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**Group Training – a foundation of Australia’s skills architecture**

* The largest employer network of apprentices and trainees
* A unique Australian model
* A 30-year record of achievement

**A national footprint -** a total of 150 group training organisations (GTOs), the overwhelming majority being not-for-profit, operate across Australia as employment intermediaries, linking training, employers and employees through 2,000 skilled staff, and relationships with up to 100,000 host employers and 35,000 apprentices and trainees.

**Market significance -** more than 12% of apprentice commencements are with a GTO; more than 13% of those ‘in-training’ are with a GTO; and more than 15% of apprentice completions are with a GTO. In some states the figures are much higher.

**Supporting skills development** - a key feature of the group training approach is the emphasis on mentoring and support for trainees and apprentices, in order to boost retention and completion, and to ensure the best possible fit with the needs of host employers.

**Enhancing the supply of apprentices** - group training works in partnership with stakeholders including governments, host employers, schools, and training providers to influence career perceptions, and increase the flow of apprenticeships and traineeships, particularly in skill shortage areas.

**Responsive to industry needs** - group training is genuinely demand-driven, responding to the direct needs of industry, and only providing those apprentices and trainees that can be deployed at a given time.

**Assisting those disadvantaged and “at-risk”** - group training delivers on government social and workforce development objectives, working with those in-need across the VET system. It employs:

* one-in-five Indigenous apprentices and trainees
* one-in-five school-based apprentices and trainees;
* increasing numbers of adult apprentices and trainees

**A proven place in the VET system**

The group training network has evolved into a pillar of Australia’s VET system, harnessing the collective knowledge and experience of hundreds of skilled professionals, to help guide apprentices and trainees into work and training.

From its beginnings in the late 1970s, a hallmark of the group training offering has been the mentoring and pastoral care that is afforded apprentices and trainees to assist in their retention and completion.

Group training delivers a bundled training package to a broad range of enterprises, assisting them to take on apprentices and trainees, build skills, and embed a training culture that might otherwise be overlooked or even abandoned due to a single ‘bad’ experience.

Group training operates in a number of challenging markets. Firms that engage group training may not have the skills or capacity to manage the apprentice relationship. Coverage extends across regional, rural and remote areas including Indigenous communities.

In the area of disability, school-based, and adult apprentices, group training takes an active, hands-on approach that is frequently beyond the willingness or capacity of many employers. Moreover, there are numerous instances where GTOs have been able to assist out-of-trade apprentices, who were formerly engaged directly with an employer, to complete their trade.

GTOs operate in a commercial environment, however there remains a significant community service element to their operations, and this is reflected in the allocation of government funds to group training. GTOs also often cross-subsidise the more challenging, resource-intensive parts of their operations from other commercial activities. It is our view that this function, with its strong social and community focus, is one that would not be absorbed by the private sector, without significant additional offsets.

Group training is also evolving its role and its offering. The national policy priority around skills and workforce development means that the group training network is ideally placed to work with government and SMEs to build new skills and create high performance workplaces.

The established partnerships between group training, government, SMEs and local communities around Australia mean that the infrastructure is in place to fully leverage government policy initiatives, funding and personnel.

**Market share**

Group training organisations operate across all states and territories. In the traditional trades, where the group training network has focussed, it accounts for:

* 15% of apprentices in automotive and engineering trades
* 15% of apprentices in construction trades
* 17% of apprentices in electrotechnology and telecommunications trades

**Note:** **State associations may wish to insert additional statistics from a state perspective at their discretion.**

**Quality**

Despite working with a broad cross section of the apprentice population (and not just the ‘best’) GTOs have been producing more ‘completions per apprentice in-training’ since 2006 than other forms of employment. In recent years the gap has widened.



**Skills development in SMEs**

Group training plays a key role in the small and medium business landscape. Many SMEs would not be in a position to directly engage apprentices without an intermediary such as a GTO.

The host employer profile that is a feature of group training was highlighted in work prepared by the National Institute for Economic and Industry Research (NIEIR) for GTA’s 2010 *Looking Ahead* report, which shows that two-thirds of GTOs have between one and four apprentices and trainees per client, with over 50% having between 1.6 and 2.6

As the report notes, “….GTOs are restricted to clients requiring the management of relatively small numbers of apprentices and trainees.” The simple fact is that an employer with only 2-3 apprentices is often unlikely to be in a position to manage that without the help of an intermediary such as group training.

When one extrapolates that relationship across 100,000 host employers, operating in metropolitan, regional and remote communities, one begins to appreciate the depth and breadth of group training’s reach across Australia.

And because GTOs are responsible for WHS and other pastoral care obligations, government has an assurance that these services are being managed to a high standard.

**A platform for the future**

The group training network is an established part of the architecture of the VET system. The network of 150 GTOs, 2,000 field staff and 100,000 host employers offers government a unique partner in delivery of ongoing and future programs.

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| **Group Training Service Delivery**  **Government Programs** |

Government policies and programs aimed at increasing the supply of apprentices across a broad range of the population have often not succeeded because of failure to make the commencement ‘stick’.

Throughout its history, group training has catered for young people (and progressively more adults) with a wide range of ability. Its success has been built on the support and mentoring it provides across the full breadth of the apprentice experience. It is a proven broker of opportunities and collaboration between schools and employers and can fast-track young people through vocational pathways. It is the biggest single employer of school-based apprenticeships and traineeships, and has substantial relationships with schools throughout the country.

Payment for services government expects from group training is principally through the Federal and State Government-supported Joint Group Training Program (JGTP). This program, and its various antecedents, has been in existence for more than 25 years. These funds have been the venture capital of group training and have made possible the development of the human and physical capital the network represents today. It is unlikely the impressive outcomes delivered by this network would have been achieved without it.

The service offering from GTOs has also expanded over this period. Many GTOs now provide a range of other workforce development related services such as Registered Training Organisations (RTOs) and Australian Apprenticeships Centres (AACs). Many are sources of innovation in new ways to serve employer demands for a skilled workforce, and for government initiatives for meeting skills gaps or engaging marginalised job seekers.

Group training has strong links with TAFEs across the country, as the leading public provider of vocational training, and the main vehicle for off-the-job training.

The group training model has shown extraordinary flexibility in dealing with a changing labour market and is particularly well placed to provide enhanced services to government. Areas where group training can assist include workforce development initiatives, future Australian Apprenticeships Support Services, the National Trade Cadetship program, the National Apprenticeship Program, and measures to address the findings of the National Resource Sector Employment Taskforce.

In conclusion, this paper has highlighted the many features of the group training network and the broad range of services it offers. It demonstrates the role that group training can play, in partnership with government, in delivering important public policy programs. By continuing to support group training, government has access to a unique community and business network that is able to support its own policy priorities across the VET landscape.

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