



National Apprenticeship
Employment Network

ANNUAL

REPORT

2018/2019





National Apprenticeship
Employment Network





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National Apprentice
Employment Network

ABOUT NAEN

WHO WE ARE

The National Apprentice Employment Network (NAEN) is the peak body representing the national network of independent, not-for-profit Group Training Organisations (GTOs). These organisations employ some 25,000 apprentices and trainees across Australia. Since being established in the 1970s, GTOs have employed, and placed into work, more than one million apprentices and trainees.

WHAT WE DO

GTOs operate in every part of Australia and help thousands of people, including school leavers, mature age workers, those with disability, Indigenous communities, defence force personnel, youth and new migrants.

Apprentices and trainees are at the heart of group training. Every apprentice or trainee is matched to a job with a host business. Apprentices and trainees can be rotated to a different host business when, for example, work has finished with one host, or new skills are needed by the apprentice or trainee.

GTOs have a pivotal role in communities through their links with businesses, employers, schools, careers advisers, TAFEs and other quality training providers. Some GTOs are industry-specific, operating in sectors such as building, electrical or hospitality, while others operate across sectors.



NAEN BOARD, SUB-COMMITTEES & STAFF



NAME	BOARD POSITION	ORGANISATION
David Nagy	Chair (appointed 8 April 2019) SA Representative	Maxima Group
John Liddicoat	Chair (15 November 2018 to 8 April 2019) NSW/ACT Representative (until 8 April 2019)	Novaskill
Stuart Diepeveen	Chair (until 15 November 2018) WA Representative	Electrical Group Training Ltd (EGT)
Sharon Smith	Deputy Chair Member Representative (until 7 April 2019) NSW/ACT Representative (appointed 8 April 2019)	HVTC
Tom Emeleus	Member Representative	NECA Electrical Apprenticeships (NSW/QLD/ACT)
Geoff Fader	TAS Representative	Tasmanian Building Group Apprentice Scheme
Iain McDougall	Member Representative	Hospitality Group Training WA Inc
Megan Lilly	Member Representative	Australian Industry Group
Tom Mangan	QLD/NT Representative	Community Solutions Group
Rodney Cryer	Member Representative	GTNT

AUDIT	REMUNERATION	GOVERNANCE
Iain McDougall (Chair)	John Liddicoat (until April 2019)	Stuart Diepeveen (Chair)
John Liddicoat (until April 2019)	David Nagy (from April 2019)	Tom Emeleus
David Nagy (from April 2019)	Sharon Smith	Sharon Smith
Stuart Diepeveen		

COMMUNICATIONS	POLICY AND ADVOCACY WORKING GROUP
Geoff Fader (Chair)	John Liddicoat (Chair until April 2019)
David Nagy	David Nagy (Chair from April 2019)
Rodney Cryer	Geoff Fader
	Megan Lilly
	Stuart Diepeveen

BOARD BIOGRAPHIES

DAVID NAGY, CHAIR (appointed 8 April 2019)

David is General Manager, Recruitment and Training at Maxima, and was appointed NAEN Chair in April 2019. He has been on the Board of NAEN since early 2018 and has served on the Board of AEN (South Australia) since 2014 and been its Chair since 2015. Originally employed at Maxima in 2013 as Marketing Coordinator, David has spent more than 15 years in the group training sector. He studied at the University of Adelaide and graduated with a Bachelor of Commerce (Hons). David has a passion for the group training sector and for the transformative role of apprenticeships and traineeships for both individuals and host businesses.

JOHN LIDDICOAT, CHAIR (15 November 2018 to 8 April 2019)

John was Chair of NAEN from November 2018 to April 2019, and was State Appointed Director for NSW/ACT for three years, being Chair of the Apprentice Employment Network NSW/ACT until early 2019. He was recently appointed CEO of the Angus Knight Learning Group after completing a period at TAFE NSW as the Head of International Business and a 10-year tenure at the not-for-profit sector leading Novaskill (HGT) and its International College. John has contributed much toward influencing and evolving the current policy frameworks that support improvements to the national VET system.

STUART DIEPEVEEN, CHAIR (until 15 November 2018), current Director

Stuart is General Manager Electrical Group Training (EGT), a not-for-profit group training organisation and the largest employer of electrical apprentices in Western Australia. Stuart began his career as an apprentice with EGT in the mid-1990s, after which he became a Production Supervisor and Workplace Safety Coordinator at Advanced Energy Systems. He later moved into training and became an instructor at the College of Electrical Training. In 2012 Stuart took on the role of General Manager Workforce with EGT's parent company the WA chapter of the National Electrical and Communications Association (NECA WA). In 2014 Stuart returned to the role of General Manager at EGT, adding special projects to his duties which includes managing properties for and representing the ECA WA on specific committees and projects.

