



## Mission Australia Employment Solutions response submission

**The Australian  
Apprenticeships system:  
Reform and Budget measure  
implementation**



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## EXECUTIVE SUMMARY

Each year Mission Australia Employment Solutions assists in excess of 150,000 Australians through employment and vocational education and training pathways. We have over thirty years experience in successfully delivering Commonwealth, State, and Territory Government employment and vocational education and training programs and we understand the economic and social implications of changing government contracts. Moreover, we acknowledge the requirement for reform to the Australian Apprenticeships system to continue to meet the requirements and demands of the Australian workforce and economy.

Mission Australia is encouraged by the *Australian Apprenticeships system: Reform and Budget measure implementation discussion paper*, the Expert Panel's recommendations, the findings and evaluations from the Australian Government's ongoing consultation process and a majority of the questions and options considered.

We believe that reform would deliver cost and productivity efficiencies. It would focus investment to support employers and Australian Apprentices, increased outcomes and significantly lessen complexity for employers, Australian Apprentices and all related stakeholders. A key platform for reform is a service delivery model that integrates the current Australian Apprenticeships system with other Commonwealth, State and Territory Government employment related programs and services.

This response paper details why Mission Australia believe reform is necessary and suggests a number of approaches to reform. We continue to support a reform agenda that:

- 1. Ensures a new Australian Apprenticeships system is redesigned structurally and functionally to reduce complexity and provide effective engagement mechanisms for Australian Apprentices and employers**

Australian Apprentices and employers should remain at the centre of a new Australian Apprenticeships system design model and reform should focus on continuing to increase workforce participation, skill development and improved performance outcomes. This model should simplify the system, embrace technological solutions and clarify the roles and responsibilities of stakeholders.

The creation of Workforce Development Advisory and Connection Service providers is a key to achieve structural and functional change to a new Australian Apprenticeships system. These providers would facilitate stakeholder engagement and provide a continuum of personal pathway services including early engagement activities that link individuals from secondary school to employers, employment and training, placement and post placement support, advice and connection services that support the employment relationship and training arrangements between individuals and employers. The provision of or linkages to specialist programs and services such as mentoring and pastoral care, drug and alcohol counselling or linkages to professional and higher education and training providers will enhance the core service delivery functions under future arrangements for providers.

It is also our view that the number of stakeholders in the system and their functions can be rationalised. Organisations able to offer holistic services across multiple Commonwealth and State and Territory Government Programs such as the Australian Apprenticeships Access Program, Job Services Australia Program and the current Australian Apprenticeships Support Services Program are ideally positioned to be transitioned into Workforce Development Advisory and Connection Service providers.

## 2. Use the assets of the current Australian Apprenticeships system and the strengths of other Commonwealth, State and Territory Government programs to develop an integrated workforce services solutions package

Reform can enhance the current Australian Apprenticeships system by building its capacity and capability to deliver wrap-around services. These services should also include linkages to other services and programs to improve on the current stand-alone program and service delivery models.

We recommend the creation of Workforce Development Advisory and Connection Service providers to provide an integrated program and service delivery model. They will be capable of delivering a range of proactive and tailored solutions to job seekers, potential Australian Apprentices, active Australian Apprentices, employers and other stakeholders.

Workforce Development Advisory and Connection Service providers would offer a single engagement point and connection service for school students or job seekers looking to undertake an Australian Apprenticeship. They will provide support and advice to key enablers including parents and careers advisors, active Australian Apprentices, employers, other Commonwealth, State and Territory Government service providers and related stakeholders. We strongly believe that providers with a dedicated and demonstrated history and record of accomplishment in delivering employment and training related programs in these areas are well positioned to transform into Workforce Development Advisory and Connection Service providers.

This reform would allow the Government to focus on long-term strategic policy, direction and regulation initiatives across all Australian jurisdictions. This will be facilitated by a central network of Workforce Development Advisory and Connection Service providers as opposed to the current multiple Government and contracted provider approach. This model would assist the State and Territory Governments by alleviating some of their workload and enhance their important role of regulating and governing the system, training providers and education arrangements within their respective jurisdictions.

## 3. Adopts a balanced approach to financial investment for Australian Apprentices

The Australian Government is in a significant position to reform support arrangements for Australian Apprentices. This will provide them with individualised service delivery solutions and targeted financial assistance to increase retention and completion rates of Australian Apprenticeships. This outcome is achievable without increasing financial investment by utilising current funding under the Australian Apprenticeships Incentive Program and integrating programs and services under a Workforce Development Advisory and Connection Service provider model.

We recommend consideration of a comprehensive financial reform package that provides:

- Continued personal benefit payments to Australian Apprentices to assist them with purchasing trade related tools or clothing vital to their occupation and training
- Additional financial investment in procuring increased intensive engagement activities and services such as secondary schools information advisory services, pre-employment skills training and job matching and placement services
- Supported post placement activities including mentoring, pastoral care and connection to specialist professional services such as counselling
- Creation of an Australian Apprentice Skills Development Fund modelled on the Employment Pathways Fund in the Job Services Australia Program to provide tailored support and assistance to disadvantaged individuals and the key priority group of Australian Apprentices.

This proactive approach, especially in relation to early engagement and post-commencement activities, will provide tangible deliverables for the Australian Government and lead to improved retention and completion rates.

**4. Considers a re-engineered incentive mechanism for employers that heavily rewards the creation of new workforce opportunities within identified priority areas and acknowledges the ongoing productivity contributions made by employers in other areas**

A major opportunity exists for the Australian Government to implement influential long-term reform for support arrangements and workforce development incentives to employers for continued growth and productivity benefits across the Australian economy and community.

We understand the Australian Government must balance Australia's workforce development priorities and training needs however, we recommend consideration of a flexible financial support package to respond to changing circumstances that may affect future priority areas and needs. Consideration must be given to the risks and consequences that may arise from redirecting components of existing funding under the Australian Apprenticeship Incentive Program where it may result in employment inequities for individuals or groups and the possible emergence of new skills shortage areas.

More effective integration of service providers and a slight altering of direct financial investment arrangements will allow the Australian Government to re-engineer employer incentive arrangements with no or little cost increase. This is a clear alternative to withdrawing funding from the Australian Apprenticeship Incentive Program from particular industries, vocations or occupations.

We recommend the development of an employer incentive package consisting of:

- A Priority Needs Employer Incentive Program that is a weighted incentive program heavily rewarding new workforce opportunities within targeted vocations and occupations
- Maintaining nominal incentives for vocations and occupations that are not considered skills shortage needs, and
- Targeted use of existing and future funds and services across other Commonwealth and State and Territory Government programs, ie. the Employment Pathways Fund in Job Services Australia and the Australian Apprenticeship Access Broker Program as examples.

