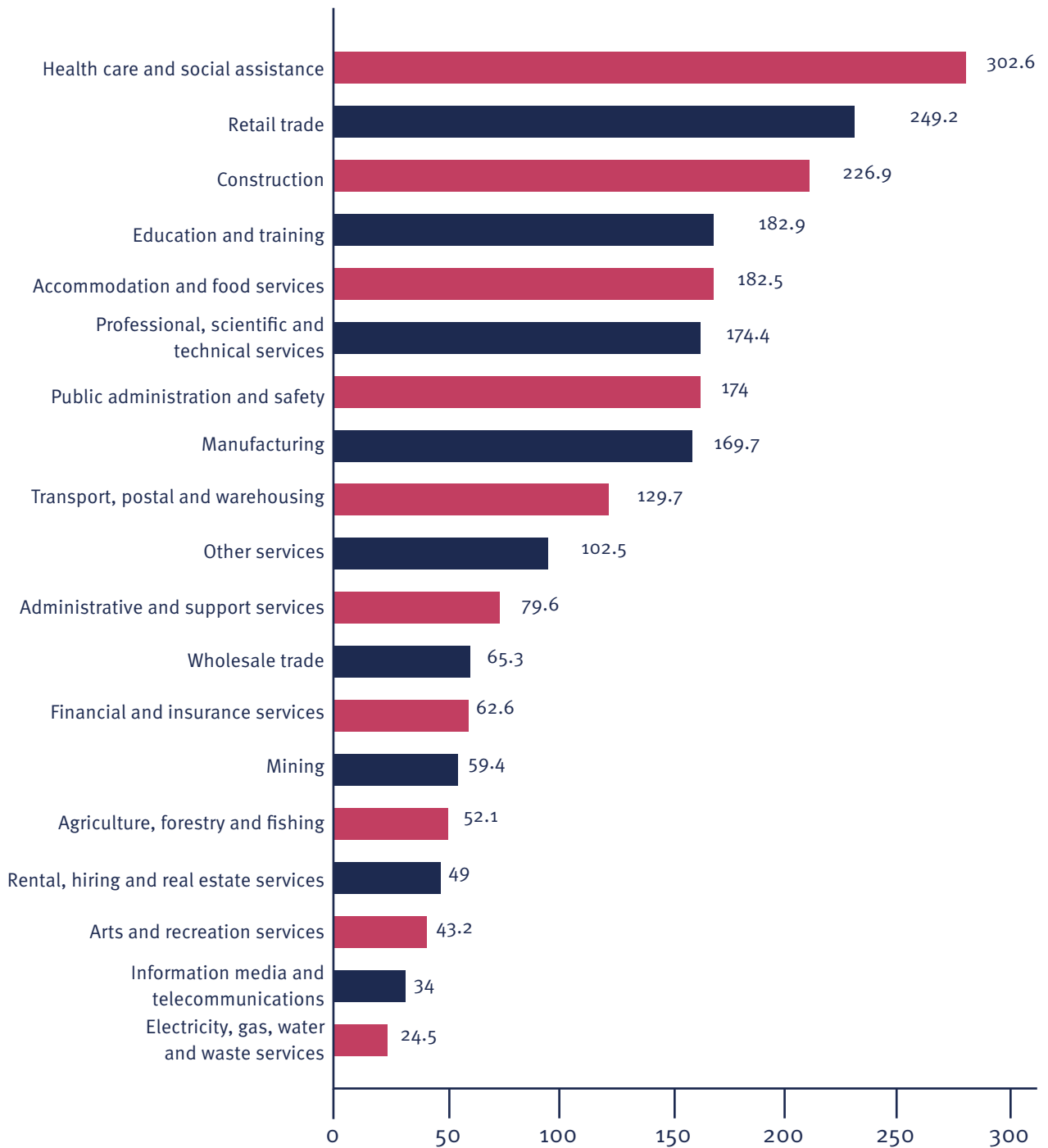
Technology and risk demands continues to place demands on skill sets and competencies of industry participants. Security principles remain however currency of technology is not necessarily addressed in training packages.

Australian Security Industry Association Limited submission

Some industries have exceptionally good apprenticeship and traineeship outcomes, others may use different pathways in the future, and new industries will emerge that will benefit from the use of the system.

A range of industries and sectors provided submissions and participated in the consultation process to inform this report. Some of the features of these industries and sectors and their relationship with the system are summarised below.

Industry employment, Queensland, year to May 2017 ('000s)



Source: Australian Bureau of Statistics, 2017, 6291.0.55.003 - Labour Force, Australia, Detailed, Quarterly, May 2017, data cube RQ1, four quarter average, original, Canberra

Agribusiness

Traditionally employers in the agriculture industry do not commonly use formal training. Trainees are predominantly sourced from the family farm. Seasonality has a big impact on the agricultural workforce and its ability to make good use of the apprenticeship and traineeship system.

Supervision of apprentices and trainees can be difficult during the peak season and continued work is not always available in the off season. As recognition of the agribusiness supply chain grows, so too does the scope to use the apprenticeship and traineeship system to help both farmers and other employers to grow their businesses. There is a trend toward increasing use of technology and an increasing need to use data to improve performance.

It is very likely that the occupations of the future will be increasingly in need of more advanced technical skills, particularly in the provision of agri-services.

Rural Jobs and Skills Alliance submission

Automotive

The automotive industry is expecting more change in the next 10 years than in the last 100 years. Already the significant structural and technological change that is occurring across the automotive value chain is driving new training needs such as servicing electric and hybrid vehicles. The automotive industry is also experiencing an increase in interest in apprenticeships and traineeships from mature age people, women and people from non-English speaking backgrounds, which it attributes principally to the downturn in the resources sector.

