



## ASU Submission

Department of Employment and Workplace Relations

### Apprenticeship Discussion Paper

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## The ASU

The Australian Services Union ('ASU') is one of Australia's largest unions, representing approximately 135,000 members. ASU members work in a wide variety of industries and occupations in both the private and public sector.

We are the largest local government union in Australia with our local government members represented by State based ASU Branches throughout the country. Most of the industrial activities are conducted at the Branch level. All local government awards are state-based and many Councils have their own enterprise agreements of which the ASU is a party.

Our members roles are varied and include work in administration, childcare, garbage collection and recycling, garden maintenance, home care and road work and as Engineers, Librarians and Truck Drivers to name but a few.

The ASU is supportive of the future growth and revitalisation of the apprenticeship system in Australia. The involvement of unions in the design, development and implementation of apprenticeships is a key factor to the operation of a successful apprenticeship system. We understand the Discussion Paper is focused on non-financial supports and that a review of financial supports will be undertaken in late 2023.

## Trainees and apprenticeships in Local Government

Local government has a long record of employing apprentices and skill-based trainees, however the proportion of apprentices and trainees has declined over time and correlates with the withdrawal of funding incentives. Local government has the critical infrastructure and trade skills required to provide high quality education and training to young people and mature aged workers alike. It is well placed to expand its apprenticeship and trainee employment programs to produce well-trained skill-based workers.

In their most recent analysis on the local government workforce<sup>1</sup>, the Australian Local Government Association (ALGA) identified 1.9% of the workforce employed as an apprentice or trainee with 59% being male and 41% being female. 31% of respondent local governments said they have at least one Aboriginal or Torres Strait Islander trainee or apprentice.

57.6% local governments do not believe they are taking on enough trainees and apprentices to meet future skilling needs, compared to 41.4% who believe they are.

The highest proportion of the local government workforce is in the 30-44 year age group, followed by the 45-54 and the 55-64 year age groups. The previous 2018 ALGA report<sup>2</sup> showed on average Local government has a significantly lower participation rate of under 30-year olds (13.6%) compared to all-industries (25.5%), particularly in Victoria and Tasmania.

As a result, in the next 10 to 15 years a vast majority of the local government workforce will retire, robbing communities of a skilled and experienced workforce, and economically secure and

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<sup>1</sup>Australian Local Government Associate, 2022 Local Government Workforce Skills and Capability Survey [online] <https://alga.com.au/workforce-survey-reinforces-major-jobs-and-skills-challenge/>

<sup>2</sup> Australian Local Government Associate, 2018 Local Government Workforce and Future Skills Report Australia [online] [https://alga.com.au/app/uploads/Skills-Plan\\_ALGA-1.pdf](https://alga.com.au/app/uploads/Skills-Plan_ALGA-1.pdf)

independent residents. The ALGA report notes employee attrition and an ageing working are an ongoing and escalating difficulty.<sup>3</sup>

91.4 % of respondents reported they were experiencing skill shortages, especially in engineering, urban and town-planning, building surveying, environmental health officers, supervisors/team leaders, labourers, IT/ICT technicians, accountants, human resource professionals and project managers. This is in addition to our own observations of skill shortages in qualified and skilled tradespeople at Council. The most common driver of skills shortages being the lack of suitable skilled candidates.

This skill shortage is occurring at a time when local government apprenticeships have declined by 63.2% between 2012 and 2017 compared with general decline in all industries of 21.6% over that same period.

The ALGA report emphasises the skill shortages occurring in multiple occupations at local government is being exacerbated by the impacts of Covid-19, as well as climate change and the accelerated take-up of technology and digitisation of Council services.<sup>4</sup>

Local governments are struggling in some areas to compete with higher wages being paid elsewhere, for example: mechanics and some infrastructure roles. Councils are moving towards more of a contract management approach and outsourcing parts of core business of Councils, on small or large scales, this in turn almost ensures jobs in the future will not be in-house.

The local government workforce is a central economic pillar of every small, medium and large community in Australia. It is facing disaster as an ageing and retiring workforce struggles to meet emerging skill shortages while Councils largely fail to mitigate the losses with the recruitment and training of young workers.

***Solution:***

The simplest type of regulatory measure is a workforce requirement. For example: Every Council to employ directly engaged apprentices and trainees equivalent to at least 15% of its workforce.

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

### **Renewing Regional and Metropolitan TAFE**

Due to privatisation, declining funding, and the loss of students to private providers, TAFE is no longer the centrepiece of VET in many areas<sup>5</sup>. It is time to refocus and reassert the worth of VET to help build the vocational skills of the nation.

