

NSW UE ITAB GREEN PAPER SUBMISSION

The Continuing the Productivity Conversation Green Paper identifies big and small measures that the NSW government can take in the short, medium and longer term.

The New South Wales Industry Training Advisory Body (NSW UE ITAB) welcomes the opportunity to provide feedback Chapter 3 – A modern VET system to deliver the skills we need contained in the NSW Productivity Commission Green Paper, 2020. The NSW UE ITAB is a not-for-profit skills, training, workforce development and careers advisory body. It is led by a bipartite industry stakeholder Board. It is recognised by the NSW government as an independent voice on VET matters in relation to its industry coverage. The ITAB works closely with industry stakeholders and related training organisation, group training companies, government regulators and agencies, related bodies and associations involved in schools, careers, preparatory employment, workplace skills formation and recognition, work organisation and job redesign, and training and assessment standards and resources development.

The NSW UE ITAB supports the principles espoused in draft recommendation 3.1, “the 2020-21 Budget, develop a medium-term ‘earn or learn’ skills strategy that guides and supports skills transitions for workers displaced by COVID-19.”

Whilst recognising the underlying intent of draft recommendation 3.2, the NSW UE ITAB does not support key tenets espoused in the recommendations related to introducing two new and more flexible pathways to trades qualifications. The rationale for not supporting this recommendation is outlined in further detail below.

The ITAB would however, support an intensive and longer-term marketing campaign to raise the profile and awareness of trades and trade pathways that lead to rewarding careers and career opportunities for career aspirants. This aspect has been an underdeveloped strategy and one hopefully the National Careers Institute in conjunction with the states will take national responsibility for. Its stated aim is to focus on marketing and promoting vocational careers and pathways.

The NSW UE ITAB supports the principles espoused in draft recommendation 3.3, “Target Smart and Skilled funding more effectively by refining the NSW Skills List. Prioritise funding to courses that demonstrate value to industry or represent skill shortage areas.” However, there should be great transparency how the funding models are derived and how qualifications or skill sets with similar or parallel outcomes are funded at different levels. Also, the funding model must review whether the approved funding for each qualification provides sufficient quantitative monies that ensure sustainability for more RTOs in the market (particularly regional areas) to provide long term quality outcomes, specifically qualifications covered by Vocational Training Orders (VTOs).

The NSW UE ITAB supports in part the principles espoused in draft recommendation 3.4, “Extend Smart and Skilled subsidies to targeted short courses and micro-credentials that provide discrete skills employers recognise and value.” It does not support Smart and Skilled funding where it is used as a mechanism to create specialised and limited field workers with narrow skill sets, or undermine outcomes and careers facilitated and fostered by approved VTO qualifications.

Why does the NSW UE ITAB not support draft recommendation 3.2

The proposition posited by the Commission to create or fragment pathways to a trade occupation whilst plausible on face value underscore a naïve understanding of what it takes to become a fully qualified tradesperson and what it takes to attract career aspirants. Little reliable or validated

evidence is proffered that the suggested new pathways will in fact increase numbers of tradespersons over the long term, particularly in an economic downturn. However, there is ample evidence that the traditional pathway, via a reliable, tried and tested model of competency development to a qualified and competent tradesperson, that the existing apprenticeship on the balance of probability is the most efficient and coherent model of learning and development. It provides employers with a productive employee and an employee with a formal learning environment to gain knowledge and skills whilst in work. To its credit, the Commission does not contest this ancient and well-established apprenticeship model, bound by a contracted arrangement of productive employment and concurrent learning under a mentors' guidance. This simple and yet powerful learning model is not contested.

What is contested is the concurrence of learning and legal contractual arrangement and protections that support apprenticeships, stating "key reasons why apprenticeships are insufficient to meet the needs of our modern economy include the uncompetitive pay, inflexible training delivery, and the long time needed to complete." There is little evidence of substance presented to support this claim. The factors that affect employment of apprentices is complex. It is a well-researched area that in summary are not readily resolved by offering up a series of new fragmenting pathways that 'might' increase numbers but end up with less entrants attracted to the trade occupation in the longer term?

