

AN ENHANCED ROLE FOR GROUP TRAINING

Workplace Research Centre 2008 Annual Conference, June 20, Sydney

Group training is critical in developing skills for Australian industry.

A quick glance at some of the statistics is instructive. For example the group training network now employs:

- 13% of all new entrant apprentices and trainees;
- one in five traditional apprentices;
- one in five Indigenous;
- one in five school-based;
- one in ten apprentices and trainees with a disability; and
- increasing numbers of adult apprentices in the traditional trades.

As impressive as these figures are, they tell us little about the way in which the network goes about delivering these outcomes. This is the real story of the group training network.

In more than 30 years of operation this uniquely Australian labour market intermediary has built a physical presence and a storehouse of human capital that would be difficult to match.

For example:

- there are now over 150 group training organisations (GTOs) operating throughout the country;
- the network can reach and influence over 100,000 host employers;
- many GTOs also provide a range of other services enabling them to extend their reach well beyond their own host employer base;
- most GTOs are now critical to the delivery of effective career and transition services in local high schools; and
- the field staff of the group training network, in addition to serving the needs of host employers, are effectively mentors to over 40,000 apprentices and trainees.
- (I often say that not only do group training organisations have the “normal” 9-5 focus, but they also are just as involved in the 5-9 as well)

It is unlikely that any other group in Australia could lay claim to as much experience of contracted training arrangements or as much outreach into small business and the general community based around those arrangements, than that of group training

I believe that this unrivalled record equips the group training network to be a central player in the VET landscape

And I am not alone in this:

The National Skills Policy Collaboration (comprising the Australian Industry Group, The ACTU, the AEU, the Dusseldorp Skills Forum and Group Training Australia) recently released a joint policy statement entitled *facing up to Australia's Skills Challenge – setting priorities and delivering results*). 10 key policy priorities were identified – one of which was: **a crucial role for student support and intermediaries** which stated:

Linking, brokerage, guidance, advice and intermediary roles will be critical for students to be truly at the centre of learning. They can help turn large and impersonal systems into accessible networks. Done well, these roles represent a powerful way of enabling learners to build self-reliance and to undertake the informed decision-making necessary to ensure that learning is better accessed and work is well negotiated. In particular, intermediaries like Group Training Organisations have the

potential be a critical juncture through which students can link between school, training, TAFE, industry and employment.

And the 2007 Australian Industry Group/Dusseldorp Skills Forum Discussion Paper – **It's Crunch Time – Raising youth engagement and attainment** clearly identified group training as playing a critical role in both the learning alongside schooling and post-school pathways.

The Paper stated:

Linking and intermediary roles are no longer discretionary parts of the education and training landscape

In particular, intermediaries like group training organisations, where industry has a genuine investment in their success, need to be given a broader mandate and remit.

Building on this theme, I want to spend the time available today outlining and arguing a case for an enhanced role for group training in youth pathways and paying particular attention to three critical policy areas in the VET landscape:

1. school to work transition
2. youth labour market
3. infrastructure and systemic support

1. School to Work Transition

(i) Mainstreaming Work Readiness

Many group training organisations are active partners with schools in the provision of what might broadly be called career and transition services.

These services have taken many forms including school-based apprenticeships, work readiness programs, structured workplace learning, enterprise education and other vocational learning programs.

Such programs are a form of learning beyond the classroom that provides an opportunity for students to contextualise learning and make more informed choices about their preferred pathway in the post-compulsory years.

As mentioned previously, in their recent discussion paper *It's Crunch Time*, the Dusseldorp Skills Forum (DSF) and Ai Group proposed a framework for improved career and transition services. A key plank in this framework was making much greater use of the existing infrastructure provided by intermediaries such as the group training network

(ii) Building Real and Virtual Careers Advisory Networks

In addition to the active involvement of some GTOs in various forms of vocational learning, many more have had a longer history of involvement in the provision of other services such as careers education and information. It is, however, important to look for new and innovative ways to deliver this advice to ensure that it resonates with the values and styles of contemporary youth culture, particularly those associated with Gen Y.

