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Appendices

- 1. Terms of Reference**
- 2. Reference Group Members**
- 3. A Note on Methodology**
- 4. Stakeholders Consulted**
- 5. Submissions Received**
- 6. Trends in Apprenticeships and Traineeships in Victoria, 1995–1999**

Appendix 1

Terms of Reference

Review of the Quality of Training in Victoria's Apprenticeship and Traineeship System

Terms of Reference

To undertake an investigation into the quality and effectiveness of the apprenticeship/traineeship program in Victoria and to provide recommendations to the Government on measures by which the quality and effectiveness of the program might be improved.

The investigation will examine the following matters, paying particular regard to apprenticeship and traineeship training delivered entirely "on the job":

- whether training programs and the current registration, certification and contractual arrangements for Registered Training Organisations offering traineeships and apprenticeships provide an adequate basis for delivery and assessment and issuance of qualifications under the Australian Qualifications Framework, having regard to the implementation of National Training Packages in Victoria
- the extent of any deficiencies which are identified
- the extent to which pricing arrangements, User Choice and Government employer subsidies and rebates ensure "value for money" in terms of quality of outcomes and completion rates
- the effectiveness of current administrative arrangements for the Department of Education, Employment and Training (Victoria), NACs and Registered Training Organisations in ensuring that quality outcomes are achieved
- the adequacy of audit arrangements within all parts of the apprenticeship/traineeship system in Victoria
- the impact of recent changes to the apprenticeship and traineeship system on demand and quality issues.

The report should also provide options and recommendations (including legislative options) aimed at improving program quality and effectiveness in the areas outlined above.

The Review will take into account the findings of similar reviews in Queensland, Tasmania and other States and recent decisions of the Australian National Training Authority Ministerial Council relating to quality in training.

Appendix 2

Reference Group Members

Mr Ross Oakley	Chairperson, State Training Board of Victoria
Mr Bruce Mackenzie	Director, Holmesglen Institute of TAFE
Ms Paddy Nicholls	Director, Central Gippsland Institute of TAFE
Professor Helen Praetz	Pro Vice Chancellor, RMIT
Mr Leigh Brown	CEO, Mayfield Education Centre
Ms Christine Denmeade	Executive Officer, Geelong Adult Training and Education
Ms Julie Moss	Australian Council for Private Education and Training
Ms Georgie Cane	Performance Growth Pty Ltd
Mr Ian McMillan	Executive Officer, Transport and Distribution Industry Training Board
Mr Tim Piper	Executive Director, Australian Retailers Association
Mr Brian Kerwood	National Training Manager, Australian Industry Group
Mr Noel Miller	Training Manager, Ford Australia
Mr Julius Roe	Secretary, Australian Manufacturing Workers Union (Victorian Branch)
Ms Pat Forward	Branch Vice President (TAFE and Adult Provision), Australian Education Union Victorian Branch
Mr John Glover	Executive Director, Group Training Australia Victoria
Mr Michael Reardon	State Manager, Victoria and Tasmania, Department of Education, Training and Youth Affairs
Ms Anne DeWitt	Chief Manager Call Centres, Royal Automobile Club of Victoria

Appendix 3

A Note on Methodology

The Review has employed a range of approaches to build a comprehensive and accurate picture of the state of the apprenticeship and traineeship system in Victoria. This approach has been based on obtaining the widest possible range of stakeholder views in the time available for the Review, and on providing multiple perspectives on the complex issues facing the system.

To achieve this, the Review has undertaken seven major data-gathering activities.

Project Reference Group

A Reference Group representing key stakeholders was convened to assist the Review to identify the key issues facing the system, and to comment on drafts of the Discussion Paper and of this report. The Group was chaired by Mr Ross Oakley, Chairperson of the State Training Board. A full list of Reference Group members is at Appendix 2.

Stakeholder Consultations

During March 2000, consultations were held in Melbourne, Colac, Ballarat, Moe, Shepparton and Mildura. These were attended by 231 people from major stakeholder groups. People who attended these forums are listed at Appendix 4.

Where a stakeholder group was small enough, all relevant organisations were invited to send representatives. This was the approach taken for TAFE Institutes, New Apprenticeship Centres, Industry Training Boards and Apprenticeship Field Officers. Metropolitan Group Training Companies attended a separate session in Melbourne, while regional Group Training Companies were invited to their nearest employer session. For larger groups, a random selection designed to cover different industry areas, employer sizes and so on was made, and supplemented with nominations from Project Reference Group members and relevant PETE staff. This occurred for employers, and for private providers in Melbourne, while in regional areas it was possible to invite most providers listed as delivering apprenticeships or traineeships in a region.

Stakeholders invited to these consultations were provided with the Discussion Paper prepared for the Review to assist them in preparing for the sessions. After a short presentation recapping the key issues presented in the paper, a free-flowing discussion occurred, allowing a focus on those issues that were important to a particular group of stakeholders.

Later in the project, an open forum for PETE staff was held, to gain their perspective on the operation of the system and issues arising from the Review.

Individual Interviews

Prior to the preparation of the Discussion Paper for the Review, individual interviews were held with twelve key stakeholders, who are listed in Appendix 4, as well as with relevant PETE staff. These interviews were designed to provide an overview of key issues to be addressed by the Review.

Employer and Apprentice/Trainee Survey

NCS Australasia, in partnership with Fischer and Associates, was commissioned to conduct a survey of 760 apprentices and trainees and 760 employers, covering key issues to be considered by the Review. Survey results, details of the questionnaire, and further details on the sample are provided in Working Paper 1 in Volume II of this report. Further analysis of the results is provided in Working Papers 2 and 3.

The sample was stratified to ensure that equal numbers of apprentices and trainees, and large and small ('small' having fewer than 20 employees) employers. Within these parameters, sampling was random, based on lists of currently active apprentices, trainees and employers provided to the consultants by PETE. The sample size was designed to provide a level of accuracy of +/-5% within each of these subgroups, at the 95% confidence level.

The survey was administered by telephone in March 2000.

Apprentice/Trainee Focus Groups

To provide a qualitative perspective on the views of apprentices and trainees, McDonnell-Phillips P/L was commissioned to conduct four focus groups with a total of 28 apprentices and trainees. Their report on these focus groups is Working Paper 4 in Volume II of this report.

Focus group participants were selected from a random sample of active apprentices and trainees provided to McDonnell-Phillips. Participants were selected to cover a range of key industries in the following groups:

- one focus group of first year apprentices
- one focus group of second, third and fourth year apprentices
- two focus groups of trainees.

Within the identified key industries, selection was random. For logistical reasons, only apprentices and trainees from metropolitan areas were invited. Participants were paid \$60 for participating. Details of the composition of focus groups are contained in Working Paper 4.

At the focus groups, a quantitative survey was administered to participants and a facilitated qualitative discussion was conducted using a focus group protocol. Copies of both instruments and further details on methodology are also provided in the focus group report in Working Paper 4 in Volume II of this report.

Submissions

A public call for submissions was issued through the media and the PETE website. A discussion paper was prepared to assist people making submissions to focus on the

key issues, although stakeholders were free to structure their submissions as they chose and address any issues not covered in the discussion paper. In practice, submissions covered the range of issues raised in the discussion paper and a mixture of other issues covering almost all aspects of the Victorian and national training systems.

99 submissions were received from individuals and organisations covering all major stakeholder groups. These ranged from long documents addressing the range of issues covered by the Review to short e-mails addressing one issue or observation.

Submissions were summarised by PETE in a matrix organised around the questions posed in the discussion paper, in a form allowing electronic analysis. Copies of all submissions, with the summaries, were provided to Kaye Schofield, and formed a major input to the development of this report.

Internal Data and Documents

The Review enjoyed full access to PETE's internal documents and data relating to the apprenticeship and traineeship system. A summary of data on trends in apprenticeships and traineeships for the period 1995–1999 forms Appendix 6 to this Main Report.

Appendix 4

Stakeholder Consultations

Schedule of Group Consultations

	Session	Stakeholder Group
8–10 March — Melbourne	1.	Employers
	2.	TAFE Institute Directors
	3.	New Apprenticeship Centres
	4.	Private Providers
	5.	Industry Training Boards
	6.	TAFE Institute Staff
	7.	Apprenticeship Field Officers
	8.	Unions
	9.	Employer Associations
	10.	Group Training Companies
14 March — Colac	11.	Employers and Group Training Companies
	12.	Providers (TAFE Institute and Private)
15 March — Ballarat	13.	Employers and Group Training Companies
	14.	Providers (TAFE Institute and Private)
16 March — Moe	15.	Employers and Group Training Companies
	16.	Providers (TAFE Institute and Private)
20 March — Shepparton	17.	Employers and Group Training Companies
	18.	Providers (TAFE Institute and Private)
22 March — Mildura	19.	Employers and Group Training Companies
	20.	Providers (TAFE Institute and Private)

Attendees at Group Consultation Sessions — March 2000

The following list has been compiled from sheets filled in at the sessions. We apologise to anyone whose name or organisation has been misspelt or, worse still, left out completely.

John Castles	Apprenticeship Field Officer
John Chalker	Hospitality Training Victoria
John L. Charleston	Apprenticeship Field Officer
Chris Cheater	Wodonga Institute of TAFE
Kevin Clarke	Clarke Creative Training Consultants
John Cleary	Blue Chip Consulting
Don Clutterbuck	C.M.G.T.
Darrell Cochrane	Australian Services Union
Geoff Cody	Western Region Group Training
Mary-Anne Colwell	Australian Industry Group
Andrew Connard	RCAV
Georgie Connon	Australian Alpine Institute
Bruce Connor	C.U.G.T.
Karyn Connors	One World for Children
Leslie Conway	ACTH Management
Ian Cook	Furnishing Industries Association
John Cook	South West Institute of TAFE
Jennifer Cope	Housing Industry Association Apprentices
Mary Costa	Pivot Point Hair Design College
Mick Cotterill	Maritime Union of Australia
Geoffrey Court	Salesforce
Miles Coverdale	Westvic Group Training
Peter Coyne	Crown Limited
Joanne Craig	Goulburn Ovens Institute of TAFE
Mike Crocum	Apprenticeship Field Officer, Gippsland
Judy Curson	Chisholm Institute of TAFE
Brian Curtin	Australian Industry Group
Jennie Dale	MADEC
Lloyd Davies	Yallourn Energy
Tony Di Camillo	RMIT
Carol Dickman	Victoria University — TAFE Division
Kerry Dickson	Tex Skill Ltd
Leigh Ditchfield	Bendix Mintex
Graham Dodgshun	Baking Industry Association
Sue Dovey	Wesley Central Mission
David Duggan	Holmesglen Institute of TAFE
Anne Duggan	CFMEU
Eric Duve	Supervisor
Vin Ebejer	Master Plumbers & Mechanical Services Assoc. of Australia
Locky Eccles	Apprenticeship Field Officer
David Edgar	Sunraysia and Murray Group Training

Kylie Edwards	Castlemaine Bacon Company
Peter Ellard	Swinburne University
Pamela Ellis	Apprenticeship Field Officer
Tess Evans	Northern Melbourne Institute of TAFE
Wal Fairlie	Sunraysia and Murray Group Training
Mary Faraone	Business Skills Victoria
Brad Fenby	Traineeship Advisory Service Australia
Louise Fitzgibbon	Australian Vocational Training and Employment Services
Stephen Fiyalko	Employment Focus
Chris Fizgibbon	Australian Vocational Training and Employment Services
Tracey Forbes	Sunraysia Institute of TAFE
Ian Forrester	Nestle
Gary Fox	Sunraysia Institute of TAFE
Ross Francis	Chisholm Institute of TAFE
Kellie Fraser	Central Gippsland Institute of TAFE
Colin Frisch	Gordon Institute of TAFE
Paul Frusher	Westvic Group Training
Susan Gaylor	Arts & Recreation Training Victoria
John Gibbs	Apprenticeship Field Officer, North West
David Gillespie	Kangan Batman TAFE
Jane Glaister-Hobbs	H.G.T.
John Glover	Group Training Australia Vic.
Penny Goldfinch	VECCI
Katherine Goldstraw	Kelly's and Young Trucking Co. P/L
Maurice Graham	VicTec Group Training
Nola Grant	Kanean Batman TAFE
Lorraine Green	MADEC
Belinda Greening	Central Gippsland Health Service
Maree Greig	Ballarat Group Training
Geoff Gwilym	VACC
Tanya Gwin	Australian College of Hair and Beauty
Ralph Gwynne	Ingtl
Anna Hagan	Skillsplus Peninsula
Greg Hagger	ETTA
Paul Hamlett	Chisholm Institute of TAFE
Coral Hanson	Colac ACE
David Harris	Goulburn Ovens Institute of TAFE
Shane Harrison	Australian Industry Group
Keith Harvey	Australian Services Union
Heather Hastings	Drypac P/L
Rhonda Hawke	RecruitNet Inc
Barbara Hawkins	WRAPS Industry Training Board
Jeff Heaney	Kangan Batman Institute of TAFE
Fred Hellriegel	Swinburne TAFE Division
Sue Henderson	South West Institute of TAFE
Sheryn Hill	The Centre
Tom Hinton	Link Employment and Training

Chris Hobson	Workplacement Inc.
Leigh Hubbard	Victorian Trades Hall Council
Nicholas Hunt	Tourism Training Victoria
David Ince	Institute of Land & Food Resources
John Italiano	Box Hill Institute of TAFE
Gordon Jennings	Aust.-Link Pty Ltd
Ian Johnston	DGlass Pty Ltd
Pam Jonas	Victorian Employers Chamber of Commerce & Industry
Peter Kara	MWT
Kevin Kennedy	Gippsland Group Training
Jane Kenny	Inner Eastern Group Training
Sue Kent	Melbourne East Group Training
Brian Kerwood	Australian Industry Group
Carole Khan	Pumpa Engineering P/L
Peter Kikos	Manufacturing G.T.S. Vic.
Fran King	CPSU
John Kontogiorgis	Edward Beale
Wendy Lake	Restaurant and Catering Association of Victoria
Peter Lane	Ballarat Group Training
Doreen Langdon	Apprenticeship Field Officer
Ashley Langdon	Westvic Group Training
Clive Larkman	Primary Skills Victoria and Nursery Industry
Malka Lawrence	AdNet
Glenys Layton	ARO
David Lee	Goulburn Ovens Institute of TAFE
Sput Lowry	Wodonga Institute of TAFE
Dorothy Lucardie	Continuing Education Centre Albury
Dean Luciani	Wimmera and Grampians Group Training
John Lycett	Gordon Institute of TAFE
Kay Macaulay	Australian Industry Group
Margaret Mackenzie	Board of Studies
John Macleod	Lang's Business College
Lou Maglio	The Entire Group
Tricia Mahon	Gecko Solution P/L
Sue Mahoney	Kangan Batman TAFE
John Malcolm	Chisholm Institute of TAFE
Joy Mannes	Australian Dairy Products Federation
David Manterfield	University of Ballarat
Andrea Masimovic	Victorian TAFE Students & Apprentices Network
Russ Mason	Sunraysia Institute of TAFE
Ray Mason-Woods	Central Gippsland Institute of TAFE
Rob McAllister	Box Hill Institute of TAFE
Greg McConville	National Tertiary Education Union
Malcolm McCullough	NDS & Training
Terry McKiernan	Ford Motor Co.
Mike McLaughlin	Sunraysia Institute of TAFE
Ian McMillan	Transport and Distribution Industry Training Board

Anthony McMullen	Victorian TAFE Students & Apprentices Network
Judith McNamara	Housing Industry Association
Joe Micallef	Victoria University of Technology
Tracey Mickle	The Centre
Michael Miller	William Angliss Institute of TAFE
Gregory Milner	Marjorie Milner School of Floristry
John Molenaar	Manufacturing Learning Victoria
Mary Molloy	BRACE
Alan Montague	RMIT
Peter Morey	Apprenticeship Field Officer, Ballarat
Marguerite Morgan	Gippsland Aeronautics P/L
Alan Morgan	Gilbert Chandler College, University of Melbourne
Margaret Morgan	Gilbert Chandler College, University of Melbourne
Marilyn Morley	Smith Reid North
Bob Morley	Smith Reid North
Ray Morrison	Apprenticeship Field Officer
Julie Moss	Australian Council of Private Education & Training
John Myles	Apprenticeship Field Officer, AAB
David Nelson	Primary Skills Victoria
Paddy Nicholls	Central Gippsland Institute of TAFE
Ian Nicholson	Furnishing Training Victoria
Jeanette Norman	Gecko Solution P/L
Deb O'Brien	University of Ballarat
Pat O'Connell	Sunraysia and Murray Group Training
Bernadette O'Connor	Colac ACE
Denise O'Brien	East Gippsland Institute of TAFE
Ellen Pain	Apprenticeship Field Officer
Louise Palmer	RMIT
Mike Parfitt	Wodonga Institute of TAFE
Jean Paul	Quicksilver
Pat Pearce	A.M.I.E.U.
Michael Pegg	National Tertiary Education Union
Susan Peters	One World for Children
Graeme Phillips	Stanborough Wemyss Contracting P/L
Lina Pitruzzello	AXA Australia
Val Pollard	Institute of Land & Food Resources
Lorraine Pountney	Berkeley Challenge
Helen Praetz	RMIT
Lindsay Rake	Holmesglen Institute of TAFE
Howard Randall	Macquarie Commercial College Limited
Geoff Rayner	MADEC
Carla Reading	University of Ballarat
Hamish Reddell	HRA Victoria
Fabian Reid	Smith Reid North
Peter Richardson	Amcor — Australian Paper
Tony Ross	Wodonga Institute of TAFE
Robyn Rowlands	Chisholm

Samantha Russell	HTC Vocational Institute
Craig Rutledge	Australian Industry Group
Peter Ryan	Goulburn Ovens Institute of TAFE
Bernie Santen	Bernie Santen & Bentleigh Jewellers
Marina Savrou	The Personnel Group
Noel Sayers	Apprenticeship Field Officer, AAB
Dominic Schipano	CITT
Gordon Searle	Gordon Searle Haircare
Brian Seymour	Electrical & Electronic Skills Centre Ltd
Brad Shaw	Yallourn TAFE
Geoff Sherman	Yallourn Energy
Graham Sievwright	Wodonga Institute of TAFE
Michael Simmonds	Apprenticeship Field Officer
Brian Smith	Wodonga Institute of TAFE
Alan Smith	William Angliss Institute of TAFE
John Spalding	Ford Motor Co.
David Speller	Connect Employment & Training
Brian Spencer	Community Services & Health Industry Training Board
Barry Standfield	BJ Network Consulting
Faye Stevenson	Wodonga Institute of TAFE
George Stone	Sunraysia Institute of TAFE
Rod Styles	Gippsland Group Training
John Tagliabue	Master Painters Australia
Dean Taylor	Total Fire Protection
Cheryl Taylor	Melbourne East Group Training
Janelle Thomas	Victorian TAFE Association
Pat Thorburn	MADEC
David Turner	IDEA
Kevin Van Leeuwen	Swinburne University – TAFE
Jim Vivian	Central Gippsland Institute of TAFE
Lyn Wallace Clancy	Adult Multicultural Education Services
Chris Wallis	Wimmera and Grampians Group Training
Peter Walsh	Holmesglen Institute of TAFE
Greg Walsh	Automotive Training Victoria
Peter Wardiner	PJW Cleaning and Training
Trevor Waterson	Box Hill Institute of TAFE
Chris Watson	Victoria Racing Club
Carolyn Watson	Gordon Institute of TAFE
Sue Weatherill	Castlemaine Bacon Company
Jamie Wells	Gordon Institute of TAFE
Raylene West	Master Builders Association of Victoria
David Weston	William Angliss Institute of TAFE
Gavin White	A.F.L. Sportsready Limited
Kathy Whye	Victoria University — TAFE Division
Jennie Wild	Sunraysia Skills Centre
Ross Williams	Sunraysia Institute of TAFE
Dianne Williams	Victoria University — TAFE Division

Linda Wyse
Tony Zalewski

Linda Wyse & Associates
AIPS

Individual Interviews – February–March 2000

Paul Byrne	General Manager, Australian National Training Authority
Senator Kim Carr	Senate Inquiry into Quality of Vocational Education & Training in Australia
Sharon Coates	Senior Project Officer, Australian National Training Authority
Peter Johnson	Training Manager, Chubb Security
Nicholas Hunt	Executive Officer, Tourism and Hospitality Industry Training Board
Peter Kirby	Chair, Ministerial Review of Post Compulsory Education and Training Pathways in Victoria
Angela Jolic	Employment Service Coordinator, Finance Sector Union
Kevin Redfern	Director, Industrial Relations and Training, Victorian Automobile Chamber of Commerce
Chris Gloufchis	National Manager, Arrow Training
Moira Scollay	CEO, Australian National Training Authority
Clive Richardson	Meat Industry Training Advisory Council
Wendy Tobin	Executive Director, Job Watch

Appendix 5

Submissions Received

In total, 99 organisations and individuals made written (including electronic) submissions to the Review. Organisations and individuals making submissions fell into the following major groups:

Organisation Type	Number of Submissions
Employers	9
Group Training Companies	3
Individuals	10
Industry Bodies	23
Private Providers	20
TAFE Institutes	17
Unions	5
Other	12
Total	99

In the discussion paper and call for submissions, an undertaking was given that submissions would be kept confidential unless the people making the submission indicated that they were prepared to make the submission public. Because there may be a small number of people who would not want the fact that they have made a submission made public, the list below is limited to submissions which indicated that they could be public.