There is ample evidence too, that fragmenting a tried pathway into a career ends up assuring its loss of status and capacity to sustain itself. The NSW UE ITAB has firsthand knowledge of this very approach that was foisted on the electronics trade and resulted in the trade now almost extinct. It could be argued that other factors were at play such as technological change, but it would underscore what actually transpired and what employers were left with. In the lessons learnt on this matter, the Victorian public institution promoted in the late 1990s a full upfront program of learning, offering a Diploma and/or Advance Diploma of Electronics, as an alternative pathway to the Electronic Trades apprenticeship. Over 700 learners were recruited over a given period of 2 years.

Concurrently, the number of apprentices in that state declined drastically (given the hype, status of the higher qualification and no need to work whilst learning the underpinning knowledge of the trade), as the institution benefited from the numbers politically and employers could take a wait and see approach to the quality of outcomes of the programs. The result, employers were dissatisfied with the quality of outcomes and therefore employed fewer graduates, employers weren't prepared to pay a higher rate for a potential employee they could not fully utilise to perform autonomous work as competent person (propagated of a Diploma graduate), the prospective employees had little employment history or development of cultural norms and processes of a workplace and became a hinderance rather than a productive employee, many did not graduate from the programs, and many graduates did not go on to join the ranks of employment in the electronics occupations. When asked to validate the graduate destination of their graduates few could articulate with any confidence where the graduates ended up. The value and status of the electronics tradesperson apprenticeship and the trade itself had been sufficiently eroded that it was lost to another time. Remaining employers in the industry just had to shrug their shoulders and margins were too low to employ such graduates. The critical mentoring role of developing a tradesperson for the industry too, was lost.

Given these programs were supported by taxpayer funds, of those that completed after committing 2 years to a program few had jobs in the industry, and employers simply gave up. This is the likely scenario that will ensue should the Commission's recommendations be realised. Taxpayers funding a training organisation to provide a place of learning and no likely job at the end because employers will not pay a higher price for labour that is untested in a narrow field of work. That is, a trade

qualification is designed as a specific outcome it is not a general outcome that provides for other career options. Thus, moving to an all up front training model produces no benefit for anyone in the longer term. The learner after completing the off-the-job program, which typically represents around 20% of the overall learning of a full apprenticeship will be armed with some knowledge dedicated to a specific trade outcome. If they choose to explore other options the industry loses them and they are faced with fewer employment prospects, as the qualification is designed for a specific outcome. It is not like, for example a Bachelor of Arts qualification which provides a broad scope of possible employment outcomes for a graduate. Comparing a specifically designed trade qualification to a Bachelor of Arts degree is like comparing oranges and vegetables. They may have similar qualities, but they are not the same.

The test for suggesting new pathways should be premised on employment first and learning as a concurrent enterprise, because that is what a trade outcome is. Whilst the Commission offers some solace by stating, “Apprenticeships, however, will remain well-suited to certain cohorts and should remain in place. But we need new pathways to trades to complement apprenticeships to broaden access to the trades.” It does not offer which of these cohorts should remain in place. However, it is happy to cite a long-standing skill shortage trade such as air-conditioning to buttress its case. One that is more about economics of employment and not about learning. The ratio of apprentices in training coincide with the status of the economy and have remained largely consistent over many years. Skill shortages ebb and flow with the economy. See later NCVET reports that evince this.

The example and premise the Commission mounts in terms of the air-conditioning mechanic, commences with a false assumption. Apprentices in NSW do not pay a course fee as cited in the example at Box 3.4, page 77. Moreover, in NSW what is the evidence predicated on that, “There are significant barriers to training as an air-conditioning mechanic for the 14 per cent of new enrolments that are outside an apprenticeship.”

If enrolment is contingent on being employed as stated in the next sentence, “Enrolment is contingent on being employed in the air-conditioning and refrigeration industry.”:

- who represents the 14%?
- are they fulltime learners or are they undertaking such a program illegally?
- are taxpayers contributing to the funding of the 14%?

