

Mr Colin Walters  
Group Manager  
Vocational Education and Training Group  
Department of Education, Science and Training  
GPO Box 9880  
Canberra ACT 2601

Dear Mr Walters

**Re: New Apprenticeships Support Services: Discussion Paper for Consultation**

I am writing in relation to the above matter.

As the national professional association for the network of group training companies, GTA is grateful for the opportunity to comment on a number of issues relating to the operations of New Apprenticeship Centres. I hope that our comments will be useful in developing the specifications for the next New Apprenticeship Centre (NAC) tender round.

As you would be aware, we have made representations to both the department and the Minister on a number of occasions about various aspects of the operations of New Apprenticeship Centres. These comments have invariably been in the context of their impact on the operations of Group Training Companies.

Our comments on this occasion are again largely confined to the relationship between NACs and GTCs. Comment on how the services are best purchased or their efficacy best measured is being left to others, including those of our members, who are closer to these issues either because they are currently under contract to the Commonwealth or intend to tender in the next round.

#### **What services do group training companies provide?**

The range of services provided by a best practice group training company to industry, to its employees (New Apprentices) and to the wider community is remarkably comprehensive and extensive. These services will not be new to you, having been described in any number of documents and submissions already in the public domain but they are necessary to restate in this submission.

They can be divided into the following categories or relationships to give a sense of just how comprehensive they are:

## **1. Relationships with Host Employers**

These functions include:

- identification of existing and emerging New Apprenticeships that meet the skills of individual host employers or industry sectors more broadly.
- marketing of opportunities directly to existing and potential host employers.
- selection and provision of suitable New Apprentices.
- monitoring of New Apprentice to ensure requirements of training agreement are being met and to troubleshoot any issues that may arise in the employer/employee relationship.
- management of contractual arrangements with host employer that include the commercial aspects of the arrangement as well as Employer and New Apprentice obligations.
- measures to ensure that the industrial arrangements and conditions of employment for the new apprentice are in place and understood by all parties.
- educating host employers and potential host employers about apprenticeships and traineeships, particularly in keeping them informed of new developments such as Training Packages
- communicating broader employment and business issues to host employers, the vast majority of whom are small to medium enterprises. Examples of this include the communication of information on the GST as it impacted on the service of group training.
- inculcating a training culture particularly in small and micro businesses

## **2. Relationships with New Apprentices including Pastoral Care**

These functions include:

- ensuring conditions of employment meet or exceed the requirements of Industrial Arrangements.
- monitoring on and off the job training to ensure satisfactory progress toward achievement of a VET qualification.
- taking a holistic approach to the management of training and in taking a “pastoral care” approach to the needs of the new apprentice to ensure successful completion of the training. Central to a sound pastoral care program is the monitoring of both on and off the job training delivery to ensure all the requirements of the training plan are met. Inherent in the pastoral care is the need to deal effectively with the full range of issues that present themselves as part of the VET system. This will include elements of the following:
  - Off the Job Training: - liaison with RTOs, remedial action for under performance and coordination of off the job with on the job training.
  - On the Job Training: - including rotation (internally within and externally across host employers), managing performance and training supervisors (host employers).
  - Managing the paper flows of the VET system including Training Agreements, Living away from home allowances and RTO assessments/reports
- in retaining a focus on completion of the terms of the Training Agreement, GTCs will come across a variety of issues that may influence the progress of individual

New Apprentices. This can include, but is not restricted to providing additional “pastoral care” in overcoming issues and difficulties that may arise in the following areas:

- Housing & accommodation
  - Off the Job Training
  - On the Job Training
  - Workplace Conflicts
  - Finances
  - Family and relationship issues
  - Lifestyle issues
  - Health problems, including drug and alcohol problems
- post New Apprenticeship assistance – including links to both employment and further education and training.
  - provision of development opportunities through the term of the training agreement including through nomination for various awards and in work placement (including overseas).

### **3. Occupational Health and Safety**

These functions include:

- provision of training to (particularly new) host employers about their obligations under OH & S.
- OH & S assessment of workplace prior to and during placement and/or prior to rotation of the New Apprentices.
- return to work plans for injured workers
- OH & S training of New Apprentices at commencement of employment.
- ongoing training for New Apprentices
- GTCs have the full range of responsibilities of employers under OH & S legislation. This in an area where there are some of the highest risks (the building industry and young workers).

### **4. Industry and Community Partnerships and GTC Diversification**

Group Training Companies have their bases in a diverse range of organisations across metropolitan, regional and rural/remote Australia. This includes industry associations, community organisations and special interest groups. Most have diversified their range of operations to include such things as being registered training organisations (RTOs), job network providers and labour market program deliverers.

This diversification, though in part driven at the urging of governments as well as the need for the economic survival of GTCs, has served to ensure GTCs are enmeshed in the communities in which they operate. Examples of this are as numerous as there are GTCs but would include for instance a rural company working in a “thin” labour market delivering an extremely diverse range of services to the community in which it operates. This includes group training services, Business Enterprise Centre services, Job Network provision and State or Territory government specific functions such as NSW Department of Fair Trading Mailbox facilities. This is in addition to developing formal (through memorandums of understanding) and informal relationships with such diverse entities as local governments, schools, local industry and producers associations, TAFE colleges, universities and community groups.