Those marked with an * are available online at <http://www.otfe.vic.gov.au/publi/qualityreview/submissions/index.htm>

Adult Multicultural Education Services*

Australian Council for Private Education and Training*

Australian Industry Group*

Business Skills Victoria*

Eastern Victorian Group Training*

Engineering Skills Training Board*

Flowers Victoria*

Furnishing Training Victoria*

Graeme Bond*

Holmesglen Institute of TAFE*

Housing Industry Association*

Kutz by Design Hair Studio

South West Victorian SEAL*

Swinburne University of Technology (TAFE Division)

Transport Training Victoria*

Victorian TAFE Students and Apprentices Network

The Victorian Wholesale, Retail and Personal Services Industry Training Board*

William Angliss Institute of TAFE*

Workplace Learning Initiatives*

Appendix 6

Trends in Apprenticeships and Traineeships in Victoria, 1995–1999

Introduction

This paper is designed to give an overview of trends in apprenticeships and traineeships in Victoria since 1995, as background to the issues considered by the Review of the Quality of Training in Victoria's Apprenticeship and Traineeship System. The period since 1995 has been chosen as a period short enough to be confident that data has been collected in a relatively consistent manner, and long enough to cover the dramatic change and growth that has occurred in apprenticeships and traineeships over recent years.

The figures provided below show a profound change in the apprenticeship and traineeship system. In 1995, the system was dominated by apprenticeships, and therefore by the traditional apprenticeship trades. While traineeships had existed since 1986, they remained a relatively small proportion of overall numbers.

By 1999, traineeship commencements easily outnumbered apprenticeships, and despite the longer duration of most apprenticeships there were more trainees in training than apprentices. The largest apprentice and trainee occupations were traineeship occupations that had had relatively few commencements in 1995. Over this period there were increasing numbers of existing workers and older people commencing apprenticeships and traineeships.

The data below tracks these changes in detail, confirming some common assertions about apprenticeships and traineeships and contradicting others. As such, it provides a basis for a more informed debate on the key issues considered by this Review.

Overall Trends 1995–1999

Overall apprentice and trainee *commencements* have grown rapidly since 1995. In 1999, there were 45,822 commencements by new employees, an increase of 225% over the 1995 figure of 14,118, and an increase of 45.8% over 1998¹. The year of strongest growth was 1996, when commencements grew by 60%. Growth slowed in 1997, but has been strong since 1998, when the New Apprenticeships reforms were introduced. Changes in the overall number of commencements have been driven by traineeship trends, which have been much more volatile than apprenticeships over this period. More information on the different trends in apprenticeships and traineeships is provided below.

¹ Prior to September 1998, existing employees were not separately identified, but numbers are believed to have been small in the absence of Commonwealth employer incentives for this group. Unless otherwise stated, analyses in this paper exclude existing employees from 1998 and 1999 figures.

This growth in commencements has seen the *total in training* figure grow to an all-time high in 1999. Excluding existing employees, there were 64,037 apprentices and trainees in training at 31 December 1999, an increase of 77% on the 1995 figure of 36,164, and up 8.2% from the corresponding 1998 figure. Strong growth in trainee commencements in 1996 and 1998 saw these years record the strongest growth in numbers in training. In 1998, the total in training passed the previous record level seen in 1989, when the system was dominated by apprenticeships, and the number has continued to rise in 1999. Again, growth has been driven by growth in traineeships.

There were 11,859 apprentice and trainee *completions* by new employees in 1999, an increase of 91.6% on the 1995 figure of 6,191, and an increase of 14.4% over the number in 1998. Both apprentice and trainee completions grew over this period, although again trainee completions were the main driver of overall growth.

Apprentices and Trainees 1995–1999

Apprentice commencements, excluding existing employees, increased by 20% between 1995 and 1999, to 11,859. Apprentice commencements fell slightly in 1996 and 1997, but recovered strongly in 1998, with 20.7% growth, and grew again, by 6.6%, in 1999.

Growth in traineeship commencements has been strong every year since 1995, with growth of 701% between 1995 and 1999. Annual growth was strongest, from a low base, in 1996, at 208%. Annual growth slowed dramatically in 1997, to 18.2%, but accelerated over the next two years, reaching 67.2% in 1999. During this period, traineeships went from a relatively minor part of the system, with a few thousand commencements in 1995, to a figure of 33,963 commencements in 1999, nearly three times the number of apprentice commencements.

The table below shows the changes in commencements, numbers in training and completions for the period 1995–1999, separating apprenticeships and traineeships.

Apprenticeship and Traineeship Commencements, Completions and Numbers in Training, Victoria, 1995–1999

Commencements	1995	1996	1997	1998	1999	% Change 1995–99
<i>Apprentices</i>	9,878	9,529	9,216	11,126	11,859	20
<i>Trainees</i>	4,240	13,048	15,421	20,307	33,963	701
<i>Total</i>	14,118	22,577	24,637	31,433	45,822	225
In Training at 31 December	1995	1996	1997	1998	1999	% Change 1995–99
<i>Apprentices</i>	32,875	33,816	32,683	33,431	31,975	-3
<i>Trainees</i>	3,289	9,713	14,598	25,760	32,062	875
<i>Total</i>	36,164	43,529	47,281	59,191	64,037	77

Completions	1995	1996	1997	1998	1999	% Change 1995-99
<i>Apprentices</i>	4,848	5,839	6,607	6,125	5,418	12
<i>Trainees</i>	1,343	2,365	5,564	4,238	6,441	380
<i>Total</i>	6,191	8,204	12,171	10,363	11,859	92

Notes:

1. 1998 and 1999 figures exclude existing employees. Prior to 1998 existing employees were not separately identified, but numbers are believed to have been small in the absence of Commonwealth employer incentives for this group.
2. Apprentices are defined as those covered by more stringent and traditional regulatory provisions under the VET Act. Trainees are covered by less stringent provisions under the Act. For administrative purposes, apprenticeships are those where Set One conditions apply and traineeships where Set Two conditions apply.
3. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.
4. Completion figures understate the actual number of completions. A significant number of apprentices and trainees pass their nominal completion date with inadequate information supplied to PETE about their final status. These records are recorded as 'expired'.

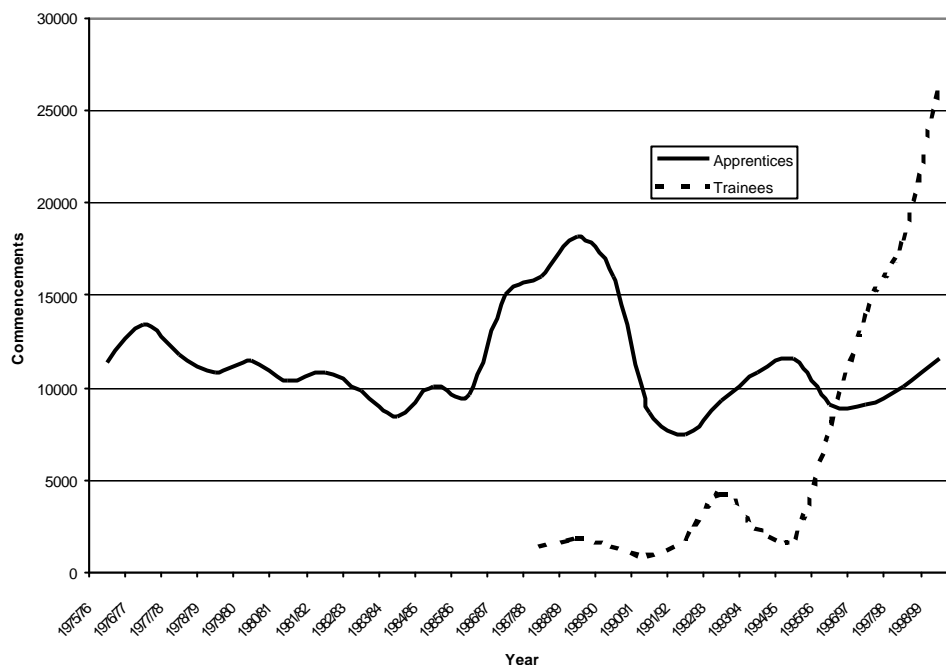
Figures for the numbers in training clearly show the different nature of the apprentice and trainee systems over this period. The number of apprentices in training fluctuated within a narrow range, falling 2.7% between 1995 and 1999. This is the sort of behaviour that might be expected of an established system responding to changes in external conditions. By contrast, the number of trainees in training grew by nearly 900% in four years, moving from their low base in 1995 to outnumber apprentices in training by 1999, as traineeships became a major part of the Victorian training landscape.

Apprentice completions grew by 11.8% between 1995 and 1999, but have been falling since 1997. This fall in completions partly reflects falls in commencements three and four years ago, and partly reflects changed and more stringent administrative requirements for reporting completions. Traineeships tend to be shorter than apprenticeships, and completion figures respond more quickly to changes in commencement numbers. Traineeship completions have been rising since 1995, and grew by 380% between 1995 and 1999.

Long-term Trends

Historically, apprentice numbers have been collected on a financial year basis. The chart below shows the number of apprentice and trainee commencements in each financial year from 1975-76 to 1998-99

Apprenticeship and Traineeship Commencements, Victoria, 1975–76 to 1998–99



Source: DELTA, APPSYS and ATS databases

Note: 1998–99 and 1999–2000 data excludes existing employees

Apprentice commencements show a broadly cyclical pattern over the long term. Commencements rose rapidly in the late 1980s, reaching a peak in 1988–89 with over 18,000 commencements. This was followed by a sharp decline as recession hit in the early 1990s, with commencements reaching a low point in 1991–92, with fewer than 8,000. Apart from this period of rapid growth and sudden decline, commencements have fluctuated in a range of around 10,000–13,000 per annum, and levels now are little different from those 25 years ago. Given the growth in the economy and levels of employment over this period, this represents a relative decline in the importance of apprenticeships in the Victorian economy.

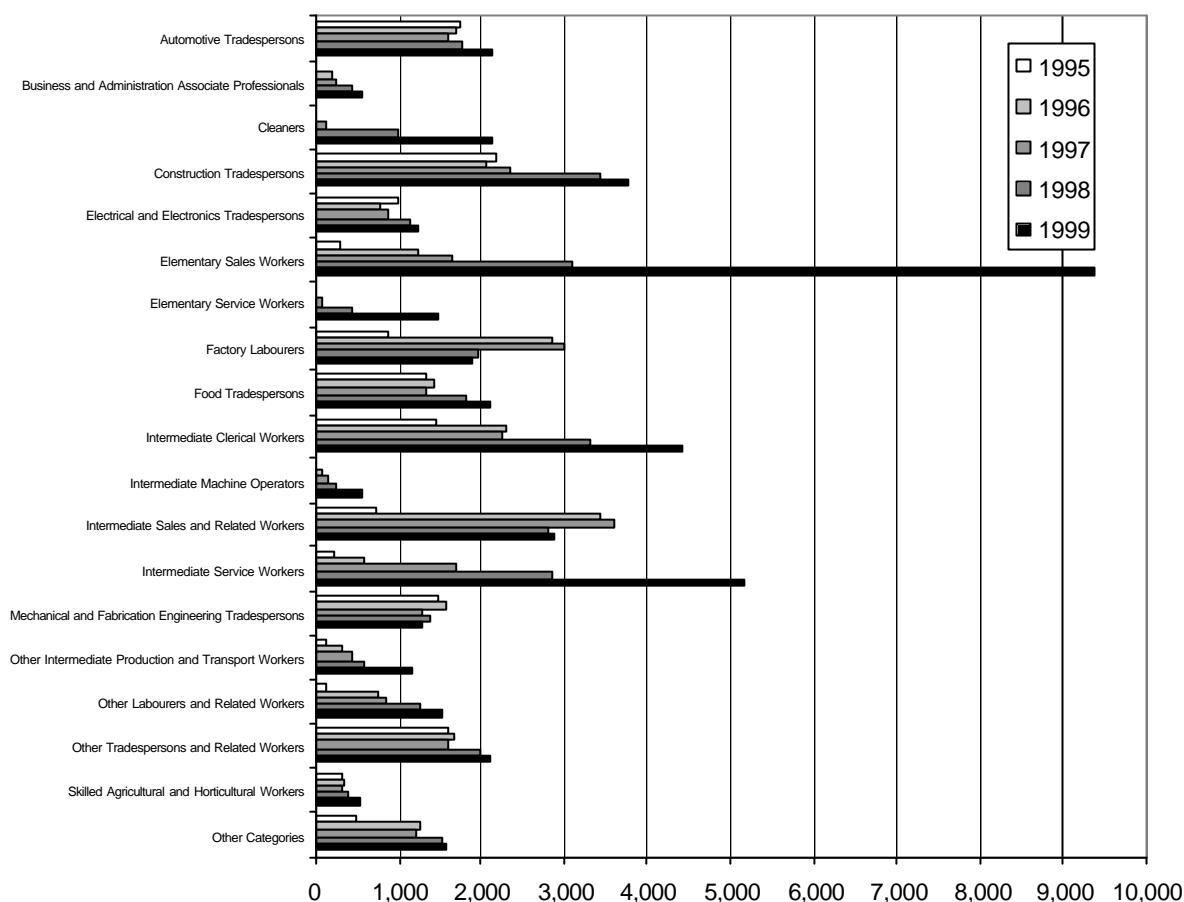
Traineeships emerged in the late 1980s, but remained a small proportion of overall commencements until 1995–96. During this initial period, numbers fluctuated in response to a series of policy changes and marketing campaigns that made traineeships more or less visible and attractive to employers. Traineeship commencements took off from the mid 1990s, and overtook apprenticeships in 1996–97. Growth has remained rapid ever since, as traineeships have increasingly come under the same regulatory and policy regime as apprenticeships and have become established as a mainstream form of training in Victoria.

Attachment 1 provides the figures presented in this chart.

Occupations

The chart below shows the change in commencements in major occupational categories (those with more than 1% of commencements in 1999) between 1995 and 1999. The figures presented are given at Attachment 2.

Apprenticeship and Traineeship Commencements by Occupation, Victoria, 1995–1999



Notes: Excludes existing employees

Occupations are from the Australian Standard Classification of Occupations (ASCO), at the two-digit level. A list of occupations included in each category is attached (Attachment 3).

The most spectacular feature of the above chart is that the occupations, which accounted for most commencements in 1999, often had very few commencements in 1995. By far the largest category in 1999 was Elementary Sales Workers, with 9,357 commencements, or 20% of total commencements. In 1995 this occupation (where traineeships are mainly retail and, more recently, call centre traineeships) accounted for only 295 commencements. The next most commencements in 1999 were among Intermediate Service Workers, which had only 236 commencements in 1995. Training for this occupation is mainly in hospitality and community services.

The only non-trades occupation to account for over 1,000 commencements in 1995 was Intermediate Clerical Workers, almost entirely office administration traineeships.

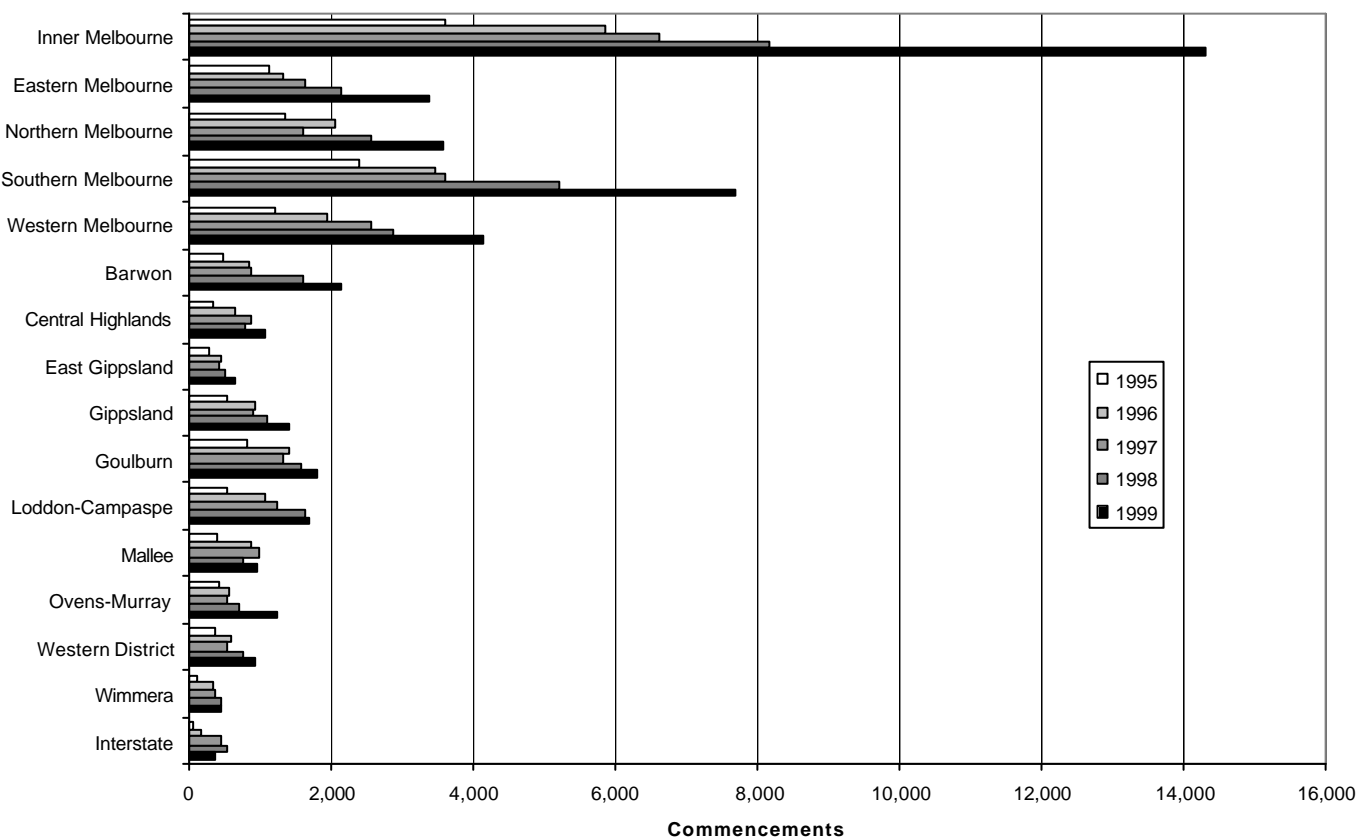
This occupation experienced 200% growth from 1995 to 1999 to retain its position as one of the leading apprenticeship and traineeship occupations.

The trades occupations, which dominated commencements in 1995, generally experienced growth over this period, although not at the rate of most traineeship occupations. The construction trades experienced 73% growth in commencements, but lost their position as the largest occupation, dropping to fourth behind the three traineeship occupations mentioned above. There was also growth in the food (58%), electrical and electronics (26%), automotive (23%), and “other” (32%) trades. The exception was Mechanical and Fabrication Engineering Tradespersons (the old Metals Trades). Commencements in this occupation fell by 14% between 1995 and 1999, making it the only major category to record a fall in commencements over this period.