Recent policy directions have placed increased emphasis on a market driven approach to the provision of VET services which has resulted in a range of problems including revelations of deteriorating quality standards, aggressive marketing behaviour by some training companies (particularly in vulnerable communities) and practices which have left many students demoralised, in debt and left with inadequately training or an inability to complete their chosen course work.

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<sup>3</sup> Australian Local Government Associate, 2022 Local Government Workforce Skills and Capability Survey [online] <https://alga.com.au/workforce-survey-reinforces-major-jobs-and-skills-challenge/>

<sup>4</sup> Australian Local Government Associate, 2022 Local Government Workforce Skills and Capability Survey [online] <https://alga.com.au/workforce-survey-reinforces-major-jobs-and-skills-challenge/>

<sup>5</sup> ACTU Job Summit Report – Skilling the Nation

A recent report by The Centre for Future Work 'Fragmentation & Photo-Ops' presents comprehensive evidence of the continued erosion of the vocational education system in the COVID era, including the closure of many TAFE institutes, particularly those in regional and non-metropolitan locations.<sup>6</sup>

### **Case Study – Closure of TAFE campuses in NSW**

Among six of its legislated core functions, Tafe NSW must:

- provide educationally or vocationally disadvantaged groups (such as women, Indigenous Australians, persons of non-English speaking background, persons with disabilities and persons in rural areas) with access to technical and further education services, including a range of appropriate specialised services;
- ensure that it provides technical and further education services to meet the needs of individuals and the skill needs of the workforce and, in particular, ensure that it provides basic and pre-vocational education as well as vocational education and training.

Despite such explicit legislated functions conceived to include and support marginalised people and areas, 20 TAFE campuses (or parts thereof) across NSW have been sold off with another 17 under threat. Many of the campuses already sold or under threat are rural or regional facilities. The closure of these facilities is short-sighted and undermines economic recovery across communities suffering from skills shortages and limited job and training opportunities. In their place, an online learning system has been established. Online learning cannot replace the in person training that practical and technical education requires.

Local government is an important employer in rural and regional areas. Councils provide secure job opportunities in areas with limited employment prospects. Councils across the state provide apprenticeships to workers with possibility of permanency upon completion of study. Rural and regional job seekers and employers rely on their local TAFE.

TAFE NSW serves an incredibly important purpose in providing practical skills and opportunities across the state but particularly for disadvantaged communities and individuals. Limiting access to facilities denies people the opportunity to gain valuable skills and improve employment opportunities. TAFE apprenticeships provide a vital service to job seekers and employers, particularly in regional and rural areas that are suffering from skills and labour shortages at a rate far greater than metropolitan areas. Creating more regional and rural TAFE facilities is necessary to address those shortages.

#### ***Solution:***

To address these concerns, the Federal Government must commit to creating more regional and rural TAFE facilities for apprentices and must ensure no more TAFE institutes close.

#### **Concerns with Group training companies**

Group training organisations (GTOs) directly employ apprentices and trainees and place them with host businesses. They are responsible for selecting and recruiting apprentices and trainees, matching them to host businesses, meeting all employer obligations including paying wages and entitlements, arranging formal training and assessment.

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<sup>6</sup> The Centre for Future Work at the Australia Institute, Fragmentation & Photo-Ops The Failures of Australian Skills Policy Through COVID [online] <https://australiainstitute.org.au/wp-content/uploads/2022/03/Fragmentation-and-Photo-Ops-final3.pdf>

One symptom of this approach is apprentices are not staying in the Council after they finish their training. This occurs because apprentices do not feel part of the Council because on paper and in practice they are not. The apprentices are employed by the training company and may only have spent a portion of their time at the Council. There is consequently no sense of loyalty or connection to the Council that might encourage an apprentice to stay and use their training in a permanent role.

The likelihood of an apprentice staying at Council is increased by the direct employment model with the retention of workers of vital importance to maintaining a strong local government workforce. A local government worker leaving creates a larger problem than just the immediate vacancy and skills shortage created; it also represents a wasted investment in training by Councils.

**Solution:**

Direct employment of apprentices should be promoted.

## Changing perceptions of apprenticeships

### **Make it desirable, understandable, accessible and supportive**

We need to raise the status of apprenticeships as a valued career pathway. An emphasis and over-valuation on higher education by schools, parents and young people has driven down the number of apprentices in Australia.