SHARON SMITH, DEPUTY CHAIR

Sharon is the CEO of HVTC, a position she has held since 2012. She has an outstanding record of achievement over 20 years as a senior executive in the utilities, regional development and private sectors. This includes Chief Financial Officer and General Manager in various roles leading large operational and shared services teams across Finance, Human Resources, Information Technology, Procurement and Business Development. Sharon has significant experience working with Boards of Directors in developing and executing strategy including Hunter Water Corporation, Hunter Water Australia, Regional Land Management Corporation and as Non-Executive Director of Hunter Development Corporation, Hunter Business Chamber and Newcastle Grammar School.

TOM EMELEUS

Tom is General Manager NECA Training and Apprenticeships. He commenced his career as a cadet engineer with Sydney Electricity in 1993. He has a combined degree in electrical engineering and international studies (Indonesian) with first class honours and a Master of Engineering Management. He has held executive positions in the Electrotechnology and Electrical Supply Industries since 2003 and has recruited and trained over 2500 apprentices in that time. In his current role, Tom is responsible for NECA's group training and training businesses in NSW, Queensland and the ACT. Over the last 15 years, Tom has held Board positions on Federal and State bodies responsible for vocational training and group training and has been an active proponent for VET to government, the media, industry and the community.

GEOFF FADER

Geoff is the Executive Officer of the Apprenticeship Employment Network, Tasmania, and an NAEN Life Member. He is a founding figure in the group training sector, having played a key role in its inception some 40 years ago and served in a range of positions including a founding chair of a group training organisation, a director on the first national board and later Chair of Group Training Australia. Geoff was made a Life Member of (then) Group Training Australia in 2001. He serves as Chair of the Board's Marketing and Communications Committee. Geoff has also supported numerous organisations associated with the development of concept and policy advice to government and the implementation of a wide range of community activities.

IAIN MCDOUGALL

Iain is the General Manager of Hospitality Group Training WA Inc, joining this organisation in 1995 after 20 years' senior management experience with the Federal Government mainly in training policy. He is the Nominated Member for Western Australia to the Australian Industry and Skills Committee (AISC) - composed of industry leaders nominated by Commonwealth and state and territory ministers responsible for skills and training. Iain is also a Board Member of FutureNow, the Creative and Leisure Industry Training Council and is the current Chair of the NAEN Board Audit Sub-Committee; and former Chair of Group Training Australia.

MEGAN LILLY

Megan is the Head of Workforce Development for the Australian Industry Group (Ai Group), responsible for the development of all education and training policy as well as member service delivery across the breadth of workforce development. This includes the GTO, Talent Solutions and Graduate Employment Services. Prior to this she was the Chief Executive Officer of Business Services Training Australia, the national industry advisory board for the business services and related industry sectors. Before joining the national board, she held several senior management positions in Victorian TAFE institutes. She is a member of the Australian Industry Skills Committee (alternating Director), Deputy Chair of Worldskills Australia, a member of the Australian College of Educators and the Naval Shipbuilding College's Delivery Advisory Committee. Megan was also on the expert Panel that reviewed the Australian Qualifications Framework.

TOM MANGAN

Tom is General Manager, Workforce Solutions for the Community Solutions Group, a subsidiary of Endeavour Foundation. Community Solutions Group includes Acclaim, SkillsPlus, BRACE Education and Training, and TORGAS Apprentices and Trainees, delivering a diverse range of workforce, education, training, community wellbeing and NDIS services throughout Queensland, Victoria and South Australia. Tom has over 30 years' experience in leadership roles in the employment, banking, finance and building products sectors before joining Community Solutions four years ago. Tom is a graduate of the University of NSW, Australian Institute of Company Directors, Griffith University Business School and The Securities Institute of Australia.

ROD CRYER

Rod has held executive positions with the Northern Territory Government and has made major contributions to the vocational education and training sector through his 17-year career with government. Rod joined GTNT in April 2017 as Business Enterprise Manager under a secondment arrangement to support the development and introduction of NT Government initiatives to support apprentices, trainees and their employers. Rod officially joined the GTNT team in January 2018.

STAFF

DIANNE DAYHEW, National Executive Officer (from December 2018)

LAUREN TILTMAN, National Executive Officer (until December 2018)

TERRY ANDISON, Indigenous Projects Manager

GRACE TEMPLETON, Administration and Project Officer

CONTRACTED SUPPORT SPECIALISTS

BOB BOWDEN, Foresight Communications

KEN LANCERO, Lancero Consulting



National Apprentice
Employment Network

OUR MISSION

To contribute to a world class VET system in Australia.