Regions

The chart below shows changes in apprentice and trainee commencements for PETE planning regions between 1995 and 1999. Figures are based on the location of the apprentice's/trainee's worksite. The figures provided in this chart are in Attachment 4.

Apprenticeship and Traineeship Commencements, PETE Planning Regions, 1995–1999



Notes: These figures are based on the planning regions used by the Office of Post Compulsory Education, Training and Employment.

Excludes existing employees.

The fastest growth in overall commencements between 1995 and 1999 was in the Barwon region, where commencements grew by 356%. This was based on a 2,165% increase in traineeship commencements, and 58% growth in apprenticeships, both well above average. In numerical terms, the largest growth was in Inner Melbourne, which added 10,700 commencements for a 296% growth rate. This growth was entirely in traineeships, with apprentice numbers in the region falling by 1% over this period.

Two other regions recorded above average growth in commencements. These were Western Melbourne (246%) and Wimmera (227%). The lowest growth rates were 130% in the Mallee and 132% in East Gippsland.

The major difference between metropolitan and non-metropolitan regions is that growth in traineeships has been strongest in Melbourne, while the highest apprenticeship growth rates were recorded outside Melbourne. Of the non-metropolitan regions, only Barwon had higher growth in traineeships than the Statewide average. By contrast, the highest apprenticeship growth rates were recorded in Ovens–Murray (161%), Barwon (58%), Central Highlands (58%), Mallee (52%), and the Wimmera (40%). The performance of Ovens–Murray in particular stands out, with apprentice commencements more than doubling in 1999 alone.

Apart from Inner Melbourne, where apprentice commencements fell by 1%, the lowest rates of apprenticeship growth were recorded in Northern Melbourne and Gippsland (both 10%).

Beyond these general trends, there is wide variation between the patterns in different regions. It seems likely that local factors are playing a significant role, driving patterns of growth that are very different from the Statewide average.

Age of Apprentices and Trainees

The chart below shows the average age of new employees commencing as apprentices and trainees from 1995 to 1999. Attachment 5 provides a breakdown of commencements by age group for this period.

The average age of commencing apprentices and trainees rose sharply from 20.2 in 1995 to 25.0 in 1999. In 1995, 64% of commencing apprentices and trainees were aged 19 or under. By 1999, only 38% of commencements were by people aged 19 or under, although this was still the largest single age group.

The average age of commencing apprentices remained virtually unchanged over this period, rising slightly from 19.0 to 19.4. A longer term analysis does confirm the widely reported increase in the age of apprentices, largely due to increased secondary school retention. However, it is clear that this had already happened by 1995, and there has been little change since.

Despite recent growth in commencements for the older age groups, apprenticeship commencements are still dominated by young people. In 1999, 68% of commencing apprentices were under 19, and only 7% were over 25.

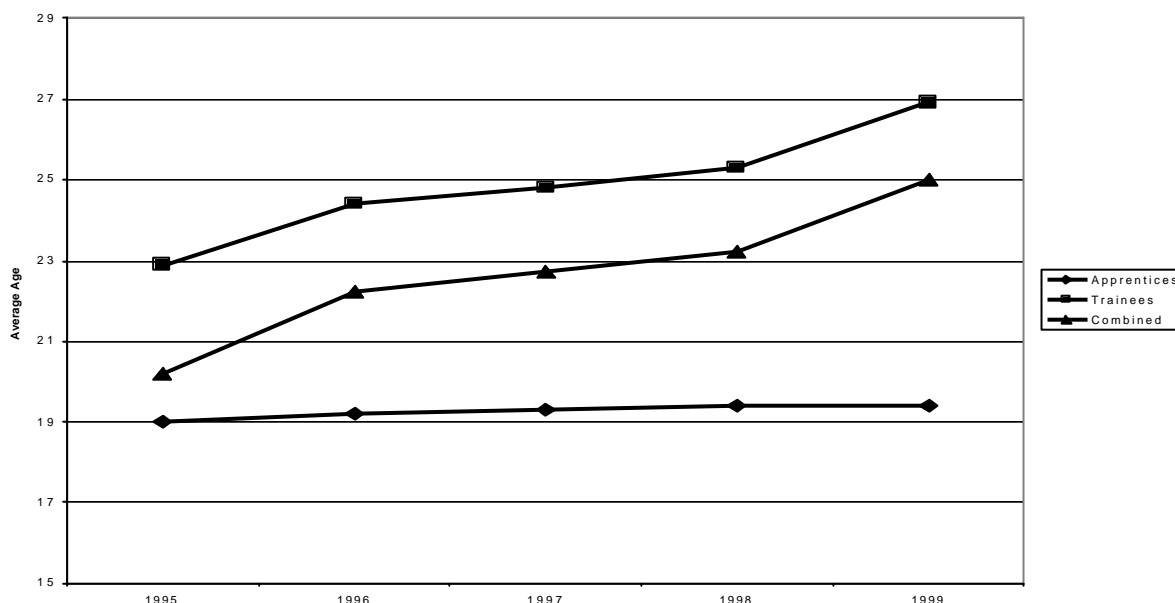
In 1995, traineeships were catering for an older group than apprenticeships, with an average age of 22.9 at commencement compared with 19.0 for apprenticeships. Growth in traineeships since 1995 has seen strong growth for all age groups, but

growth has been strongest, in percentage terms, among those aged over 25. By 1999, the average trainee was 26.9 years old at commencement.

There are two features of this rise in the average age of apprentices and trainees that are relevant to the overall profile and purpose of the system. The first is that it does not represent a contraction of training opportunities for young people.

Commencements grew for all age groups between 1995 and 1999, and numerical growth in commencements was larger for those under 25 than those over 25. The second point is that there is now a large group of trainees in the older part of the workforce. In 1999, 1,572 people aged over 50 commenced, all but 7 of them in traineeships. A further 3,443 were aged between 40 and 49. While people over 40 accounted for only 11% of total commencements, the fact that there were over 5,000 of them suggests that significant numbers of people are using traineeships for purposes quite different from the traditional one of entry-level training for young people. It is worth restating that these figures exclude existing employees.

Average Age of Commencing Apprentices and Trainees, Victoria, 1995–1999



Note: Excludes existing employees

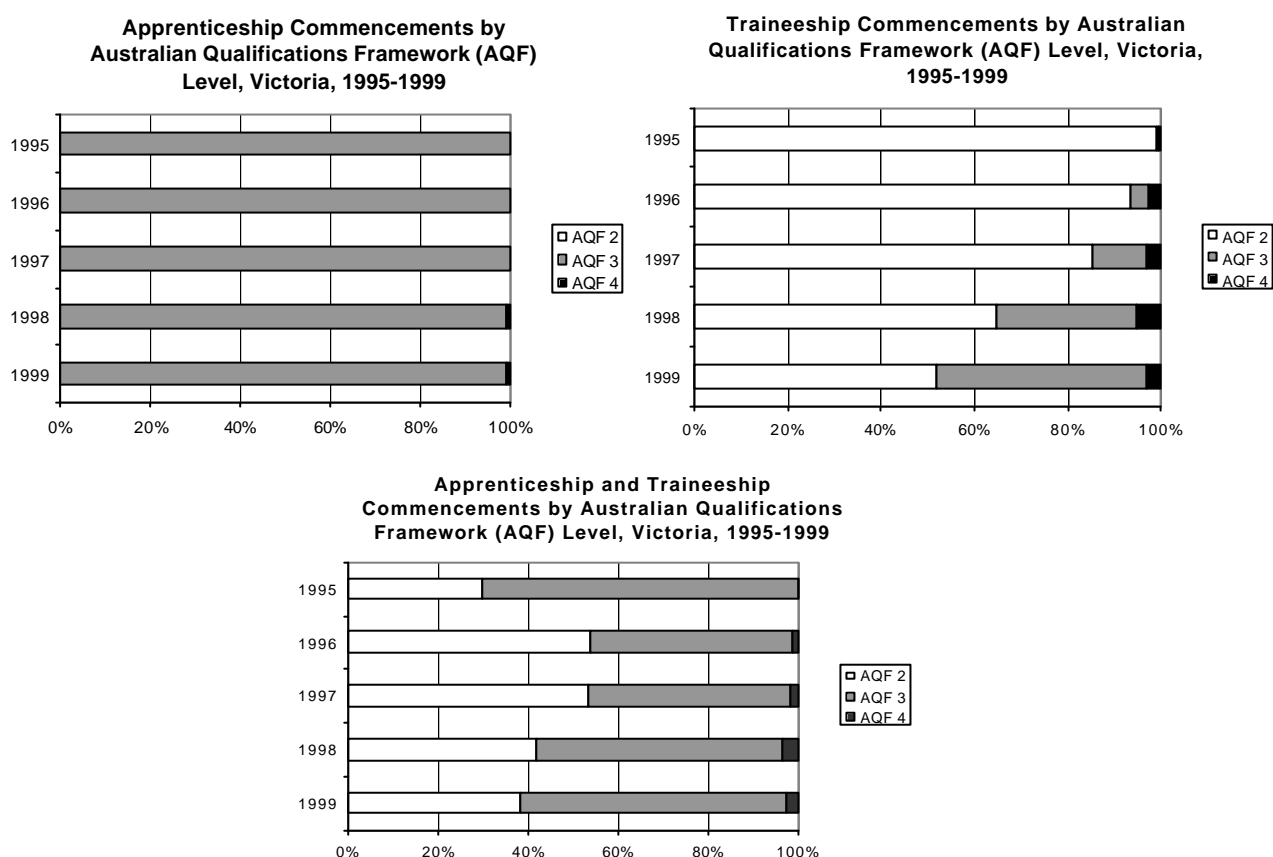
Australian Qualifications Framework (AQF) Level

The charts below show the profile of apprentice and trainee commencements by AQF level for the period 1995–1999, separately and as a total. The figures presented in these charts are in Attachment 6. Apprenticeships were delivered exclusively at AQF 3 until a very small number were delivered at AQF 4 from 1998. Traineeships were delivered almost exclusively at AQF 2 in 1995, but in subsequent years have expanded to be delivered at all levels from AQF 1 to 6 in 1999.

The major change over this period has been the expansion of traineeships at AQF 3. In 1995, only 24 trainees commenced at this level, which was the province of apprenticeships. By 1999, there were 15,342 trainee commencements at this level,

almost as many as at AQF 2, and more than the number of apprentice commencements at this level. A much smaller, but still significant, number of trainees commenced at AQF 4 by 1999, while numbers at the other levels totalled less than 100.

The overall pattern of apprenticeship and traineeship commencements reflects a combination of the expansion of traineeships and their shift towards AQF 3. In 1995, the vast majority of commencements were apprenticeships, at AQF 3. In 1996 and 1997 the expansion of traineeships saw the majority of commencements being at AQF 2. From 1998 onwards, traineeships continued to expand, but also to shift into AQF 3, meaning that AQF 3 again accounted for the majority of commencements.



Note: Excludes existing employees

Existing Employees

Changes to the Commonwealth employer subsidy scheme in mid 1998 resulted in incentives becoming available for employers to sign up their existing employees as apprentices and trainees. In response to large sign-ups of existing employees, which threatened to reduce the funding available for training new entrants, the Victorian government decided to make these apprentices and trainees ineligible for State government funding for training and exemptions from State taxes and Workcover premiums. Training agreements are still registered for existing employees, and funding is available in a small number of special cases.

Late in 1999, the Commonwealth moved to limit access to employer incentives for existing employees, most importantly for those at levels below AQF 3 or with nominal training durations shorter than two years.

For funding purposes, and in these statistics, existing employees are defined as employees who have been with their employer for more than three months full time or twelve months part time or on a casual basis, prior to commencing an apprenticeship or traineeship.

In terms of statistics, information on whether employees were existing or new workers was only collected from September 1998, in response to these developments. Prior to this, existing employees were not identified separately, but numbers are believed to have been small. For this reason, statistical analysis of the impact of existing employees is limited to one full year of data — 1999.

In 1999, 12,402 existing employees commenced as apprentices and trainees, representing 21.3% of all commencements. This lifted the total number of commencements to 58,224, and the rate of growth in commencements between 1998 and 1999 to 74.3%.

Existing employees were almost exclusively in traineeships. There were 11,735 traineeship commencements by existing employees in 1999, 25.7% of total trainee commencements. By contrast, existing employees made up 5.3% of apprentice commencements, with only 667 commencements.

Existing employees tend to be concentrated in the trainee occupations that are experiencing rapid growth. The percentage of existing employees is lowest in the traditional apprenticeship trades, with some exceptions.

Of those occupations with more than 1% of total commencements in 1999, the highest percentage of existing employees was recorded among Other Intermediate Production and Transport Workers (42.2%) and Other Labourers and Related Workers (41.9%). Training for the first of these occupations is primarily warehousing and automotive traineeships. The second is more of a mixed bag, including a number of manufacturing and agricultural traineeships as well as some in distribution.

Existing employees also made up a high percentage of commencements among Food Tradespersons (31.7%) (the exception to the generally low number of existing employees in trades occupations), Cleaners (30.7%) and Elementary Service Workers (29.6%). The largest numbers of existing employees were in the occupations with most overall commencements — Elementary Sales Workers and Elementary Service Workers, both of which had a higher than average percentage of existing workers.

Existing workers made up the lowest percentage of commencements among Construction Tradespersons (1.8%), Automotive Tradespersons (2.7%) and Business and Administration Associate Professionals (7.9%).

There were substantial variations between regions in the percentage of commencements that were by existing employees. Existing employees made up 36.0% of total commencements in Ovens–Murray, 30.6% in Goulburn, but only 14.1% in Barwon and 15.7% in Western District.

In all metropolitan regions except Inner Melbourne existing employees made up a lower than average proportion of commencements. The picture in non-metropolitan regions was more varied. As noted above, both the highest and lowest percentages of existing employees were recorded in regions outside Melbourne, and approximately equal numbers of these regions were above and below the average.

Existing employees made up a greater percentage of commencements at higher qualification levels. At the Australian Qualifications Framework (AQF) levels that

made up the vast majority of commencements, they accounted for 31.8% of commencements at AQF 4, 28.0% at AQF 3, but only 7.2% at AQF 2. There are a number of reasons why this might be the case. First, existing employees would be expected to already have a certain level of skill, making enrolment at higher AQF levels appropriate. Secondly, changes introduced during 1999 mean that Commonwealth subsidies for these employees are only available at AQF 3 or higher, creating a financial incentive for them to enrol at higher levels where possible.

As might be expected, existing employees tended to be older than new employees. The average age of existing employees commencing apprenticeships and traineeships in 1999 was 35.2, compared to 25.0 for new employees. This difference occurred among both apprentices, where the average age of existing employees was 25.6 compared to 19.4 for new employees, and trainees, where the average existing employee was 35.8 years old at commencement, compared to 26.9 for new employees.

High-volume Apprenticeships and Traineeships

There are a number of apprenticeships and traineeships that account for a large proportion of total commencements. As such, they have a large influence on overall trends in commencements. The tables below provide details of the top ten apprenticeships and traineeships in Victoria for 1999.

Top Ten Apprenticeships by Number of Commencements, Victoria, 1999

Qualification	Commencements	% of Total	Cumulative %
Certificate 3 in Hospitality (Commercial Cookery)	1,035	8.7	8.7
Certificate 3 Automotive Repair Services and Retail (Light Vehicle Mechanics)	928	7.8	16.6
Certificate 3 in Electrical (Electrician)	881	7.4	24.0
Certificate 3 in Hairdressing (Apprenticeship)	863	7.3	31.3
Apprenticeship Certificate: Plumbing and Gasfitting	816	6.9	38.1
Certificate 3 in Building and Construction (Fitout and Finish) (Carpentry)	782	6.6	44.7
Apprenticeship Certificate: Carpentry and Joinery (Joinery/Stairbuilding/Shopfitting)	562	4.7	49.5
Certificate 3 in Furnishing — Cabinet Making Stream	531	4.5	54.0
Certificate 3 in Engineering (Mechanical)	531	4.5	58.4
Certificate 3 in Engineering (Fabrication)	493	4.2	62.6

Note: Excludes existing employees

Top Ten Traineeships by Number of Commencements, Victoria, 1999

Qualification	Commencements	% of Total	Cumulative %
Certificate 2 in Retail Operations	4,514	13.3	13.3
Certificate 3 in Business (Office Administration)	3,059	9.0	22.3
Certificate 2 in Business (Small Business Traineeship)	2,356	6.9	29.2
Certificate 3 in Retail Operations	2,076	6.1	35.3
Certificate 3 in Cleaning Operations	1,766	5.2	40.5
Certificate 3 in Security Operations	1,421	4.2	44.7
Certificate 2 in Hospitality (Operations)	1,356	4.0	48.7
Certificate 2 in Business (Office Administration)	1,069	3.1	51.9
Certificate 3 in Hospitality (Food and Beverage)	913	2.7	54.6
Certificate 2 in Communications (Call Centres)	695	2.0	56.6

Note: Excludes existing employees

For both apprenticeships and traineeships, the top ten courses account for well over half of all commencements. Trends in the industries and occupations serviced by these courses will go a long way towards explaining trends in apprenticeships and traineeships overall.

The top traineeships are dominated by business and retail courses, areas which have been prominent in traineeships since their introduction. More recently introduced courses in cleaning and security operations also accounted for well over 1,000 commencements each in 1999. The top ten was rounded out by traineeships in hospitality and the emerging call centres area. The Certificate 2 in Communications (Call Centres) was the only qualification in the 1999 top ten that did not record a single commencement in 1998.

Despite the growing range of occupations covered by traineeships, the top eight accounted for over 50% of commencements. As a sign of their effect on overall apprentice and trainee numbers, the top eight traineeships all accounted for more commencements than the largest apprenticeship.

The top ten apprenticeships are more of a mixed bag, with a range of traditional apprenticeship occupations represented. Apprenticeships are slightly less dominated by a few very high-volume courses, but there are more apprenticeships accounting for over 4% of commencements. As with traineeships, the top eight apprenticeships account for over 50% of commencements. As might be expected, apprentice numbers depend largely on the fortunes of a few industries where traditional apprenticeships are concentrated.

Participation by Equity Groups

With the exception of gender, data about whether apprentices and trainees belong to the equity groups whose participation in vocational education and training is routinely reported nationally has only been collected in Victoria since May 1998. Even now,

data quality is questionable, as numbers of people in each group are implausibly low, and the proportion of 'not stated' responses cannot be measured, as these default to the dominant category.

In the only full year for which data is available, 1999, 71 commencing apprentices and trainees identified themselves as Aboriginal or Torres Strait Islander, and 189 identified themselves as having a disability, most commonly visual disabilities (47). In both cases, these people made up fewer than 1% of commencements.

In terms of language spoken at home, 92% of apprentices and trainees commencing in 1999 were listed as speaking English. This is the default value, and this figure therefore includes all those who did not respond to this question. European languages were the next most common, with only Greek (1.3%) and Italian (1.2%) accounting for more than 1% of commencements. These were also the largest language groups in 1998, where data was collected from May onwards.

Due to the small numbers involved, analysis of the participation of these groups on dimensions such as apprenticeship/traineeship, new/existing employees and region or occupation is not likely to be meaningful. For this reason, the above figures include existing employees.

Of the 45,822 new employees who commenced apprenticeships and traineeships in 1999, 19,196, or 41.9%, were female. This was an increase from the 1998 figure of 36.1%. Commencing apprentices are still overwhelmingly male, with only 12.8% being female in 1999. In 1999, the majority of commencing trainees (52.1%) were female. The figure had been 48.9% in 1998.

ATTACHMENT 1**Apprentice and Trainee Commencements, Victoria, 1975–76 to 1998–99**

Year	Apprentices	Trainees	Total
1975–76	11,398		11,398
1976–77	13,443		13,443
1977–78	11,776		11,776
1978–79	10,878		10,878
1979–80	11,506		11,506
1980–81	10,366		10,366
1981–82	10,863		10,863
1982–83	9,811		9,811
1983–84	8,491		8,491
1984–85	10,156		10,156
1985–86	9,693		9,693
1986–87	14,983		14,983
1987–88	16,074	1,522	17,596
1988–89	18,169	1,845	20,014
1989–90	16,073	1,492	17,565
1990–91	8,705	1,004	9,709
1991–92	7,529	1,845	9,374
1992–93	9,298	4,295	13,593
1993–94	10,887	2,477	13,364
1994–95	11,578	1,916	13,494
1995–96	9,131	8,084	17,215
1996–97	9,044	14,243	23,287
1997–98	10,033	18,067	28,100
1998–99	11,605	26,152	37,757

Notes:

1. 1998–99 figure excludes existing employees. Prior to this, existing employees were not separately identified, but numbers are believed to have been small in the absence of Commonwealth employer incentives for this group.
2. From 1997–98 apprentices are defined as those covered by more stringent and traditional regulatory provisions under the VET Act. Trainees are covered by less stringent provisions under the Act. For administrative purposes, apprenticeships are those where Set One conditions apply and traineeships where Set Two conditions apply. Prior to this the apprentice and trainee schemes were separate, and figures are calculated on this basis.
3. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.