Australia's domestic manufacturing of motor vehicles will cease; transition to automated vehicles inevitably will involve a transition to hybrid and plug-in electric motor vehicles. The change from fossil fuels as the main energy source for transportation and the progressive displacement of the internal combustion engine means that Australia's society and the economy will undergo fundamental transformations.

Motor Trades Association of Queensland submission

Construction

Construction is the largest and fastest growing employer of apprentices in Queensland, with more than 7100 people commencing apprenticeships and traineeships in 2016.²⁴ Pre-apprenticeship preparation is considered essential to ensure potential employees are fully aware of the physical demands of the job. Construction is also an example of an industry where there has been a consistent shift over the past decade toward mature age apprentices (21 years and older). Factors affecting this include jobs requiring relatively higher level skills and judgement due to the risk and nature of work undertaken. Despite the challenges of economic downturns in the industry, construction finds innovative ways to retain apprentices.

24. Department of Education and Training, 2016, *Direct Entry-Level Training Administration (DELTA) database*, Queensland



... following the engineering construction boom, we saw some unique industry behaviour particularly in the regions hardest hit such as Mackay. Whilst the economy was suffering, industry was finding creative ways to retain their apprentices and successfully complete them. For the first time they were exploring market niches, working collaboratively with their RTOs to simulate training experiences unavailable in the workplace and proactively creating on-the-job training experiences to keep apprentices busy.

Construction Skills Queensland submission

Health and community services

Health and community services are experiencing significant growth in employment across Queensland and are relying more on institutional pathways than the apprenticeship and traineeship system.

The majority of training delivered through our sectors at present is accessed via means such as C3G. Traineeship numbers have significantly reduced over the last five years or more and suggestions are because C3G is more flexible in terms of training duration and incurs less out of pocket expense overall.

Health and Community Services Workforce Council submission

Aged and personal care is changing as the population ages, and the National Disability Insurance Scheme is implemented. Increased demand for in-home and customised care is changing the nature of the workplace. Consequently, the importance of matching the carer to the client, and the complexities and risks of working in home environments, are important considerations for the delivery of traineeships.

The introduction of the National Quality Framework over the past five years has placed a strong focus on qualifications in the early childhood education and care sector. The regulatory requirements for certificate III and diploma level qualifications have driven a strong take up of traineeships and apprenticeships in this sector. Early childhood education and care is one of only two sectors to have a higher level apprenticeship in Queensland.

Manufacturing

Manufacturing is Queensland's eighth largest industry²⁵ and the third largest user of the apprenticeship and traineeship system.²⁶ Manufacturers are facing significant challenges to remain globally competitive, needing to improve productivity and build competitive sustainability. Limited training in new technical skills and workforce succession planning are also challenges. In partnership with industry, Jobs Queensland is leading the development of the Advanced Manufacturing Skills, Training and Workforce Development Strategy which is a key part of the Queensland Advanced Manufacturing 10-Year Road Map and Action Plan. It will prepare businesses for new technical and workplace skill requirements.

As our business is highly innovative and technology based... we use databases with detailed processes and procedures... we also use cloud based digital tutorials.

Manufacturing employer, Brisbane

25. Australia Bureau of Statistics, 2017, 6291.0.55.003 - Labour Force, Australia, Detailed, Quarterly, Feb 2017, data cube RQ1, four quarter average, Canberra
26. Department of Education and Training, 2016, Direct Entry-Level Training Administration (DELTA) database, Queensland

Hospitality and tourism

The accommodation and food service sectors are Queensland's second highest employers of apprentices and trainees, with traineeships accounting for 80 per cent of the more than 5000 commencements per year.²⁷ These sectors are predominantly operated by small and medium business across the State and are substantially influenced by skills shortages in regional areas, as well as seasonality and economic circumstances which create challenges for permanent employment and training.

With the next four years of tourism and hospitality growth for the Sunshine Coast, apprentices and trainees will need further thought, planning and development.

Sunshine Coast forum

Jobs Queensland is working with industry, regions and communities on the Advancing Tourism Workforce Development Plan, identified as a need for the tourism industry in the Advancing Tourism Strategy 2016–20.

Mining and resources

In mining, apprentices make up a high percentage of the industry's national workforce at almost four per cent compared with the average of all industries of 2.5 per cent. More than half of the apprentices and trainees currently employed in the mining sector are in traditional occupations such as metal trades, automotive trades, electrical and construction.²⁸ The cyclical nature and fluctuating workforce affects the number of tradespeople available to supervise apprentices and trainees. Despite the downturn in the sector over recent years, the industry has undertaken to retain, as far as possible, a cohort of apprentices and trainees because of the ongoing importance of these entry-level positions to the technical pipeline. Research undertaken by the Queensland Minerals and Energy Academy found that the strengths of current apprentices and trainees lay in their ability to bring a fresh set of eyes to businesses, adapt to new technology and having the willingness to learn and develop.²⁹

The Queensland Minerals and Energy Academy has proven to be an outstanding example of industry/education engagement, with an average of 17.5 per cent of students per annum employed as apprentices or trainees in the sector. Success factors include a robust recruitment and selection process, high-quality trainers and mentors, and the direct involvement of industry.

Queensland Resources Council submission

Retail

Retail trade is Queensland's sixth largest user of the apprenticeship and traineeship system, predominately using traineeships.³⁰ It is the State's second largest employer, after health care and social assistance.³¹ Nationally, retail trade is the largest employer of young people, with major jobs growth forecast. Retail has a highly casualised workforce and a high turnover. Many people use retail as a stepping stone or a short-term solution to assist them in moving into the longer-term career of their choice. Retail employers value existing workers who have been with them for some time and look for strategies to reward and retain loyal employees.

