

## What changes are needed to drive up the completion rate?

The National Apprenticeship Employment Network (NAEN) believes that the current approach to supporting apprentices through the Australian Apprenticeship Support Network (AASN) network is not working well and needs to be reviewed.

Completion rates remain a chronic problem and have not improved under the AASN arrangements.

NAEN believes that the current AASN mentoring and support offered to apprentices through AASNs is not effective, as demonstrated by completion rate outcomes.

To address this, NAEN believes that the AASN administrative sign-up process should be separated from the mentoring and support function, which should be put to tender.

Mentoring and support of apprentices is a specialist area which needs to be delivered by organisations with properly trained and experienced personnel, a proven record of achievement, and with strong links to local communities and the labour market.

The completion rate data shows clearly that the current system is not providing the appropriate support for apprentices. There is no reason to expect that fine tuning the existing system will result in the improvements that are required.

As the discussion paper shows, group training organisations (GTOs) consistently achieve higher completion rates compared with direct employment and compared with small businesses. This has also been affirmed in the NCVER's 2019 report, ['Completion rates for group training organisations and direct employers: how do they compare?'](#).

The NCVER paper concludes that 'GTO completion rates are substantially higher than for small and medium direct employers.' It also notes that group training completion rates are even higher than the official data suggests when normalised for the more challenging cohorts in group training employment.

There are GTOs with completion rates above 80 per cent, clearly demonstrating that the model is working and that solutions to the current completion crisis are not beyond reach.

The reasons for the higher completion rates under group training can be related to a number of factors:

- Dedicated and trained field staff whose central purpose is mentoring apprentices – a skill in itself;
- A focus on recruitment and pre-engagement induction (not just sign-ups) that assesses fitness for work, including aptitude tests;
- A focus on matching so that there is a good fit between apprentices and employers;
- Decades-long experience in industry sectors and with local schools, employers and industry
- Face-to-face interaction, strong relationships between field officers, apprentices and host employers, and action plans that address performance issues;
- Rotation of apprentices where required; and
- Engagement at a local level, rather than at a national service provider level.

NAEN argues that there is likely little to be little or no improvement to completion rates by tinkering with present arrangements.

Accordingly, government should consider alternatives to the AASN approach.

The AASN administrative function should be separated from mentoring and support. This latter service should be contracted to specialist organisations with a record of success, be they GTOs, AASN providers or other specialist agencies.

Separating out the AASN administrative function from specialist mentoring is a first step in ensuring that the parties have an understand their rights and obligations, know where to turn for help, and apprentices have a greater chance of completing.

### **How can services delivered better encourage and support apprentices from diverse backgrounds?**

There is more that can be done to improve diversity, including from women in non-traditional trades, First Nations people, and culturally and linguistically diverse (CALD) communities.

GTOs run programs to promote women-in-trades, including through pre-apprenticeships that give women exposure to trade careers, including information that can inform themselves and their parents. A pre-apprenticeship program targeted to women run by one GTO has seen 50 per cent of participants going on to an apprenticeship.

Women-in-trades programs can be co-ordinated across GTOs, so that there is a connected peer network able to share information and deliver support through specialised mentoring and role models. This can be a strategic way to create a safe and connected network so that women gain confidence to follow a trades career.

Field officers engaged by GTOs have a strong focus on women-in-trades and work with apprentices, supervisors and employers. Field officers ensure that employers are aware of their responsibilities in regard to facilities on-site, physical safety, and health and wellbeing.

The GTO network has a zero-tolerance approach to gender-based discrimination and works to ensure respectful language and attitudes toward women. It is one of the reasons that GTOs have become attractive to women in trades and why it is seeing above average representation and completion rates by women. Recognition of the achievements of qualified tradeswomen through awards programs, the Today's Skills Tomorrow's Leaders program, and case study promotions are creating role models for women entering the trades in the group training network. This can be expanded in a coordinated women-in-trades program led by GTOs.

In future, the GTO network should be considered by government to leverage its successful approach to women entering trades through apprenticeships. Considerations should include induction, ongoing support and connections with support agencies.

The group training network is the largest employer of Indigenous apprentices and trainees. A key element in this record of achievement has been the partnerships built with Indigenous communities, local businesses, job agencies, schools and training providers.