ATTACHMENT 2**Apprenticeship and Traineeship Commencements by Occupation
(2 Digit ASCO), Victoria, 1995–1999**

Occupation	1995	1996	1997	1998	1999	% Change 1995–1999
Automotive Tradespersons	1,736	1,700	1,582	1,777	2,129	23
Business & Administration Associate Professionals	32	196	254	443	546	1606
Cleaners	12	30	127	992	2,119	17558
Construction Tradespersons	2,181	2,033	2,343	3,437	3,767	73
Electrical & Electronics Tradespersons	994	774	878	1,137	1,248	26
Elementary Sales Workers	295	1,227	1,635	3,091	9,357	3072
Elementary Service Workers	14	16	86	452	1,496	10586
Factory Labourers	888	2,859	3,015	1,970	1,885	112
Food Tradespersons	1,326	1,436	1,345	1,829	2,094	58
Intermediate Clerical Workers	1,477	2,300	2,251	3,308	4,425	200
Intermediate Machine Operators	32	80	161	244	558	1644
Intermediate Sales & Related Workers	731	3,424	3,586	2,794	2,881	294
Intermediate Service Workers	236	577	1,681	2,847	5,148	2081
Mechanical & Fabrication Engineering Tradespersons	1,492	1,558	1,282	1,383	1,277	-14
Other Intermediate Production & Transport Workers	135	323	443	578	1,171	767
Other Labourers & Related Workers	127	761	856	1,265	1,521	109
Other Tradespersons & Related Workers	1,589	1,672	1,594	1,984	2,102	32
Skilled Agricultural & Horticultural Workers	331	347	317	395	530	60
Other Categories	490	1,264	1,201	1,507	1,568	220
Total	14,118	22,577	24,637	31,433	45,822	225

Notes:

1. 1998 and 1999 figures exclude existing employees. Prior to 1998 existing employees were not separately identified, but numbers are believed to have been small in the absence of Commonwealth employer incentives for this group.
2. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.
3. Occupations are taken from the Australian Standard Classification of Occupations (ASCO) at the two-digit level.

ATTACHMENT 3

Australian Standard Classifications of Occupations (ASCO) — Major, Sub-Major and Minor Groups

1	MANAGERS AND ADMINISTRATORS
11	GENERALIST MANAGERS
111	General Managers and Administrators
119	Miscellaneous Generalist Managers
12	SPECIALIST MANAGERS
121	Resource Managers
122	Engineering, Distribution and Process Managers
123	Sales and Marketing Managers
129	Miscellaneous Specialist Managers
13	FARMERS AND FARM MANAGERS
131	Farmers and Farm Managers
2	PROFESSIONALS
21	SCIENCE, BUILDING AND ENGINEERING PROFESSIONALS
211	Natural and Physical Science Professionals
212	Building and Engineering Professionals
22	BUSINESS AND INFORMATION PROFESSIONALS
221	Accountants, Auditors and Corporate Treasurers
222	Sales, Marketing and Advertising Professionals
223	Computing Professionals
229	Miscellaneous Business and Information Professionals
23	HEALTH PROFESSIONALS
231	Medical Practitioners
232	Nursing Professionals
238	Miscellaneous Health Professionals
24	EDUCATION PROFESSIONALS
241	School Teachers
242	University and Vocational Education Teachers
249	Miscellaneous Education Professionals
25	SOCIAL, ARTS AND MISCELLANEOUS PROFESSIONALS

	251	Social Welfare Professionals
	252	Miscellaneous Social Professionals
	253	Artists and Related Professionals
	254	Miscellaneous Professionals
3		ASSOCIATE PROFESSIONALS
	31	SCIENCE, ENGINEERING AND RELATED ASSOCIATE PROFESSIONALS
	311	Medical and Science Technical Officers
	312	Building and Engineering Associate Professionals
32		BUSINESS AND ADMINISTRATION ASSOCIATE

	PROFESSIONALS
321	Finance Associate Professionals
329	Miscellaneous Business and Administration Associate Professionals
33	MANAGING SUPERVISORS (SALES AND SERVICE)
331	Shop Managers
332	Hospitality and Accommodation Managers
339	Miscellaneous Managing Supervisors (Sales and Service)
34	HEALTH AND WELFARE ASSOCIATE PROFESSIONALS
341	Enrolled Nurses
342	Welfare Associate Professionals
349	Miscellaneous Health and Welfare Associate Professionals
39	OTHER ASSOCIATE PROFESSIONALS
391	Police Officers
399	Miscellaneous Associate Professionals
4	TRADESPERSONS AND RELATED WORKERS
41	MECHANICAL AND FABRICATION ENGINEERING TRADESPERSONS
411	Mechanical Engineering Tradespersons
412	Fabrication Engineering Tradespersons
42	AUTOMOTIVE TRADESPERSONS
421	Automotive Tradespersons
43	ELECTRICAL AND ELECTRONICS TRADESPERSONS
431	Electrical and Electronics Tradespersons
44	CONSTRUCTION TRADESPERSONS
441	Structural Construction Tradespersons
442	Final Finishes Construction Tradespersons
443	Plumbers
45	FOOD TRADESPERSONS
451	Food Tradespersons
46	SKILLED AGRICULTURAL AND HORTICULTURAL WORKERS
461	Skilled Agricultural Workers
462	Horticultural Tradespersons
49	OTHER TRADESPERSONS AND RELATED WORKERS

	491	Printing Tradespersons
	492	Wood Tradespersons
	493	Hairdressers
	494	Textile, Clothing and Related Tradespersons
	498	Miscellaneous Tradespersons and Related Workers
5		ADVANCED CLERICAL AND SERVICE WORKERS
	51	SECRETARIES AND PERSONAL ASSISTANTS
	511	Secretaries and Personal Assistants
	59	OTHER ADVANCED CLERICAL AND SERVICE WORKERS
	591	Advanced Numerical Clerks
	599	Miscellaneous Advanced Clerical and Service Workers
6		INTERMEDIATE CLERICAL, SALES AND SERVICE WORKERS
	61	INTERMEDIATE CLERICAL WORKERS
	611	General Clerks
	612	Keyboard Operators
	613	Receptionists
	614	Intermediate Numerical Clerks
	615	Material Recording and Despatching Clerks
	619	Miscellaneous Intermediate Clerical Workers
	62	INTERMEDIATE SALES AND RELATED WORKERS
	621	Intermediate Sales and Related Workers
	63	INTERMEDIATE SERVICE WORKERS
	631	Carers and Aides
	632	Hospitality Workers
	639	Miscellaneous Intermediate Service Workers
7		INTERMEDIATE PRODUCTION AND TRANSPORT WORKERS
	71	INTERMEDIATE PLANT OPERATORS
	711	Mobile Plant Operators
	712	Intermediate Stationary Plant Operators
	72	INTERMEDIATE MACHINE OPERATORS
	721	Intermediate Textile, Clothing and Related Machine Operators

	729	Miscellaneous Intermediate Machine Operators
73		ROAD AND RAIL TRANSPORT DRIVERS
	731	Road and Rail Transport Drivers
79		OTHER INTERMEDIATE PRODUCTION AND TRANSPORT WORKERS
	791	Intermediate Mining and Construction Workers
	799	Miscellaneous Intermediate Production and Transport Workers
8		ELEMENTARY CLERICAL, SALES AND SERVICE WORKERS
81		ELEMENTARY CLERKS
	811	Elementary Clerks
82		ELEMENTARY SALES WORKERS
	821	Sales Assistants
	829	Miscellaneous Elementary Sales Workers
83		ELEMENTARY SERVICE WORKERS
	831	Elementary Service Workers
9		LABOURERS AND RELATED WORKERS
91		CLEANERS
	911	Cleaners
92		FACTORY LABOURERS
	921	Process Workers
	922	Product Packagers
99		OTHER LABOURERS AND RELATED WORKERS
	991	Mining, Construction and Related Labourers
	992	Agricultural and Horticultural Labourers
	993	Elementary Food Preparation and Related Workers
	999	Miscellaneous Labourers and Related Workers

ATTACHMENT 4**Apprenticeship Commencements by PETE Planning Regions, Victoria, 1995–1999**

Region	1995	1996	1997	1998	1999	% Change 1995–1999
Inner Melbourne	2,436	2,279	2,179	2,527	2,417	-1
Eastern Melbourne	981	887	922	1,136	1,273	30
Northern Melbourne	1,016	891	888	1,185	1,148	13
Southern Melbourne	2,013	1,958	1,907	2,138	2,210	10
Western Melbourne	926	950	847	1,005	1,156	25
Barwon	400	371	364	529	632	58
Central Highlands	215	255	216	256	340	58
East Gippsland	140	137	124	171	202	44
Gippsland	389	361	416	453	429	10
Goulburn	388	370	355	454	472	22
Loddon–Campaspe	306	354	375	479	411	34
Mallee	147	154	150	178	224	52
Ovens–Murray	189	208	193	244	494	161
Western District	237	223	167	245	290	22
Wimmera	73	113	99	102	102	40
Interstate	22	17	13	24	59	168
Total	9,878	9,528	9,215	11,126	11,859	20

Traineeship Commencements by PETE Planning Regions, Victoria, 1995–1999

Region	1995	1996	1997	1998	1999	% Change 1995–1999
Inner Melbourne	1,178	3,567	4,420	5,646	11,897	910
Eastern Melbourne	156	433	722	998	2,129	1265
Northern Melbourne	332	1,159	732	1,379	2,414	627
Southern Melbourne	376	1,510	1,711	3,064	5,467	1354
Western Melbourne	273	1,009	1,715	1,861	2,988	995
Barwon	66	475	510	1,077	1,495	2165
Central Highlands	142	400	662	548	729	413
East Gippsland	140	314	309	333	447	219
Gippsland	134	567	485	655	990	639
Goulburn	451	1,025	984	1,140	1,345	198
Loddon–Campaspe	255	720	893	1,148	1,268	397
Mallee	265	736	829	604	725	174
Ovens–Murray	243	358	339	465	768	216
Western District	142	391	382	499	650	358
Wimmera	63	230	288	349	343	444
Interstate	24	155	441	541	308	1183
Total	4,240	13,049	15,422	20,307	33,963	701

Apprenticeship and Traineeship Commencements by PETE Planning Regions, Victoria, 1995–1999

Region	1995	1996	1997	1998	1999	% Change 1995–1999
Inner Melbourne	3,614	5,846	6,599	8,173	14,314	296
Eastern Melbourne	1,137	1,320	1,644	2,134	3,402	199
Northern Melbourne	1,348	2,050	1,620	2,564	3,562	164
Southern Melbourne	2,389	3,468	3,618	5,202	7,677	221
Western Melbourne	1,199	1,959	2,562	2,866	4,144	246
Barwon	466	846	874	1,606	2,127	356
Central Highlands	357	655	878	804	1,069	199
East Gippsland	280	451	433	504	649	132
Gippsland	523	928	901	1,108	1,419	171
Goulburn	839	1,395	1,339	1,594	1,817	117
Loddon–Campaspe	561	1,074	1,268	1,627	1,679	199
Mallee	412	890	979	782	949	130
Ovens–Murray	432	566	532	709	1,262	192
Western District	379	614	549	744	940	148
Wimmera	136	343	387	451	445	227
Interstate	46	172	454	565	367	698
Total	14,118	22,577	24,637	31,433	45,822	225

Notes:

1. 1998 and 1999 figures exclude existing employees. Prior to 1998 existing employees were not separately identified, but numbers are believed to have been small in the absence of Commonwealth employer incentives for this group.
2. Apprentices are defined as those covered by more stringent and traditional regulatory provisions under the VET Act. Trainees are covered by less stringent provisions under the Act. For administrative purposes, apprenticeships are those where Set One conditions apply and traineeships where Set Two conditions apply.
3. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.
4. Regions are those used for planning by the Office of Post Compulsory Education, Training and Employment. For non-metropolitan regions, these correspond to Australian Bureau of Statistics (ABS) Statistical Divisions, while in Melbourne they are aggregations of ABS Labour Force Regions.

ATTACHMENT 5**Apprenticeship Commencements by Age, Victoria, 1995–1999**

Age Group	1995	1996	1997	1998	1999	% Change 1995–1999
19 and under	7,250	6,849	6,489	7,767	8,107	12
20–24	2,155	2,117	2,130	2,556	2,913	35
25–29	240	320	369	474	527	120
30–34	123	124	124	182	182	48
35–39	60	76	47	93	72	20
40–44	31	29	38	29	39	26
45–49	17	10	12	16	12	-29
50–54	2	2	6	7	4	100
55 and over	0	2	1	2	3	n/a
Total	9,878	9,529	9,216	11,126	11,859	20

Traineeship Commencements by Age, Victoria, 1995–1999

Level	1995	1996	1997	1998	1999	% Change 1995–1999
19 and under	1,716	4,244	4,895	6,727	9,455	451
20–24	1,538	4,539	5,187	6,299	9,825	539
25–29	391	1,749	2,114	2,616	4,689	1099
30–34	214	897	1,111	1,301	2,771	1195
35–39	163	636	761	1,139	2,266	1290
40–44	97	463	632	893	1,902	1861
45–49	70	293	392	658	1,490	2029
50–54	34	158	239	447	1,002	2847
55 and over	17	69	90	227	563	3212
Total	4,240	13,048	15,421	20,307	33,963	701

Apprenticeship and Traineeship Commencements by Age, Victoria, 1995–1999

Level	1995	1996	1997	1998	1999	% Change 1995–1999
19 and under	8,966	11,093	11,384	14,494	17,562	96
20–24	3,693	6,656	7,317	8,855	12,738	245
25–29	631	2,069	2,483	3,090	5,216	727
30–34	337	1,021	1,235	1,483	2,953	776
35–39	223	712	808	1,232	2,338	948
40–44	128	492	670	922	1,941	1416
45–49	87	303	404	674	1,502	1626
50–54	36	160	245	454	1,006	2694
55 and over	17	71	91	229	566	3229
Total	14,118	22,577	24,637	31,433	45,822	225

Notes:

1. 1998 and 1999 figures exclude existing employees. Prior to 1998 existing employees were not separately identified, but numbers are believed to have been small in the absence of Commonwealth employer incentives for this group.
2. Apprentices are defined as those covered by more stringent and traditional regulatory provisions under the VET Act. Trainees are covered by less stringent provisions under the Act. For administrative purposes, apprenticeships are those where Set One conditions apply and traineeships where Set Two conditions apply.
3. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.

ATTACHMENT 6

Apprenticeship Commencements by Australian Qualifications Framework (AQF) Level, Victoria, 1995–1999

Level	1995	1996	1997	1998	1999	% Change 1995–1999
AQF 1	0	0	0	0	0	n/a
AQF 2	0	0	0	0	0	n/a
AQF 3	9,878	9,529	9,216	11,055	11,774	19
AQF 4	0	0	0	71	85	n/a
AQF 5	0	0	0	0	0	n/a
AQF 6	0	0	0	0	0	n/a
Total	9,878	9,529	9,216	11,126	11,859	20

Traineeship Commencements by Australian Qualifications Framework (AQF) Level, Victoria, 1995–1999

Level	1995	1996	1997	1998	1999	% Change 1995–1999
AQF 1	11	114	92	22	6	-45
AQF 2	4,188	12,077	13,079	13,150	17,516	318
AQF 3	17	531	1,797	6,068	15,342	90147
AQF 4	24	326	453	1,066	1,036	4217
AQF 5	0	0	0	1	48	n/a
AQF 6	0	0	0	0	15	n/a
Total	4,240	13,048	15,421	20,307	33,963	701

Apprenticeship and Traineeship Commencements by Australian Qualifications Framework (AQF) Level, Victoria, 1995–1999

Level	1995	1996	1997	1998	1999	% Change 1995–1999
AQF 1	11	114	92	22	6	-45
AQF 2	4,188	12,077	13,079	13,150	17,516	318
AQF 3	9,895	10,060	11,013	17,123	27,116	174
AQF 4	24	326	453	1,137	1,121	4571
AQF 5	0	0	0	1	48	n/a
AQF 6	0	0	0	0	15	n/a
Total	14,118	22,577	24,637	31,433	45,822	225

Notes:

1. 1998 and 1999 figures exclude existing employees. Prior to 1998 existing employees were not separately identified, but numbers are believed to have been small in the absence of Commonwealth employer incentives for this group.

2. Apprentices are defined as those covered by more stringent and traditional regulatory provisions under the VET Act. Trainees are covered by less stringent provisions under the Act. For administrative purposes, apprenticeships are those where Set One conditions apply and traineeships where Set Two conditions apply.
3. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.

ATTACHMENT 7

Existing Employees as Percentage of Total Apprenticeship and Traineeship Commencements, Victoria, 1999, by Apprenticeship/Traineeship

	Existing Employees	Total	Existing Employees as a % of Total
Apprentices	667	12,526	5.3
Trainees	11,735	45,698	25.7
Total	12,402	58,224	21.3

Existing Employees as Percentage of Total Apprenticeship and Traineeship Commencements, Victoria, 1999, by Occupation

Occupation (2 Digit ASCO)	Existing Employees	Total	Existing Employees as a % of Total
Automotive Tradespersons	58	2,187	2.7
Business & Administration Associate Professionals	47	593	7.9
Cleaners	939	3,058	30.7
Construction Tradespersons	69	3,836	1.8
Electrical & Electronics Tradespersons	151	1,399	10.8
Elementary Sales Workers	3,471	12,828	27.1
Elementary Service Workers	628	2,124	29.6
Factory Labourers	217	2,102	10.3
Food Tradespersons	973	3,067	31.7
Intermediate Clerical Workers	1,049	5,474	19.2
Intermediate Sales & Related Workers	285	3,166	9.0
Intermediate Service Workers	1,599	6,747	23.7
Mechanical & Fabrication Engineering Tradespersons	283	1,560	18.1
Other Intermediate Production & Transport Workers	855	2,026	42.2
Other Labourers & Related Workers	1,098	2,619	41.9
Other Tradespersons & Related Workers	219	2,321	9.4
Skilled Agricultural & Horticultural Workers	55	585	9.4
Other Categories	406	2,532	16.0
Total	12,402	58,224	21.3

Notes:

1. Totals include existing employees.
2. Apprentices are defined as those covered by more stringent and traditional regulatory provisions under the VET Act. Trainees are covered by less stringent provisions under the Act. For administrative purposes, apprenticeships are those where Set One conditions apply and traineeships where Set Two conditions apply.
3. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.
4. Occupations are taken from the Australian Standard Classification of Occupations (ASCO) at the two-digit level.

Existing Employees as Percentage of Total Apprenticeship and Traineeship Commencements, Victoria, 1999, by PETE Planning Regions

Region	Existing Employees	Total	Existing Employees as a % of Total
Inner Melbourne	4,537	18,851	24.1
Eastern Melbourne	675	4,077	16.6
Northern Melbourne	819	4,381	18.7
Southern Melbourne	1,591	9,268	17.2
Western Melbourne	934	5,078	18.4
Barwon	350	2,477	14.1
Central Highlands	303	1,372	22.1
East Gippsland	139	788	17.6
Gippsland	359	1,778	20.2
Goulburn	803	2,620	30.6
Loddon–Campaspe	400	2,079	19.2
Mallee	300	1,249	24.0
Ovens–Murray	711	1,973	36.0
Western District	175	1,115	15.7
Wimmera	200	645	31.0
Interstate	106	473	22.4
Total	12,402	58,224	21.3

Existing Employees as Percentage of Total Apprenticeship and Traineeship Commencements, Victoria, 1999, by Australian Qualifications Framework (AQF) Level

AQF Level	Existing Employees	Total	Existing Employees as a % of Total
AQF1	0	6	0.0
AQF2	1,355	18,871	7.2
AQF3	10,522	37,638	28.0
AQF4	522	1,643	31.8
AQF5	3	51	5.9
AQF6	0	15	0.0
Total	12,402	58,224	21.3

Notes:

1. Totals include existing employees.
2. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.
3. Regions are those used for planning by the Office of Post Compulsory Education, Training and Employment.