To be successful in effecting a change in both perceptions and actions, we must design a system that tackles barriers at a range of levels. We must make apprenticeships desirable, as well as providing face-to-face contact with role models to help inspire and motivate people to take up apprenticeships.

We need to identify students at an early age who might be suited to an apprenticeship and give them the information and guidance needed. Too often students considering VET choices are not offered the support, guidance or the detailed subject advice that is offered to those choosing university pathways. Trade careers should be encouraged and not be seen as a “Plan B”. Requiring young people to complete a work experience placement as an apprentice may be an effective way of conveying information about trade pathways.

If the apprenticeship system cannot be easily understood the benefits of taking part in this system will remain unclear. There is a need to provide meaningful, accurate information that engages young people. The Behavioural Insights Team of the Australian Governments Education Council recommends:

*“Disseminating annual factsheets to careers advisors in schools which have been identified as having a large cohort of young people suitable for apprenticeships. The factsheets should present employment metrics which are easy to interpret and allow for immediate side-by-side comparison of different pathways”<sup>7</sup>*

Annual factsheets should demonstrate where an apprenticeship can take them, i.e. where can they be in 5 years time; what qualifications will they get; what pathways it may lead to; how to start and find an employer; as well as what pay rates may apply while training and when fully qualified.

For those that do undertake an apprenticeship there is also a need to maintain regular and reassuring communication with apprentices at the early stages of their apprenticeship. Completion rates are

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<sup>7</sup> Council of Australian Governments Education, Perceptions of apprenticeships [online] <https://uploadstorage.blob.core.windows.net/public-assets/education-au/pathways/Perceptions%20of%20Apprenticeships.pdf>

improved by close partnership between employer, apprentice, and training provider, with each being aware of their obligations<sup>8</sup>

## Support for Employers & Apprentices

The relationship between an employer and an apprentice is a central issue to non-completion rates. McKell recommends policy measures by governments must include action to fix the on-the-job experience of apprentices<sup>9</sup>.

*“When an apprentice experiences on-site bullying and harassment, intimidation, or is subjected to dangerous conditions, they are less likely to finish their apprenticeship. When an apprentice is underpaid, or has unpaid TAFE fees or superannuation, they are less likely to finish their apprenticeship. When an apprentice receives little or no on-the-job training their engagement is as cheap labour rather than workers requiring skill development, they are less likely to finish their apprenticeship. Exploitation is not conducive to learning, and employers need to be held accountable when these issues exist in the workplace.”<sup>10</sup>*

### **Solution:**

The regulatory system should be strengthened to ensure employers provide safe, respectful and supportive workplaces that guarantee proper payment, proper training, safe work practices, and a culture that fosters a positive work relationship.

Union inductions and linkage to delegates and Occupational Health and Safety representatives on the job to be provided to all apprentices.

Nominated supervisors of apprentices must be required to undertake training to ensure the apprentice is provided with adequate support in the workplace.

In addition, employers of apprentices who have a history of complaints regarding bullying and harassment, failure to make proper payment, failure to provide adequate training or safe work practices should be prohibited from employing them.

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

As a large provider of community services and a large employer local government possesses many opportunities for addressing social inclusion. This is particularly the case in rural, regional and remote communities where it is most often the largest employer and central access point for services, and therefore frequently sets standards as a both an employer and service provider of significance. As a public entity local government has an obligation to make use of those opportunities to address disadvantage in its municipality.

By developing career paths for school leavers and disadvantaged groups via apprenticeships local government can make a real difference in addressing disadvantage in its community.

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<sup>8</sup> Widening access to apprenticeships [online]

[https://assets.nationbuilder.com/ldwales/legacy\\_url/298/widening-access-to-apprenticeships.pdf?1421774211](https://assets.nationbuilder.com/ldwales/legacy_url/298/widening-access-to-apprenticeships.pdf?1421774211)

<sup>9</sup> The McKell Institute, Working, learning: Better supporting Victorian apprentices on the job [online]

<https://mckellinstitute.org.au/research/reports/working-learning-better-supporting-victorian-apprentices-on-the-job/>

<sup>10</sup> Ibid.

The proportion of Aboriginal and Torres Strait Islander workforce in the Australian local government sector has remained relatively steady at approximately 4-5% over the years. The proportion of CALD workers is increasing with 9.2% employed in local government and 13.4% of the workforce speaking a language other than English at home.