## RESPONSE TO DISCUSSION STARTER 1: IMPROVING SCHOOL LINKAGES AND OTHER PATHWAYS INTO THE AUSTRALIAN APPRENTICESHIPS SYSTEM

### Discussion questions

1. How can pathways into the Australian Apprenticeships system be made more effective, including articulation from pre-apprenticeship training and from VET-in-Schools into the Australian Apprenticeships system?
2. What should be the role of the following key stakeholders in VET-in-Schools?
  - Australian Government
  - State and Territory Governments
  - Schools
  - Training providers such as TAFE
3. How can pathways be more supportive and responsive to the needs of priority groups such as people with disability, people with low language, literacy and numeracy skills, those living in rural and regional areas and Aboriginal and Torres Strait Islanders?
4. What support structures are required to assist all Australian School-based Apprentices to continue their training in a full time apprenticeship or traineeship post school?
5. Should VET-in-Schools be recognised as advanced standing for apprenticeships or traineeships after school? How should this be done?
6. One goal of national consistency is to ensure high-quality training and delivery. How would nationally consistent definitions for pre-apprenticeship and pre-vocational training improve consistency across the jurisdictions, without sacrificing innovation and the flexibility?
7. The National Trade Cadetship program will be implemented into schools in 2012. To support effective implementation of this program what key elements need to be taken into account?

### Options that may respond to the Expert Panel's recommendations

#### Option 1

Through the upcoming National Agreement on Skills and Workforce Development, encourage state and territory governments to more strongly support pathways into the Australian Apprenticeships system.

This may include:

- Comprehensive support for pre-apprenticeship training under a nationally consistent approach; and
- Building clearer articulation from all preparatory training into the Australian Apprenticeships system and support for the continuation of the training post Australian School-based Apprenticeships.

### Option 2

The Australian Government promote a strengthened approach to reviewing and promoting nationally consistent VET-in-Schools and Australian School-based Apprenticeships. Such actions could include:

- Undertake a review of VET-in-Schools to ensure the provision of nationally consistent, high quality, relevant programs and training. This review could also consider funding and regulation of VET-in-Schools;
- The National Quality Council to be tasked with developing definitions for pre-apprenticeship and pre-vocational training;
- The Australian Quality Skills Authority be tasked with greater oversight of the VET-in-Schools system to ensure better quality, including through quality audits;
- Further investment in pre-apprenticeship training through a comprehensive, national pre-apprenticeship training program that drives national consistency in implementation and provides a clear pathway into the Australian Apprenticeships system where competencies and skills gained are equally recognised;
- Strengthen mechanisms to support pathways into the Australian Apprenticeships system by those who face additional challenges.

## Response to Discussion Starter 1 Questions

### Our experience

Mission Australia Employment Solutions believes the range of school linkages and entry points into the Australian Apprenticeships system provide a number of vital pathways, however they are far from cohesive or effective in their current form.

It is widely acknowledged that there has been significant recent progress and improvement in this area however, further efforts are required to increase foundation skills for individuals, including language, literacy and numeracy skills, if these pathways are to be effective in linking individuals to employment participation, further training or higher education outcomes. This includes through VET-in-Schools, Australian School-based Australian Apprenticeships, pre-vocational or pre-apprenticeships training, existing worker Australian Apprenticeships and the forthcoming National Trade Cadetships scheme.

The proposed Employability Skills agenda and Job Ready certificate is an excellent concept for development and recognition of foundation skills and will provide a baseline for work readiness and/or continued training. Services are vital in these areas, particularly for bridging the existing gap for priority groups including youth who are at risk of disengaging from school and academic studies, persons with disabilities, residents of rural and remote areas, Indigenous or Torres Strait Islanders and individuals who face barriers to employment and workforce participation.

### Proposed solutions and options for consideration

Formalised advisory and connection services for individuals transitioning from VET-in-Schools and pre-vocational programs to employment or further education can be realised through the provision of pre-employment preparation skills and job matching and placement services. A Workforce Development Advisory and Connection Service will assist individual's transition into pathways to further their training with a Registered Training Organisation (RTO) or into higher education or to transition into employment.

We recommend that the Federal Government collaborate with State and Territory governments to develop, define and articulate a Foundation Skills, Training and Workforce Development Program. This program should have a core focus of attaining recognition as an alternative national skills development pathway option to compliment the tertiary or direct employment options. To achieve this, the creation of a more fluid engagement entry and transition system is required through:

- Nationally aligning legislative, policy and funding arrangements between the Commonwealth Government and the State and Territory Government programs to enable stakeholders to easily access and use the program as pathway to employment, training and education
- Rationalising and streamlining VET-in-Schools, pre-vocational programs, existing worker arrangements and related State and Territory skill development programs to reduce complexity of differing, confusing and competing programs and priorities
- Establishing a network of Workforce Development Advisory and Connection Service providers to work closely with government to provide linkages to education, advisory and consultative services to stakeholders including students, parents, schools, careers advisers, TAFE and private RTO providers, Group Training Organisation (GTO) providers, Industry Skills Councils (ISCs) and providers of other related government programs such as the Australian Apprenticeships Access Program (AAP), Job Services Australia (JSA) Program and Disability Management Services (DMS) Program, and

- Creating an improved Recognition of Prior Learning and Recognition of Current Competence framework for recognition and advanced standing of individuals skills and experience before individuals transition into employment under an Australian Apprenticeship, further AQTF training or higher tertiary education studies. Workforce Development Advisory and Connection Service providers would be well placed to implement the operational components of this service by conducting skills assessments or skills audits with individuals and employers.

### How can this be achieved?

We believe that the creation of Workforce Development Advisory and Connection Service providers could act as a central information centre to provide advice and linkages to all stakeholders from the schooling system to the vocational training, employment and further education services.

Workforce Development Advisory and Connection Service providers could be responsible for a Foundation Skills, Training and Workforce Development Program to provide a range of services including:

- An information and advisory service for key enablers such as parents/guardians and careers counsellors
- Coordination and assistance with Australian School-based training arrangements
- Careers advice and planning such as matching students interests, abilities and strengths with employment opportunities and career paths
- Facilitated and brokered structured work experience placements
- Information on available transition pathways to completing a pre-apprenticeship or pre-vocational certificate and what this opens for the future, where to start, how to participate and connection services to organisations and employers
- Information on the available pathways that completing a Vocational Education and Training (VET) certificate and what this opens for the future, where to start, how to participate and connection services to organisations and employers
- Information on pathways to university of other higher education providers and where to start, how to participate and connection services for those individuals to relevant educational institutions
- Assistance with locating an employer, group training organisation, registered training organisation or a higher education provider
- General wages and remuneration information for Australian Apprenticeships, and
- General advice on various funding and assistance arrangements available throughout all levels of training and education

This program and these services would provide a platform to link individuals, employers, industry, all levels of government and other stakeholders. It would help them navigate the vast array of information, services and complexities through a single organisation or provider. In turn, this would directly contribute to government policy objectives across a number of Commonwealth and State and Territory Government programs whilst increasing the value proposition of Australian Apprenticeships and the wider education sector.

The Government has an ideal opportunity to revise the current service delivery model, to improve governance arrangements across all government funded programs, to eliminate blockages to participation and to transform new arrangements into an integrated services solution package.

## RESPONSE TO DISCUSSION STARTER 2: PROVIDING MORE EFFECTIVE SUPPORT TO IMPROVE OUTCOMES

### Discussion questions

1. What services are most effective in supporting employers, apprentices and trainees within the Australian Apprenticeships system?
2. Who is best placed to deliver these services?
3. How can all levels of government support these services in an effective and streamlined manner?
4. How can other stakeholders who do not deliver AASS but who do provide support services, such as industry groups and Group Training Organisations, better support the effective delivery of these services?