OUR VALUES

We aspire to being:

- + Efficient and Effective
- + Driven by our Principles
- + Progressive and Adaptive
- + Promoting Teamwork and Unity
- + Honest and Ethical
- + Demonstrating Leadership
- + Trusted and Respected





CHAIR'S REPORT



It is a great pleasure to present this, my first report, as Chair of the National Apprentice Employment Network (NAEN), an organisation that continues its proud record of support for apprentice and trainee employment.

In every part of Australia, member Group Training Organisations (GTOs) are playing a vital part in building the skills capability of the next generation and supporting the thousands of businesses that engage them.

I would like to extend my appreciation to my two immediate predecessors in this role, Stuart Diepeveen and John Liddicoat, who have each given invaluable service to the organisation, along with their great wisdom and expertise.

For NAEN, the past year has entailed consolidation, strategic review and renewal, as we have progressed with a series of positive steps to position the organisation at the forefront of representing the great group training network.

It has coincided with a significant shift in the landscape of vocational education and training (VET), with a major policy review, followed by a federal election and a new government with a commitment to make the VET system more effective and accountable.

We were encouraged by the firm acknowledgement through the election campaign of the need to revive and enrich apprentice employment, and to restore it as a fundamental part of Australia's productive capability.

We support the reform path that has been laid out and remain confident that these steps can help to attract more school leavers to apprenticeships and traineeships and encourage more businesses to take them on.

NAEN has greatly appreciated the engagement that has occurred with federal and state politicians, officials and advisers as this important reform process has taken shape.

We will continue to press our arguments for a stronger role for group training, building on its 40-year history of nurturing apprentices, placing them with host businesses and, in the process, working closely with industry, schools, training organisations and communities.

I wish to extend my deep appreciation to Lauren Tiltman who stepped down as National Executive Officer (NEO) in December 2018 to live and work abroad. Lauren brought great energy, knowledge and insight as a former apprentice, herself, who rose to lead the peak member body. Lauren takes great credit for her many achievements as NEO since 2016.

We were extremely fortunate to recruit an outstanding new NEO, Dianne Dayhew, who started immediately on Lauren's departure. Dianne is a true leader with enormous energy and devotion to the business of group training, having previously established GTO operations and worked extensively across the VET sector. Under Dianne's leadership, the national office has had some remarkable achievements and made great inroads into expanding its reach and influence.

I want to extend my thanks and appreciation to all those across the group training network whose daily efforts often go unseen, who inspire, persevere, and change lives for the better.

One such individual sadly passed away last February. The Hon Milton Morris AO, a Group Training Australia Life Member and a veteran of the vocational training sector was aged 94. He brought a lifetime of knowledge and experience that he shared with all those who knew him. We were greatly saddened by his death.

I also acknowledge the retirement of NAEN's Patron, the Governor-General Sir Peter Cosgrove. Few who witnessed his genuine interest and enthusiasm for our apprentices and trainees will forget it. We were greatly privileged by his involvement and wish him the very best in retirement.

I also extend my gratitude to my fellow Board members who give their time and energy for no other reason than they are passionate about our apprenticeship system and aspire to seeing it grow and evolve. Each and every one brings boundless knowledge and commitment. They are the foundation upon which everything rests.

We have achieved a great deal over the past year as we progress on a path to heightened performance, growing membership and continued engagement with all those who influence future VET outcomes.

I am extremely pleased with the progress that has been made and I am as optimistic as ever about the capacity for even greater inroads and advances for NAEN and our sector over the year ahead.

David Nagy

Chair



NATIONAL EXECUTIVE OFFICER'S REPORT



The 2018-2019 financial year was a transformational one for both the National Apprentice Employment Network (NAEN) and myself, as I stepped into Lauren Tiltman's shoes as National Executive Officer, but also into the great responsibility of continuing more than 25 years of national leadership for group training.

The proud purpose of NAEN remains one of advocacy for the employment of apprentices and trainees around Australia. The past year was a crucial time to sing our message loud and clear as a federal election campaign went into full swing, and reform of the VET system, or the entire higher education sector, was on the table from both major political parties.

NAEN was also in campaign mode, and worked with additional government strategists to design an approach that would meet the needs of our member Group Training Organisations (GTOs) in their electorates. Statistical data on an electorate-by-electorate basis equipped members GTOs to discuss local profiling of apprentice employment with their MPs. Key messages on group training were developed and communicated throughout the network to unify our voice and convey consistency.

A landmark event was the release of the Expert Review of VET, undertaken by the Hon Steven Joyce, with more than 70 recommendations for change.