In the same example it states, “The normal pathway for most types of work is to spend a period in full-time education or training, and then to get a job in industry. No such pathway exists for air-conditioning mechanics. Moreover, the requirement to be employed in the industry before training can begin presents as a ‘closed shop’ to outsiders.” (page 74)

This statement shows a distinct lack of understanding of trade training and duty of care responsibilities on employers. It is not the norm for trade related occupation to “spend a period in full-time education or training, and then get a job in industry.” This is entirely a false premise and underscores the holistic learning model of a trade that involves concurrence between off-the-job learning and on-the-job learning. The greater the concordance between learning, practice and context (world of work) the greater the retention of learning. The lesser the concordance between learning, practice and context (world of work) the lesser the retention of learning, contributing to an atrophy of skills and knowledge over time if not continuously practiced. That is, if we arm learners with only part of the knowledge and skills of a holistic model, we ensure the potential for higher risk incidents in the future. Take for example a student who completes only the off-the-job component

of an air-conditioning mechanic trade (graduates with say a certificate of trade studies) and then wanders around for a few years and friend or colleague states they are having some troubles with their air-conditioning system, the graduate may take it upon themselves because of a perceived belief of competence they can start to free up some toxic gases in the environment or working on electrical components of the system – all of it illegal. This result poses a danger to the ex-learner, the friend, others and interestingly, in this case the environment.

The statement that “Moreover, the requirement to be employed in the industry before training can begin presents as a ‘closed shop’ to outsiders.”, is an affront to the industry as the complex issues surrounding employment of workers in learning and responsibilities employers have might be perceived as closed shop but in fact are created by important legal OHS duties and responsibilities. For example, what employer would take the risk without the support of the state to permit a potential recruit who was completing their personal off-the-job program (work placement) with an RTO to enter say, a chemical factory to gain exposure and experience on an air conditioning chiller system and see if they might like to be an air-conditioning mechanic in the future? It is a notion of pipe dreams. An employer would be derelict in their duty to permit such when the work environment and context of work may exhibit a range of hazards and risks. This is true too of the construction industry, and recommending that it is possible without legal protection of the parties demonstrates a naïve range of assumptions to learning and earning and trade training.

Who would want to promote a pathway that leads to a ‘jack of all trades and a master of none’? No one benefits from this scenario – not the industry, not the learner, not the public and nor the taxpayer that funded it.

The proposed pathways will not increase the attractiveness of the trades. This is aspirational and not based in evidence. In fact, it will only work against the prestige of the respective trade. The suggestion that apprenticeships are too long and rigid also is not valid and the existing evidence indicates otherwise; provided later in this submission.

The comparison of like AQF level qualifications too, is flawed. You cannot compare an AQF 3 level trade with other level 3 qualifications. They are simply not the same and recognised by governments across Australia and internationally. That is part of the reason they are regulated in all jurisdictions. It is a quirk of history the all traditional trades were aligned to AQF Level 3. It is known that independent research in Victoria by the state into the electrical trade and its demands recognised that it best aligned with a Diploma. However, other factors are at play and contribute to the historical alignment which is beyond the scope of this submission. These external and competing forces dictated the reasons why trades were aligned, for historical purposes to Level 3.

The reference to the apprenticeship retaining a timed model as compared to a competency based model is caused by the lack of trust in Registered Training Organisations (RTOs), as pointed out in the Joyce report. If RTOs were trusted to observe and comply with the precise requirements of Training Packages in terms of training and assessment, then the issue would not exist. So, it is not a factor of the apprenticeship that mitigates against competency-based progression and graduation, but the lack of confidence industry has developed from real world experiences of poorly performing RTOs, poorly regulated by ASQA. Poorly performing RTOs undermine the quality RTOs.

The statement, “These arrangements mean apprentices earn relatively low wages compared with unskilled workers.” This statement is an affront to semi-skilled workers. What or who is an unskilled worker who has a job in the labour market and earns an income? Every worker is a skilled person at some level, even an apprentice. Comparing the earning potential of a semi-skilled worker with an

apprentice is like comparing a boat with a train. They are simply a means of transport, nothing more. They do not have much else in common. That is, both are employed.

Some basic facts about apprenticeships

- 1. Reference:** 'TRADITIONAL TRADE APPRENTICESHIPS: TRAINING ACTIVITY, EMPLOYER INCENTIVES AND INTERNATIONAL PRACTICE' NCVET publication, produced by Josie Misko, Research report, 12 March 2020 - 978 1 925717 47 1

The report found, "that trends in (traditional apprenticeship) commencements rise and fall in line with fluctuations in the economy. The availability of employer incentives have also affected the quantum of apprenticeships. The lessons we can learn from overseas have to do with the amount of prescription in what is expected from in-company training, integration of in-company and off-the job training, and the qualifications of teachers and workplace supervisors.