Multi-faceted approaches are required to change the diversity of participation within the apprenticeship system. It is important to work with educators, learning providers and employers to challenge barriers and stereotypes in apprenticeships, and to ensure equality of access and opportunity is mainstreamed at all stages of the education pipeline.

**Solution:**

Thought should be given to equity and diversity targets for new apprenticeships to ensure a proactive, targeted approach that engages and recruits diverse backgrounds into apprenticeships. New and innovative training programs designed specifically for diverse backgrounds should be created.

Attention should be given to the process of assessment regarding minimum requirements for an apprenticeship with participants with very low English literacy and numeracy skills provided with intensive assistance to enable them to engage in an apprenticeship.

## Women in Apprenticeships – Addressing the Gender Balance

There is a need to recognise why women aren't viewing apprenticeships as an option for them and understanding more deeply why women aren't applying for apprenticeships or dropping out when they do.

The number of women in senior positions in local government is disproportionately low compared to the overall number of women in the workforce and the general population.<sup>11</sup> Women in local government are overwhelmingly concentrated at the bottom end of the pay scale, often in part time jobs and largely in the clerical and administrative areas.

If local government is to be truly representative and inclusive women need to be employed across all classifications, including in senior management and leadership. The ALGA report demonstrated there is a higher proportion of women working part-time (82%) and in casual positions (67%) this is despite the local government workforce of 52.3% female workforce.<sup>12</sup>

With the right training, investment in skills, and career paths women in lower-level classifications can be trained to become skilled professionals to meet skills shortages in civil engineers and building surveyors and improve the representation of women in those non-traditional professions. The Victorian Local Government Women Building Surveyors Program is an excellent example to improve the gender balance, fill a skills shortage all whilst supporting the state's economic recovery.<sup>13</sup> With the right mix of family friendly conditions and training women can also be promoted to senior management and leadership positions.

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<sup>11</sup> Victorian Government, Gender equity in local government [online] <https://www.agec.org.au/wp-content/uploads/2020/12/2018-08-Ruth-McGowan-Gender-Equity-in-Local-Government-Research-Companion.pdf>

<sup>12</sup> Australian Local Government Associate, 2022 Local Government Workforce Skills and Capability Survey [online] <https://alga.com.au/workforce-survey-reinforces-major-jobs-and-skills-challenge/>

<sup>13</sup> Victoria Government [online] <https://www.premier.vic.gov.au/forty-new-jobs-women-building-surveyors>

There is a need to champion female role models and showcase different career pathways into local government and developing a clear transition pathway from education, to apprenticeships and finally to full time secure employment.

We also need to enforce the provision of flexibility conditions that exist in EBAs and Awards and change the workplace culture around accessing those conditions. The problem is not that conditions are not 'available', but often workplace culture is such that women do not feel they can or are not allowed to access the conditions, especially those working in a non-traditional occupation. Similarly, men are not always encouraged to access what may be seen as family-friendly provisions, leaving a care burden with women, and compounding potential barriers to women's capacity to take up non-traditional and/or leadership roles.

Traditional notions of gender and gender stereotypes are still prevalent with several factors preventing women from taking up an apprenticeship in a non-traditional role due to fears about sexist behaviour, being the only women on a worksite, as well as gender appropriate facilities.

Increasing the pipeline of female talents into the sector includes greater exposure to apprenticeships early on in women's education as well as emphasising the qualities and skills needed in different occupations, and promoting the diversity of roles in apprenticeships.

There is also a need to create inclusive, safe and fair workplaces for women. This involves ensuring there is zero tolerance for workplace harassment (including gendered violence and sexual harassment), and that workplaces are family-friendly with initiatives such as job sharing; flexible work arrangements and workplace practices that accommodate caring responsibilities – accessible to all workers, with all workers encouraged to use these provisions.

We support initiatives and solutions such as those recommended in Victoria's Women in Construction Strategy<sup>14</sup>. Consideration should also be given to:

- Providing women-only training to encourage young women into apprenticeships
- Women-only pre-vocational courses to encourage women entering training.
- 'Taster' sessions for women to promote apprenticeship career paths
- Financial incentives for employers recruiting female apprentices
- Raising the age at which women can receive full funding if they enter apprenticeships

Finally, we understand the Australian Council of Trade Unions is making a submission regarding the Australian Apprentice Support Network and its failure to provide sufficient and effective support to apprentices and trainees and the urgent need to develop a new model. We support this submission and the recommendations contained within.

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<sup>14</sup> Victoria Government [online] <https://www.vic.gov.au/victorias-women-construction-strategy>