With Prime Minister the Hon Scott Morrison re-elected in May 2019, the Joyce Review became a live document, and a map of a future VET system.

NAEN was well prepared, having made a submission to review and being invited by Mr Joyce to meet with him and tell him more about the value of group training in a future VET system.

The Minister Employment, Skills, Small and family Business Senator the Hon Michaelia Cash, announced the Delivering Skills for Today and Tomorrow package, to create up to 80,000 additional apprentices over five years.

NAEN provided continual updates to members and an extended stakeholder list to ensure that GTOs were both aware of the extensive reform program, and had a voice in shaping it. Building on two-way relationships at the highest levels was a core focus for NAEN this financial year, particularly important at a time of significant change.

GTOs participated in the Australian Apprenticeship Wages Subsidy (AAWS) program, providing subsidised wages for apprentices working with small host businesses in regional areas. The timing of the first pilot was challenged by the Northern Territory wet season and drought in Queensland, resulting in a slower take-up, but in other states the AAWS was a welcome program to stimulate small business participation in apprentice employment within the GTO safety-net.

About 50 GTOs placed around 550 Indigenous jobseekers into employment in the financial year through NAEN's Indigenous Programs, with most placements in apprenticeships or traineeships. A submission for funding through the next Indigenous Advancement Strategy was made at the end of March 2019, and by June 30, NAEN was yet to receive notice on the outcome of the submission.

I would like to thank GTO members for their great support in my role since commencing on in November. It is a delight to engage with members, and it drives my purpose and daily effort. Thank you to the NAEN Board, who dedicate their unpaid time and energy to ensure the highest standards of governance for the national association. I send my thanks to Stuart Diepeveen, who was Chair for the majority of 2018/2019 and who has been a great guide in NAEN governance, to John Liddicoat who provided excellent strategic direction as Chair on my commencement until April 2019, and then my sincere thanks to David Nagy, taking the reins as Chair following John. David has worked tirelessly since day one for the national network, and is a dedicated leader for our prestigious Board.

My thanks to Lauren Tiltman for her leadership achievements in the first half of 2018/2019 and for her work since her engagement in 2016. Her generous time during my on-boarding has been highly valued and clearly set the bar high.

NAEN has been well supported by a team of both staff and contracted support specialists, who offer the right combination of solid experience and fresh eyes to keep our organisation focussed on both renewal and dedicated service to members and its highly valued stakeholders and supporters. Many thanks to Grace Templeton, Angie Turay, Terry Andison, Ken Lancero, Bob Bowden, and Angus Crowther.

Keep up the great work and let's work together towards the government goal of 80,000 apprentices through the best model possible – group training!

Dianne Dayhew

National Executive Officer



ADVOCACY

POLICY

NAEN presented a comprehensive policy submission in late-2018 to the Expert Review of Australia's Vocational Education and Training System undertaken by the Hon Steven Joyce. NAEN was pleased to be invited by the Review to meet with Mr Joyce to discuss elements of the submission in greater detail and to provide insights into the group training sector.

A pre-Budget submission was also provided to Treasury.

In November 2018, NAEN Directors, the outgoing National Executive Officer Lauren Tiltman and the incoming National Executive Officer Dianne Dayhew met with the then Minister for Small and Family Business, Skills and Vocational Education, Senator the Hon Michaelia Cash to discuss key group training priorities.

We are indebted to officials in the new Department of Employment, Skills, Small and Family Business (DoESSFB), which takes responsibility for critical VET policy and programs. They have been extremely supportive and helpful in this important transition phase to the new government administration.

NAEN has met with key department heads within DoESSFB and with the previous Department of Education and Training, and the Department of Jobs and Small Business.

FEDERAL ELECTION CAMPAIGN

NAEN undertook a comprehensive political advocacy campaign ahead of the May 2019 federal election, designed to elevate the importance of apprentice and trainee employment.

This included meetings with key ministers, shadow ministers and political staff to outline NAEN's policy proposals for the sector.

The campaign also included letters to MPs, Senators and candidates in key marginal electorates.

The letters contained information about the total number of apprentices and trainees in the electorate, how this has changed over the last five years, the breakdown between 'trade' and 'non-trade' and the share of apprentices and trainees as a percentage of the employed population. The data contained in the letters had been derived from the National Centre for Vocational Education Research on an electorate-by-electorate basis.

NAEN also provided all MPs with campaign flyers outlining the central policy proposals of the group training sector.

Campaign kits, including key messages, campaign flyers and customised media releases were provided to GTOs to enable them to engage with MPs, candidates and the media in their communities.