ATTACHMENT 8**Total Apprenticeship and Traineeship Commencements by Gender, Victoria, 1998 and 1999**

		Male	Female	Total	% Female
Apprentices	1998	9,713	1,413	11,126	12.7
	1999	10,344	1,515	11,859	12.8
Trainees	1998	10,377	9,930	20,307	48.9
	1999	16,282	17,681	33,963	52.1
Total	1998	20,090	11,343	31,433	36.1
	1999	26,626	19,196	45,822	41.9

Notes:

1. Excludes existing employees.
2. Apprentices are defined as those covered by more stringent and traditional regulatory provisions under the VET Act. Trainees are covered by less stringent provisions under the Act. For administrative purposes, apprenticeships are those where Set One conditions apply and traineeships where Set Two conditions apply.
3. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.

Apprenticeship and Traineeship Commencements, Victoria, 1999, by Aboriginality, Reported Disability and Main Language Spoken at Home

	Number	% of Total Commencements
Total Commencements	58,224	100.0
Aboriginality		
Self-reporting as ATSI	71	0.1
Disability		
Visual/Sight/Seeing	47	0.1
Hearing	24	0.0
Physical	34	0.1
Intellectual	10	0.0
Chronic illness	23	0.0
Other disability	37	0.1
Unspecified disability	14	0.0
Total reporting a disability	189	0.3
Language spoken at home		
English	53,545	92.0
Greek	777	1.3
Italian	693	1.2
Macedonian	298	0.5
Spanish	253	0.4
Vietnamese	247	0.4
Arabic (including Lebanese)	226	0.4
Croatian	190	0.3
Maltese	176	0.3
Turkish	138	0.2
Other/Not stated	1,681	2.9

Notes:

1. Includes existing employees.
2. Data are based on date of processing, that is the date commencements, completions and other events were administratively processed.
3. Figures include only those who reported belonging to the select client groups. In all cases, this is likely to significantly underestimate numbers. There is no measure of data quality easily available, as there are no "not stated" categories in the data, and non responses default to the dominant category. Because of the small numbers in most categories, further analysis by apprentice/trainee or new/existing employee has not been attempted.

APPRENTICESHIPS & TRAINEESHIPS IN VICTORIA:
A SURVEY OF EMPLOYERS, APPRENTICES & TRAINEES

NCS Australasia
Fischer & Associates

EXECUTIVE SUMMARY

Overview

The Office of Post Compulsory Education, Training and Employment, commissioned NCS Australasia to conduct a telephone survey to ascertain the views of apprentices, trainees and their employers, on the quality of training they are receiving. The information provided through the survey will inform the current review of the quality of training in Victoria's apprenticeship and traineeship system.

There were 760 employer respondents to the survey, 385 apprentices and 375 trainees providing a sample of views and judgements about aspects of the operations of the apprenticeship and traineeship system. The sample represented large and small employers in equal proportion. A balance of respondents were in metropolitan and non-metropolitan locations.

Results

The survey was structured around a number of key themes considered to be important for assessing service quality. These included:

- the adequacy of the information provided to help respondents in deciding whether or not to participate in the system
- the appropriateness of the enrolment in meeting respective needs
- the extent to which training delivery met expectations
- the adequacy of assessment processes, and
- satisfaction with the outcomes of the training

Employers, apprentices and trainees have strongly positive feelings towards and experiences of, the Victorian training system. Their satisfaction is high on most important measures. Apprentices/trainees however, tend to have lower satisfaction levels than do employers. While there are differences from time to time, between small and large employers, or in the experience of metropolitan or non-metropolitan respondents, these do not translate into large differences in attitudes, expectations or experiences of the system.

There are however, a number of matters where a reasonably substantial minority of respondents are less than satisfied, which suggests that improvements in service quality could be made. It is beyond the survey's scope to ascertain the underlying reasons for these differences, but it may be that participant's requirements need to be more differentiated in some areas.

Information

- Depending on the issue, at least 80% of employers had sufficient information in making their decision. However up to 18% did not, with particular concerns about choice of provider and conditions attached to employment. It needs to be noted that employers in the survey include only those who decided to participate in the apprentice/trainee system.

- Apprentices and trainees were less satisfied with the information than were employers. For example a third of them believe that they did not receive enough information about providers.

Appropriateness of Enrolment

- High satisfaction with the appropriateness of course levels were experienced by all respondents.
- However, a significant number of apprentices and trainees believed that their training could have commenced at a higher level.
- Processes for the recognition of existing skills were satisfactory to all.

Training Delivery

- Apprentices were twice as likely to attend off-site classes than trainees, who received more of their training in a variety of forms, on-site.
- Large companies receive more on-site training by external providers than do small companies.
- 69% of employers were satisfied or very satisfied with delivery methods and 9% dissatisfied or very dissatisfied. A higher proportion of trainees' employers were very satisfied compared to those of apprentices.
- TAFE Institutes were less likely to leave employers very satisfied than other providers.

Assessment

- A very high proportion of employers and apprentices/trainees were satisfied with the assessment process overall.

Outcomes

- Overall, respondents were very positive towards the training and its outcomes.
- Respondents were somewhat less sure that the right balance of theory and practice, and on and off the job training, had been struck
- A substantial proportion of employers believe that the training lacked an element of personal development for apprentices and trainees.

SURVEY FINDINGS

INTRODUCTION

The Office of Post Compulsory Education, Training and Employment commissioned NCS Australasia to conduct a telephone survey to ascertain the views of apprentices, trainees and their employers on the quality of training they are receiving to inform the current review of the quality of training in Victoria's apprenticeship and traineeship system. The survey was intended to measure the quality of the system, from compliance with basic legislative requirements to the satisfaction of participants with the outcomes achieved.

The data will assist the Review in its investigation of whether or not the Victorian system ensures the quality of training for apprentices and trainees, and how the system needs to change to ensure it can meet the challenges it will face over the next five years or more.

This report presents the highlights from the survey.

Sample Design

A population listing of employers and participants in Victoria's apprenticeship and trainee system was provided by the Office of Post Compulsory Education, Training and Employment. These included participant/company information together with contact and other details.

The Office pre-specified the stratification variables to be distinguished for constructing the study sample. These were 'trainee' and 'apprentice' for the participants, and 'small' and 'large' for the employers. That is, the participant listing was stratified according to whether the participant was a trainee or an apprentice, while the employers list was stratified on the 'number of employees' field given for each record. The latter was determined on the basis of the under 20 employees being 'small' and 20 or more employees being 'large'. Random sampling was then undertaken separately within each strata group to obtain the final sample to be interviewed.

Allocation to a strata group was checked at the interview stage, and respondents who had been classified incorrectly were reclassified based on the information provided at that time.

To allow for non-responses such as non-contacts, refusals and incorrect contact information, more sample was drawn than required. The final structure of the sample is contained in the following table.

Category:	Employers		Apprentices/Trainees	
	Large	Small	Apprentices	Trainees
In list supplied	37452	28083	34,107	44,079
In sample drawn	4,505	9,894	7,745	4,252
Expected	380	380	380	380
Expected per category	760		760	
Total Expected	1,520			

The expected number of interviews in each strata group was 380. This number of interviews would provide for a level of accuracy of +/- 5% with a 95% level of confidence for results obtained for each strata. In other words, we would expect that the true population parameter being estimated would fall in the range bounded by +/- 5% on the observed value, 95 times out of 100. For example, if 50% of the sample responded "yes" to a question, then the figure for the true population would be expected to fall between 45% and 55% ninety-five times out of one hundred. It should be noted that as the

observed value gets further from 50% (ie. closer to 0% or 100%) the smaller the error margin becomes.

Copies of the separate questionnaires completed by employers and trainees are appended. The two questionnaires are similar allowing comparison of employer and apprentice/trainee opinions.

RESPONDENT CHARACTERISTICS

There were 760 employer, 385 apprentice and 375 trainee respondents to the survey, providing a sample of views and judgements about aspects of the operations of the apprenticeship and traineeship system.

The sample represented in equal proportion, large and small employers. 55% of the employer respondents employed approximately 2,500 apprentices overall, whilst about 60% employed approximately 4,400 trainees. Some employed both apprentices and trainees.

Employer: Size

Half of the employers were relatively small with less than 20 employees and a further third employed between 20 and 100.

Table 1: Employer respondents by number of employees

No. of employees	Respondents	
	No.	%
1-19	380	50
20-100	249	33
Over 100	128	17
Don't know	3	0
Total	760	100

Location

About two-thirds [68%] of employer respondents were located in the metropolitan area. However they employed proportionately less of the apprentices and trainees [53%]. This difference is muted by the fact that some employer respondents classified as metropolitan, also employed apprentices and trainees in regional Victoria.

Industry

The largest group of employer respondents were in the Retail Trade (18%), followed by Recreation, Personal and Other Services (14%) and Metals and Metal Products Manufacturing (9%).

Table 2: Main industry of employers

Industry	% Employer (N = 760)
Retail trade	18
Recreation, personal and other services	14
Manufacturing - metals & metal products	9
Construction	8
Manufacturing – food, beverages, tobacco products	7
Community services	7
Transport and storage	6
Finance, property and business services	6
Manufacturing – wood products & furniture	5
Wholesale trade	3
Electricity, gas and water	3
Agriculture, forestry, fishing & hunting	3
Communication	2
Manufacturing – paper or paper products	1
Manufacturing – chemical, plastic, coal, petroleum, glass, clay, cement or other non-metallic mineral products	1
Manufacturing – textiles, clothing & footwear	1
Public administration & defence	1
Non-classifiable economic units	4
Don't know	0
Totals	100

Apprentices and Trainees: Courses

Apprentices were mainly involved in automotive [18%], engineering [14%], building and construction [10%] and electrical [10%] courses. Trainees were mainly involved in courses in retail [24%], business [20%], community and health [11%] and hospitality [11%].

Apprentices were more likely to be involved with a TAFE institution as their main provider than were trainees whose training was more spread between TAFE, a Group Training Company [GTC] or in-house provision. Over half [54%] of trainees were being trained fully on the job, whilst 81% of apprentices received their training on and off the job. The workplace of 56% of apprentices and 75% of trainees were located in the metropolitan area.

Employment History

20% of the trainees [2.6% of apprentices] had been employed by their current employer prior to their apprenticeship/traineeship commencing, for more than three months full time or six months part-time.

Age, and Year of Study

Apprentices at an average age of 20 were significantly younger than trainees [28 years]. About one third of the apprentices were in each of their first and second year and a further quarter in year three. 93% of the trainees were in their first year.

Provider and Location of Training

Employer respondents were asked what type of training provider they mainly used for apprentices and trainees. Not surprisingly there were significant differences.

Table 3: Main type of provider used by employer respondents

Main Training Provider	% Employers of	
	Apprentices [N=417]	Trainees [N=462]
TAFE	78	34
Group Training Company	10	31
In-house	8	26
Other	4	8
None	-	1
Don't know	0	0
Total	100	100

The survey sought information on the extent to which training was conducted on the job only or on and off the job. In only 17% of employers was apprentice training fully on the job, whereas training for trainees was fully on the job in 46% of employers.

Table 4: Location of training

Where Training Conducted	% Employers of	
	Apprentices [N=417]	Trainees [N=462]
Fully on the job	17	46
On and off the job	82	52
Other	1	1
Don't know	0	0
Total	100	100

RESPONDENT EXPERIENCE AND OPINIONS

Information

Respondents were asked a series of questions concerning their experience with the administration of the apprentices and trainee system and their opinions about its effectiveness in meeting their expectations or objectives.

In the first instance advice was sought on whether respondents had received enough information about the system prior to deciding whether to participate. The responses will likely exhibit a bias towards those believing enough information was provided since they had all decided to participate. The survey provides no insight into those who decided not to participate because of a lack of information.

Across a range of issues, relating to employment conditions, choosing a course or provider, or what would be involved or required, 80–85% of employers stated that they had enough information, leaving 13-18% with not enough [choosing a provider 18%, employment conditions 17%, what would be required 16%]. Slightly fewer small employers received enough information than larger ones. More significantly, a higher proportion of the employers of apprentices received enough information than those of trainees, particularly in relation to employment conditions and choosing a provider.

Table 4: Information provided to Employers

Issues	% Enough Information Provided [N=760]		
	Yes	No	D.K.
The conditions attached to employing an apprentice or trainee	81	17	2
Choosing an appropriate course	85	13	1
Choosing a training provider	80	18	2
What would be required from you during the apprenticeship or traineeship	83	16	1

D.K.= Don't know

Apprentices and trainees tended to be less satisfied than employers although a majority were satisfied overall. A third of them believed that they did not receive enough information about providers to assist in a choice. Over 20% also did not receive enough information on each of the other issues.

Table 5: Information provided to apprentices/trainees

Issues	% Enough Information Provided [N=762]		
	Yes	No	N.A.
The conditions of your employment as an apprentice/trainee	74	24	1
Choosing an appropriate course	66	21	12
Choosing a training provider	53	32	15
What would be involved in your on and off-job training	77	22	1

There were some differences in the responses of apprentices and trainees on two of the issues. Fewer trainees than apprentices believed that they received enough information about choosing a course and provider.

Respondents were also asked to identify areas where they required information but didn't receive it. A wide range of issues were identified by employers where required information was not received including: incentives/rebates/grants [6% of employers], guidelines [6%], contractual requirements [6%] and course content [5%]. 15% of apprentices/trainees stated that they needed more specific/in-depth information on the structure of apprenticeships/traineeships. Other issues raised by them included topics covered in courses, course structure [6%] and wages [5%].

Appropriateness of Enrolment

The survey sought information on whether training courses were at an appropriate level, whether new skills were being developed and whether or not credit was given for skills acquired prior to the training. Satisfaction overall was high [employers 90+%, apprentices 86%, trainees 84%]. Employers of trainees were somewhat more satisfied about the appropriateness of the level of courses and on the development of new skills than were apprentices' employers.

Satisfaction with the level of training by apprentices/ trainees declined with age. However, about a third of apprentices and 46% of trainees believed that the training they received could have commenced at a higher level.

The vast majority of apprentices/trainees [88%] believed that they developed new skills through their training, but 20% of the trainees didn't share that belief.

Almost three quarters of employers stated that their apprentices or trainees received credits for skills prior to training commencement. According to them trainees were marginally more likely to receive such credit, because they were more likely to have existing skills. While 91% of employers responding to this question were satisfied at the process for recognising the prior skills, only 70% believed that prior recognition should be available as an option.

62% of apprentices and trainees had their existing skills and competencies recognised and 15% of apprentices and 23% of trainees but did not. However there was overwhelming satisfaction with the process of prior recognition.

Table 6: Appropriateness of course level

Course at appropriate level	% Employers of		% Apprentices [N=385]	% Trainees [N=375]
	Apprentices [N=380]	Trainees [N=380]		
Yes	86	94	88	84
No	14	6	11	15
Don't know	-	0	1	1
Total	100	100	100	100

Choice of Provider

Respondents were questioned about the reasons for their choice of provider. They were able to provide more than one reason if they chose. Chief reasons offered by employers were:

- reputation of provider [21%]
- only provider offering the course [19%]
- proximity to workplace [18%]
- past experience with provider [14%]

Apprentices/trainees cited:

- employer choice [49%]
- proximity to home [20%]
- reputation of provider [16%]
- only provider offering the course [10%]

Table 7: Reason for choice of provider

Reasons for choice of provider	% Employers of		% Apprentices [N=385]	% Trainees [N=375]
	Apprentices [N=380]	Trainees [N=380]		
Reputation	13	28	23	10
Only one offering course	26	12	14	6
Close to workplace/employer	23	13	9	3
Past experience with provider	14	14	n.a.	n.a.
Quality of teaching, equipment	13	14	8	5
Relevance of course content to business	5	14	n.a.	n.a.

Apprentice/trainee/employer chose	9	3	30	68
Close to apprentice/trainee home	10	1	33	6
Flexibility of course time, location	6	4	5	4
Other	9	21	15	12
Don't know	1	2	2	1

Note that totals exceed 100% because of multiple responses.

Relationships With Other Bodies

Employers, apprentices and trainees were asked to identify the type of organisation with whom they had dealings in organising apprenticeships and traineeships, and to indicate their degree of satisfaction. Trainees were more inclined to have used Group Training Companies and less inclined to have used TAFE Institutes than were apprentices.

Table 8: Bodies dealt with in organising training

Type of Body	% Employers of		% Apprentices [N=385]	% Trainees [N=375]
	Apprentices [N=380]	Trainees [N=380]		
Group Training Company	26	45	19	26
TAFE Institute	38	26	35	18
New Apprenticeship Centre	32	30	8	5
Apprenticeship field officer/OTFE	18	17	7	5
Other training provider	7	13	8	16
Employer	12	9	6	13
Obtained job myself	-	-	6	1
Employment agency	-	-	2	2
Other	12	9	4	8
None	4	4	14	11
Don't know	2	1	2	3

Note that totals exceed 100% because of multiple responses.

The vast majority of all respondents were very or somewhat satisfied with the services they were provided. Variations in satisfaction of employers with providers was most often the extent to which they were very satisfied or somewhat satisfied.

Table 9: Employer's level of satisfaction with provider services

Satisfaction	% Bodies dealt with					
	NAC [N=235]	GTC [N=269]	Field officer [N=130]	TAFE Institute [N=245]	Other provider [N=78]	Other [N=78]
Very satisfied	48	49	55	51	53	59
Somewhat satisfied	42	37	31	36	33	27
Somewhat & very dissatisfied	10	11	12	11	14	13
Don't know	0	1	2	2	0	3
Total	100	100	100	100	100	100

Table 10: Apprentices/trainees level of satisfaction with provider services

Satisfaction	% Bodies dealt with					
	NAC [N=51]	GTC [N=169]	Field officer [N=45]	TAFE Institute [N=204]	Other provider [N=89]	Other [N=51]
Very satisfied	39	52	47	42	45	35
Somewhat satisfied	49	38	42	44	48	51
Somewhat & very dissatisfied	2	7	7	11	7	4
Don't know	0	-	-	0	-	2
Total	100	100	100	100	100	100

NAC = New Apprentice Centre
 GTC = Group Training Company
 Field officer = Apprenticeship Field Officer/OTFE

Apprentices are slightly more satisfied with the services provided by TAFE Institutes, than are trainees.

Training Plan

Respondents were asked whether or not they had training plans, whether or not they were involved in their development, what they contained and how they were used.

Far more employers of trainees had training plans in all cases [81%] i.e. for all their trainees, than those of apprentices [52%]. The larger the number of apprentices employed however, the higher proportion of employers who had plans for all their apprentices. About two-thirds of employers stated that they were involved in the development of plans.

According to employers plans were highly likely to include the competencies or modules to be completed [89% of employers], who would deliver them [83%], who would assess the competencies [88%] and how they would be delivered [77%]. In all cases, employers of trainees included these elements in plans.

Despite the number of employers stating that they had training plans for all their apprentices/trainees, only 55% of apprentices/trainees had training plans with a slightly higher proportion of trainees having plans [59% versus 51%]. Only a minority of apprentices/trainees [29%] were involved in the development of their training plans and 40% stated that they hadn't referred to the plan to check their progress.

Training Delivery

Asked whether or not any training had yet been delivered, 85% of employers said some or all had been and 14% said none had been. A higher proportion of larger, metropolitan employers stated that the training had commenced than small, non-metropolitan ones. 77% of apprentices/trainees said that their training had commenced.

Training takes place in the workplace with provider's materials or on-site instruction, delivered by the employer, or by attendance off-site in classes. The method adopted varied between apprentices and trainees, according to type of provider, size of company and location. Apprentices were twice as likely to attend classes while trainees utilise on site arrangements more as do non-metropolitan companies. Larger companies are more likely to receive on-site training from providers than are small ones. Responses from apprentices/trainees reflect the same pattern.