In its current project work assisting GTOs to work more collaboratively with schools and Local Community Partnerships, GTA has been promoting the concept of the Four Pillars of Transition Support. At its most basic, this concept holds that the most effective careers and transition support services are best delivered by a combination of parents, peers, employers and professional service providers.

In regards to “peers” in particular, GTA recognises the value of using young apprentices as ambassadors for group training and for promoting a career in the traditional trades. The voice of young people is now being used by GTA in on-line marketing material such as pod casts which are being used in hundreds of schools as a careers education resource.

(iii) Try-a-Trade

The hands on, experiential nature of the Try-a-Trade advisory service has proved to be an extremely popular drawcard for young people when held in conjunction with such events as careers expos, Worldskill Australia competitions and other career / employment planning days.

The Try-A-Trade concept seeks to address a phenomenon in modern society that makes promoting a career in the trades more difficult than once may have been the case.

At its most basic, it is peer driven careers advice – hands on with no frills, using the knowledge and skills of current apprentices to impart relevant, user –friendly careers advice to school students and school leavers.

As a result, Try-A-Trade is beginning to fill a careers information gap and the group training network is demonstrating its capacity to successfully fold it into its core business.

(iv) School-based traditional apprenticeships

Group Training Organisations have been at the forefront of the development of Australian School-based Apprenticeships. Indeed, GTOs were arguably the progenitors of these innovative arrangements with some of the earliest models put in place in Queensland and Victoria.

NCVER figures suggest that students who commence a school-based apprenticeship or traineeship are more likely to be engaged in a traditional apprenticeship, if employed through group training arrangements as opposed to direct indenture.

There is further evidence that those same school-based traditional apprentices are more likely to continue the apprenticeship post-school and complete their qualification than those school-based apprentices who are employed directly.

The issue of completion rates for both apprentices and trainees is a vexed one for the training system. The support services and pastoral care provided by GTOs to apprentices and trainees **often** make the difference between the cancellation and the completion of training contract, particularly when it involves a student balancing general education with training in a traditional trade.

It is for this reason that GTA has advocated that serious policy consideration be given to managing all school-based apprenticeships through group training arrangements.

The second key area where I believe group training can ramp up its involvement is in the:

2. Youth Labour Market

(i) Improving Jobseeker Preparation

There are currently about 24,000 annual apprenticeship and traineeship commencements through group training arrangements. While most of these vacancies are still filled by young

people who have come directly from school, an increasing number of applicants are at other stages in their life course, who often require additional assistance up-front.

Two important pathways in this regard are pre-apprenticeship courses and pre-vocational programs.

Pre-apprenticeship courses provide upfront skills training designed to make an apprentice more productive and therefore more attractive to an employer, while pre-vocational programs generally aim to mitigate various forms of disadvantage which prevent a job seeker from gaining immediate access to skills training.

Evidence from research within the group training network indicates that, in many parts of the country, there is no shortage of applicants for the apprenticeship and traineeship positions available. In these cases, the problem is arguably no longer one of insufficient interest or willingness to become an apprentice or a trainee, but rather that many of the applicants are found to be unsuitable for the positions for which they apply.

The problem can be attitudinal, poor preparation and unrealistic expectations or just simply inadequate levels of literacy and/or numeracy.

The GTOs that do not appear to have a significant surfeit of applicants for the available positions are generally those where the preferred recruitment pre-requisite is the completion of a pre-apprenticeship course.

These courses appear to serve as an effective selection filter.

Existing programs such as the Group Training in the Trades Programme (GTTP) and the Australian Apprenticeship Access Programme (ACCESS) go some way to providing pre-apprenticeship and pre-vocational training of the kind outlined above.

We at GTA are strongly of the view that such programs must be folded into the fabric of the new government's education and training landscape.

In particular, to the roll out of the over 600,000 training places under the Productivity Places Program in which a great many of the places will be devoted to addressing the needs of the disadvantaged or marginalised in the labour market.