Following the election, NAEN wrote letters of congratulation to successful MPs and candidates. NAEN held a series of meetings with federal MPs and Senators and their staff to outline the role of group training and the significant policy issues relating to apprentice employment.

CONSULTATION WITH NCVER ON GROUP TRAINING COMPLETIONS

NAEN worked closely with Dr Lisel O'Dwyer from the National Centre for Vocational Education Research (NCVER) to guide effective analysis of GTO completion rates in comparison to direct employment.

East Coast Apprentices in Queensland is featured in the report that was in draft development by the end of June, 2019, and also contributed significant effort to assist NCVER.

The different demographic profiles of GTO apprentices and trainees and employer size is an important consideration for proper analysis. The higher proportion of disadvantaged or 'high risk' cohorts commencing apprenticeships and traineeships through GTOs is a factor that NCVER considered as they developed their research, and NAEN was looking forward to this study being publicly available in the next financial year.

GTO PROTECTION FROM BANKRUPTCY LAWS

NAEN had a number of discussions and meetings through the year over the issue of preferred creditor status in bankruptcy, an issue which causes great concern across the group training network.

When a host employer declares bankruptcy, the money owing to the GTO has no ranking other than as an unsecured creditor.

Over recent years, substantial sums of money have been lost by member GTOs as a result of bad debts and bankruptcy by host employers.

NAEN raised this issue with both the Treasurer the Hon Josh Frydenberg and the Attorney General the Hon Christian Porter. Following discussions with the Treasurer's office a meeting was arranged with Treasury officials.

NAEN put the case for a repeal of laws that effectively penalise GTOs which have acted in good faith when a host employer is declared bankrupt.

It is a complex issue and there is a degree of resistance to the idea of altering bankruptcy laws which have been in the statutes for decades.

NAEN fully appreciates the difficulty this provision has caused (and will continue to) and remains committed to pursuing a satisfactory outcome.



MEMBER ENGAGEMENT

NAEN has had regular touchpoints with the membership throughout the year. Timely member alerts have been emailed as soon as relevant news is available, and newsletters have been emailed routinely to report beyond our immediate GTO membership. The NAEN website was revamped this year, reflecting the refreshed branding of the national association.

With member and state association representation on the NAEN Board, members' value in NAEN's direction and future focus is of prime importance. The NEO has ongoing engagement with all state and territory AEN offices, with members in each jurisdiction.

Attendance at AEN Board and Council meetings, conferences and award events across the country has been valuable in engaging members and celebrating achievements. NAEN has also attended many individual GTO events upon invitation.

AATIS ADVISORY PANEL

NAEN continued its role on the Advisory Panel for the Australian Apprenticeships and Traineeships Information Service (AATIS). This organisation is funded by the federal government to raise awareness of potential apprenticeship and traineeship pathways open to students, job hunters, career changers and employers. This position is helpful in advising AATIS on the types of resources that would be useful for GTOs, and also keeps GTOs up to date on AATIS resources and services.

PLANNING AND PROMOTING THE BEYOND 2020 NAEN CONFERENCE 2019



By the end of the June 2019, planning and promotion of the national conference was well underway, with a venue booked on the Gold Coast. Key government leaders, economists, futurists and change agents were booked to ensure delegates would gain knowledge about the post-election political and economic environment, and awareness of the need to prepare for future impacts on the employment of apprentices and trainees beyond 2020. NAEN was looking forward to welcoming Assistant Minister Steve Irons to deliver his inaugural address in the portfolio at our conference.



INDIGENOUS PROGRAMS UPDATE



Wynston Shovellor-Sesar, Broome Western Australia

Over the past eight years, in partnership with member GTOs, NAEN has managed a number of Indigenous employment projects. More recent projects have been funded under JLEP (Jobs Land Economy Program) administered by the Department of Prime Minister and Cabinet (PMC). The model, where NAEN holds Indigenous employment contracts and partners with member GTOs, has benefits for both government and for the GTOs.

Government can fund a significant number of placements under a single contract as opposed to several small contracts. The arrangement also offers efficiencies in the reporting and administration associated with contract management. Additionally, it presents NAEN with the opportunity to act as a clearing house for case studies and best practice strategies identified during the course of projects, that can then be disseminated across the network.

In 2018-2019, a number of JLEP contracts were managed by NAEN with differing target cohorts:

- Full time apprentices and trainees with a focus on those trade-related, and those regionally located;
- School based apprentices and trainees;
- Indigenous candidates located in remote and thin markets under the jobs-first model designed by Generation One: VTEC (Vocational Training and Employment Centres).