Table 11: Method of training

Provider Method	% Employers of			% Employers			
	All [N=648]	Apps [N=328]	T'nees [N=320]	Large [N=337]	Small [N=309]	Metro [N=429]	Non- metro [N=219]
Delivers material to workplace	32	11	54	33	31	29	38
On-site instruction by provider	40	13	66	47	32	37	45
Employer delivers on behalf of provider	29	20	38	35	23	22	43
Apprentice/trainee attends classes	74	98	50	75	73	73	76
Other	0	-	0	-	0	0	-
Don't know	0	0	0	1	-	0	-

Note that totals exceed 100% because of multiple responses.

All = all employer responding to the question
Apps = employers of apprentices
T'nees = employers of trainees

There were reasonably high levels of satisfaction with the delivery methods with almost 69% of employers satisfied or very satisfied and only 9% dissatisfied or very dissatisfied. A higher proportion of trainee's employers were very satisfied than those of apprentices. TAFE Institutes were less likely to leave employers very satisfied than other providers. A slightly higher proportion of apprentices/trainees than employers were satisfied or very satisfied [72%].

Assessment

Three quarters of employers stated that their apprentices/trainees had been assessed [70% of employers of apprentices, 81% of trainees]. Over 90% of them were satisfied with the assessment overall and were satisfied that skills were adequately assessed and that the assessment was fair and professional. 69% of apprentices/trainees had been assessed and they also were overwhelmingly satisfied with the assessment.

Supervision and Feedback

Employers were asked about the extent of involvement of workplace supervisors in training delivery or assessment and whether or not they received adequate feedback on the progress of their apprentices/trainees. Apprentices and trainees were asked whether or not they had received adequate information on their training.

Two thirds of employers advised that supervisors were involved daily but this varied significantly for apprentices [79%] and trainees [54%].

74% of the employers believed that they received adequate information on the progress of apprentices/trainees, that is, a quarter of them believed that they did not. Employers of apprentices were marginally less satisfied about feedback than those of trainees.

Three-quarters of apprentices/trainees received adequate feedback on their progress but fewer trainees [69%] than apprentices [79%] believed this to be the case. A substantial minority did not receive adequate feedback [20% of apprentices; 29% of trainees].

Intentions

Respondents were asked to nominate the reasons for their involvement in apprentices/traineeships and whether or not they achieved their objective in becoming involved. Responses from employers varied significantly in relation to whether they referred to apprentices or trainees. Employers of trainees were three times more likely to cite an increase in the businesses skill levels as the main reason, whereas passing on trade skills, employing a new worker and supporting industry development were the main reason for twice as many employers of apprentices.

Table 12: Main reason for becoming involved

Main Reason	% Employers of	
	Appren- tices [N=380]	Trainees [N=380]
Increase skill levels in the business	13	40
Give an opportunity to a young person	18	18
Pass on trade skills	21	10
Employ a new worker	18	7
Support the development of the industry	15	4
Financial benefit	3	6
Access training wages and subsidies	1	4
Other	9	9
None	0	1
Don't know	1	1
Total	100	100

95% of employers stated that their main objective in becoming involved had been reached. This response applied across all categories.

Apprentices and trainees reflected a similar pattern to the employers responses, although their reasons had a more personal focus.

Table 13: Apprentices and trainees main reason for involvement

Main Reason	% Appren- tices [N=385]	% Trainees [N=375]	% Total [N=760]
Start a career in this industry	59	21	40
Get a job	22	17	20
Get a better job or promotion	7	22	14
Employer decided	3	24	13
Qualifications	1	4	3
Interest in trade	3	1	2
Other	5	11	8
Total	100	100	100

A high proportion of apprentices and trainees [59%] stated that qualifications were an additional reason for becoming involved.

Outcomes

Respondents were asked to indicate the extent to which they agreed or disagreed with a set of statements about the outcomes of the training of apprentices/trainees.

Overall employer responses were very positive towards the training and its value. However, views about whether the balance in training between theory and practice, and on and off the job components were somewhat less positive than the relevance of the training for the business or industry, and whether or it represented value for money. A quarter of employer respondents agreed that there was a lack of personal development of apprentices/trainees.

Table 14: Employers' views on the outcomes of apprenticeship/traineeship

Statement of outcome	% of Employers [N=760]				
	Agree strongly	Agree	Dis-agree	Dis-agree strongly	Don't know
Skills of the apprentice/trainee fit your business needs	49	46	4	1	0
Skills of the apprentice/trainee are relevant to the industry needs	47	46	5	1	1
Course had the right balance between theory and practice	26	54	10	4	6
Course had the right balance between on and off job training	24	54	14	4	5
There is little value in the qualification for apprentices/ trainees	3	10	38	47	2
A lack of personal development of apprentices/trainees	5	26	43	23	3
Investment in the training is good value for money	44	45	7	2	2
Skills acquired during the apprenticeship/traineeship are not useful for the apprentices/trainees' career development	2	6	39	52	1

Employers of apprentices were more likely to have reservations about the balance between theory and practice in the training and agree that there was a lack of personal development. Employers of trainees on the other hand felt more strongly that training was good value for money and disagreed more strongly that the skills acquired were not useful for career development of the trainees.

Overall views of apprentices and trainees about the outcomes were very similar to those of the employers.

Table 15: Apprentices and trainees views on outcomes

Statement of outcome	% of Apprentices/Trainees [N=762]				
	Agree strongly	Agree	Dis-agree	Dis-agree strongly	Don't know
The skills developed through your apprenticeship/traineeship are relevant to your current job	43	49	6	2	1
The skills developed through your apprenticeship/traineeship are relevant to the needs of your industry	43	50	4	1	1
The course had the right balance between theory and practice	23	55	16	4	2
The course had the right balance between on and off job training	19	57	16	4	4
There is little value in the qualification of apprentices/trainees	3	17	47	32	2
The apprenticeship/traineeship has had no contribution to your personal development	3	15	47	32	2
The skills acquired during the apprenticeship/traineeship are not useful for your career development	2	8	48	41	1

Overall Experience

The overwhelming number of employers [96%] regardless of location or size, apprentices [96%] and trainees [93%], would recommend to others, employing apprentices/ trainees, or becoming an apprentice/trainee. The vast majority of employers would also employ apprentices/trainees again [97%].

Non-completion

59% of employer respondents had experienced apprentices and trainees failing to complete their training. The larger the enterprise the more likely was the experience. The main reasons cited were that the apprentice or trainee left the job [75%]. 68% of employers of apprentices and 81% of trainee’s employers gave this as a reason. 23% and 15% respectively gave dismissal as a reason. Very few [4%] cited inappropriate training as a reason. 69% of employer respondents were satisfied with the non-completion outcome with apprentice’s employers less satisfied than trainee’s employers.

Expectations After Completion of Training

Apprentices and trainees were asked what they most expect to do at the completion of their training. Most [62%] expected to continue working with the same firm or in the same industry if not the same firm [22%]. Some differences in response were apparent between apprentices and trainees.

Table 16: Apprentice and trainee expectations after completion of training

Expectations	% Apprentices [N=385]	% Trainees [N=375]	% Total [N=762]
Continue working with the firm	54	70	62
Continue working in the industry, but not with my current employer	30	14	22
Start a position in a different industry	9	9	9
Commence further training/education	3	5	4
Suspect that that you will be unemployed	1	1	1
Don't know	3	1	2

CONCLUSIONS

On the basis of these survey results, apprentices, trainees and their employers are well satisfied with the training system. With only few exceptions, opinions on the matters covered in the survey which determine quality is positive. Apprentices, trainees and employers value their experience and strongly endorse the system.

The main areas where satisfaction levels were not so strong include:

- a substantial proportion of employers wanted more information than they received to help in their initial decisions

- one third of apprentices/trainees wanted more initial information of providers to assist in choosing
- a significant proportion of apprentices/trainees believed that the training that they received could have started at a higher level
- concerns were also expressed about the balance in training between theory and practice, and on and off the job elements
- a substantial proportion of employers believed that the training provided insufficient personal development for apprentices/trainees.

Appendix

Survey Questionnaires



CONFIDENTIAL

All work conducted on behalf of Department of Education, Employment and Training is confidential. Under the Code of Professional Behaviour of the Market Research Society of Australia no information about this project, questionnaire or respondents should be disclosed to any third party.

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100 Station Street
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Ph. 03 9873 8800 Fax. 9873 8909

Apprentices
Apprentices/Trainees Questionnaire

[24 March 2000]

Project number 9546

INTRODUCTION

Good morning/afternoon/evening, I'm ...(full name)... from NCS Australasia the National Market Research Company. Could I please speak to [NAME ON SAMPLE]

- Yes - (CONTINUE)
- No, not available at this time - (ARRANGE CALLBACK)
- No, Refused - (THANK AND TERMINATE INTERVIEW)

[RE-INTRODUCE IF NECESSARY] We are conducting research on behalf of the Victorian Government about the quality of training in Victoria's apprenticeship and traineeship system. The study takes about 12 minutes, would you be able to help us today?

- Yes – (CONTINUE)
- No, busy- (ARRANGE CALLBACK)
- No, refused - (THANK AND TERMINATE INTERVIEW)

Just to let you know that part of this interview may be listened to by my supervisor as part of my training.

- No objection – (CONTINUE)
- Respondent objects – (THANK AND TERMINATE)**

DEMOGRAPHICS (HIGH PRIORITY)

1. Are you currently undertaking an apprenticeship or traineeship?

Yes, currently in Apprenticeship..... 1(CHECK QUOTAS)

Yes ,currently in Traineeship.....2(CHECK QUOTAS)

Not currently in either (TERMINATE).. 3

DK (TERMINATE)..... 4

Q.2-3 OMITTED

4. In which of the following age categories do you fall?

15-171

18-192

20-213

22-244

25-295

30-396

40-497

50 years and
over8

5. What is your postcode at your current worksite? [CHECK QUOTAS FOR METRO/NON-METRO]

_____ IF 'DK' RECORD AS '9999'

6. Our records show that the AQF (Australian Qualifications Framework) qualification you are training for is (DISPLAY OCCUPATION DESCRIPTION FIELD FROM SAMPLE). Is this correct?

[E.G. "CERTIFICATE 2 IN TEXTILES"]

Yes (GO TO Q.7)..... 1

No (RECORD CORRECT INFORMATION FOR CERTIFICATE AND INDUSTRY) 2

[GET A MIX OF INDUSTRIES AND COURSES]

7. How long have you been doing your apprenticeship/traineeship?

1 year or less 1

2 years 2

3 years 3

4 years 4

5 years or more..... 5

8. How long do you expect the apprenticeship/traineeship to last in total?

1 year or less 1

2 years 2

3 years 3

4 years 4

5 years or more..... 5

9. What type of provider is delivering this training? (S/R)

TAFE 1

Group Training

Provider 2

In-house..... 3

Other(specify)... 4
 None..... 5

10. Is your training delivered...(READOUT) (S/R)

Fully on the job; or 1
 On and off the job 2
 Other(specify)..... 3

INFORMATION (HIGH PRIORITY)

11. Prior to commencing your apprenticeship/ traineeship, did you have enough information on...

(READ OUT) [IF RESPONDENT HAD NO CHOICE RECORD AS N/A]

	YES	NO	N/A	DK
The conditions of your employment as an apprentice/trainee	1	2	3	4
Choosing an appropriate course	1	2	3	4
Choosing a training provider	1	2	3	4
What would be involved in your on and off-job training (None of these)	1	2	3	4

12. What information did you need but not get? (PROBE FOR COMPLETE RESPONSE)

APPROPRIATENESS OF ENROLLMENT (HIGH PRIORITY)

13. Is your training at an appropriate level?

Yes..... 1
 No..... 2

14. Do you believe that you could have started your apprenticeship/traineeship at a higher level?

Yes..... 1
 No..... 2

15. Are you developing new skills through your training?

Yes..... 1
 No..... 2

16. Were your existing skills and competencies recognised, that is, were you given credits for skills and competencies you already had prior to training delivery commencing?

Yes (GO TO Q.17) 1
 No – no existing skills (GO TO Q.18) 2
 No – skills not recognised (GO TO Q.18) 3

17. Are you satisfied with the process for recognising these competencies?

Yes..... 1
 No..... 2

NOW GO TO Q.19

18. Would you like this option to be available?

Yes.....1

No.....2

CHOICE OF PROVIDER (LOW PRIORITY)

19. Why did you choose the provider(s) you are using for your training? (M/R)

- Close to employer..... 1
- Close to home 2
- Reputation of provider 3
- Flexibility of course times,
location, etc..... 4
- Quality of teaching, equipment etc. 5
- Only one offering course..... 6
- Employer chose..... 7
- Other (specify)..... 8

RELATIONSHIPS WITH OTHER BODIES (MEDIUM PRIORITY)

20. Which of the following bodies, if any, did you deal with in organising your apprenticeship/ traineeship? (READ OUT) (M/R)

- New Apprenticeship Centre 1
- Group Training Company 2
- Apprenticeship Field Officer/OTFE 3 (NB:Office of Training and Further Education)
- TAFE institute/college 4
- Other Training Provider..... 5
- Other(specify)..... 6
- None (GO TO Q.22)..... 7

21. (READ FOR EACH MENTIONED IN Q.20) And how would you rate your overall satisfaction with the services provided by (INSERT NAME OF BODY)? Would you say you are...(READ OUT) (S/R)

	<u>a</u>	<u>b</u>	<u>c</u>	<u>d</u>	<u>e</u>	<u>f</u>
Very satisfied.....	1	1	1	1	1	1
Somewhat satisfied.....	2	2	2	2	2	2
Somewhat dissatisfied.....	3	3	3	3	3	3
Very dissatisfied.....	4	4	4	4	4	4

TRAINING PLAN (MEDIUM PRIORITY)

22. Do you have a training plan?

- Yes (CONTINUE)..... 1
- No (GO TO Q.26)..... 2

23. Were you involved in the development of the training plan?

- Yes..... 1
- No..... 2

24. Does the training plan...[READ OUT] (M/R)

(ROTATE)	<u>Yes</u>	<u>No</u>	<u>DK</u>
List the competencies or modules to be completed	1	2	3
Identify whether each competency is to be delivered by the employer or the training provider.....	1	2	3
Identify whether each competency is to be assessed by the employer or the training provider.....	1	2	3
Specify how each competency is to be delivered	1	2	3

25. Have you ever used or referred to the training plan to check your progress?

- Yes..... 1
- No..... 2

BASIC COMPLIANCE DELIVERY (HIGH PRIORITY)

26. Since your apprenticeship/traineeship commenced, has any training been delivered by your training provider?

- Yes (CONTINUE)..... 1
- No (GO TO Q.30)..... 2

27. Which of the following methods, if any, does the training provider use to deliver the training? (READ OUT) (M/R)

- Delivers materials to the workplace . 1
- Person from the training provider gives on-site instruction 2
- Employer delivers on behalf of the provider 3
- You attend college/classes..... 4
- (None of these)..... 5

28. On a scale of 1 to 5 where 1 is 'very dissatisfied' and 5 is 'very satisfied', how satisfied overall are you with the methods for delivering training? (S/R)

- 1 (very dissatisfied)..... 1
- 2 2
- 3 3
- 4 4
- 5 (very satisfied)..... 5

Q.29 OMITTED

ASSESSMENT (HIGH PRIORITY)

30. Have you been assessed during the course of your apprenticeship/traineeship?

- Yes (CONTINUE)..... 1
- No (GO TO Q.35)..... 2

31. Are you satisfied with the assessment conducted? [NOTE: CAN BE BY TRAINING PROVIDER OR EMPLOYER – ONLY CONCERNED WITH THE GENERAL EXPERIENCE]

- Yes..... 1
- No..... 2

32. Do you believe that your skills and competencies have been adequately assessed?

- Yes..... 1
- No..... 2

33. Was the assessment fair?

- Yes..... 1
- No..... 2

34. Was the assessment professional?
 Yes..... 1
 No 2

Q. 35-36 OMITTED (MEETING CLIENT EXPECTATIONS- (MEDIUM PRIORITY))

INVOLVEMENT AND FEEDBACK (MEDIUM PRIORITY)

37. Do you receive adequate information on your progress in your training?
 Yes..... 1
 No 2

INTENTIONS (MEDIUM PRIORITY)

38. What was your main reason for becoming involved in apprenticeships/traineeships? (DO NOT READ) (S/R)
 39. What others? (PROMPT IF NECESSARY) (M/R)

	Q.38	Q.39
	<u>MAIN</u>	<u>OTHERS</u>
To get a job.....	1	1
To start a career in this industry	2	2
To get a better job or promotion	3	3
Employer decided.....	4	4
Other(specify).....	5	5

40. Has your apprenticeship/traineeship helped you to achieve your main reason for doing the course? [DISPLAY RESPONSE IN Q.38 TO AID INTERVIEWER/RESPONDENT, NOT AS PART OF THE QUESTION]
 Yes..... 1
 No..... 2

OUTCOMES (HIGH PRIORITY)

41. I'm going to read you some statements that other apprentices/trainees have made about the outcomes of the programmes they have been involved with. Taking into consideration your involvement, please tell me whether you agree or disagree with each of the statements I read out. Would you say you agree or disagree that....(READ OUT). Is that just (agree/disagree) or strongly (agree/disagree)? (ROTATE)

	Agree		Disagree		
	<u>Strongly</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly</u>	<u>DK</u>
The skills developed through your apprenticeship/traineeship are relevant to your current job.....1		2	3	4	5
The skills developed through your apprenticeship/traineeship are relevant to the needs of your industry.....1		2	3	4	5
The course had the right balance between theory and practice.....1		2	3	4	5
The course had the right balance between on and off job training.....1		2	3	4	5
There is little value in the qualification of apprentices/trainees.....1		2	3	4	5
The apprenticeship/traineeship has had no contribution to your personal development	1	2	3	4	5
The skills acquired during the apprenticeship/traineeship are					

not useful for your career development.....1 2 3 4 5

OVERALL EXPERIENCE (MEDIUM PRIORITY)

42. Would you recommend an apprenticeship or traineeship to other people thinking of entering one?

Yes..... 1

No 2

Q.43 OMITTED

IMMEDIATE INTENTIONS (LOW PRIORITY)

44. And finally, when you complete your apprenticeship/traineeship, do you most likely expect to...
(READ OUT) (S/R)

- Continue working with the firm 1
- Continue working in the industry, but not with my current employer 2
- Start a position in a different industry.. 3
- Commence further training/education, or 4
- Suspect that that you will be unemployed 5

Thank you, that was the end of the survey. In case my supervisor needs to check my work, may I please have your first or last name?

RESPONDENT'S NAME

And can I just confirm your phone number? I dialled [DISPLAY PHONE NUMBER FROM SAMPLE] - is this correct?

No- RESPONDENT'S PHONE(.....)

Yes- CONTINUE

Just in case you missed it my name is from NCS Australasia.



CONFIDENTIAL

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Apprentices
Employer Questionnaire

[23 March 2000]

Project number 9546

INTRODUCTION

Good morning/afternoon/evening, I'm ...(full name)... from NCS Australasia the National Market Research Company. Could I please speak to the person who coordinates apprenticeships and traineeships for your company?

Yes, self - (CONTINUE)

Yes, somebody else - (ASK TO SPEAK TO PERSON AND RE-INTRODUCE)

No, not available at this time - (ARRANGE CALLBACK)

No, not at this location - (THANK AND TERMINATE)

No, Refused - (THANK AND TERMINATE INTERVIEW)

We are conducting research on behalf of the Victorian Government about the quality of training in Victoria's apprenticeship and traineeship system. The study takes about 12 minutes, would you be able to help us today?

Yes – (CONTINUE)

No- (THANK AND TERMINATE INTERVIEW)

Just to let you know that part of this interview may be listened to by my supervisor as part of my training.