### Options that may respond to the Expert Panel's recommendations

#### Option 1

The Australian Government continues to support the Australian Apprenticeships system through a national network of Australian Apprenticeships Centres, under a revised service delivery model, involving less administration and much stronger emphasis on support services. A more client-centred and outcomes-focused approach would be more efficient and effective.

#### Option 2

The Australian Government supports states and territories to consolidate administration of the Australian Apprenticeships system. The Australian Government could also undertake funding of separate service providers to provide value-adding services, such as mentoring and pastoral care.

The *National Workforce and Productivity Agency* (the Agency), in consultation with stakeholders, defines eligibility criterion for targeted Australian Government assistance. The Agency would decide:

- Who is an eligible industry or employer?
- What is an eligible apprenticeship or traineeship?

## Response to Discussion Starter 2 Questions

### Our experience

Mission Australia recognises that the relationship between an employer and an Australian Apprentice is a critical element to the successful achievement of milestones including retention and completion targets across the Australian Apprenticeships system. Under the current Australian Apprenticeship Support Services framework AACs are not contracted to deliver and/or have little involvement in some of the most crucial aspects of the employment relationship. This includes job matching, placement support, early intervention counselling, business and Australian Apprentice mentoring, pastoral care and career transition services.

### Case study example

An example of where such arrangements were successfully facilitated by Mission Australia Employment Solutions was with the Pizza Hut Moorooka store. The Pizza Hut Moorooka store needed a large group of employees and they contacted Mission Australia Employment Solutions in South Brisbane. An Employment Adviser (EA) spoke to the Manager about a range of employment and training options and the Manager said that he was happy to utilise Mission Australia Employment Solutions services if assistance could be provided to facilitate the process to support him. The EA and an AAC Industry Consultant (IC) conducted an information session with the Manager and several job seekers that included interviews. The result was a number of job seekers who participated in the information session and interviews were successful, including three job seekers who identified as having a disability. As part of the process all job seekers commenced on traineeships with post placement support plans and activities for the first 26 weeks of their employment.

We acknowledge there are numerous providers including AACs, GTOs, RTOs, JSAs, ISCs offering valuable and differing services and programs linked to the Australian Apprenticeships system.

In our experience, employers and Australian Apprentices are met with competing and conflicting advice and duplication of services by different providers and high demands in relation to contractual administration and reporting requirements. Likewise there is lack of clarity about which service is appropriate to respond to requests for advice and support, ie. when job seekers are placed into Australian Apprenticeships or when Australian Apprentices are employed through Group Training Organisations the post placement contact and mentoring support is conducted by up to five different organisations including the Job Services Australia provider, the Group Training Organisation, the Australian Apprenticeship Centre, the Registered Training Organisation and the State Training Authority. This process is inefficient, costly and creates quite a confusing and difficult experience for the individual and employer.

In addition contractual barriers and restrictions arise that can hinder or deter providers from connecting individuals and employers to appropriate programs and services that suit their needs, ie. the recent changes to the Australian Apprenticeship Access Program now prevents participants from transitioning early from their course in to an Australian Apprenticeship with a waiting employer or when a job seeker is placed in employment and use of the JSA Employment Pathways Fund conflicts with employer incentives that may be available. While these anomalies can be rationalised with approval by providers and those who understand these programs to the end user this demonstrates a fragmented and complex delivery system.

### Case study research

In 2010 and 2011, Mission Australia Employment Solutions commissioned ORIMA Research to conduct research projects across its Job Services Australia and Australian Apprenticeship Support Services Programs that included interviewing and surveying employers, job seekers and Australian Apprentices. A few notable findings and comments from employers, job seekers and Australian Apprentices perspectives include:

Small to medium sized employers they were not generally aware of what AAC services were available and on some occasions even aware who they used as a provider confusing other stakeholders such as RTOs as their AAC provider.

Large employers generally had good knowledge of AACs and commented on building trusting stable relationships that could assist and service them across all of their business locations and requirements without having to use several different organisations or people to achieve this.

The common theme for all employer categories was that they wanted to use a provider for their employment or Australian Apprenticeship needs that had a good understanding of their business that could assist, handle and alleviate the paperwork and complexity for them to comply with Government requirements. A comment that highlighted this frustration was a small employer based in Brisbane "They should know in and out what I need but I find I have to constantly re-tell them what I'm looking for."

A significant finding of dissatisfaction with services from job seekers was insufficient assistance services to connect them with appropriate job search activities, preferred industries or appropriate job opportunities and they wanted assistance that is more active and tailored opportunities in these areas.

### Proposed solutions and options for consideration

While many programs and services interrelate with services provided under the Australian Apprenticeship Support Services Program we believe there is a clear need for a new Australian Apprenticeships system to consolidate stakeholders, to reduce complexity and to expand the current suite of support services to remain relevant to the needs of a changing environment and economy.

To be clear, we do not support the dilution of current Australian Apprenticeship Support Services responsibilities. We propose alternative methods of future service delivery under an integrated model whilst being mindful that future providers should remain engaged in services reflective of the nature of their organisation and their record of accomplishment of service delivery in these areas.

To ensure a new Australian Apprenticeships system provides improved outcomes for Australian Apprentices, employers, the community and the best possible return for the Government's investment on behalf of Australian taxpayers, Mission Australia Employment Solutions makes the following recommendations suggesting that the Government:

- Work towards establishing transition arrangements to a National Custodian to take responsibility to set and inform future policy and direction once these reforms have been implemented in the Australian Apprenticeships system
- In the interim, continue to collaborate with the State and Territory governments and a national network of Workforce Development Advisory and Connection Service providers under a revised service delivery model
- Work closely with the State and Territory governments to streamline and reduce the increasing complex and voluminous administrative and back-end compliance function

- Reduce or eliminate a majority of paperwork following the initial approval of a National Training Contract by automating and aligning direct employer incentives and Australian Apprentice personal benefit claims with monitoring contact visits as evidence and through Workforce Development Advisory and Connection Service providers. As an alternative utilisation of the Australian Taxation Office in annual individual tax returns or Business Activity Statement reporting could be further examined
- Introduce technological solutions as outlined in the Options Paper completed by Marc Washbourne from JobReady commission by DEEWR in 2008, including the use of contact monitoring visit documentation under a realigned contact regime as evidence for employer incentives and Australian Apprentice personal benefit claims opposed to using additional hard copy documentation such as claim forms
- Consolidate administrative processing and compliance back-end functions through the State and Territory governments including an escalated grievance management and dispute resolution function for stakeholders in a new Australian Apprenticeships system, and
- Continue to manage contracted provider arrangements including those for the newly created Workforce Development Advisory and Connection Service providers. This should include expanding responsibilities for front-end client facing service delivery aspects for Australian Apprentices, employers and other stakeholders and the provision of more intensive post placement support services to apprentices and employers through the twelve month period of employment.

### How can this be achieved?

We believe that in order to provide more effective support and to improve outcomes then all stakeholders involved in a future Australian Apprenticeships system should be engaged in areas and responsibilities that match their core purpose, strengths and capabilities. Elements of both options proposed could deliver the Australian Government's objectives.

#### Case study example

An example of where Mission Australia Employment Solutions has been successful and how a Workforce Development Advisory and Connection Service Provider could be utilised is demonstrated in the following example.