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An analysis of the data on traditional apprentices shows that the demand for traditional trade apprentices has been relatively stable over the last 15 years, with changes in demand generally aligned to the prevailing economic conditions. This stability is also partly attributable to government policy settings at the federal and state and territory levels, which have supported the traditional trades through the consistent prioritisation and application of incentives and training subsidies. Our examination of government incentives for employers of apprentices in the traditional trades indicates that despite the numerous changes to the overall apprenticeship incentives scheme they have remained relatively stable. This is primarily because the traditional trades are aligned to the skill shortages identified in the National Skills Needs List. However, the value of the base incentives for the traditional trades has, in real terms, declined since 2012.

- 2. Reference:** 'TRADITIONAL TRADE APPRENTICESHIPS: LEARNINGS FROM THE FIELD', NCVET publication, produced by Josie Misko, Bridget Wibrow, Research report, 12 March 2020 - 978 1 925717 44 0

A companion to *Traditional trade apprenticeships: training activity, employer incentives and international practice* by Josie Misko, this report collates qualitative material from in-depth interviews and focus groups with employers, trainers, apprentices and relevant government officials describing what is effective, what is not, and what needs improvement in apprenticeship training.

Our research finds that the current combination of off- and on-the-job training is, on the whole, working effectively and should continue to play a key role in apprenticeship training for the traditional trades. Both forms of training are required if apprentices are to develop the technical skills, underpinning knowledge, attributes and behaviours required for their trades. Nevertheless, our research identified a number of challenges in ensuring that this combination continues to operate well. Recommendations for improvement were offered, of which many were similar or the same, while other issues were less common, although all aimed at ensuring that the system works effectively and efficiently for all involved.

- there was strong support among employers, training providers, apprentices and apprenticeship regulators for maintaining the current elements of apprenticeship training for the traditional trades, these include a formal training contract and the combination of on- and off-the-job training. Where suggestions for improvement were made, they were more concerned with making slight adjustments to the current approaches rather than fundamental shifts.

- apprentices sometimes felt challenged by the expectations of the workplace, managing their release for off-the-job training at appropriate times, understanding the complex theory components of their courses, and sustaining interpersonal interactions with superiors and co-workers.

- the appropriate scheduling of off-the-job training (especially block training), in consultation with employers, has the potential to ensure that employers can both fulfil their training contract obligations to release apprentices for training and keep apprentices engaged in productive work during busy periods. In terms of outdoor trades, the ability of the training provider to be flexible when scheduling off-the-job training at times when the weather is unsuitable is considered critical.

- in view of the increasing specialisations in some industries, it was recognised that it is becoming more difficult to align the learning the apprentice is undertaking off the job with tasks being done on the job. Where apprentices are exposed to substantial specialisation in the workplace, there is a view among some employers that training providers should focus on the skills not regularly practised in the workplace to allow the apprentice to spend more time learning the skills of the broader trade.

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- training providers indicated that compliance with VET regulatory frameworks and standards at national and state and territory levels continues to place high administrative burdens on trainers and their managers, largely because they saw this compliance as additional to their core teaching and training responsibilities.

- engaging the apprentice in concentrated periods of up-front training, followed by periods of workplace training, is an option suggested by some, although whether this should occur as part of the apprenticeship itself or prior to the apprenticeship commencing was not specified. Either way, there are likely to be implications for competency-based wage progression.

3. Reference: 'TRADITIONAL TRADE APPRENTICESHIPS: EXPERIENCES AND OUTCOMES', NCVER publication, produced by Josie Misko, Zhaoyi Gu and Michelle Circelli, 9 September 2020 – 978 1 925717 55 6

The apprenticeship model of work-based training is often held up as an effective mechanism for enabling individuals to learn specific skills and subsequently transition to employment in a skilled occupation. Over time, technological, regulatory and social changes have affected the training of apprentices. It is in this context that NCVER undertook a three-phase study to investigate the demand for traditional trade apprentices and determine whether the training they receive meets current needs.

- traditional trade apprentices report high levels of satisfaction with the off-the-job training they receive, irrespective of whether they complete their apprenticeship.