No objection – (CONTINUE)

Respondent objects – (THANK AND TERMINATE)

DEMOGRAPHICS (HIGH PRIORITY)

1. Firstly, can you tell me how many apprentices your company currently employs? [BRIEFING NOTE: AT THEIR SITE OR ALL THAT THEY ARE RESPONSIBLE FOR IF MORE THAN ONE SITE]

11
 2-42
 5-103
 11-204
 21-305
 31+6
 (none).....7

2. And how many trainees does your company currently employ? [BRIEFING NOTE: AT THEIR SITE OR ALL THAT THEY ARE RESPONSIBLE FOR IF MORE THAN ONE SITE]

11
 2-42
 5-103
 11-204
 21-305
 31+6
 (none).....7

[TERMINATE IF EMPLOYER DOES NOT CURRENTLY EMPLOY ANY APPRENTICES OR TRAINEES – CODE 7 or ‘DK’ IN BOTH Q.1 AND 2]

3. How many total employees are there at your company, that is at your location/site. Are there... (READ OUT)
 [BRIEFING NOTE: IF NATIONAL OR REGIONAL, ETC –ASK FOR TOTAL NUMBER OF EMPLOYEES FOR THE LOCATIONS THEY ARE RESPONSIBLE FOR IN THE APPRENTICESHIP/TRAINEESHIP PROGRAMME]

1-19 1 (CHECK QUOTAS-SMALL)
 20-100 2 (CHECK QUOTAS- LARGE)
 Over 100 3 (CHECK QUOTAS-LARGE)

4. Our records show that [DISPLAY POSTCODE FROM SAMPLE] is your company's postcode, is that correct? [CHECK QUOTAS FOR METRO/NON-METRO] [RECORD LOCATION POSTCODE , NOT MAILING POSTCODE]

Yes 1
 No (RECORD POSTCODE) 2

5. What is the main industry that your company operates in? [GET A MIX OF INDUSTRIES]

Agriculture, Forestry, Fishing and Hunting	1
Mining	2
Manufacturing-foods, beverages, tobacco products	3
Manufacturing-textiles, clothing and footwear	4
Manufacturing-wood products and furniture	5
Manufacturing-paper or paper products	6
Manufacturing-chemical, plastic, coal, petroleum, glass, clay, cement or other non-metallic mineral products ...	7
Manufacturing-metals and metal products including machinery, transport Or other equipment, scientific apparatus, and household appliances	8
Electricity, Gas and Water	9
Construction	10
Wholesale Trade.....	11

Retail Trade	12
Transport and Storage.....	13
Communication.....	14
Finance, Property and Business Services	15
Public Administration and Defence.....	16
Community Services	17
Recreation, Personal and Other Services	18
Non-Classifiable Economic Units	19

6. [ASK ALL EXCEPT CODE 7 IN Q.1] What type of provider are you mainly using to train (most of these apprentices/this apprentice)? (S/R)
7. Any others? (M/R)

	Q.6 <u>MAIN</u>	Q.7 <u>OTHERS</u>
TAFE	1	1
Group Training		
Company.....	2	2
In-house.....	3	3
Other(specify)....	4	4
None	5*	5

*IF NONE IN Q.6, SKIP TO Q.8

8. [ASK ALL EXCEPT CODE 7 IN Q.2] What type of provider are you mainly using to train (most of these trainees/this trainee)? (S/R)
9. Any others? (M/R)

	Q.8	Q.9
TAFE	1	1
Group Training		
Company.....	2	2
In-house.....	3	3
Other(specify)....	4	4
None.....	5*	5

*IF NONE IN Q.8, SKIP TO Q.10

10. [ASK ALL EXCEPT CODE 7 IN Q.1] Is the training for (most of these apprentices/this apprentice) delivered...(READOUT) (S/R)

Fully on the job; or..... 1
 On and off the job 2
 Other(specify)..... 3 [DO NOT READ]

11. [ASK ALL EXCEPT CODE 7 IN Q.2] Is the training for (most of these trainees/this trainee) delivered...(READOUT) (S/R)

Fully on the job; or..... 1
 On and off the job 2
 Other(specify)..... 3 [DO NOT READ]

INFORMATION (HIGH PRIORITY)

12. Prior to employing your apprentices/ trainees, did you have enough information on...(READ OUT) (ROTATE)

	Yes	No	DK
The conditions attached to employing an apprentice/trainee	1	2	3
Choosing an appropriate course for your apprentice/trainee	1	2	3
Choosing a training provider	1	2	3
What would be required from you during the apprenticeship/traineeship	1	2	3

13. What information did you need but not get? (PROBE FOR COMPLETE RESPONSE)

APPROPRIATENESS OF ENROLLMENT (HIGH PRIORITY)

14. Are the courses your apprentices/trainees are training for, at an appropriate level?
[RECORD COMMENTS, IF ANY]

Yes 1
No 2

15. Are your apprentices/trainees developing new skills through their courses?

Yes..... 1
No..... 2

16. Are apprentices/trainees recognised, that is given credits, for the skills and competencies they have prior to training delivery commencing?

Yes (GO TO Q.17) 1
No (ASK Q.16A) 2

16a. Is that because apprentices/trainees have no skills prior to training or because their skills are not recognised/given credits?

no skills prior to training..... 1
skills are not recognised/given credits 2

17. Are you satisfied with the process for recognising these competencies?

Yes 1
No..... 2

NOW GO TO Q.19

18. Would you like this option to be available?

Yes 1
No..... 2

CHOICE OF PROVIDER (LOW PRIORITY)

19. Why did you choose the provider(s) you are using for your apprentices/trainees' training? (M/R)

Close to the workplace..... 1
Close to apprentices/
trainees' home(s)..... 2
Reputation of provider 3
Past experience with provider 4
Relevance of course content to
business..... 5
Flexibility of course times,
location, etc..... 6
Quality of teaching, equipment etc. 7
Only one offering course..... 8
Apprentices/trainees chose..... 9
Other (specify)..... 10

RELATIONSHIPS WITH OTHER BODIES (MEDIUM PRIORITY)

20. Which of the following bodies, if any, did you deal with in organising your apprenticeships/ traineeships?
(READ OUT) (M/R)

- New Apprenticeship Centre 1
- Group Training Company 2
- Apprenticeship Field Officer/OTFE 3
- TAFE institute/college 4
- Other Training Provider..... 5
- Other(specify)..... 6
- None (GO TO Q.22)..... 7
- DK (GO TO Q.22)..... 8

21. (READ FOR EACH MENTIONED IN Q.20) And how would you rate your overall satisfaction with the services provided by (INSERT NAME OF BODY)? Would you say you are...(READ OUT) (S/R)

	<u>a</u>	<u>b</u>	<u>c</u>	<u>d</u>	<u>e</u>	<u>f</u>
Very satisfied.....	1	1	1	1	1	1
Somewhat satisfied.....	2	2	2	2	2	2
Somewhat dissatisfied.....	3	3	3	3	3	3
Very dissatisfied.....	4	4	4	4	4	4

TRAINING PLAN (MEDIUM PRIORITY)

22. Do you have a training plan for each apprentice/trainee?

- Yes (ASK Q.22a) 1
- No (GO TO Q.26)..... 2

Q.22a Is that in all cases?

- Yes 1
- No..... 2

23. Was someone from your company involved in the development of the training plan(s)?

- Yes..... 1
- No..... 2

24. Does the training plan...[READ OUT] (M/R)

(ROTATE)	<u>Yes</u>	<u>No</u>	<u>DK</u>
List the competencies or modules to be completed	1	2	3
Identify whether each competency is to be <u>delivered</u> by the employer or the training provider.....	1	2	3
Identify whether each competency is to be <u>assessed</u> by the employer or the training provider.....	1	2	3
Specify how each competency is to be delivered	1	2	3

25. Have you ever used or referred to the training plan to check your apprentice/ trainee's progress?

- Yes..... 1
- No..... 2

BASIC COMPLIANCE DELIVERY (HIGH PRIORITY)

26. Since the apprenticeship/traineeship commenced, has any training been delivered by your training provider?
- Yes -some/all (CONTINUE)..... 1
No - none (GO TO Q.30)..... 2
27. Which of the following methods, if any, does the training provider use to deliver the training? (READ OUT) (M/R)
- | | |
|---|---|
| Delivers materials to the workplace . | 1 |
| Person from the training provider gives on-site instruction | 2 |
| Employer delivers on behalf of the provider | 3 |
| Apprentice/Trainee attends college/classes | 4 |
| (None of these)..... | 6 |
28. On a scale of 1 to 5 where 1 is 'very dissatisfied' and 5 is 'very satisfied', how satisfied overall are you with the methods for delivering training? (S/R)
- | | |
|----------------------------|---|
| 1 (very dissatisfied)..... | 1 |
| 2 | 2 |
| 3 | 3 |
| 4 | 4 |
| 5 (very satisfied)..... | 5 |

Q.29 OMITTED

ASSESSMENT (HIGH PRIORITY)

30. Have any of your apprentices/trainees been assessed?
- Yes (CONTINUE)..... 1
No (GO TO Q.35)..... 2
31. Are you satisfied with the assessment delivered? [NOTE: CAN BE BY TRAINING PROVIDER OR EMPLOYER THEMSELVES – ONLY CONCERNED WITH THE GENERAL EXPERIENCE]
- Yes..... 1
No..... 2
32. Do you believe that the apprentices/trainees' skills and competencies have been adequately assessed?
- Yes..... 1
No..... 2
33. Was the assessment fair?
- Yes..... 1
No..... 2
34. Was the assessment professional?
- Yes..... 1
No 2

Q.35&36 OMITTED (MEETING CLIENT EXPECTATIONS- (MEDIUM PRIORITY))

INVOLVEMENT AND FEEDBACK (MEDIUM PRIORITY)

37. On average, how often are workplace supervisors directly involved in training delivery or assessment for each apprentice/trainee? Would you say it is...(READ OUT) (S/R)

- Daily or Most days 1
- About once a week 2
- About once every 2-3 weeks 3
- About once a month 4
- About once every 2-3 months 5
- Less often than every three months . 6

38. Do you receive adequate information on your apprentices/trainees' progress in their training?

- Yes..... 1
- No 2

INTENTIONS (MEDIUM PRIORITY)

39. What was your main reason for becoming involved in apprenticeships/traineeships? (DO NOT READ) (S/R) (BRIEFING NOTE:MAY CLARIFY CODES THAT ARE SIMILAR TO THEIR RESPONSE)

40. What others? (M/R)

	Q.39	Q.40
	<u>MAIN</u>	<u>OTHERS</u>
To increase skill levels in your business	1	1
To employ a new worker.....	2	2
For a financial benefit during the term of the apprenticeship/traineeship	3	3
To access training wages and government subsidies	4	4
To give an opportunity to a young person	5	5
To pass on the skills of your trade	6	6
To support the development of your industry	7	7
Other(specify).....	8	8
None/No other reason	9*	9

*IF NONE MENTIONED IN Q.39, SKIP TO Q.41

41. Has your involvement in apprenticeships/traineeships helped you to achieve your main objective for becoming involved? [DISPLAY RESPONSE IN Q.39 TO AID INTERVIEWER/RESPONDENT, NOT AS PART OF THE QUESTION]

- Yes..... 1
- No..... 2

OUTCOMES (HIGH PRIORITY)

42. I'm going to read you some statements that other employers have made about the outcomes of the apprenticeships/traineeships they have been involved with. Taking into consideration your involvement, please tell me whether you agree or disagree with each of the statements I read out. Would you say you agree or disagree that...(READ OUT). Is that just (agree/disagree) or strongly (agree/disagree)? (ROTATE)

	Agree			Disagree	
	<u>Strongly</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly</u>	<u>DK</u>
The skills of the apprentice/trainee fit your business needs	1	2	3	4	5
The skills of the apprentice/trainee are relevant to the industry needs	1	2	3	4	5
The course had the right balance between theory and practice	1	2	3	4	5
The course had the right balance between on and off job training	1	2	3	4	5
There is little value in the qualification for apprentices/trainees	1	2	3	4	5

There is a lack of personal development of apprentices/trainees	1	2	3	4	5
The investment in the training is good value for money	1	2	3	4	5
The skills acquired during the apprenticeship/traineeship are not useful for the apprentices/trainees' career development.....	1	2	3	4	5

OVERALL EXPERIENCE (Q.43/44 MEDIUM PRIORITY; Q.45/46 LOW PRIORITY)

43. Would you recommend apprenticeships and traineeships to other employers in your situation?
- Yes..... 1
No 2

QUESTION 44 OMITTED

45. Would you employ apprentices/trainees again in the future?
- Yes..... 1
No..... 2

QUESTION 46 OMITTED

QUESTION 47 OMITTED (IMMEDIATE INTENTIONS-(LOW PRIORITY))

NON-COMPLETION (LOW PRIORITY)

48. Have you had apprentices or trainees who have failed to complete their training?
- Yes (CONTINUE)..... 1
No (GO TO CLOSE)..... 2
49. Why did these apprentices/trainees fail to complete? (PROMPT IF NECESSARY) (M/R)
- Apprentice/trainee left job 1
Apprentice/trainee dismissed from job 2
Inappropriate training..... 3
Changed jobs within the firm 4
Other (specify) 5
50. Were you satisfied with this outcome?
- Yes 1
No..... 2

Thank you, that was the end of the survey. In case my supervisor needs to check my work, may I please have your first or last name?

RESPONDENT'S NAME

And can I just confirm your phone number? I dialled [DISPLAY PHONE NUMBER FROM SAMPLE] - is this correct?

No- RESPONDENT'S PHONE(.....)

Yes- CONTINUE

Just in case you missed it my name is from NCS Australasia.

Working Paper 2

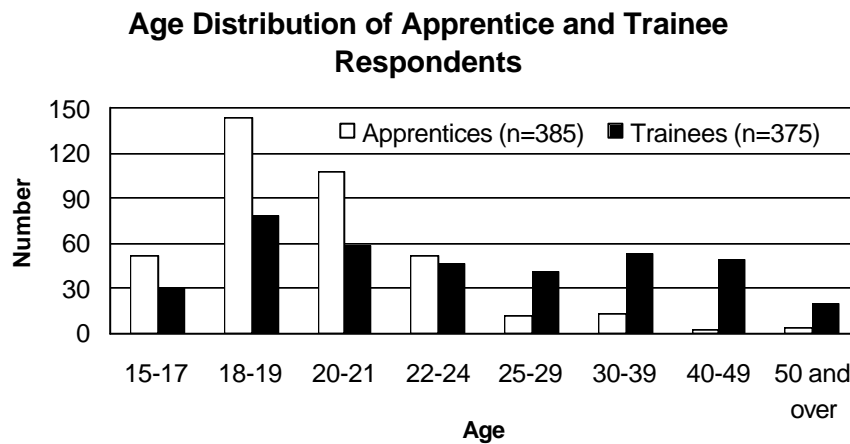
Additional analysis of survey of apprentices and trainees¹

Overall, the survey of apprentices and trainees found a high degree of satisfaction with most of the aspects of the apprenticeship and traineeship system which were explored. Metropolitan and non-metropolitan respondents provided very similar responses.

What follows is an analysis of those issues which suggest avenues for improvement and those on which there were differences in the responses of subgroups of the sample.

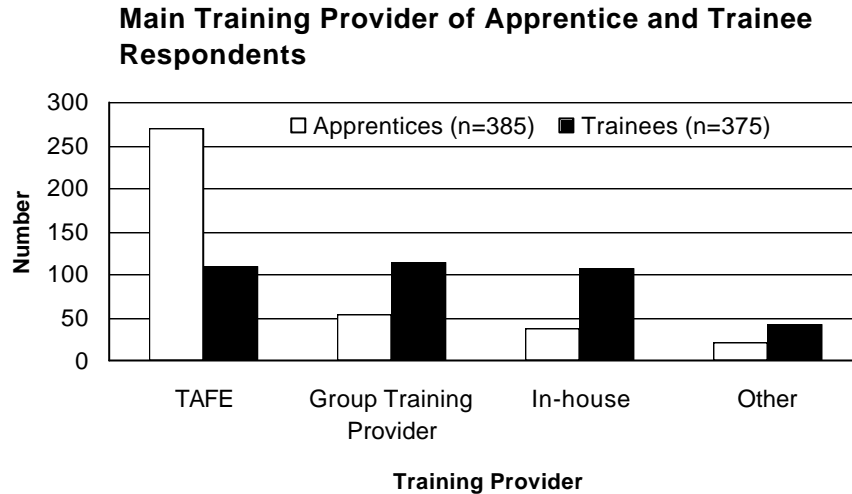
Demographics

As the following chart indicates the apprentice respondents were generally younger than the trainee respondents. 79% of the apprentice respondents were 21 and under while only 44% of trainee respondents were in this age group. 43% of the trainee respondents were 25 and over.



As the following graph indicates TAFE Institutes were overwhelmingly the training provider for apprentice respondents (70%) while trainees were equally likely to undertake their training at a TAFE Institute (29%), with a Group Training Provider (30%) or in-house (28%).

¹ This is an analysis of some of the key data collected in the NCS survey of apprentices and trainees commissioned by the review. See Working Paper 1 for the full report.



81% of apprentice respondents indicated that their training was delivered both on and off the job while 54% of trainee respondents indicated that their training was “fully on the job”. It is difficult to draw too many conclusions from this difference as there appears to have been some confusion between “on the job” and “on-site delivery” which could have been “off the job”.

32% of apprentice and trainee respondents who claimed their training was “fully on the job” also claimed that they had attended college/classes. 29% of apprentice and trainee respondents who said their training was “fully on the job” also said that a TAFE Institute was their main training provider, and 20% of apprentice and trainee respondents who said that a TAFE Institute was their main provider also said their training was “fully on the job”.

Adequacy of information

While 74% of both apprentice and trainee respondents indicated they received sufficient information about their conditions of employment there was a stark difference in satisfaction with information received about choosing an appropriate course. While 76% of apprentice respondents said they received enough information, only 56% of the trainee respondents said they received enough. It may simply be that apprentices rarely have any choice in their course.

66% of apprentice respondents also thought they had enough information about choosing a training provider whereas only 40% of trainee respondents thought so. Again, this may be a function of TAFE Institutes being the only providers offering certain apprenticeship courses.

Of the 143 apprentice respondents and the 146 trainee respondents who thought there was information needed but not received, 36% of the apprentices and 40% of the trainees simply felt they needed more specific and more in-depth information about apprenticeships and traineeships. There was little consensus on what specifics were required.

Appropriateness of enrolment

88% of apprentice respondents and 84% of trainee respondents thought their training was at an appropriate level. 46% of the trainee respondents and 34% of the apprentice respondents believed they could have commenced their training at a higher level. 96% of the apprentice respondents believed they were learning new skills while only 80% of trainees believed this. 59% of apprentice respondents and 64% of trainee respondents had had their existing skills recognised. Of these, 97% of apprentice respondents and 93% of trainees were satisfied with the process for recognition of competencies. These high satisfaction rates may be due to the fact that these were the successful applicants for RPL.

25% of apprentice respondents said they had no existing skills, compared with 12% of trainee respondents. This may be a corollary of the relative youth of the apprentice respondents.

When asked for the reasons they chose their training provider, 30% of apprentice respondents indicated that the employer made the choice, while this reason was mentioned by 68% of trainee respondents. Proximity to home was also a significant determinant for apprentices (mentioned by 33% of them).

Training Plans

Only 51% of apprentice respondents and 59% of trainee respondents said they had a Training Plan. Of those who had a Plan, 27% of the apprentice respondents and 31% of the trainee respondents were involved in the development of their Plan. There were insignificant differences between apprentices and trainees in what elements the Training Plans contained. Only 63% of the apprentices who had Training Plans said they had referred to them, and only 56% of the trainees did.

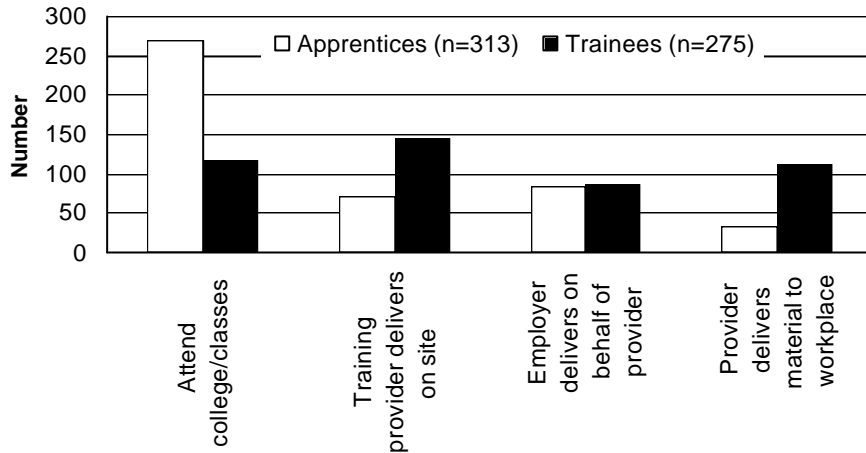
41% of all respondents who said a TAFE Institute was their main training provider also said they had no Training Plan while 46% of those whose main training provider was described as in-house, said they had no Training Plan.