In July 2011, Mission Australia commenced an Indigenous Employment Program in partnership with the Intercontinental Hotels Group to provide 60 traineeships and apprenticeships for indigenous job seekers across 30 of their hotels across throughout Australia. Positions were in housekeeping, customer service, food and beverage service, laundry operations and administration. All candidates initially participated in a pre-screening and selection process, are participating in a range of personalised pre-employment development programs will commence employment into Certificate II or II in Hospitality traineeships, will be provide with on-the-job workplace mentoring and post placement support to deliver suitable support to the job seeker and the employer to ensure successful and sustainable employment.

At the heart of this suggested structure, the Commonwealth Government would maintain overall program management and governance, the State and Territory governments would simplify and increase their administrative and back-end compliance responsibilities and Workforce Development Advisory and Connection Service providers would assume an increased role in front-end client facing responsibilities. This could occur under the following arrangements:

- The Australian Government harmonise national future Australian Apprenticeship Support Service arrangements through policy development, by remaining the primary Contract Managers and by separating all administrative processing and compliance support services to the State and Territory Governments

- State and Territory Governments become the key bodies responsible for implementing a standard national program and online documentation framework that eliminates the jurisdictional differences and challenges for employers and Australian Apprentices regardless of which state or territory jurisdiction they may be in. Quality assurance functions and regulation activities across the wider vocational education and training sector should also be enhanced to match their core areas of strength with transfer of face to face business and individual service delivery aspects to Workforce Development Advisory and Connection Service Providers, and
- Contracting the face to face engagement support services to national Workforce Development Advisory and Connection Service Providers under an integrated Australian Apprenticeship Support Services, Job Services Australia, Complimentary programs and specialist referral model. Under this model Workforce Development Advisory and Connection Service Providers become the service delivery and solution leads who manage face-to-face engagement activities with stakeholders.

## RESPONSE TO DISCUSSION STARTER 3: TARGETING AUSTRALIAN GOVERNMENT FINANCIAL INVESTMENT

### Discussion questions

1. What is the economic policy rationale for Australian Government intervening via incentive payments? Do incentive payments support the development of skills that are critical to the national economy?
2. What is the social policy rationale for Australian Government intervening through an incentive payment? Do incentive payments support a pathway for disadvantaged groups into training and employment?
3. How could Australian Government financial investment be better targeted to effectively support apprentices, trainees and their employers, within the Australian Apprenticeships system?
4. Is the National Skills Needs List the right measure for targeting additional support?
5. Is there a more appropriate and effective way for the Australian Government to financially support participation, retention and completions within the Australian Apprenticeships system?
6. In terms of incentives payments:
  - Should there be more than one level of incentive payment for a given qualification level and if so what factors would determine different levels of payment?
  - Should the current weighting of incentive payments between commencement and completion (i.e. approx 1/3 and 2/3) be varied?
  - Should the current range of incentive payments be streamlined? If so how?

### Options that may respond to the Expert Panel's recommendations

#### Option 1

The Australian Government introduces a small number of tiers of employer incentive payments as part of streamlining of current payments. The tiers would be determined by consideration of such factors as:

- The duration of training
- Priority of the occupation in terms of national need
- The priority of the individual.

#### Option 2

Australian Government redirects all financial investment in the Australian Apprenticeships system to purchase services that deliver effective support to employers, apprentices and trainees within the system. In the context of streamlining service delivery and minimising administrative burdens, the Australian Government would invest in nationally consistency services delivered and administered locally. These services could include:

- Advisory services
- Matching and connecting services
- Mentoring
- Pastoral care
- Dispute resolution
- Administrative processes and support
- Regulatory mechanisms
- Additional support for priority groups and their employers.

## Response to Discussion Starter 3 Questions

### Our experience

Mission Australia Employment Solutions agrees with the Expert Panel's assessment that the Australian Government's financial support to Australian Apprentices and employers one-size-fits-all mechanism is not agile or flexible and has not maintained pace with the changing nature of the Australian workforce and productivity needs. We also acknowledge that while the current approach was suitable at the time, review is necessary to achieve a better return on investment and increased benefit to the Australian economy.

There are a number of positive and constructive items raised in this section of the discussion paper such as looking at the economic and social rationale for the Australian Government intervening via incentive payments, targeted investment during times of economic fluctuation and the consideration of an alternative incentive strategy to the current Australian Apprenticeship Incentive Program. However, there are items in this area of the discussion paper that highlight some concerns Mission Australia Employment Solutions has in relation to recommendation five from the Expert Panel's report which specifically proposes limiting incentives to priority groups and industries.

### Proposed solutions and options for consideration

Mission Australia Employment Solutions proposes that the Australian Government considers components from both options in this section. We believe this can be achieved by utilising an integrated service delivery model across multiple Commonwealth and State and Territory Government programs, targeted purchasing of crucial support services and adopting a balanced approach to direct financial assistance mechanisms.

In relation to employer incentives, we support the Australian Government procuring vital services lacking in the current Australian Apprenticeships system such as earlier intervention services and post commencement and placement support services. We believe that there is a need to reframe direct financial incentive payments under a Priority Needs Employer Incentive Program that rewards employers for the creation of new workforce opportunities within identified priority needs areas while also continuing to nominally acknowledge and recognise ongoing productivity contributions made by employers in areas not identified as priority skills or occupations areas.

With regards to financial investment for Australian Apprentices, we recommend implementation of an individual needs mechanism modelled on the Employment Pathways Fund in the Job Services Australia Program. An Australian Apprentice Skills Development Fund would provide the facility to support individuals when they are most in need, ie. purchasing workplace equipment, intensive engagement activities, retention and supported post placement services. Under such a model better and further targeted assistance could be provided to disadvantaged individuals and key priority groups which would allow providers to tailor support and assistance to individual need opposed to providing support across the board to those that may not necessarily require the entire range and level of services.

### Case study example

In Mission Australia's experience as a Job Services Australia provider, the Employment Pathways Fund can be an influential and effective vehicle for meeting individual jobseeker needs such as the provision of pre-employment training, vocational counselling or rental assistance as examples to assist individuals into and to remain in employment. In addition, it also provides a flexible direct and indirect incentive mechanism for employers to employ jobseekers who may require additional support. An example of how future arrangements like those described could occur is referencing a successfully case where this has occurred.

In August 2010, Mission Australia assisted a mature aged job seeker who had been long term unemployed for 585 weeks. The job seeker advised Mission Australia staff that they felt resigned to being unemployed. To inform the development of an Employment Pathway Plan, the job seeker was referred for a Job Capacity Assessment to identify barriers and recommended responses. The Mission Australia Job Capacity Assessor (JCA) reported that the job seeker lacked confidence in applying for vacancies and was suffering from mild depression and severe anxiety. The job seeker attempted to avoid referrals and training and upon further assessment, the JCA discovered underlying issues that the job seeker was concerned about her family's reaction if she obtained work, that she was uncomfortable meeting new people and that she had caring responsibilities for family and neighbours. The JCA recommended interventions that assisted the Employment Consultant to develop and negotiate an effective Employment Pathway Plan to work on developing confidence and self-esteem with the job seeker that included completing a Certificate III in Aged Care course. To support the progress towards employment the Employment Pathways Fund has been utilised effectively including assisting with car registration. Mission Australia brokered a Home Carer position with a local employer. Continued post placement support has been effective in maintaining on-going employment beyond the 26-week milestone.