27. Department of Education and Training, 2016, *Direct Entry-Level Training Administration (DELTA) database*, Queensland

28. NCVET, 2013, *Training and Education activities in the minerals sector*, MCA, Canberra

29. Queensland Minerals and Energy Academy, 2016, *Insights and opportunities for aspiring resources sector apprentices and trainees*, Brisbane

30. Department of Education and Training, 2016, *Direct Entry-Level Training Administration (DELTA) database*, Queensland

31. Australia Bureau of Statistics, 2017, *6291.0.55.003 - Labour Force, Australia, Detailed, Quarterly, Feb 2017, data cube RQ1*, four quarter average, Canberra

Technology is definitely impacting retailers, and more retail jobs in the future will require skills and/or post-school qualifications to enable workers to learn the new skills required.

National Retail Association submission

Some training package competencies could better meet industry needs

Overwhelmingly, stakeholders consider there is potential to include common competencies in training packages. There are core and supplementary competencies that apply across a range of industries. Where these are common to more than one training package, the system would benefit from a more cohesive approach which would produce consistency in learning, greater portability of skills, economies of scale and broader learning networks.

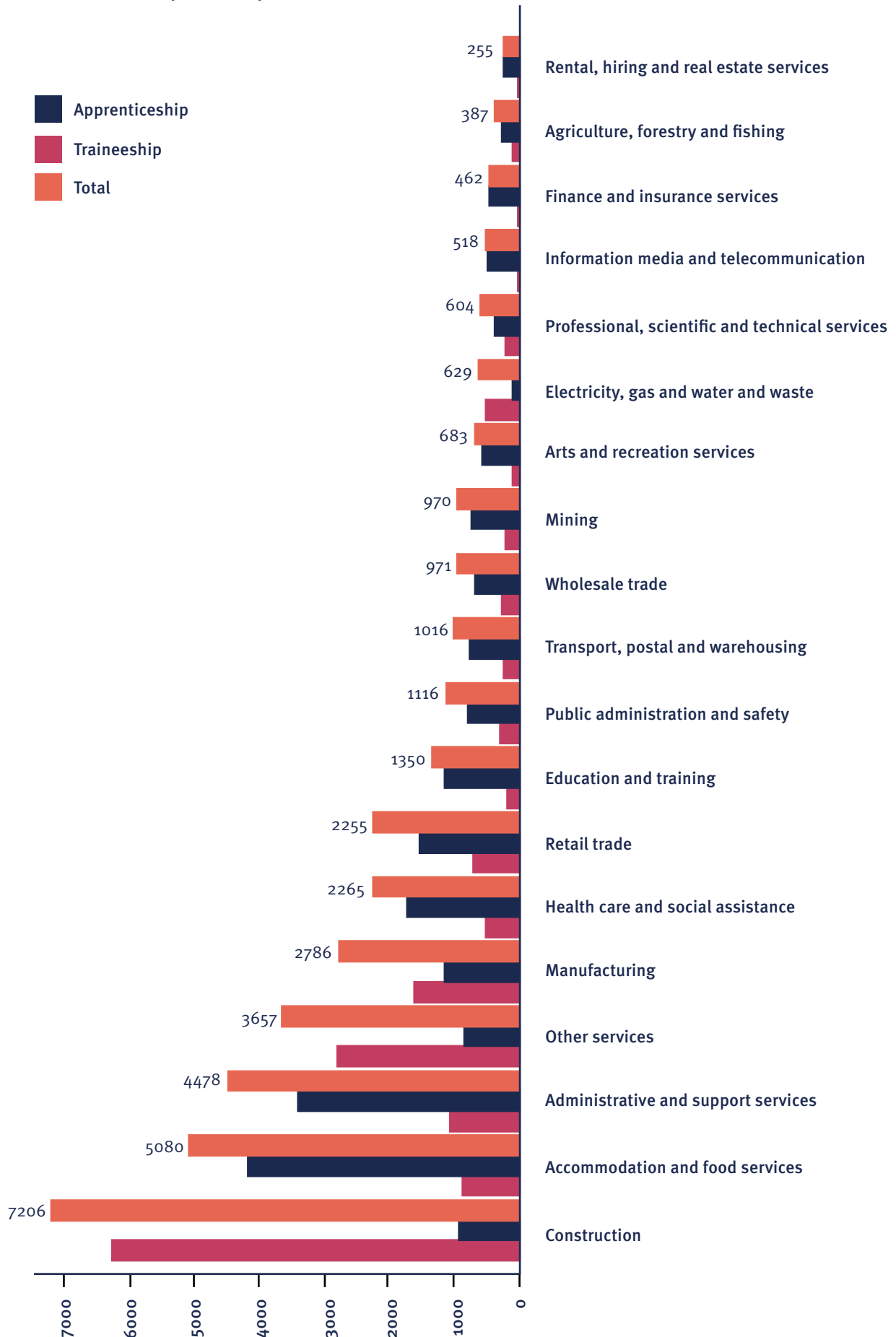
Incorporating a more consistent approach in training packages to common competencies would also provide the agility for people to move across industries and sectors as times change.

The skills a person acquires in automotive manufacturing are easily transferrable to aircraft manufacturing with some extra components.

Manufacturing employer, Brisbane



Commencements by Industry, Queensland, 2016



Source: Department of Education and Training, 2016, *Direct Entry-Level Training Administration (DELTA) database*, Queensland

Increased specialisation is driving collaboration and innovation in training delivery

For some industries specialisation means employers cannot provide the full scope of on-the-job training required for the qualification. As a result, innovation and collaboration across industry sectors, employers and training providers is providing rotational work and broader scope for apprentices. Examples include employers working collaboratively with training providers to simulate training experiences that are unavailable in the workplace, such as high risk areas, or proactively creating on-the-job training experiences to keep apprentices busy and engaged. For others, there is a concern that increasing specialisation may reduce the portability, mobility and transferability of skills which are current features of the system.