Approximately 50 GTOs working under NAEN-held contracts placed approximately 550 Indigenous jobseekers into employment in the financial year – most, but not all, under apprenticeship and traineeship arrangements.

The period immediately following the May 2019 federal election saw a number of changes in the Indigenous area. The first of these was the appointment of a new Minister for Indigenous Australians, The Hon Ken Wyatt, replacing the previous minister the Hon Nigel Scullion. The other key change post-election was the establishment of NIAA (National Indigenous Australians Agency). The agency reports directly to the minister and by design should have greater autonomy in decision making processes.

NAEN is engaged with the agency seeking funding support to permit our continuing work with the GTO network to increase Indigenous employment over current and coming years.



MEDIA RELATIONS



CAMPUS REVIEW

"In many parts of Australia there are severe shortages of apprentices to take up positions that are going begging," the National Apprenticeship Employment Network and its relevant state and territory counterparts provided in a statement.

"We will work with stakeholders to bring forward worthwhile projects that will be eligible for funding under the scheme..."

As many as 5000 apprenticeships are sitting vacant across Australia, as the nation suffers from 'job hushes'.

Employers struggle to attract enough applicants, and many young people simply do not turn up to job interviews.

National Apprenticeship Employment Network (NAEN) national executive officer Dianne Dayhew said employers were desperate for apprentices, particularly at the beginning of the year.

"There are at least 1000 vacancies in NSW that need to be filled at any time and it would be a similar number in Victoria and at least a third of that number in some other states," she said.

"There would be about 3000 vacancies across the country - all for first-year apprentices."

Ms Dayhew said it was not a case of employers being overly picky. "They just don't have enough candidates applying. Skill shortages develop and we have to start importing skilled labour from overseas because our own workforce isn't taking on a skilled career path."

The Australian, Higher Education

Vocational training review must lead to broad overhaul

DIANNE DAYHEW
MARCH 27, 2019



Former NZ Secretary of Education, Skills and Apprenticeship, Dianne Dayhew, speaking at a panel discussion on vocational education and training in Australia.

Labor leader Bill Shorten says the number of apprenticeships has slumped since the Coalition took office. Is he correct?

NAEN provides regular commentary and input to media outlets as part of its regular media relations activities.

NAEN provides regular media releases on key policy developments and industry issues to a targeted list of journalists and commentators in metropolitan and regional areas. Where appropriate, these media releases are also made available to member GTOs to be tailored for local use.

NAEN was featured in major articles and broadcasts during the year including in *The Australian*, *Daily Telegraph*, *Campus Review* and the ABC *PM* program, providing comment on the planned reform of the VET system and on discussion about VET issues during the federal election campaign.

On social media, NAEN plays an active part, commenting on policy and issues impacting apprentices and trainees on Twitter and Facebook, where it has more than 4,000 followers combined.

ACKNOWLEDGEMENTS



RETIREMENT OF NAEN PATRON, GOVERNOR-GENERAL, SIR PETER COSGROVE

At the end of June 2019, the Patron of the National Apprentice Employment Network, Sir Peter Cosgrove, retired as Australia's 26th Governor-General.

The National Apprentice Employment Network (NAEN) is extremely grateful for his patronage, and on behalf of all apprentices and trainees employed through our network, and our member GTOs, we thank Sir Peter and Lady Cosgrove for their service over the last five years.

As quoted by Prime Minister Scott Morrison, "Australians from all walks of life felt like they knew this Governor-General. It didn't matter if it was a palace or a pub, Sir Peter would shake your hand, look you in the eye and start a conversation."

Sir Peter concludes a lifetime of public service to Australia. He commenced his studies at the Royal Military College, Duntroon in 1965 and was commissioned as a Lieutenant in 1968. He led the INTERFET peacekeeping mission to East Timor in 1999 and rose to Chief of the Defence Force in 2002. General Cosgrove retired from the ADF in 2005 after 40 years' service.

Over the course of his time as Governor-General, Sir Peter and Lady Cosgrove visited over 200 local communities across Australia. One third of all their activities have been in regional and rural communities.

A highlight for NAEN was the receptions at Government House where GTO apprentices and trainees selected for the "Today's Skills Tomorrow's Leaders" program, would meet Sir Peter as part of their week-long leadership program.

SAD PASSING OF NAEN LIFE MEMBER, THE HON MILTON MORRIS AO



The Hon Milton Morris AO

One of the group training's treasured figures, NAEN Life Member, the Hon Milton Morris AO, sadly passed away in February 2019 at the age of 94.

Milton was an inspiring, influential and energetic figure in the vocational training sector who worked tirelessly for apprentices and trainees.