### How can this be achieved?

Mission Australia Employment Solutions believes that the Australian Government is in a position to implement our proposed arrangements which would provide the structural and functional changes to the Australian Apprenticeships system to eliminate duplication of services, to create program efficiencies, to reduce costs and to better target direct financial investment.

The mechanics of these arrangements could be achieved using:

- A tiered Priority Needs Employer Incentive Program anchored to a governing indicator such as the National Skills Needs List and operating on a sliding scale maintaining a lesser nominal employer incentive for non-National Skills Needs List occupations
- A regulated discretionary Australian Apprentice Skills Development Fund to fund support for individuals to participate and remain engaged and to successfully complete an Australian Apprenticeship. Unlike the current one-size-fits-all milestone payments under the current Australian Apprenticeship Incentive Program this funding could be used to purchase practical and tangible benefits relevant to building and nurturing a stronger employment bond which Mission Australia Employment Solutions research indicates has been highly effective, and
- Procurement of specialised and professional services, as already mentioned, to provide ongoing tailored support services for individuals and employers.

Further innovation could be explored as an alternative through business taxation incentives for the achievement of retention and completion targets. Having said this, the research conducted by ORIMA Research commissioned by Mission Australia has highlighted that just over fifty percent of employers

surveyed would prefer current incentive arrangements remain unchanged.

We urge the Australian Government to consider the significant growth and social achievements made in the current Australian Apprenticeships system, particularly over the last decade, and resist the urge to withdraw assistance to employers and areas that still play important role in Australia's economic prosperity.

We strongly encourage the Australian Government to adopt a holistic approach in this area combining direct financial investment via a "needs response" structure with the procurement of specialist services to achieve reform. We ask the Australian Government to remain cautious in its approach to the possible removal of incentive payments to employers for occupations, skills and vocations not considered areas of priority so these do not emerge as skills shortage areas into the future. Furthermore, that the Australian Government remain mindful of the possible inequities that could develop for industry sectors, geographic areas and individuals that may be excluded or affected.

## RESPONSE TO DISCUSSION STARTER 4: SIMPLIFYING THE SYSTEM

### Discussion Questions

1. What factors should be considered in achieving a simple, unified and nationally consistent Australian Apprenticeships system?
2. Given that state and territory governments are responsible for training legislation and delivery, should the Australian Government be an active participant in the Australian Apprenticeships system?
3. Who should own, invest in and set the policy and strategic direction of the Australian Apprenticeships system?

### Options that may respond to the Expert Panel's recommendations

#### Option 1

The Australian Government works actively with state and territory governments to harmonise apprenticeship and traineeship arrangements. This would aim to ensure that training contracts are easily portable across jurisdictions and that inconsistencies across jurisdictions will be addressed – such as declarations of apprenticeships or traineeships, full-time or part-time arrangements and the ratios for supervision.

#### Option 2

A National Custodian is identified that reflects the unique nature and importance of the Australian Apprenticeships system as an employment and training relationship by:

- Representing the Australian Apprenticeships system
- Liaising with industry
- Liaising with all levels of government to set policy strategies, identify targets or priorities

The National Custodian could manage:

- The administration of the system
- Information technology
- National consistency i.e. declarations of apprenticeships and traineeships
- Employer accreditation and excellence
- Advertising
- Information provision
- Liaising with the Australian Quality Skills Authority (AQSA) including developing on-the-job training assessments
- VET-in-Schools and Australian School-based Apprenticeships
- Mentoring and pastoral care provision
- Promotion of competency-based progression.

Response to Discussion Starter 4 Questions

Our experience

Mission Australia Employment Solutions agrees with the Expert Panel’s assessment and stakeholder feedback that the current Australian Apprenticeships system suffers from administrative and jurisdictional complexity and has too many conflicting and competing stakeholders. These overcomplicate and stifle the effectiveness and potential of the current Australian Apprenticeships system making it confusing and difficult for all stakeholders, in particular Australian Apprentices and employers, to access and navigate through.

Case study research

Figure 1: Employer attitudes towards key elements of the Australian Apprenticeships System  
 Source Mission Australia Employment Solutions 2011 Employer Satisfaction Survey

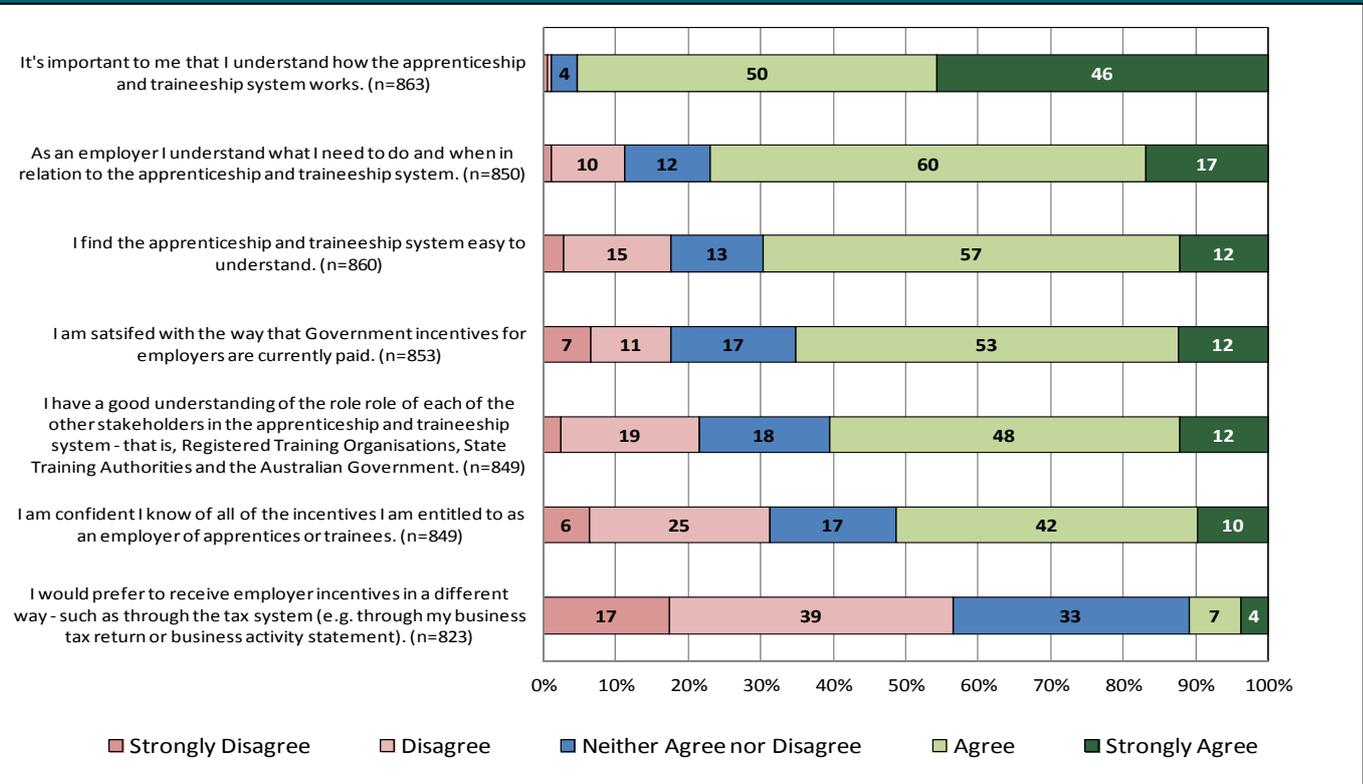
As detailed, the vast majority of employers agreed that:

- It was important to understand how the apprenticeship and traineeship system works (95%, with 46% strongly agreeing); and
- They understand what they need to do and when in relation to the apprenticeship and traineeship system (77%)

Around two-thirds of employers agreed that:

- The apprenticeship and traineeship system was easy to understand (70%); and
- They were satisfied with current arrangements for payment of Government incentives to employers (65%).