- those who do not complete a traditional trade apprenticeship predominantly cite employment-related reasons for leaving their apprenticeship, highlighting how critical the role of the employer is in supporting apprentice completion.

- completing a traditional trade apprenticeship results in good employment outcomes. In 2019, over 90% of traditional trade apprentices who completed their apprenticeships were employed, compared with about 75% of non-completers. Completers also fared better than non-completers in staying employed with the same employer as their apprenticeship and having a higher median annual income.

4. Reference: 'ENERGY INDUSTRY APPRENTICESHIP PROGRESSION MANAGEMENT SYSTEM', FINAL REPORT INCLUDING SUSTAINABILITY STRATEGIES, March 2016, Energy Skills Australia (978-1-921251-49-8)

A pilot project that produced a comprehensive archive of quantitative and qualitative data and information which has never before existed for the Australian Electrotechnology Industry. The project has instigated a cultural shift within the sector; RTOs are moving to competency based delivery, employers are showing more interest in the development of their apprentices knowledge and skills and apprentices are more cognisant of the control they have over their pace of progression. ...

There is still a considerable amount of work to be undertaken by all parties to ensure a true competency based progression model can be realised and successfully implemented.

... that a future Competency Based Progression model should incorporate the following key components, albeit with ongoing enhancement to meet changing industry needs:

1. A National Apprentice Register
2. A pre-entry aptitude assessment (i.e. 'readiness assessment')
3. Apprentice Mentoring
4. Apprentice Profiling
5. Blended Learning-based delivery and assessment
6. Industry Benchmarks (one or more)

5. Reference: 'FACTORS PERTAINING TO QUALITY OUTCOMES OF SHORTER DURATION APPRENTICESHIPS AND TRAINEESHIPS', NCVER Publication produced by Kaye Bowman, John Stanwick and Ann Bly, 2005 (1 920896 53 8)

- For the purpose of this study, quality outcomes refer to the employment and related benefits achieved from completing the apprenticeship or traineeship related qualification and the level of client satisfaction with the program. Shorter duration apprenticeships or traineeships are defined as those of expected duration two years or less.

- the evidence indicates that the rate of training completion, and hence qualifications attained, is the key issue related to quality outcomes for shorter duration apprenticeships and traineeships. Those who do complete shorter duration apprenticeships and traineeships achieve relatively good employment-related outcomes and express high levels of satisfaction with the program.

- based on 1995 to 2000 data the study found that, on average, only one in two apprentices and trainees in shorter duration programs complete their training compared to three in four in longer duration ones. However, there is much variability by industry and occupation in training completion rates of shorter duration apprenticeships and traineeships. Risk areas where shorter duration contracts have very low training completion rates relative to longer term ones, include all trades and related occupations and the personal and other services industry area.

- of the various factors that can affect the quality of outcomes of apprenticeships and traineeships, it is the actions of New Apprenticeships Centres, registered training organisations and employers that appear to have had the biggest impact and appear to be associated mainly with shorter duration apprenticeships and traineeships, based on 35 research studies undertaken between 1990 and 2003. Issues arising from the actions of New Apprenticeships Centres, registered training organisations,

and employers that require attention, include the level of awareness by all parties of their roles and responsibilities, the level of employer support and commitment, the level of skills of the trainers, and the amount of training provided.

- a key suggestion is that a proper and thorough induction process be developed, and perhaps the mandatory development of a training plan, to ensure roles and responsibilities and necessary training commitments are understood by all players. Further research is also needed to separate the factors of 'duration' from 'Australian Qualifications Framework (AQF) level' in respect of training completion rates, and to gauge the effect of existing workers on training completion rates.

- the quality of outcomes of shorter duration apprenticeships and traineeships is an important issue for the training sector because they are a significant and growing subset of all apprenticeships and traineeships that in turn are a growing cohort of all students in vocational education and training. It is expected that shorter duration apprenticeships and traineeships will dominate longer duration ones in the near future.