## **5. Relationships with the School Sector**

Group training activity with schools has grown extensively over the past five years and includes:

- developing strong direct links with local school systems to ensure a flow of students into apprenticeships and traineeships
- employing school based part time apprentices and trainees with over 50% of school based apprentices and trainees across Australia employed through group training arrangements.
- managing and co-ordinating work placements for VET in school activities and structured workplace learning (SWL) programs

## **6. Recruitment**

The success of the recruitment function is critical to the GTCs ability to satisfy the needs of the host employer. The following observations can be made:

- traditional recruitment methods (advertising and large scale testing and interviewing) have become increasingly less productive in providing candidates for New Apprenticeship jobs.
- there has been a significant change in the demographic of people seeking New Apprenticeships. In general terms this has seen a shift from the school certificate to the senior school certificate as a basis for entry, more older workers looking at the option and a broader range of post secondary education options with which VET has to compete.
- current Job Network arrangements make it difficult for GTCs to develop ongoing relationships with Job Network providers. This is because in large part Job Network providers don't receive payment at the basic level to assist their clients into GTC vacancies.
- GTCs have had to resort to more innovative and costly options in filling jobs. In particular this is through direct advertising and in developing strategic partnerships with schools and RTOs.

## **7. Staff Training and Development**

The knowledge and skills base required of front line staff in Group Training Companies requires a unique combination of industry and VET information, business skills, communication and sales ability as well as the knowledge of the range of support services that may be required in the full delivery of pastoral care.

Foremost amongst the requirements of front line staff is a knowledge of the complexities of the VET system and the industry or industries that the particular GTC operates in. This, together with the ability to communicate these arrangements to employers and to convince them that they should be involved in the training market, is a key feature of group training.

## **Should New Apprenticeship Centres become more involved in providing 'pastoral care' to New Apprentices?**

It is somewhat surprising, though warmly welcomed, that the discussion paper should begin by canvassing the issue of pastoral care and questioning whether NACs should become more involved in providing 'pastoral care' to New Apprentices. The suggestion that they might or should, indeed that there is even such a thing as 'pastoral care', would seem to be at odds with views expressed on this subject recently by colleagues in your department, amongst others.

As you are aware, ANTA has just completed a national review of group training which includes a series of recommendations on new funding and regulatory arrangements for consideration by ANTA MINCO in late May. As a member of the review steering committee, I was involved in lengthy debates about the definition and key features of group training.

Despite some strong resistance on our part, the committee would not countenance the inclusion of the notion of 'pastoral care' in the definition, ostensibly on the basis that it was an inappropriate and somewhat anachronistic term.

The expression 'additional care and support' was substituted for the concept of 'pastoral care' as a compromise, I believe, between our firmly held belief that there is such a thing, even if difficult to define or measure, and that of others who argued that a GTC would do no more than any other employer is obliged to do in relation to the well being of its employees. Their argument seems to be that, as all employers must observe a common minimum set of standards in relation to their employees, and indeed could generally be relied upon to do more in the interests of good employee welfare, there is unlikely to be any service that really distinguishes a GTC from any other employer.

This simple comparison fails to take account of the very different nature of the business of group training from that of most other employers, involving as it does the employment of anything up to 1,000 or more largely young people who are at a difficult stage of life.

The stories of the lengths to which some GTCs have gone to assist New Apprentices with personal problems are legion, and certainly well beyond any legal requirement, but 'pastoral care' is not just about assistance in times of crisis.

As outlined above, pastoral care is arguably a more holistic concept that embraces all that is required by way of management and intervention to ensure a successful outcome for a young person. It is something of an ethos in best practice terms and we, of course, are delighted that you acknowledge its potential to add value to the training system by raising the prospect of paying for it as a question in your discussion paper.

## **What services should the Commonwealth be purchasing?**

As this paper has demonstrated, the range and depth of services provided by GTCs and the expertise required to deliver these in an increasingly demanding commercial environment is quite staggering.

Whilst acknowledging the contribution of the NACs to the overall maintenance of a strong and vibrant training system, it is difficult to imagine that New Apprenticeship Centres could provide any more comprehensive a service than that depicted, with staff any more qualified or capable of dealing with the myriad issues and complexities of the training system than those that confront the GTC on a daily basis.

With the exception of the payment of the Commonwealth employer incentives and subsidies, it is hard not to conclude that NACs are in many respects overlapping many of the functions of a GTC, although as the legal employer of the New Apprentice, the role and responsibilities of the GTC are both more extensive and onerous.

When one compares the key features of a NAC, as outlined in your discussion paper, with those of a GTC, one is struck by the remarkable similarity of function.

GTA supports the establishment of a network designed to be more active with industry than the former CES which was, in its later days, largely limited to the payment of employer incentives and subsidies and barely involved in promotion, marketing and monitoring. The original intention of such a network, when first piloted through the so-called CELTAs (Contracted Entry Level Training Agencies), was to create a 'one stop shop' for employers by combining Commonwealth and State Training Authority functions in the one outlet.

We believe that the obvious overlap of functions between NACs and GTCs is unnecessary and, at times, counter productive. It is undermining the concept of the 'one stop shop' which is what group training had already become for many employers who were understandably eager to limit the number of intermediaries with whom they were required to deal.

It is also the cause of some tension between the two networks, despite examples of very collaborative partnerships that have developed between some GTCs and NACs. I alluded to some of these partnerships in my presentation at the recent national NAC conference.

Nonetheless, the members of our association still perceive this duplication of effort as a problem and are keen for it to be resolved. Indeed, GTA has already outlined a possible solution to this question in a previous budget submission, which was also the subject of subsequent discussions with Dr Kemp when he was Minister.

The solution that we favour is to accord any GTC that so desires, the automatic right to provide New Apprenticeship support services in relation, at least, to its own New Apprentices.

We appreciate that implementing such a reform would raise a number of issues for the tendering process but cannot see that they would be insurmountable and firmly believe that the benefits would outweigh any other concerns. We would be pleased to enter into discussions with you about how this might be achieved.

It would simply be poor public policy to allow this overlap of effort to continue any further and we look forward to working with you on ways of resolving the issue and improving services to industry.

Yours sincerely

Jim Barron  
Managing Director

2 May 2002