However, at least one in six employers (18%) disagreed with these contentions. Most employers agreed that they understood the role of other stakeholders (such as Registered Training Organisations and the Australian Government) in the apprenticeship and traineeship system (61%), although one in five (21%) disagreed.



### Case study research

Some key feedback points from the ORIMA Research conducted on behalf of Mission Australia Employment Solutions in 2010 and 2011 was that the size of business influenced the type of service they needed or expected. Small business generally wanted someone to do the paperwork, to provide accurate information and to have limited disruption. Medium sized businesses tended to want support service type obligations i.e. Mentoring for example, handled by a private provider and removed from them with slightly more one on one contact provided from an external provider to assist them with their paperwork. Large business generally had a desire to develop long-term relationships with an external organisation, wanted a provider to gain a better understanding of their business needs, wanted a provider that offers stability and efficient service and wanted a provider that was knowledgeable and is easy to access to respond to their needs.

Based on our experience as a provider of Australian Apprenticeship Support Services and related employment and training services programs, we strongly contend that employers and industry across Australia have to be able to easily access and use services which can assist them to recruit for their workforce requirements, train and educate their workforce to increase skill and competency levels and be supported in other non-core activities to their normal business operations in order to remain competitive in a global economy. In turn, the labour market has to adapt as to the increasing activity, demands and changes particularly in the resource and service sectors.

We believe future Australian Apprenticeship Support Service arrangements need to be more responsive to a mobile and changing national workforce by eliminating state and territory differences and consolidating skills, training and employment services and programs nationally. This would allow and encourage organisations and individuals to utilise all available programs and services provided by the Australian Government for the greater benefit of the nation. As an example:

### Case study example

Mission Australia Employment Solutions provides Australian Support Services to a number of employer clients that operate across multiple state and territory jurisdictions. In our experience, servicing national clients such as McDonald's Australia Pty Ltd is challenging considering the national landscape however, for the employer it is more confusing and complicated to develop and deliver consistent training development programs for their workforce.

Using McDonald's Australia Pty Ltd as an example, the vocations such as the retail and business packages they use for training of their staff are different in nominal duration across state and territory jurisdictions. In some state and territory jurisdictions, they face some programs not funded, differing rules and regulations in different jurisdictions, inconsistent stakeholders performing support functions and in some instances, employees are unable to attain an Australian Apprenticeship qualification across all state and territories. This is confusing for an employer and for the Australian Apprentice who may relocate to another state and would like to continue with their Australian Apprentice, particularly if the qualification is not funded or does not exist under Australian Apprenticeships arrangements.

### Proposed solutions and options for consideration

Mission Australia Employment Solutions continues to support recommendation one from the Expert Panel's report that outlines the establishment of a National Custodian to address the bureaucracy and inconsistency of

the Australian Apprenticeships system. We acknowledge the establishment of a National Custodian could experience implementation challenges and may not be achieved quickly however, once established, the National Custodian would be well placed to assume responsibilities for setting policy and strategic direction for the Australian Apprenticeships system and work closely with other bodies such as the National Workforce and Productivity Agency, the National VET regulator, all levels of government, stakeholders, providers and peak organisations.

In the meantime, we recommend the Australian Government continue its work with the State and Territory Governments and representatives of all stakeholder groups including current Australian Apprenticeship Centre providers, other service providers, peak bodies, Australian Apprentices and employers to harmonise apprenticeship and traineeship arrangements.

### Case study example

Outlined is another example from Mission Australia Employment Solutions experience of where Workforce Development Advisory and Connection Service providers could offer valuable support services.

The Kilcoy Pastoral Company produces carton beef for both domestic and overseas markets. We have developed a successful and ongoing client relationship with Kilcoy Pastoral Company over several years. Brokered placements, recruitment and specialist employment programs have been delivered.

Utilising the Structured Training and Employment Projects Employment and Related Services Program and Indigenous Employment Program funding, Mission Australia Employment Services and Kilcoy Pastoral Company are working to bring disadvantaged aboriginal job seekers from regional Victoria and areas in North Queensland to Kilcoy. Support for job seekers includes assistance with accommodation employment at the Kilcoy Pastoral Company. Between 1 July 2009 and 1 December 2010, Our JSA staff in the Outer North Brisbane, Warwick and Sunshine Coast offices filled 24 vacancies with the company. Positions included labourers, meat workers/packers, information technology and administration filled by job seekers facing some level of barrier or disadvantage, were assessed as Stream 2, 3 or 4 under the Job Services Australia Program and were then commenced into Australian Apprenticeships.

We strongly agree with recommendation two from the Expert Panel's report consolidating the number of stakeholders. This will ensure that the most appropriate provider provides services and that duplication is reduced and administration streamlined.

As outlined throughout our response these fundamental areas need to be addressed for a new Australian Apprenticeships system to realise its full potential as an employment participation, training and education pathway that meets the needs of individuals, employers and the Australian economy. We believe the Australian Government has all of the necessary programs, services and providers at its disposal to implement the proposed Workforce Development Advisory and Connection Service provider model we have outlined.

It is Mission Australia Employment Solutions view that irrespective of whether a National Custodian can be established immediately or not, the Australian Government is in a strong position to re-engineer engagement services through the coming Australian Apprenticeship Support Services purchasing arrangements. Considering the differing roles, responsibilities and duplication of services stakeholders provide across the Australian Apprenticeships system, for example:

- AACs who administer, market and promote the Australian Apprenticeships system on behalf of the Australian Government primarily under Australian Apprenticeship Support Services contracts;
- GTOs who provide employment opportunities for Australian Apprentices and marketing and promotional activities for Australian Apprenticeships primarily under state and territory government Joint Group Training Funded arrangements within the Australian Apprenticeships system;
- State and Territory governments who legislate, monitor and govern Australian Apprenticeships arrangements in their jurisdiction and in addition implement other skills, training and workforce development initiatives;
- RTOs who market, promote, facilitate and deliver training and education services under numerous commonwealth and state and territory government contract arrangements, many of which are directly linked to the Australian Apprenticeships system; and
- JSAs who facilitate supported employment opportunities and ongoing post placement support activities for unemployed individuals with employers which can often be converted into Australian Apprenticeships

### How can this be achieved?

It is clear in Mission Australia Employment Solutions view that the Australian Government, utilising the Workforce Development Advisory and Connection Service provider model should adopt an integrated skills, training and workforce development approach.