6. Reference: Apprenticeships Task Force, Final Report, The Business Case for Apprenticeships, Produced by the Apprenticeships Task Force UK, Sir Roy Gardner, Chairman, July 2005

The business case for Apprenticeships

The Task Force commissioned research to reinforce the business case presented in its interim report. The research provides more detail on the business cases developed by several Task Force employers and supplements these with a number of new case studies, drawn mainly from sectors without a tradition of Apprenticeship. The research demonstrates that:

- Apprenticeships improve business performance by making contributions to competitiveness, profitability, productivity and quality;
- the net costs of Apprenticeships training are frequently lower than those involved in training non-apprentices and the productivity of apprentices enables employers to recover much of the costs involved;
- apprentices more easily adopt company values, are more likely to remain with the employer than non-apprentices, and become part of a wider pool of talent that can be drawn upon by all employers in the sector;
- seeking to increase the diversity of the apprentice workforce will have significant business benefits, as will providing clear progression routes from Apprenticeship to higher levels in the organisation.

Fundamentals of a quality apprenticeship

Many traditional trade vocations, especially electrotechnology apprenticeships are heavily underpinned with technical theory and employ a combined off and on job model of competency development to ensure safe and competent operatives. Integration of technical education (the off the job or knowledge component) with on-the-job practice is critical for long term retention of knowledge, facilitating currency of competence and safe work in all these vocations. Long term retention is greatly enhanced by 'overlearning'. Overlearning occurs in this model when there is substantial workplace (i.e. on the job) reinforcement of the material learnt in the off the job component. There should be, as far as is practicable, a concordance between learning and practice for the development of competently qualified personnel.

1. Evidence (refer 'Integrating on and off the job assessment – is it counterproductive?*', B. Thomas, July 1996) shows, that where significant deviation from a coherent Training Model occurs learners fail to maintain relevance, and indeed may pose a danger to themselves, others and the equipment worked on.
2. Developers and deliverers of quality training programs, aligned to trade qualifications contained in Training Packages would be familiar with this notion, and would recognise the long term consequences and likely disadvantages to learners and employers if a desegregation of the Training Model were to be introduced. For instance, segregating the underpinning knowledge component from the Training Model, so that it is delivered in full, up-front, without concurrent practice/employment is considered inappropriate; educationally deficient, and therefore unsafe. The up-front delivery means that all the theoretical work done early in the off-the-job program is not properly reinforced, the work experience reinforces only the latter (more recent) parts of the off-the-job component.

‘* INTEGRATING ON AND OFF THE JOB ASSESSMENT – IS IT COUNTERPRODUCTIVE?’

The paper released in 1996, considers various forms of integration within the vocational education and training context (VET) and concludes that integrating off and on the job assessment ought not to be a major focus for curriculum developers. Furthermore, it is argued that course structures ought to be determined by such things as sequences of entailment within the material to be covered and other implied sequences. This, in all likelihood, will preclude workplace experience and off the job experience aligning in such a way that integration of the assessment of these elements can take place.

Established practice in the development of vocational education curricula has seen a focus on various types of integration, for example the integration of practical elements with their related theory is long established. It is argued that the pursuit of integration is due to the increased coherence that results from integration and it is claimed that what is of greatest importance in respect of integration is the structure which is necessary to provide the unification that integration seeks. That is, it is important that the greatest degree of unity is achieved in the curriculum overall. It is suggested that for some vocational courses there is little chance of integrating off and on the job assessment without reducing the overall unity of the curriculum of those courses and where this is the case that integration ought not be pursued. It is maintained that integration of on-the-job and off-the-job assessment can only be achieved in a great many courses by very substantial losses of more important forms of integration in other aspects of the curriculum.

... the separation of material into strictly theoretical or strictly practical sub sets is to some extent contrived. Virtually all essentially theoretical subjects have some aspects which are more easily and effectively learned by some practical/ experimental procedures. Similarly even very basic practical matters have some underpinning knowledge associated with them, likewise for aspects learned on and off the job and for generic competencies and specific knowledge and skills. In every case integration is an endeavour to unite what might otherwise have been segmented.

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Similarly, Collins and Quillian (1969) demonstrated that concepts closer together semantically are responded to more quickly (known better) than those more distant in a given structure and Schaeffer and Wallace (1969) produced similar results.

Summary

The German apprenticeship system is often cited as the most robust and quality system for trade training in the world. It is generally recognised by any tradesperson that has worked with tradespersons from Germany that they are exceptional tradespersons. The German system is known as the dual system, regulated and involves structured training by their employer, alongside the

general and vocational education they receive. It is a similar model Australia has used for over a century in traditional trades. It has served Australia well. The other often touted model is from other countries that deploy an all up front training regime followed by employment. Why could this not be applied in Australia, as suggested by the Commission.