GTOs place the highest priority on cultural safety, diversity and trauma-informed empowerment for Indigenous communities. GTOs frequently employ Indigenous staff and place a premium on recruitment and pastoral care. Many GTOs engage Indigenous mentors and provide other wrap-around support services.

NAEN has a record of capacity building with Indigenous organisations. This is embodied in the 2002 'Partners in a Learning Culture' guide for employing Indigenous Australians, and the 2011 Indigenous Action Plan.

In 2013 NAEN, then as GTA, collaborated to develop 'Everybody's Business; A Handbook for Indigenous Employment'. Indigenous employment through apprenticeships should be expanded and prioritised. It will require exposure and promotion through school careers advice and opportunities through pre-apprenticeships.

Cultural awareness plays a large part in attracting and recruiting young Indigenous people into employment. It requires industry experts and support staff with specialist skills and practical knowledge of local Indigenous communities and the labour market, including projects, skills gaps and areas where pre-employment or other programs can enhance employment.

Pre-apprenticeships with work placement are also valuable people from CALD backgrounds as they provide a glimpse into the industry, expose participants to like-minded peers and give participants an idea of the career opportunities that are on offer.

### **How can the support services be optimised to meet the current and future needs of apprentices and employers?**

There are a number of issues that have converged to drive down completion rates and damage the perception of the apprenticeship system, including:

- Indiscriminate sign-ups by employers;
- A lack of focus on recruitment as a precursor to a successful apprenticeship;
- Insufficient or inappropriate apprentice support and mentoring;
- Employers, particularly in smaller firms, with little or no experience with apprenticeships;
- Sign-ups that result in employers unable to provide the breadth of workplace experience necessary to achieve competency;
- Training providers that have struggled to meet demand for a surge in apprentice enrolments; and
- A tight labour market that has seen apprentices drop out for higher paying alternatives positions.

NAEN believes that the structure of the system to manage apprentice support, centred around the AASN approach, needs to be overhauled.

Recent employer wage subsidies attracted many employers who were not previously engaged with apprentices, and some who were drawn solely by the financial incentives, rather than the training opportunity.

This experience shone a light on failures in sign-up arrangements. There was insufficient attention on the important recruitment element that is at the heart of a successful apprentice experience. As subsequent media reports have shown, some organisations that were attracted by the wage subsidy had little or no commitment to a sustained apprenticeship.

The processes of recruitment, matching and induction that are central to the way that group training operates were demonstrably absent for many recent direct sign-ups, with predictable results.

This highlights the need for an overhaul of present arrangements.

In regard to promotion of apprenticeships, there are multiple, often disparate, avenues for parents and schools to access careers advice – state training authorities, RTOs, AASNs, industry associations, GTOs, the Australian Apprenticeships and Traineeships Information Service (AATIS) , industry training advisory bodies, state and federal government promotion sites and careers expos to name a few.

This is in contrast to the largely centralised universities admissions arrangements. A first port of call for apprenticeships is commonly school careers advisers. Unfortunately, many have limited experience in the VET sector, let alone detailed industry knowledge. They are frequently catering to a wide range of students and are under-resourced. Many other sources of advice and information tend to be reactive.

With established local connections, industry specialists and GTO field officers can play a greater role. GTO field officers undertake regular promotion with some schools. They are directly engaged with local industry in the area in which they operate and can arrange to bring industry specialists and industry demonstrations for students and parents.

There may also be a benefit from a single, government-run website with career guidance and information on apprenticeships that other organisations can refer to and where employers and apprentices can sign up to for information.

A re-designed scheme to optimise support services for apprentices and employers might consider the following:

- Increased focus on promotion through schools and through pre-apprenticeships as entry points into the apprenticeship system;
- More attention on recruitment and matching applicants to employers;
- Greater attention to preparing employers, particularly in small business and those with little or no experience with apprenticeships;
- Assessing employers' capacity to provide the breadth of on-the-job experience;
- Reviewing the quality, frequency and effectiveness of mentoring;
- Adopting the group training approach to recruitment, mentoring and support as the benchmark;
- Assessing apprentices most at-risk of not completing and needing additional support; and
- Adopting the successful practice of rotations as one that could be applied to direct employment.

NAEN believes these measures provide realistic, practical and achievable avenues to lift completion rates and attract more diverse cohorts into apprenticeships.

NAEN gratefully appreciates the opportunity to be involved in the consultation.