This may be achieved by:

- The Federal Government continuing to work with the State and Territory Governments to nationalise the Australian Apprenticeships system replicating the Job Services Australia model and following the Vocational Education and Training sector move through ASQA and the National VET Regulator
- Integrating and linking all workforce development programs, and
- Utilising a wrap-around service delivery model linking appropriate support services and providers under a “cradle to grave” approach to provide less complex and individually tailored solutions for school students, key enablers, job seekers, Australian Apprentices, employers, Registered Training Organisations, Group Training Organisations and all other stakeholders.

We believe the Australian Government has a unique opportunity to undertake transformational reform which would deliver significant social, economic and productivity benefits for Australian Apprentices, employers, government, and non-government service providers, peak bodies and other stakeholders involved in the Australian Apprenticeships system.

## RESPONSE TO DISCUSSION STARTER 5: IMPROVING THE STATUS OF THE AUSTRALIAN APPRENTICESHIPS SYSTEM

### Discussion Questions

1. Who should have responsibility for the status of the Australian Apprenticeships system and promoting its value and importance to the economy? Should this be:
  - The Australian Government
  - State and territory governments
  - Industry
  - Shared responsibility of industry and all Governments
2. What strategies should be implemented to raise the status of Australian Apprenticeships and how can this be achieved considering the number of stakeholders involved in the system?
3. How should influencers (parents, teachers and career counsellors) be engaged in changing the perceptions of the Australian Apprenticeships system? Some stakeholders have suggested the idea of 'Apprentice Ambassadors', who could inspire others with their individual stories. How could they be most effective?
4. There is a gender imbalance in some occupations. What strategies could be employed to encourage individuals into non-traditional occupations?

### Options that may respond to the Expert Panel's recommendations

#### Option 1

Build on the services provided by the School Business Community Partnership Brokers, Youth Connections and Apprentice Advisers with supplementary resourcing for additional activities focused on the promotion of the Australian Apprenticeships system within schools and the community.

The Australian Government and industry should work together in partnership, on an industry-by-industry basis to achieve cultural change and the promotion of the Australian Apprenticeships system. Resources to achieve this would be generated through co-investment by industry, as well as Australian and state and territory governments.

It would be wise to more actively utilise the annual Australian Apprenticeships Training Award winners as Ambassadors to undertake activities to promote Australian Apprenticeships such as speaking at schools, community events and organisations within their state/territory. Further, public recognition should be provided to enterprises who meet set benchmarks in the provision of quality training and workforce development for apprentices and trainees.

#### Option 2

The Australian Government withdraws from direct responsibility for promotion of the Australian Apprenticeships system, instead providing support to peak industry groups to promote pathways into the Australian Apprenticeships system as a valued career within their sector. This could assist in addressing skills shortages within sectors and build upon these sectors' existing knowledge and linkages with employers.

## Response to Discussion Starter 5 Questions

### Our experience

Mission Australia Employment Solutions agrees with recommendation eight from the Expert Panel regarding formally regulating VET-in-Schools that will assist in recognising this as a pathway into the Australian Apprenticeships system, enhance the quality of the training and change or improve perceptions of the Australian Apprenticeships system.

We also believe that recommendations eight and eleven outlined by the Expert Panel form the cornerstone to achieving reform and improvement to the status of the Australian Apprenticeships system.

We support that the Australian Apprenticeships pathway be established, positioned and promoted as an additional, not alternative, post secondary school studies foundation option to the most commonly considered tertiary education and direct employment pathways. Successful models exist in other countries connecting secondary school studies to further and higher education pathways such as in Germany, Sweden or Finland where trade or skilled-based diploma pathways are considered practical equivalents to university studies.

It is important to note that while we are in agreement with the need to target influencers such as careers counsellors, parents, the community, students, better engagement mechanisms for these enablers to connect with employers and industry as well as employment, and training service providers are essential to achieve practical and meaningful change.

### Proposed solutions and options for consideration

Mission Australia Employment Solutions considers that it should be a shared responsibility of all stakeholders to improve the status, promotion, value and importance of the Australian Apprentice system to the Australian economy and community. We believe all stakeholders have varying roles to play however, some key stakeholder roles include:

- The Australian Government retain the lead role of policy, direction and promotional activity in collaboration with the State and Territory governments and stakeholders
- State and Territory Governments retain the lead policy implementation and management role in their respective jurisdictions. This could also include an increased responsibility in:
  - becoming the central body to manage Australian Apprenticeships administrative arrangements
  - managing a more rigorous grievance management and dispute resolution process for Australian Apprentices, employers and other stakeholders
  - proactively working with training providers to realign services, programs and initiatives into more cohesive and unified solutions
- Workforce Development Advisory and Connection Service Providers to have an increased role in engagement service aspects including assuming a lead role in:
  - acting as a generalist and/or specialist central client facing service connection point for all stakeholders to a new Australian Apprenticeships system
  - working with stakeholders including ISCs, TAFE s, private RTOs, peak bodies and industry to develop specific promotional programs linked to services and initiatives which target priority needs areas and individuals, particularly if there is a specialty area the Workforce Development Advisory and Connection Service provider works within
  - providing guidance to enablers involved in the secondary school system or equivalent, to appropriate programs, services and initiatives within a new Australian Apprenticeships system or other

- employment and training programs
- becoming a referral service for influencers and enablers to related complementary workforce, skills, training and education initiatives
- facilitating the pre-qualification process for employers and providing a more comprehensive education and business advisory service to employers and industry

### How can this be achieved?

Mission Australia Employment Solutions believes that while useful vehicles and tools such as employer recognition schemes and Apprentice Ambassadors are important, there needs to be underpinning of strategic key principles developed to improve the status of the Australian Apprenticeships system. Some of these principles are outlined below:

- **Status as a career**

We strongly support the suggestion made in the Expert Panel Report that a strategy is required to lift the status of apprenticeships and traineeships to *'representing a pathway towards a satisfying career'*. As outlined throughout this response, Workforce Development Advisory and Connection Service Providers would provide the mechanism to target career counsellors, parents, the community, students and employers as a great start to raising the profile of Australian Apprenticeships.

Currently the Job Pathway charts are not readily visible in websites and whilst those managing Registered Training Organisations understand the articulation of one certificate to another higher qualification it is unclear in the general community as to how the attainment of a further qualification will lead to higher paying and roles that are more advanced. The model we have proposed would assist in providing this type of information to individuals and key enablers at an early age as a meaningful foundation option.

- **Safety**

It has been discussed that one of the reasons behind a lower take up and status of skills shortages trades as a long term and meaningful pathway is due to the safety issues concerned and perceptions of the lack of longevity of a trade and the physical impact upon the body.

We support the current move toward national and unified safety legislation in Australia. We support proactively assisting employers to comply rather than creating complex layers of codes, regulations and standards that require highly trained OHS professionals to navigate. Smaller employers need practical assistance that has a real impact on safety outcomes as proposed in unified legislation and states and territories offering advisory services.

- **Wage levels**

The Expert Panel Report mentioned a review of Australian Apprentice wages that we supported in our response to the Expert Panel discussion paper.

We remain mindful that process would need to be undertaken delicately to balance the needs of industry and individuals considering there could be possible ramifications with increasing apprenticeship wage costs. In saying this, we believe there are significant ramifications in retention and completion in not assisting Australian Apprentices who are entering an Australian Apprenticeship at later stages to earn enough money to allow them to complete at adult age.