It would be unrealistic to think that the tens of thousands of marginalised candidates under this program will automatically be ready to undertake a full qualification *without* the necessary preparatory training and the acquirement of foundation skills. Pre-vocational training in the old language.

Group Training's engagement and involvement in program's such as ACCESS could play an extremely valuable role in ensuring that thousands of marginalised candidates get the leg up that they need to undertake full time training.

(ii) Assisting People with a Disability into Apprenticeships and Traineeships

In 2004/5, GTA published *Key Success Factors in Placing and Supporting New Apprentices with Disabilities through Group Training*.

This report concluded that better apprenticeship outcomes could be achieved for people with a disability if GTOs and specialist Disability Employment Network providers collaborated to pool their respective resources and expertise.

Following publication of its report, GTA initiated a major national project funded by the Commonwealth. The project involved the establishment of 20 partnerships between GTOs

and DEN providers, with each partnership committed to placing a quota of participants into traditional apprenticeships.

By any measure, the project has been a success, demonstrating yet again the capacity of the group training network to successfully partner with others in the VET landscape.

(iii) Higher Level Skills Training

Australia's long term prosperity in the global economy depends on our ability to develop a high-wage, high value-add, innovative economy of our own. We cannot achieve this unless we develop a highly educated and skilled workforce.

High level skills are required across many disciplines and fields of endeavour, including those associated with vocational education and training and the traditional trades. The group training network can play a part in lifting the skill levels of apprentices and trainees beyond Certificate level III to level IV, and higher, for employers who need these skills.

Indeed, this would simply be a continuation of the network's ability to develop pathways through the training system that meet the needs of employers and career aspirants.

(iv) Apprentice Wages

A further critical factor impacting on the youth training market, and for which GTA has been campaigning hard, has to do with the adequacy of apprentice wages.

Last year GTA released a report by Professor Michael Bittman of UNE titled *Living Standards of Apprentices*.

The national study highlighted the financial difficulty facing apprentices, with wage levels for many first year apprentices below the poverty line and barely above unemployment benefits. 2nd year wage levels in key trades were not much better.

At a time of national skill shortage, and with a need for more young people to take up a trade, it is disturbing that many apprentice wages, particularly in the 1st and 2nd years, remain below a standard generally acceptable to the community.

The level of earnings, explains in part, the high drop-out rates of above 40% in all key trades.

This is clearly a poor return on the national investment in skills formation, and reflects the low value that is often placed on trade training.

If Australia is serious about creating a future generation of skilled tradespeople, it must ensure that wages paid to apprentices, particularly in the 1st and 2nd years, provide adequate financial encouragement and a decent level of support.

GTA will continue to bang this drum loudly in the context of lodging submissions with the AIRC for the award modernisation consultation process.

3. Infrastructure and Systemic Support

Group training's active engagement in the wider VET landscape will continue to grow as long as critical infrastructure and systemic barriers are addressed.

The most critical have to do with funding and regulatory arrangements.

The Joint Group Training Programme, for example, has been in existence for over 25 years. These funds have been the venture capital of group training.

It is unlikely the impressive outcomes delivered by this network would have been achieved without it.

Endless reviews of the programme however, designed to convert it from a form of infrastructure support to one that fits the purchaser provider model so much in vogue, coupled with its failure to maintain its value in real terms, have seen the program lose its ability to provide GTOs with the financial support they need to be innovative in responding to the changing needs of the employment and training market.

This situation needs to be rectified so as to give group training organisations the scope to develop the necessary capacity and infrastructure so critical to meeting the needs of an expanding client pool.

Conclusion

I believe the case for an enhanced role for group training in the delivery of employment and training services to the youth market is a strong one.

Group Training's many strengths revolve around key features such as diversity, flexibility and capacity.

In a very crowded market place and one which demands all players to respond rapidly to the ever changing needs of both employers and employees, group training is now extremely well positioned to deliver the goods.

We look forward to your support.