He was a longstanding supporter of the group training sector, having served as Chairman of Newcastle-based HVTC from 1981 to 2011 and a Board Director until 2015 when he resigned from executive duties and was appointed HVTC Patron. He was made a Life Member of Group Training Australia (now NAEN) in 2011.

Milton became the Liberal Member for Maitland in 1956 and represented the constituency for 25 years. He served as a Minister in three portfolios from 1965 to 1976, and holds the NSW record as the longest serving Minister for Transport.

With a lifetime of service to the community, he served with distinction in public office and even after his retirement from politics, continued to play an enormous role in advancing the skills development of young people.

Across the group training network, Milton is held in the highest regard. The organisation salutes his life and service and continues to be inspired by his tireless achievements.



REPORTS FROM THE STATES AND TERRITORIES



TASMANIA

BY GEOFF FADER, EXECUTIVE OFFICER
APPRENTICESHIP EMPLOYMENT NETWORK TASMANIA

The Apprenticeship Employment Network Tasmania is an active member of NAEN and relies on the national network for up to date information and intelligence. It is also necessary to have a voice at national level and NAEN provides this.

The Apprentice Employment Network, Tasmania has six GTO association members who are collectively the largest employers of apprentices in Tasmania.

While the economic outlook in Tasmania is positive there are very few significant business enterprises. However, major infrastructure opportunities in building and construction currently exist. GTOs continue to hold market share and provide completion outcomes at a higher level than direct employers.

During the year AEN TAS launched an updated website and individual members are active in local marketing activity and maintain close links with secondary schools supporting and promoting VET and skilled trade opportunities.

AEN TAS continues to ensure a close working relationship with the State Training Authority, Skills Tasmania.



WESTERN AUSTRALIA

BY IRENE WALKER, EXECUTIVE OFFICER
APPRENTICE EMPLOYMENT NETWORK WA

The Apprentice Employment Network WA has 10 members. A recent shift in our policy will allow GTOs with 25 or less apprentices and trainees to join as associate members.

AEN's WA members accounted for two-thirds of the state's total group training apprentice and trainee employment.

The first half of the 2018/19 financial year continued to challenge our members as apprenticeship and traineeship numbers across the State continued to decline. However, the second half showed some signs of a recovering economy with a slight rebound in business investment as a new wave of investment in major road and rail infrastructure projects took hold.

The Government's renewed focus on skills development and training through its \$525 million skills package: Delivery Skills for Today and Tomorrow hopefully will raise the profile of VET as an employment pathway. This announcement is perceived to be positive for small to medium businesses.

As always AEN WA is committed to working with our members and values their ongoing support to ensure the Association retains a strong and active voice, and it has been rewarding to see GTOs partaking in providing information to the Association's office which assists in our lobbying efforts on policy and funding within our sector.

AEN WA value their members' ongoing support to ensure the Association retains a strong and collective voice. Recognising that collaboration is the best way to effect positive change we have developed strong relationships with key decision makers in the State. We have advocated on behalf of our membership many issues this year to encourage and support apprenticeships and traineeships in Western Australia, including:

- The Skilling Australians Fund and WA
- Payroll Tax Exemption for trainees
- Regional Apprentice Wage Subsidy
- Support for Australian Adult Apprentices (SAAA) changes



NEW SOUTH WALES AND ACT

BY JASON SULTANA, EXECUTIVE OFFICER
APPRENTICE EMPLOYMENT NETWORK NSW & ACT

The Apprentice Employment Network NSW & ACT grew its membership during 2018-19 to 28 not-for-profit GTOs. Our members service all parts of NSW and the ACT.

Currently GTO numbers across NSW and ACT are stable with approximately 4,000 commencements in the last year. We also had approximately 2,500 completions for the same period. GTO completion rates in NSW are sitting around 65% and we hold 9% of the apprentice and trainee market share.

This year we have been engaged by Skills Canberra to generate 100 ACT School Based Traineeships within ACT Government Departments, ACT Schools and Federal Government Departments in the ACT. This has been a great initiative to link GTOs to the public sector.

However, there are still a number of key factors hindering growth across our two states.

These include:

- The drought
- Cost of doing business - Workers Compensation Premiums are the highest in the country in both NSW and ACT
- Large hosts reducing numbers
- Inability to fill vacancies available

With the financial support of both Training Services NSW and Skills Canberra, AEN NSW & ACT has embarked on a campaign to generate leads for GTOs to fill peak season vacancies. The social media campaign through News Corp Australia is growing year on year and supports the NSW funded GTO Pre-Apprenticeship Program.

The association continues to play an important role in the VET landscape in NSW & ACT by holding its annual Skills Conference in June and Group Training Awards in October. These events attract over 500 people and are well supported by stakeholders and industry partners.