Structural review of the wage system is timely as circumstances appropriate when the system was designed are no longer relevant to Australia's changing workforce. More people are entering the system at much later stages in life and a four-year term means that many Australian Apprentices are well into adulthood prior to completion and encountering significant financial challenges with rising living costs in today's economy.

## RESPONSE TO DISCUSSION STARTER: AUSTRALIAN APPRENTICESHIPS MENTORING PACKAGE

### Discussion starters

- What are the key challenges for the rollout of this package and the delivery of effective mentoring and advisory services?
- Are there any barriers to employer and apprentice engagement and support for mentoring?
- How can mentoring and adviser services under this package be delivered to best complement and build on existing efforts, targeting gaps in the market?
- How can consistent levels of mentoring service delivery be achieved, while enabling services to be tailored for individual needs?
  - What would be desirable features of the mentoring and adviser services?
- Who may be best positioned to take on the roles of mentor and advisers? What training might they need?
- What other support or referral arrangements may be needed to facilitate effective mentoring and advisory services?
- Are there any identifiable trends in the knowledge gaps of apprentices, in relation to their apprenticeship and/or chosen industry and occupation that Apprenticeship Advisers could help address?
  - What arrangements would support innovative and effective models of delivery?
- Is there scope or capacity for the mentoring and advisory services to be linked and would this be beneficial?
- What partnership arrangements between peak bodies and other providers could potentially strengthen the delivery of an effective mentoring and/or advisory service?
  - How could the rollout of this package, and services delivered under this package, be designed to best target areas of skills shortage and cater for priority groups?
- What sectors/industries might benefit most from additional support?
- Which priority groups, who face additional barriers to participation, are most likely to benefit from support?
- What features of mentoring services are necessary to best support particular priority groups?

### Response to Mentoring Package discussion starter questions

#### Our experience

Mission Australia Employment Solutions supports the Australian Government's commitment to building on existing mentoring services, targeted support to apprentices in industries experiencing skills shortages and to apprentices who face barriers to participation. We recommend that continued support for recommendation five is more broadly maintained, and offer strong support for recommendation ten from the Expert Panel's findings.

Our experience across our Vocational Education and Training, Employment Solutions and Community Services divisions demonstrates that the provision of individualised tailored engagement activities including mentoring, pastoral care, intensive assistance and active post placement support is directly related to increases in the achievement of outcomes for individuals and their employers and significantly improves

retention, completion and program performance delivery.

### Proposed solutions and options for consideration

Mission Australia Employment Solutions has already provided a large amount of information and recommendations around the development of a holistic wrap-around service delivery model, as well as the mechanics of how it could operate using Workforce Development Advisory and Connection Service providers to act as central link points for client engagement activities.

The key challenge in the current Australian Apprenticeships system is the initial engagement with the apprentice and entry point can be at anytime prior to or during their employment and until their details are entered and approved on the numerous Commonwealth, State and Territory Government information technology systems support services generally cannot be delivered. This is inefficient, costly and confusing for participant employers, apprentices and service providers. A clear and consistent entry point via a Workforce Development Advisory and Connection Service provider and simplified eligibility qualification processes will enable timely engagement and support.

### How can this be achieved?

Mission Australia Employment Solutions also notes two interesting questions in relation to linking mentoring and advisory services and partnerships between peak bodies and other providers.

As part of our recommendations in previous discussion starter responses, comment was made that all stakeholders involved in a future Australian Apprenticeships system from government to private enterprise should be engaged in areas and responsibilities that match their core purpose, strengths and capabilities. Having said this, an option available to the Australian Government is that this component and contract stands alone in a future Australian Apprentice system in which mentoring and pastoral care services are delivered to all apprentices and employers regardless of the provider. This in part can be achieved by avoiding duplication of services and wastage, ie. by redirecting funding from Group Training Organisations and their Australian Apprentices who already receive these services from their Group Training Organisations to non- Group Training Organisation employers and Australian Apprentices.

Further to this, Mission Australia Employment Solutions believes that in the interests of apprentices and employer, the two areas of support are established to facilitate this service:

- A regulated discretionary Australian Apprentice Skills Development Fund to provide individualised and tailored solutions for all Australian Apprentices, which Group Training Organisation Australian Apprentices could access, and
- Procuring specialised services to undertake activities such as mentoring for identified Australian Apprentices in priority group areas and pastoral care for other apprenticeship cohorts.

In our view, while mentoring can be defined and offered through a service delivery model, pastoral care activities could be undertaken from the proposed Australian Apprentice Skills Development Fund considering issues of this nature can involve a range of non-vocational issues including homelessness, travel arrangements, counselling services or dependency.

## RESPONSE TO DISCUSSION STARTER: ACCELERATED AUSTRALIAN APPRENTICESHIPS PACKAGE

### Discussion starters

- What are the key challenges to ensuring wide-spread adoption of competency-based progression?
- Which sectors/industries are having the greatest problems?
- What are the barriers preventing the adoption of competency-based progression apprenticeships within these industries?
- What can be done to reduce or remove these barriers?
  - What partnership arrangements between Industry Skills Councils, peak organisations and other providers could potentially strengthen the adoption and implementation of competency-based progression?
  - Are there opportunities which can be used to build on existing efforts to gain greater support, acceptance and implementation of competency-based progression?

Information is sought on:

- Industry and sectors which are leading the way
- Specific examples, including details on how long these programs have been in operation and the level of success
- Whether these programs could be replicated across different industries and then different sectors, and across jurisdictions?
  - Are there alternative apprenticeship models which might give greater emphasis to competency-based progression?
  - What can/should be done to gain momentum in the acceptance and implementation of Competency Based Progression?

### Response to Accelerated Australian Apprentice Package discussion starters

#### Our experience

Mission Australia Employment Solutions acknowledges the Council of Australian Governments (COAG) findings of the importance of a competency-based approach to progression and completion for apprentices and agrees that limited success has been achieved to date. In addition, we broadly support recommendations twelve, thirteen and fourteen from the Expert Panel's report that could act as major contributors to encouraging and addressing universal adoption.

The challenges of competency-based progression and completion for apprentices including: qualification content and delivery, recognition and acknowledgement of skill and competency in relation to time served, misalignment of industrial instruments to apprenticeship arrangements and cultural perceptions are well documented.

### Proposed solutions and options for consideration and how this could be achieved

Mission Australia Employment Solutions agrees that the Australian Government lead this initiative well informed and supported by stakeholders including industry, government and non-government employment, education and training service provider organisations. The decision process is integral in determining where the greatest social and economic needs exist and how to deliver this program to achieve the optimal impact and result.

As mentioned throughout various discussion starter responses, Mission Australia Employment Solutions has made several comments and recommendations on how implementation of such an initiative and package could be delivered and achieved. It is our view that the logistical components of this package could easily be absorbed by the proposed Workforce Development Advisory and Connection Service providers who would work in close connection with training providers, industry and other stakeholders such as ISCs and regulatory bodies to execute the deliverables of this package.

Finally, although there has been much contention in relation to the support of a review of apprenticeship and traineeship provisions, wages and conditions by Fair Work Australia, we believe that in order to completely address existing inhibitors across the Australian Apprenticeships system, including competency-based progression and completion, it is necessary to undertake such a review to align the Modern Award system. It should be noted as per previous comments in our response that any such review be carefully considered to achieve the right balance between industries, individual, social and economic need and drivers.

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