Case study

In South East Queensland, 30 automotive businesses are collaborating to share apprentices where the scope of work is limited. In the sugar industry, employers are sharing apprentices across the supply chain to provide a broader experience and understanding of the industry.

The use of GTOs continues to be popular with Queensland employers, as a means of providing continuity of employment and training for apprentices and trainees and for sharing the cost among multiple host employers. There are 34 GTOs in Queensland which commenced an annual average of 3103 apprentices and trainees over the past five years.³²

GTOs provide the scope of the training plan to overcome the challenges of business specialisation.

Gold Coast forum

Job opportunities are limited by the nature of industry composition in each region

In rural and remote areas, there is not always the continuity of employment in an industry to complete an apprenticeship or traineeship. This is particularly evident in the construction industry, where projects can be short-term, and in the seasonal hospitality industry. As well as temporary and permanent transfers, the Registered Trade Skills Pathway Program takes into account the fact that work based skill acquisition does not always come from regular, permanent employment, but from a broad range of work and life experiences leading to the development of trade based skills and underpinning knowledge. By recognising previous training, existing skills, knowledge and experience, this program is helping construction, advanced manufacturing and hospitality workers, as well as Aboriginal and Torres Strait Islander people in Cape York, who do not have access to consistent employment and training, to gain a trade qualification.

In recognition of the additional costs of training delivery in non-metropolitan areas, the Department pays RTOs location loadings between 115 per cent and 250 per cent of the User Choice rate for training.

32. Department of Education and Training, 2016, *Direct Entry-Level Training Administration (DELTA) database*, Queensland



Recommendation 9

Maximise the benefits of common core and elective competencies across groups of industries.

Recommendation 10

Work with industries and unions in areas that are most impacted by increased specialisation to develop options to ensure apprentices and trainees experience the full scope of practical training.

Retention and outcomes

Economic conditions

Highly paid labour opportunities, business and personal circumstances affect retention

The short-term gain of higher wages for low skilled jobs can impact on retention of apprentices and trainees. This was particularly evident during the resources boom. Changing business and personal circumstances can also affect retention. There are a range of options, including temporary and permanent transfers, available to enable apprentices and trainees to continue a training contract. Where contracts have been cancelled, the Queensland Out Of Trade register can help apprentices and trainees who are seeking to re-enter the industry.

Clear expectations

Employers and apprentices and trainees each want clearer communication and understanding of expectations

The National Code of Good Practice for Australian Apprenticeships and training agreements set out the obligations of the parties. Relationships between employers and apprentices and trainees, however, could be improved by clearer communication of expectations. This includes apprentices and trainees having a clear understanding of the expected work ethic, punctuality, lines of authority, and the use of mobile phones and social media in the workplace. Employers need to know their responsibilities including duty of care, mentoring and supervision.

Effective induction is essential for the apprentice or trainee to understand the workplace and the employer's expectations

Just as employers expect employees to be well informed about the job before they commit to an apprenticeship or traineeship, so too do employees expect clear communication, especially about the employer's expectations, and an appropriate introduction to the workplace.



Case study

One of the most important innovations at Applied and Decorative Painting in Brisbane has been an online system for apprentices, which clearly spells out policies and benchmarks, and which facilitates an understanding of key roles and responsibilities at different stages in the apprenticeship. This system provides a reference point for apprentices to evaluate their competency, and apprentices are aware that they can actively work towards yearly benchmarks by referring to their job descriptions in the online tracking system. In addition to this, regular performance reviews reinforce these expectations and ensure apprentices know that if they work hard they will be successful.³³

Goodwill, trust and a shared understanding of fairness in the workplace are important

Apprentices and trainees are both employees and students. Good employers have realistic expectations that they communicate clearly, and provide a fair workplace and a fair deal. The Department monitors complaints, and the compliance of employers and training providers, and has the ability to prohibit them from using the system if necessary. In 2016, a total of 45 employers and 16 supervising RTOs were investigated, with three employers declared prohibited. To date in 2017, one employer has been declared prohibited.

A good fit

Matching the potential apprentice or trainee to the right job and right employer is critical

Matching the right person to the right job benefits all parties. Pre-employment screening helps match employees with suitable employers and formal induction processes help clarify the expectations of each party. While the AASN provides pre-commencement services including screening, testing and job-matching, they are not universally available. Victoria University found there is scope for the AASN to do more to help employers select potential apprentices and trainees. There is also scope for the AASN to assess the suitability of employers to take on apprentices and trainees.

Effective recruitment and structured processes that assess the person's suitability and capability for the job are fundamental

Industries are very conscious of the need to retain apprentices and trainees and aspire to increase completion rates, especially because of the cost and inefficiency of cancellations – many of which occur in the first two years. Self-assessment tools help people identify the types of jobs which best suit them. Pre-apprenticeship programs and experiences enable potential apprentices and trainees to test their aptitude and try the job before committing.

33. Ithaca Group, 2017, *What makes an apprenticeship successful? Summary of critical success factors and enablers*, Brisbane

Mentoring and support

Effective on and off-the-job support is essential

Stakeholders universally acknowledged the importance of effective support structures for apprentices and trainees.

A range of support can be required throughout an apprenticeship or traineeship, from informal on-the-job support through to formal and more specialised mentoring and pastoral care services.

Some employers have the skills and experience to provide a wide range of support services for their employees in-house. For others, it may be necessary to call upon other appropriately skilled and qualified people.

