

RESPONSE 49

NAAAC

National Association of Australian Apprenticeships Centres Response to the Discussion Paper on Skilling Australia for the Future

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RESPONSE FROM THE NATIONAL ASSOCIATION OF AUSTRALIAN APPRENTICESHIPS CENTRES TO THE DISCUSSION PAPER ON SKILLING AUSTRALIA FOR THE FUTURE

The National Association of Australian Apprenticeships Centres (NAAAC) welcomes the Government's commitment to increasing investment in training, particularly training that is targeted to addressing skills shortages across the Australian economy.

The Association also welcomes the approach taken under the Productivity Places Program which will see training provided to both existing workers and job seekers.

The experience and knowledge that Australian Apprenticeships Centres (AACs) have obtained in promoting the apprenticeship pathway to employers as part of the development of an enterprise's workforce strongly supports this approach. Employers can often be persuaded of the need to take on an apprentice, but this is only part of the response that they need to adopt if they are to improve their productivity and compete in national and international markets. A broad approach is needed so that an enterprise can address the skills needs of **all** its employees.

AACs are contracted by DEEWR to:

- market and promote Australian Apprenticeships;
- provide information and advice to employers and Australian Apprentices;
- conduct the sign up of the Training Contract for every Australian Apprenticeship;

- administer the Australian Apprenticeships Incentives Programme which provides financial incentives to employers and a range of benefits to Australian Apprentices;
- provide ongoing support by contacting and visiting employers and Australian Apprentices to encourage the successful apprenticeship retention and completion; and

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- establish relationships with State and Territory Training Authorities, Job Network members, Disability Employment Networks, Job Placement Licensed Organisations, Australian Technical Colleges, Group Training Organisations, Registered Training Organisations, schools and other organisations to encourage the commencement, retention and successful completion of Australian Apprenticeships.

AACs are required to demonstrate strategies to enable them to deliver these services to all employers within their contracted region. In this way they have the infrastructure to achieve complete regional coverage of all employers across all States and Territories.

AAC functions can be loosely categorised into two: “shoe leather” and “administration”.

In terms of ‘shoe leather’ – conducting the sign up involves a physical visit to the employment workplace and a lengthy interview with both the employer and the potential apprentice. The AAC has to explain the system, the rights and responsibilities of the parties to the training contract, provide advice on available training providers, provide very detailed advice on financial incentives and personal benefits and assist with the actual paper-based sign up process. Following approval of the training contract by the State Training Authority, the AAC must contact at the 6 month point and again at the 12 month point, and at the 24 month point for longer qualifications.

Australian Apprenticeships Centres are required to market and promote Australian Apprenticeships and the comprehensive range of Australian Apprenticeships options available to employers, potential Australian Apprentices, schools and the general community.

Marketing and promotional activity includes:

- promoting the benefits of Australian Apprenticeships to employers;
- promoting nationally endorsed training packages as they become available;
- promoting Australian Apprenticeships as an employment opportunity to all interested job seekers and employers, with a particular focus on increasing participation in Australian Apprenticeships in skills need occupations and School-based Australian Apprenticeships as well as increasing participation in Australian Apprenticeships by Indigenous Australians, people with a disability and mature aged workers;
- promoting the full range of Australian Apprenticeships opportunities to schools, industry, Job Network members and other stakeholders; and
- marketing themselves as Australian Apprenticeships Centres providing a comprehensive support service in their contracted Region.

In talking to employers and businesses about apprenticeships, AACs already discuss the broader skills training needs of the enterprise so that the employer has a sound understanding of where apprenticeship training fits into the broader skill needs of the enterprise. This includes identifying where an enterprise could profit from using the apprenticeship pathway to upskill its existing workforce. AACs do this as part of their normal business practices. The

information obtained in this way is used by the AAC as a key element in providing a comprehensive service that meets the training needs of an employer and the enterprise.

AACs have demonstrated considerable success in growing Australian apprenticeships since they began operation in 1998. They are now in a position to build on this success and play a significant role in the government's commitment to skilling Australia.

AACs already play an important role in the government's agenda for Skilling Australia as they have been contracted to perform the functions of Skills and Training Information Centres (STICS) and as a first point of contact for employers under the Training Pathways Program. They also have a key role in using the apprenticeships pathway to address skills shortages.

The NAAAC considers that the best way of identifying the areas of skills needs to overcome the limited supply of skilled labour that is inhibiting the capacity of industry to be nationally and internationally competitive is to build on the existing infrastructure that AACs have and expand their role so that they work closely with ISCs and through them with Skills Australia in identifying the training needs of the existing workforce.

The Discussion Paper has identified ISC functions to include:

- Providing integrated industry intelligence and advice to Skills Australia, government and enterprises on workforce development and skills needs;
- Providing independent skills and training advice to enterprises, including matching identified training needs with appropriate training solutions;
- Working with enterprises, Employment Service Providers and training providers to ensure that individual and enterprise training needs are matched to appropriate training;
- Development of an environmental scan; and
- Undertaking a training needs analysis of an enterprise.

AACs are well placed to work closely with ISCs to identify the training needs of the existing workforce as they are the only organisations contracted by the Commonwealth to talk to employers on a daily basis about enterprises' skills needs. This includes their need to take on new/additional apprentices as a means of increasing the enterprise's skills base, but it also includes discussing and identifying where there is a need to use the apprenticeship pathway to increase the skills of their existing workforce. AACs do so on an impartial basis and in accordance with strict conflict of interest requirements – including in their dealings with RTOs. While the focus of AACs is on apprenticeship training needs, they are ideally placed to expand this focus by undertaking an independent training needs analysis of an enterprise and by expanding their already close working relationship with enterprises, Employment Service Providers, Disability Employment Networks and training providers to ensure that individual and enterprise training needs are matched to appropriate training, including under the Productivity Places Program. This expanded function could be undertaken in close consultation with ISCs and in such a way as to enable ISCs to advise Skills Australia and the government on the training needs of the workforce.

NAAAC considers that this whole of enterprise approach to training and skills acquisition can only strengthen the development of a training culture within enterprises which will in turn help to achieve the objective of increasing completion rates of apprenticeships.

Recommendation

The National Association of Australian Apprenticeships Centres proposes that DEEWR:

- uses the network of AACs which are in daily contact with employers and enterprises to play a key role in increasing the skills capacity of the Australian workforce as outlined in the Discussion Paper;
- contract with AACs to extend their functions to work closely with Industry Skills Centres and that as part of their regular contact with employers, AACs undertake a training needs analysis of enterprises and provide this information back to the ISCs in such a way as to enable ISCs to advise Skills Australia and the government on the training needs of the workforce.

30 April 2008