I would like to take the opportunity to thank our Executive Team - Chairperson Craig Randazzo, Deputy Paul Naylor and Treasurer Jim Whiteside for their support of the association and membership. I would also like to acknowledge the good work of our NSW representatives on the NAEN Board, Sharon Smith and Tom Emeleus for their commitment to Group Training at a national level.



QUEENSLAND AND NORTHERN TERRITORY

BY ED GIVEN, EXECUTIVE OFFICER
APPRENTICE EMPLOYMENT NETWORK QLD

It has been a busy year for all GTOs in Queensland and the Northern Territory and despite a difficult economy, our members are achieving good results despite construction figures down from previous years and also the effect of the prolonged drought.

These conditions magnify the need for Group Training Companies to thrive and survive to provide the workforce for now and the future. We continue to work strongly with the State Government and emphasise our industries' ability to effectively partner with government to improve Apprenticeship and Traineeship engagement

AEN QLD and NT promote a "WIN WIN" concept for apprentices and host businesses. We have produced a number of high-quality videos to promote this marketing strategy to support Group Training.

Our members continue to promote group training as a major solution provider for Queensland and Northern Territory training needs. We thank them for their efforts.



VICTORIA

BY GARY WORKMAN, EXECUTIVE DIRECTOR
APPRENTICESHIP EMPLOYMENT NETWORK (VIC)

It has been an exciting 12 months within the Victorian Group Training network, with the association and network as a whole receiving the strongest levels of support from government during my past nine years as Executive Director. Future infrastructure construction projects will be key in increasing apprenticeships and youth employment.

There has been strong support for our members to engage with a number of programs to improve apprenticeship participation leading to meaningful long-term employment.

Announcements over the past 12 months have included:

- A Victorian government review into group training and a commitment to ongoing funding
- Major infrastructure works with minimum 10% apprenticeship targets
- The Victorian Jobs and Employment Network
- Regional infrastructure, skills and growth fund

As part of the association trying to stay ahead of future apprenticeship trends and policies, the association joined the Global Apprenticeship Network (GAN) in March and saw first-hand the best practices from the Swiss and German apprenticeship system through a study tour. This network will provide our members direct access to the world leaders in apprenticeships and will allow the AEN VIC to promote the issues facing youth and employers from a global perspective.



SOUTH AUSTRALIA

BY TROY AITKEN, EXECUTIVE OFFICER
APPRENTICE EMPLOYMENT NETWORK SA

The 2018/19 financial period was another successful one for Group Training and the VET Sector in South Australia.

Priorities over the past year for AEN SA have been to nurture and strengthen relationships with key government departments along with relevant members of parliament both from the State and Federal jurisdictions.

AEN SA's membership currently sits at 19 Full Members and 2 Associate Members. All GTOs registered with the Government in South Australia for funding purposes are Members of the Association, with the exception of one.

Through the "Skilling South Australia" policy, two key initiatives were announced.

- The commitment to provide \$100 million to secure matched funding from the Federal Government's Skilling Australians Fund, to support a range of initiatives that will create an additional 20,815 apprenticeships and traineeships in South Australia, over four years.
- The commitment to maintain financial support for the crucial role of Group Training Organisations in the training sector.

Many of our Member GTOs successfully established project contracts with the Department for Innovation and Skills under the Skilling South Australia Initiative.

2018 saw "South Australian Group Training Project Funding" agreements renewed for another three years. This was as a result of the ACIL Allen review and submissions made by AEN SA and our Members.

In addition, a Skilling SA Government Apprenticeship/Traineeship Signature Project will be implemented by the Office of the Commissioner for Public Sector Employment (OCPSE) assisting to establish approximately 2600 new traineeships and apprenticeships over the next four years. To facilitate this, a mandatory GTO panel will be established to provide services for public sector agencies and the OCPSE to access services under the Project scope.

During April 2019, AEN SA President, David Nagy was elected as Chair of the National Apprentice Employment Network. As President, David has provided excellent leadership for AEN SA and the Board of Directors. David's 15 years of experience and expertise in the group training sector will be of great benefit to NAEN as he leads the national network through a time of positive change in the world of group training and across the broader VET sector.

Currently our network in South Australia employs over 3100 apprentices and trainees. Recent NCVET data indicates that South Australia is leading the country with regards to market share of total apprentices and trainees employed within our State, boasting an enviable market share above 20%.

The success of group training in South Australia can be attributed to the strong relationships the network has fostered and most importantly our Board and Member GTOs who work tirelessly to promote apprenticeships, traineeships and the virtues of the Group Training model.





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