Any tradesperson who has encountered this type of tradesperson would confirm without a shadow of doubt, qualified persons from this model are typically inferior to the German/Australian model. That is not to denigrate the tradespersons from another model, which may be effective in their own country due to the manner in which the labour market and duty of care responsibilities are constructed thereof. However, to propose the to deployment of this model in an Australian context which has a different labour market regime, one more aligned to the German model along with a very mature employer duty of care OHS requirements demonstrates a level of naivety and lack of deep understanding of the arrangements and cultural norms that ensure high quality tradespersons are produced with high reliability and portability within a said occupation.

We explored earlier, the dangers of unravelling the employment and training contract in an effort to facilitate intensive front-end training as a means of increasing throughput of tradespersons. This strategy is not sustainable for the longer term in an Australian context and does not address an array of labour market complexities that confront employers and potential career aspirants in taking on an apprenticeship. Clearly the evidence suggests long-term traditional trade apprenticeships are not an issue as they have higher completion rates than shorter ones. It is clearly not a real wage discrepancy issue if comparable skills remuneration were studied. Clearly it is not an access issue for those looking for a career in a trade – it is very unlikely that we would be blessed by huge numbers of applicants should we proceed to change a very developed and mature apprenticeship system to promote a belief that a person of over 21 such as a 60 year old would like to commence an apprenticeship. That this would grow significantly the pipeline of tradesperson in the market demonstrate a lack of understanding of labour market fundamentals. The economics are simply unrealisable for those with deep understanding of labour markets and how people work and migrate from job to job within them.

The core and central issue is about perception and more importantly status. It is corrupted by the critical mass of policy objective from governments, education systems and parents to enshrine higher education as a satisfying and rewarding pathway to success – not just in employment but in perceived status. In some cultures, such as the German system, which revere trades, they too have experienced declines in numbers because of similar issues. It is a worldwide phenomena and policy prescription offered by the Commission is a band aid approach to a deep-seated set of issues.

The premise that somehow front-end loading of training is a solution, is flawed and will further destabilise and undermine a simple recognisable model. If we accept, the notion Jesus Christ existed given we use the Christian calendar in our everyday lives, and he was known to have become a carpenter like his father, then the apprenticeship system is over 2,000 years old. It is a simple model of the transference of one's expert knowledge under a mentored-based system to a willing learner. This model requires the integration of learning and practice that is close together overtime. Competency is developed over-time, over repetitive events in employment, transcending from highly supervised to autonomous execution of the work (Skill of the Trade). It is a factor of learning. This is true too of doctors and engineers and many professions, albeit they are more abstract and conceptual in nature given their respective AQF alignment, than the trade occupations where the interface between concept and concrete are at their peak. Engineers Australia in the late 90s declared that a competent Engineer was one that completed a 4-year degree and then went on to work as a graduate engineer over an ensuing maturation period of the same time – another 4 years. That is, 8 years. With that in mind it is hard to reconcile with much of the commentary in the Green

Paper in relation to Chapter 3 that questions why it takes 4-years to learn a trade. Using flawed assumptions would lead one to conclude a flawed solution.

Whilst some of the diagnosis is plausible and efforts should be made to improve efficiencies it is not the NSW UE ITAB's view that the solutions offered will in anyway increase numbers substantially, increase completion rates or be sustainable in the longer term and only work to further fragment the status of trades in the community.

Start with promotions, status building, changing attitudes in education departments as to the value of trades and reducing increased funding of non-labour market low value low priority qualifications offered in higher education institutions. Prioritise and add value. Don't look for easy solutions that only address the outer embroidery of a problem. Focus on long term sustainability. There is a problem but the suggested pathways as a possible solution, is at best naïve, and will result in the same path that occurred to the Electronics Trades. Hopefully, industry will render its verdict in relation to the two recommendations the ITAB is concerned with, in the Green Paper. No doubt there will be different views but hopefully the Commission will have built an improved understanding of the issues and help develop a more robust information base as to stakeholder feelings and views in this regard.

Thank you for the opportunity on behalf of the NSW UE ITAB Board of Directors

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