While a range of formal mentoring, pastoral care and other support arrangements may exist for apprentices and trainees, these arrangements cannot and should not replace the important role played by workplace supervisors. The informal and ongoing support provided daily by supervisors, more experienced employees and peers as apprentices and trainees progress through their training plays a significant role in successful apprenticeship and traineeship outcomes.

Supervisors of apprentices and trainees need better support to help them perform their roles

People who supervise apprentices and trainees need to know what is required of them and where to get the resources they need to fulfil all aspects of their roles, such as mentoring, problem solving, clear instruction and cultural awareness. There are numerous sources of existing information, however they are difficult to navigate and not always readily accessible on-the-job.



Case study

A good fit

At the Cowboys Leagues Club a good fit is ensured through the transparent recruitment process. School students are aware of the opportunities provided by the Club, through the Club's school engagement, and can evaluate whether these opportunities are right for them or not. The interview process targets applicants who are goal-oriented and results-driven. It is important to the Club that any apprentices and trainees are invested in the job and have a willingness to do well.³⁴

Mentoring and support

Good quality mentoring and support at Cowboys Leagues Club are ensured through the psychologist-designed buddy program, which pairs each apprentice and trainee with an experienced staff member. These apprentices and trainees are not left alone until they are competent; they always have a support system on hand. Supervisors are also trained to detect personal issues and have the tools to deal with issues beyond their capacity if necessary. These factors contribute to the good quality training the Club can provide. Apprentices and trainees are able to develop the correct skills in a friendly environment and have specific assistance from their buddy if they experience any training issues.³⁵

34. Ithaca Group, 2017, *What makes an apprenticeship successful? Summary of critical success factors and enablers*, Brisbane

35. Ibid

Healthy relationships and positive workplace experiences

Strong partnerships between an employer and RTO best benefit the apprentice or trainee

All parties to the apprenticeship agreement – the employer, the apprentice or trainee and the training provider – stand to lose if a contact is cancelled. Hence, it is important that these relationships work well. The Department is expanding the role of regions in supporting employers, apprentices and trainees to work better together through proactive workplace visits.

Sustained motivation

Varied and challenging experiences enable apprentices and trainees to build their understanding and ability to cope in different situations

Apprenticeships and traineeships build skills and give young people pathways to careers in the future. The combination of paid work and training helps build resilience and agility to adapt to changing situations and provides real world experience.



Case study

There is a very clear rule at John Edwards Automotive that apprentices are there to learn. Apprentices are involved in any and every job available, leading to an increased feeling of inclusion and usefulness. They are tasked with interesting and varied work, and are given responsibility and autonomy.³⁶



Recommendation 11

In partnership with the Australian Government, strengthen the approach taken by AASN providers in Queensland to assess the suitability of employers to take on an apprentice or trainee before the training contract sign-up.

Recommendation 12

Develop up-to-date industry-endorsed resources to support employers and supervisors of apprentices and trainees, including a Queensland supervision guide that uses workplace friendly technology, and provides information about upskilling opportunities for supervisors.

36. Ithaca Group ,2017, *What makes an apprenticeship successful? Summary of critical success factors and enablers*, Brisbane

Quality and satisfaction

While mentioned specifically here, it is important to note that both quality and satisfaction are integral to all the other themes in this report.

Good quality training is critical to the success of an apprenticeship or traineeship

Quality is the shared responsibility of governments, industry, employers and training providers. Most stakeholders find it difficult to clearly articulate what they expect of a quality system. Views range from the character and skills development of the apprentice or trainee to the standard and outcomes of the training.

The need for potential apprentices and trainees to be able to demonstrate sound literacy and numeracy skills, and non-technical/employability skills such as punctuality, initiative, resilience and problem solving ability was highlighted during the consultations. The Department is encouraging more apprentices and trainees to improve their language, literacy and numeracy skills through Foundation Skills Training, informed by an employer-led foundation skills audit.³⁷ A broad range of stakeholders felt that a competency test could be added to Queensland's completion process to ensure trade apprentices are ready for their trade.

Ultimately the training content, the quality of the trainer and the way competency is assessed, all affect the outcome. The work of one national training and assessment working group focused on improving the quality of assessment in VET, including independent validation of assessment requirements as part of the training product development process.³⁸ The national regulator, the Australian Skills Quality Authority, has also acted to tighten up regulation and monitoring of training providers.

There is merit in investigating what further performance-related information could be made available to inform employer choice of a supervising RTO.

Outcomes are not well defined

There are numerous sources of data available about the apprenticeship and traineeship system but no commonly agreed target or measure of success, either state-wide or by industry sector. Completion rates vary across industries, but there is no clear indication of what rate is considered satisfactory. Completion rates are also complex to calculate given the competency-based nature of the qualifications and the lag in reporting. It is also possible that other outcomes beyond completion, such as the acquisition of employability skills, may be viewed as a success despite non-completion of a training contract.

Queensland is acting to improve quality

Recent initiatives to improve quality include: the appointment of a Queensland Training Ombudsman to provide free and independent review and resolution of complaints; the strengthening of pre-qualified supplier arrangements; and development of a Queensland VET Quality Framework. The Department has also contracted AASN providers to undertake some of its administrative tasks such as registering training contracts, and monitoring compliance, to provide a one-stop shop for participants and to enable regional staff to concentrate on support and quality.

37. Department of Education and Training, 2016, *Advancing skills for the future*, Queensland

38. Training and Assessment Working Group, 2016, *Improving the quality of assessment in vocational education and training*, Canberra



Recommendation 13

Explore the feasibility of introducing a capstone test of competency, as determined by each industry, to ensure apprentices are equipped and ready to enter a trade prior to the completion certificate being issued by the Department, and how it would impact reporting and timing of payments to training providers.

Recommendation 14

Explore the range of data that could be provided to industries to enable them to set targets for healthy completion rates and levels of satisfaction for apprenticeships and traineeships in Queensland.

Pre-employment programs

It is preferable that people have some knowledge or experience of the industry, and job-readiness skills, before they start an apprenticeship

Pre-apprenticeship programs and experiences may be the entry to a pipeline that connects people to jobs. They enable employers to assess potential employees and potential employees to test if this is the right career path for them. This is especially important for apprenticeships because of the longer-term nature of the arrangement.

Apprentices entering the workforce without a solid understanding of the occupation or the requisite foundational skills are more likely to withdraw.

Electrical Trades Union submission

Pre-apprenticeship programs and experiences must provide a genuine introduction to, and preparation for, an apprenticeship. They must provide a quality experience with industry which includes on-the-job experience and can prove a person's commitment to the job. As well as including practical skills, they must provide employability skills, and they should give a potential employee a taste of the job and an opportunity to test their attitude and aptitude for the job. However, work experience must meet workplace health and safety and other legal requirements and cannot be used as an alternative to paid work.

Importantly, those pre-vocational or pre-employment programs that include a structured workplace learning component, or work experience, are certainly seen by industry in a more positive light as the structured workplace learning provides the opportunity for a student to gain valuable insight into the industry; and for the employer to gauge the quality of the student prior to potentially taking them on as an apprentice.

TAFE Queensland submission



Recommendation 15

Encourage young people (aged 15 to 19 years) to participate in a form of work experience before they start an apprenticeship in Queensland. This may include short-term work experience, structured workplace learning or work placements as agreed with industry.

Recommendation 16

Encourage schools to formalise the role of industry liaison/vocational education and training coordination as best suits their local arrangements.

School-based apprenticeships and traineeships

SATs are generally very well regarded

Schools play a role in the pipeline to local workforce needs by creating the circumstances that make students and SATs more attractive to employers. SATs help students gain an understanding of the workplace culture, develop skills and help employers assess a student's suitability for the job.

SATs offer a valuable opportunity for young Queenslanders to build job skills and knowledge while they complete their schooling.

Representatives from the School Education Sector

In 2015, more than a quarter of students participating in a SAT went onto a full-time apprenticeship or traineeship after leaving Year 12.³⁹ The benefits of SATs include helping smooth the transition to post-school employment and the acquisition of nationally recognised qualifications.

Engaging in a SAT can provide the motivation some students require to remain at school and complete their Queensland Certificate of Education, which can enhance future transitions to tertiary study and employment.

Independent Schools Queensland submission

SATs work best when there are strong networks between schools and industry

Successful transition of a SAT into a post-school apprenticeship or traineeship can depend on the level of support provided by the school. Models that are considered to work effectively incorporate industry liaison networks and VET coordinators who provide career planning and advice attuned to the local economy and job opportunities, profiling and assessment, work trials and recruitment. In regions such as the Gold Coast, a network of industry liaison officers in schools works effectively to maximise opportunities for students, based on industry need and job demand.

Industry partnerships could also open the opportunity for participating employers to enable senior students to gain work experience and therefore expose them to a variety of industries before they make critical career decisions. This will also introduce the concept of innovation and entrepreneurship to students as business owners share their stories and experiences about starting up their own businesses.

Chamber of Commerce and Industry Queensland submission

39. Department of Education and Training, 2016, *Next Step 2016 A report on the destinations of Year 12 completers from 2015 in Queensland*, Queensland

Parental involvement is important

Parents influence the commitment of most students undertaking SATs, from initial decision making through to providing transport to the workplace. Parental involvement and early engagement in career education from the start of junior secondary school is very important. Students need to be fully informed about careers well before they start their Senior Education and Training plan in Year 10 to ensure they understand the commitment required to complete a SAT. While some employers provide transport from the local school to the workplace, many cannot and therefore rely heavily on support from parents. Parental involvement and support also helps young people when they make the transition into apprenticeships and traineeships after completing school.

Schools need more information so they can better match students to job opportunities

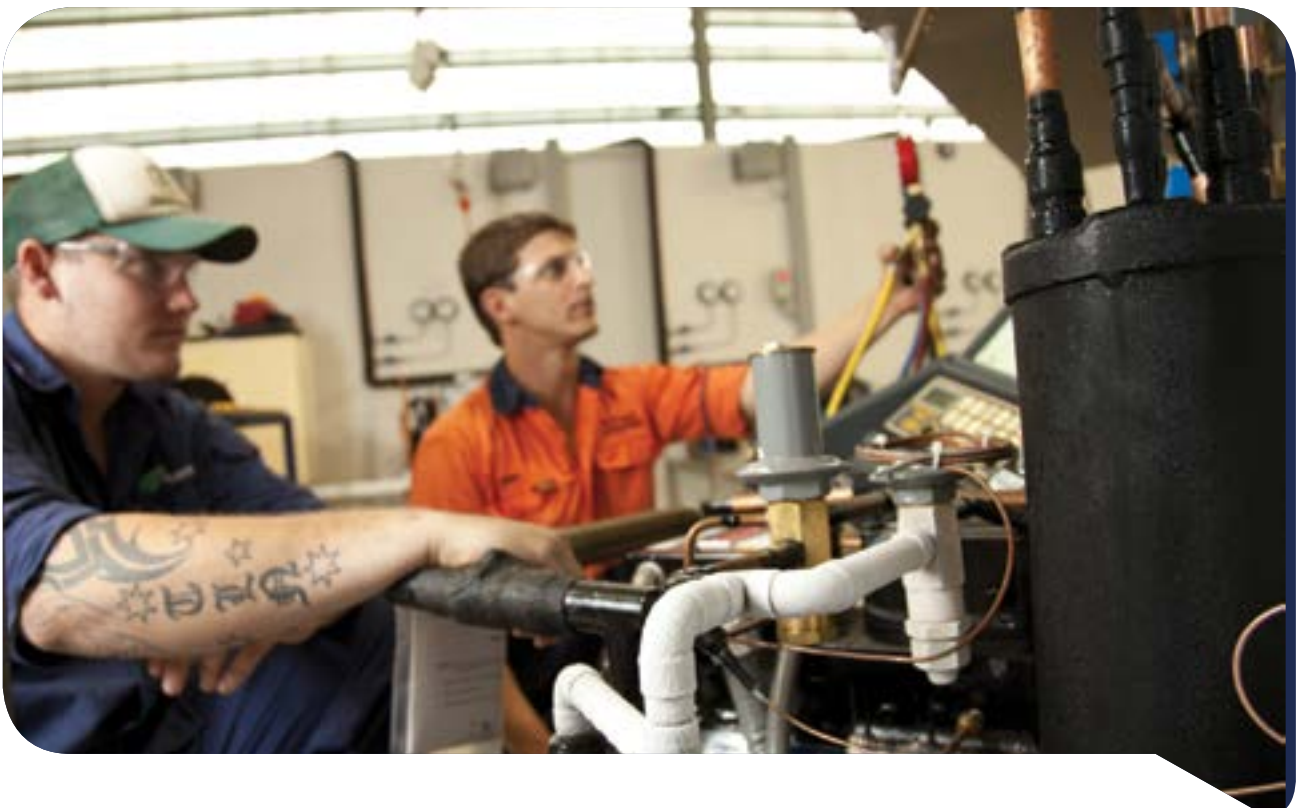
As part of providing an excellent education, schools need career development services and tools to prepare and empower students for the future.

Queensland Catholic Education Commission



Case study

Rio Tinto Weipa has implemented a school-based apprenticeship and traineeship program with the local high school and sees it as a valuable pathway into apprenticeships, further education and other pathway programs. The program allows successful participants to apply for apprenticeships via the fast-track process and on successful completion of an apprenticeship can lead to employment. There is a focus on the retention of apprentices coming from the school-based apprenticeship and traineeship program with future work to be undertaken to utilise the program as an entry point to university studies, vacation student work and potential graduation to the business in engineering and leadership roles.⁴⁰



40. Queensland Resources Council, 20 January 2017, *Submission to Jobs Queensland on 'Positive Futures Apprenticeships and Traineeships in Queensland' Discussion Paper*, Brisbane

Quality career information enables students to make well informed decisions. Apprenticeships and traineeships are perceived by some as a second-rate option for students who are not academically-inclined. Career development services, planning tools and close connections between industry stakeholders and schools can help students and their parents become aware of the full range of offerings available to them, including the longer-term benefits and job outcomes from apprenticeships and traineeships.

Some qualifications delivered in schools create barriers for students who want to go on to apprenticeships and traineeships

School students undertake vocational education and training to gain Queensland Certificate of Education points, as a pathway to a career or both. Most industries have recognised pathways into apprenticeships and traineeships. Some VET qualifications gained at school are inconsistent with these pathways and can discourage employers from taking on SATs or post-school apprentices and trainees. Industries like construction have worked to develop solutions to identify which pre-vocational qualifications best facilitate students' pathways to apprenticeships and traineeships. Others, such as a partnership between the North-West Health and Hospital Board and Mount Isa schools, have mapped out a pathway in health services that starts with work experience in Year 10, a certificate II in Year 11 and certificate III in Year 12.

... the current Queensland policy settings with respect to lower level qualifications may be a disincentive to training providers and participants...

CQUniversity submission

Employers in many industries consider more time in the workplace would be beneficial

While a minimum time in the workplace is set by the Department's guide to SATs, some industries need more than this to ensure students have the depth and breadth of training required for a career in industry post-school. In some industries, particularly those employing trade apprentices or service industries such as early childhood education and care, two days a week or a block of training would help overcome these issues. Some schools have been able to accommodate this, while for others it is more difficult. In these instances, schools may need assistance with scheduling to accommodate local circumstances to maximise individual student opportunities.

The school-based program gives great opportunity for work experience and trial placements, this program should be extended to give prospective apprentices a full two weeks of on-the-job work experience so they understand the rigours of full-time work.

Hospitality employer, Brisbane



Recommendation 17

Support schools to provide quality career development services through:

- engaging with local employers about apprenticeship and traineeship opportunities for students and industry job trends
- engaging students and parents in career development planning well before they develop their Senior Education and Training Plans for Years 10 to 12
- promoting apprenticeships and traineeships as interesting and rewarding career paths full of opportunity
- providing timely and targeted information about industry and job trends and local opportunities relevant to apprenticeships and traineeships that schools can share with students and parents.

Recommendation 18

Identify the structured pathways accepted by industry that best facilitate students' entry into apprenticeships and traineeships, and provide this advice to schools, students and parents.

Recommendation 19

Identify industries in which two days a week in the workplace or block release is considered necessary for students to successfully transition to careers. Demonstrate to schools how best to incorporate this into their timetabling and showcase examples of good practice.

Incentives

The Queensland Government provides several incentives for employers of apprentices and trainees, including payments to GTOs for apprentice commencement (\$3.4 million in 2016–17), payroll tax exemptions and programs as part of Skilling Queenslanders for Work.⁴¹

There are varying views about the value of incentives

Most people acknowledge incentive schemes as an important part of the system and they are deliberately employer focussed with the intent of creating job opportunities. For some employers, incentives are essential to their decision to employ an apprentice or trainee while for others incentives are welcome assistance in covering the costs, but not a major deciding factor in their recruitment decision. Overall, the monetary value of the incentives represents only a small proportion of the total cost of employing an apprentice or a trainee.

Victoria University found some evidence indicating that incentives paid to employers had been effective in leading to an increase in apprenticeship commencements, but not increasing apprenticeship completions. The evidence surrounding the impact of incentives paid to employers of trainees was much stronger, with a large decline in traineeship numbers in 2012 following a reduction in eligibility.

There is a view that the economies of scale enable large employers to do more and gain more value from incentives than small businesses. For example, using the current standard rates, the impact of Commonwealth incentives for employing 10 apprentices would be \$40,000 over the course of the apprenticeship compared with \$4,000 to employ one apprentice. This allows some large businesses to use incentive payments toward the wages for a dedicated apprentice/trainee supervisor. The current State payroll tax deduction of 50 per cent is regarded by many as a significant incentive for employing apprentices and trainees. Businesses with an annual turnover of less than \$1.1 million are not required to pay payroll tax and hence the deduction is seen by some as an added benefit for large employers with no comparable incentive available to smaller employers.

Incentives need to be realistic and targeted to skills shortages and new skills needs

There was support among stakeholders for incentives to be targeted for particular purposes such as increasing diversity or to support industries with forecast skills demand.

The current standard rates of payment for Commonwealth employer incentives, which have been in place since 2006, are \$1,500 on commencement and \$2,500 on completion for certificates III and IV. Concerns were widely expressed that incentive payments have not increased in line with indexation. Victoria University found that after taking inflation into account, the value of incentives has in fact declined by 25 per cent since 2006.

Incentives are hard to navigate and understand and frequent changes impact on business planning

Because incentive schemes vary from state to state and industry to industry, they can be difficult to decipher and understand and short-term changes can affect business cash flow. The lifetime of incentive programs does not always reflect the term of the apprenticeship. For example, where incentives are paid on commencement and on completion, there is a risk that the incentive program has ceased to exist by the time the apprenticeship is completed. Short-term interventions are important and beneficial yet they can be confusing for employers. There is a view that there would be significant benefit from better alignment of State and Commonwealth incentives.

41. Centre for International Research on Education Systems, 2017, *Review of the apprenticeships and traineeships funding model*, Melbourne



There are widespread concerns about how Trade Support Loans are being used

There is overwhelming support for grants and subsidies to help apprentices and trainees but concerns about Trade Support Loans were consistently raised through the consultation process. Victoria University found there is no available evidence indicating that incentives paid to apprentices in the form of Trade Support Loans have been effective in increasing commencements or completions.

Other reasons for criticism that emerged during the consultation process include the potential financial burden for young people, loans being used for non-work-related purposes and the potential for employer costs to be shifted to apprentices or trainees.

In consultations conducted by Victoria University, it was noted that the monthly nature of the loan impeded the ability for apprentices to make a large one-off purchase (e.g. a car for travelling to worksites) and there were concerns around the design and untied nature of Trade Support Loans.

They concluded that the current approach is relatively simple to administer, but is subject to few 'checks and balances'. Victoria University also suggested that there is scope to improve Trade Support Loan operation by placing restrictions on the areas of spending such as requiring recipients to submit randomly audited evidence of purchases or establishing an 'approved supplier list' that is used by recipients to access equipment.



Recommendation 20

Advocate to the Australian Government for employer incentives to be adjusted in accordance with the Consumer Price Index.

Recommendation 21

Improve promotion of the range of incentives and financial support that is available to Queensland employers and apprentices and trainees by industry, region and special circumstances.

Recommendation 22

Request the Australian Government improve the support available to help apprentices and trainees to complete their training, including through evaluation of the Trade Support Loan program.

Appendix 1: Consultation forums

Queensland Department of Education and Training Region	Local Government Area
South East Region	Logan
	Gold Coast
Metropolitan Region	Brisbane
	Ipswich
North Coast Region	Bundaberg
	Fraser Coast
	Gympie
	Moreton Bay
	Noosa
	Sunshine Coast
Central Queensland Region	Central Highlands
	Gladstone
	Longreach
	Mackay
	Rockhampton
Darling Downs and South West Region	Kingaroy
	Maranoa
	Southern Downs
	Toowoomba
North Queensland Region	Charters Towers
	Mount Isa
	Townsville
	Whitsunday
Far North Queensland Region	Cairns
	Douglas
	Tablelands

Appendix 2: Written responses

Submissions

- Australian Council for Private Education and Training
- Australian Business Solutions Group
- Australian Manufacturing Workers' Union
- Apprentice Employment Network
- Australian Security Industry Association Limited
- Australian Sugar Milling Council
- Chamber of Commerce and Industry Queensland
- Construction Skills Queensland
- CQUniversity
- Electrical Trades Union
- Families Australia
- Griffith University
- Health and Community Services Workforce Council
- Honeywell Building Solutions
- Independent Schools Queensland
- Ithaca Group
- Master Builders Queensland
- Master Electricians Australia
- MEGT (Australia)
- Motor Trades Association of Queensland
- National Retail Association
- Private individual
- Queensland Plastics Industry Training Committee
- Queensland Water Directorate
- Queensland Resources Council
- Queensland Farmers' Federation on behalf of Rural Jobs and Skills Alliance
- Services Trades Council
- TAFE Queensland

Other correspondence

- BUSY At Work
- Endeavour Refrigeration & Appliance Service
- NEATO Employment Services
- Private individual – email



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