Where a Training Plan existed, those who said their main training provider was a TAFE Institute were the least likely to have been involved in developing that Plan (24%) while 39% of those who said their main training provider was in-house said they were involved in developing their Training Plan.

Training delivery

As the following graph illustrates there are differences in the delivery methods for those apprentice and trainee respondents who had actually commenced their training.

Training Methods Used by Provider



Apprentice respondents were most likely to attend college while trainee respondents were equally likely to experience other methods of training delivery. There were no significant differences between apprentice and trainee satisfaction levels with training methods although 8% expressed dissatisfaction and 20% were neither satisfied nor dissatisfied. However, of the 68% of apprentices and 70% of trainees who had been assessed during training 93% were satisfied with the assessment. If there were one focus for improvement, only 74% felt they received adequate information about their progress.

Outcomes of training

When asked the main reason for becoming involved in an apprenticeship/traineeship 59% of the apprentice respondents cited “to start a career in the industry” as the main reason whereas this was the driver for only 21% of trainee respondents. Perhaps reflecting the age differences, trainees were more likely to cite “to get a better job or promotion” (22%) or “the employer decided” (24%).

When asked to list other reasons for becoming involved, 60% of apprentice respondents and 51% of trainee respondents cited “to gain qualifications”. 95% of apprentice respondents and 81% of trainee respondents agreed that their apprenticeship/traineeship was helping them to achieve the main reason they had for getting involved.

The question of whether the course had the right balance between on- and off-the-job training was the only outcome on which there was significant difference in responses from apprentices and trainees. 86% of apprentice respondents thought the balance was right while only 66% of trainee respondents thought so.

83% of all respondents who said their training was on and off the job thought it had the right balance while only 65% of those whose training was “fully on the job” thought it was balanced.

Asked what they thought their future would be on completion of their apprenticeship/traineeship, only 54% of apprentices thought they would continue working with the same employer while 70% of trainees thought this would be the outcome.

92% of all respondents who said a TAFE Institute was their main training provider thought that their apprenticeship/traineeship had helped them achieve the main reason they had for taking up this type of training/employment. Only 85% of those who said their main training provider was in-house thought it had helped them achieve their main aim.

Other issues

Existing employees tended to be older than new employees, more likely to be engaged in “fully on-the-job” training, and less likely to have a TAFE Institute as their main training provider. It is not surprising therefore that only 75% of existing employees said they thought they were acquiring new skills, while 90% of new employees thought this to be the case. However there was little difference in the response to whether training could have started at a higher level. 41% of existing employees and 40% of new employees said that it could have.

Working Paper 3

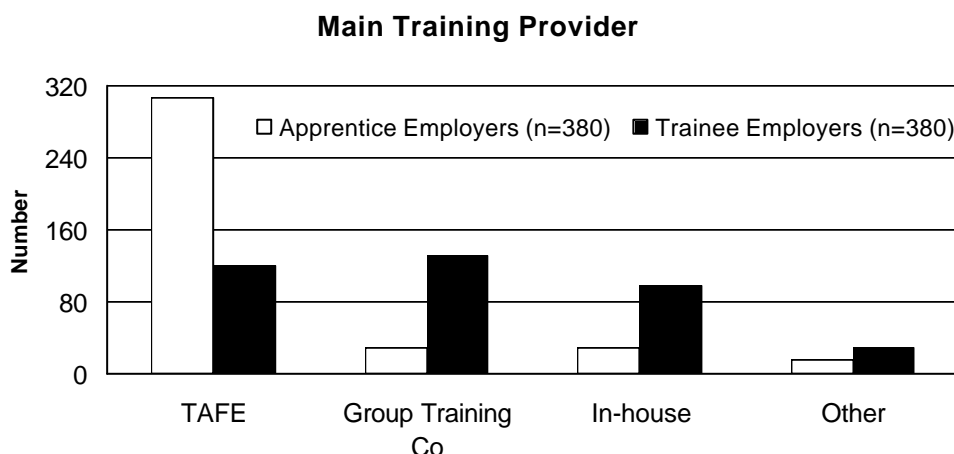
Additional analysis of survey of employers²

On the evidence of this survey, employers of apprentices and trainees are very satisfied with almost all aspects of the training system. The following analysis highlights those issues where there was either room for improvement or differences between groups of employers by size of company, main training provider used, or type of employee (apprentice or trainee). Location of company did not seem to make any difference to responses.

Demographics

The 380 employers surveyed who employed fewer than 20 people were described as small. Of the 377 large employers surveyed 66% employed 20–100 people and 34% employed more than 100 people. Small companies accounted for 28% of the employers whose trainees/apprentices were existing employees and for 53% of the employers whose trainees/apprentices were new employees.

As the following graph indicates the main training provider for apprentices is TAFE Institutes, while trainees are just as likely to have training provided by TAFE Institutes, group training companies or in-house.



Adequacy of information

Only 80% of small company employers thought they had enough information about choosing a course for their apprentices/trainees, while 90% of large company

² This is an analysis of some of the data collected in the NCS survey of employers commissioned by the review. See Working Paper 1 for the full report

employers thought they had sufficient information to do so. However 79% of small company employers and 81% of large company employers thought they had enough information to choose a training provider.

Appropriateness of enrolment

Employers expressed high levels of satisfaction (around 90%) with the levels of the courses and the development of new skills by their apprentices/trainees. Location and size of company did not show any significant difference in these satisfaction ratings.

Training Plans

Only 52% of employers of apprentices said all their apprentices had a Training Plan while 81% of the employers of trainees said they all had a Training Plan.

70% of the large company employers said all their apprentices/trainees had a Training Plan, while 62% of small company employers said all their apprentices/trainees had a Training Plan.

A Training Plan was most commonly in place for all trainees where the training was delivered in-house (86%). Only 48% of the employers of apprentices whose main training provider was a TAFE Institute said all their apprentices had a Training Plan.

In contrast to the apprentices and trainees who seemed to rarely consult their Training Plans, 78% of the employers whose apprentices/trainees had Training Plans said they have referred to them to check progress.

Company location did not impact on whether the employer had been involved in the development of Training Plans for apprentices/employees, but size of company did. Where Training Plans existed, large company employers were more likely to have been involved in their development (80%) than small company employers (70%).

Training delivery

Small companies were more likely than large companies to say that training of apprentices and trainees was “fully on the job”. 22% of the small company employers of apprentices said that the training was “fully on the job” while this was true for only 12% of the large company employers of apprentices. 57% of the small company employers of trainees said that the training was “fully on the job” while this was true for only 39% of the large company employers of trainees.

As with the apprentice and trainee survey there appears to have been some confusion between “on the job” and “on-site”. 14% of the employers with apprentices who also said a TAFE Institute was their main training provider stated that training was “fully on the job”, while 39% of employers with trainees and a TAFE Institute as a main provider also said training was “fully on the job”.

Outcomes of training

Over 90% of employers, metropolitan and non-metropolitan, large and small, of apprentices and of trainees indicated that the main objective of becoming involved in apprenticeships/traineeships had been achieved.

The main reason employers of trainees gave for becoming involved was to increase the skill levels in the business (40%) while the main reason given by employers of apprentices was not so clear cut, with 21% saying it was to pass on trade skills and 18% saying it was to employ a new worker. 18% of both groups said it was to give an opportunity to a young person.

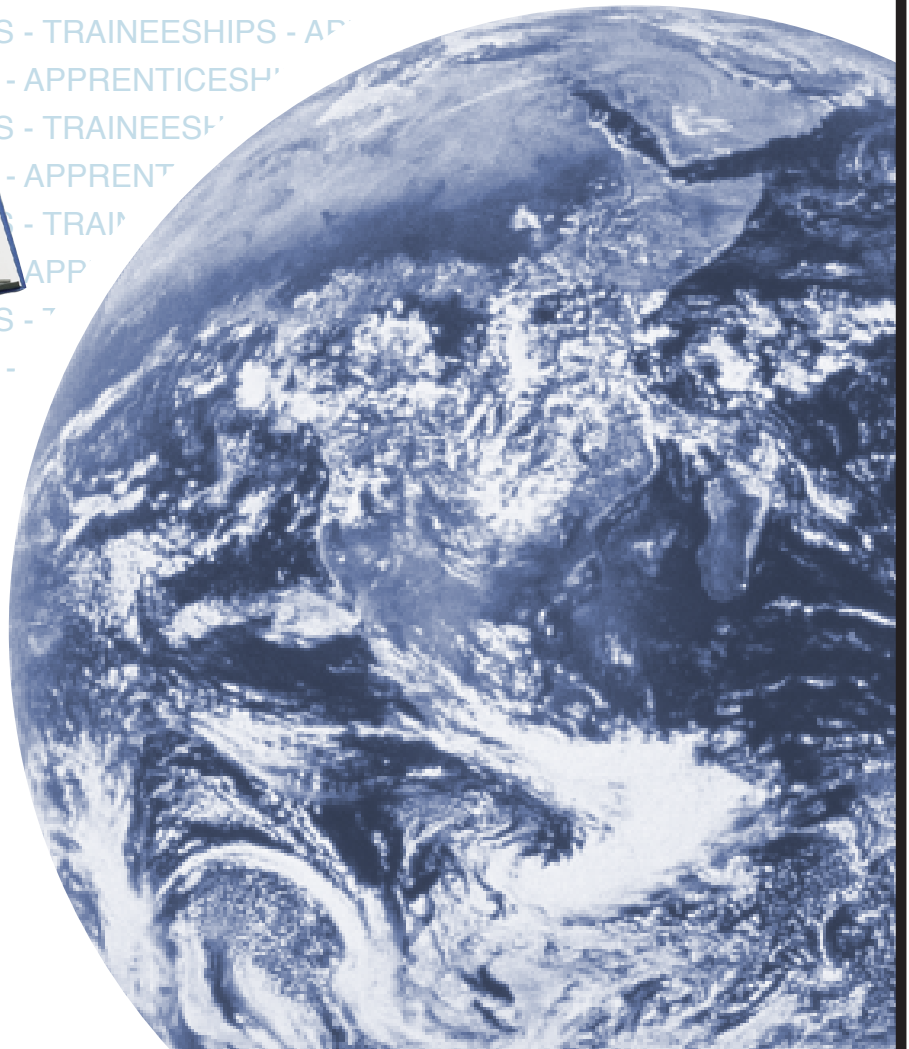
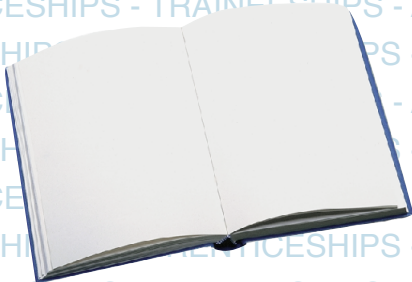
96% of employers would recommend apprenticeships/traineeships to others. This high percentage was regardless of size, location or type of employee. 97% said they would employ apprentices/trainees again.

May 11, 2000

OFFICE OF POST-COMPULSORY
EDUCATION, TRAINING AND EMPLOYMENT

Quality of training in apprenticeships/traineeships

A REPORT ON FINDINGS OF FOCUS GROUPS



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Contents

Contents	Page
Executive summary	2
Introduction	9
Emerging themes	12
<i>Key channels to the STS</i>	14
<i>Quality of on-the-job training</i>	19
<i>Quality of off-the-job training</i>	25
<i>Overall satisfaction</i>	31
Appendix A - Focus group participants	34
Appendix B - Focus group protocol	37
Appendix C - Survey instrument	39

Executive summary

The report

This report summarises key findings of four focus groups with Victorian apprentices and trainees. In total, 28 students participated in focus groups. Focus groups were undertaken as part of a broader review project into the effectiveness and quality of apprenticeships and traineeships in the Victorian State Training System.

Overview

A scan of the experiences of apprentices and trainees clearly demonstrates the many positive successes of the State Training System. Reflecting this, many students comment that they are thoroughly enjoying their training and have developed many new skills and abilities in the process. Other students are also benefiting from their training on a personal level through new friendships, improved self-confidence and a better lifestyle.

A scan of student attitudes, expectations and feelings also suggests that:

Issue	Key observation
<p>Aspects of apprenticeship/ traineeship system which students consider important</p>	<p>On-the-job training is generally considered to be the most important part of an apprenticeship/traineeship, and quality of on-the-job training received is the most important driver of student satisfaction. Students also see it important to receive a high quality induction upon commencing their training, which ideally should include:</p> <ul style="list-style-type: none"> • allocation of a mentor or supervisor to the student • a formal introduction to the company • a session with their employer to plan learning • information on the employer's expectations • support on who to see or what to do if the student has concerns.
<p>What apprentices/ trainees expect to get out of their apprenticeship/ traineeship</p>	<p>Students pursue apprenticeships/traineeships for a variety of reasons including to pursue life-long interests, to leave school, to work overseas and in the case of some trainees, to receive a formalised qualification. Traineeships were seen to be beneficial, in that they do not tie students to a lengthy course of study.</p> <p>Apprenticeships and traineeships were also seen to offer the following benefits over other forms of education (eg. HSC, university):</p> <ul style="list-style-type: none"> • a more practical or "hands-on" form of education • more flexibility than other forms of study • more marketable skills and abilities • improved future employment opportunities • an opportunity to earn money as you learn and for some; • a conduit to a future job, without having to pursue university or the HSC. <p>While students expectations were generally met on these dimensions, some students find it difficult to select an apprenticeship/traineeship to match their personal and professional interests. From this perspective, there is some room to facilitate the improved selection of studies by students.</p>

Issue	Key observation
Student knowledge about their rights and obligations as an apprentice/trainee	Most students have a limited understanding of their rights and obligations as an apprentice/trainee. This extends to issues such as pay entitlements, working conditions, WHS and tenure commitments on signing a training agreement. Accordingly, there is room to improve the information provided to students by employers on commencing a course of training.
Security of apprenticeships/traineeships	While students at times have concerns about the continuity of their apprenticeship/traineeship, security of training is generally not a major issue of student concern, and does not appear to impact significantly on students.
Support during an apprenticeship/traineeship	Employer support can literally make or break an apprenticeship/traineeship. Explaining to students where to seek support during their training is critical, and also an important driver of student satisfaction. Despite the importance of employer support, findings show that many students (particularly in blue-collar professions) receive less-than-optimal support during their training.
Quality of on- and off-the-job training	While students in many fields are receiving high quality on-the-job training (eg. hospitality), on-the-job training in some blue collar fields and in office administration traineeships, is typically seen to be poor. Universally, a number of students also find off-the-job training (eg. at TAFE) to be of limited challenge. Accordingly, students see room for improving on-the-job training in some fields, and off-the-job training at TAFE more generally.
Student assessment, learning materials and experiences with TAFE providers	While students sing praise for the skills and support provided by TAFE teachers, many students do not find their TAFE studies nor assessment pieces to be very challenging. Learning materials are similarly often seen to be overly simplistic. Assessment in some training areas (eg. hairdressing and office administration traineeships) is seen to be so easy, that students question the value of their TAFE studies.
Improvements to the apprenticeship/traineeship system as suggested by students	<p>Generally speaking, students found it difficult to explicitly identify ways to improve the current apprenticeship/traineeship system. As such, most improvement initiatives are implicit and are based on attitudes, expectations and feelings expressed by students during focus groups. Detailed improvement strategies are presented in the following table.</p> <p>Explicit suggestions offered by students, however, included:</p> <ul style="list-style-type: none"> • support to students in selecting the right apprenticeship/traineeship • closer monitoring of employers during apprenticeships/traineeships • acknowledgement by the STS each year when a student successfully completes a year of an apprenticeship/traineeship • making TAFE assessment pieces more challenging for students who want to be challenged.

Major findings

Together, these observations have significant implications for the future of the STS, and in turn, important implications for the competitiveness of Victoria both nationally and internationally. Major findings of focus groups, their implications for the review and possible strategy directions are discussed in the following table.

In summary, major findings include:

Finding 1. Students perceive apprenticeships/traineeships to offer a number of benefits over other forms of education

Finding 2. There is room to improve the selection of apprenticeships/traineeships by students

Finding 3. Students in blue-collar fields and office administration are receiving poor inductions on commencing an apprenticeship/traineeship.

Finding 4. There is room to improve the quality of on-the-job training in blue-collar fields and office administration traineeships.

Finding 5. There is room to improve key aspects of off-the-job training received by apprentices/trainees.

QUALITY OF APPRENTICESHIPS AND TRAINEESHIPS IN THE STS			
Key findings	Description	Implications for review	Strategy directions
<p>Finding 1. Students perceive apprenticeships/traineeships to offer a number of benefits over other forms of education</p>	<p>Relative to other forms of training, apprentices/traineeships are seen to:</p> <ul style="list-style-type: none"> • offer more practical education • be more flexible than other study • improve employment opportunities • be a conduit to a future job, without having to pursue university/an HSC • offer real-world experience. 	<p>These characteristics represent key benefits of the STS over other forms of education, and could be leveraged to attract students to choose apprenticeships/traineeships as their preferred form of training and further education.</p>	<p>Key benefits of apprenticeships/traineeships should be promoted in future marketing strategies designed to attract potential students to the STS.</p>
<p>Finding 2. There is room to improve the selection of apprenticeships/traineeships by students</p>	<p>Many students find it difficult to select an apprenticeship/traineeship which matches their professional needs and personal characteristics.</p> <p>In some situations, students have limited understanding of the nature of apprenticeships/traineeships and a limited understanding of key aspects of the STS.</p> <p>In turn, this results in some students selecting vocations which they do not like, or are not well-suited.</p>	<p>Students who do not select training in line with key needs typically become dissatisfied with their apprenticeship/traineeship.</p> <p>Many students find this disheartening and are less likely to pursue vocational education in the future.</p> <p>Accordingly, improving the selection of training by students represents an important way to improve the effectiveness of the apprenticeship/traineeship system. This may also help to address retention issues and increase client satisfaction with training.</p>	<p>Develop a program of support initiatives to help facilitate improved selection of apprenticeships/traineeships by students.</p> <p>Consider:</p> <ul style="list-style-type: none"> • development and promotion of a career counselling service to help improve the selection of training - this could be branded and delivered physically through TAFE providers, or “<i>virtually</i>” through TAFE Online • development of a program of communications for schools to provide students with an understanding of the nature of apprenticeships/traineeships and how to select the most suitable field of training • develop and distribute literature and resources on apprenticeships/traineeships to schools, CentreLink Offices and other relevant locations.

QUALITY OF APPRENTICESHIPS AND TRAINEESHIPS IN THE STS			
Key findings	Description	Implications for review	Strategy directions
<p>Finding 3. Students in blue-collar fields and office administration are receiving poor inductions on commencing an apprenticeship/traineeship.</p>	<p>While some students are given high quality inductions into their training (eg. in hospitality, hairdressing, nursing and health care), students in certain fields tend to receive poor quality inductions from their employers.</p> <p>Poor quality inductions tend to occur in traditional blue collar apprenticeships/traineeships and to a lesser extent, in office administration traineeships.</p> <p>Students in these fields are typically given limited information about their training, WHS, working conditions and pay entitlements - <i>"I was just chucked in. No-one sat down with me to explain anything. I was just given something to do"</i>.</p> <p>Characteristics of high quality inductions were seen to be where students were:</p> <ul style="list-style-type: none"> • able to plan their learning • assigned a mentor • given an introduction to a firm • given information on the employer's expectations of their performance • encouraged to approach the employer if they have concerns. 	<p>A good quality induction provides a strong foundation for raising student awareness about their rights and obligations as an apprentice/trainee.</p> <p>If a poor quality induction occurs, students typically become dissatisfied with their training, and in some cases, are unlikely to continue with their chosen vocation.</p> <p>From this perspective, a quality introduction to a firm can literally make or break an apprenticeship/traineeship.</p> <p>Accordingly, the current review should implement measures to improve training inductions, with a view to increasing student satisfaction with apprenticeships/traineeships.</p>	<p>Develop and implement measures to improve the overall quality of inductions received by students on signing of training agreements.</p> <p>Consider:</p> <ul style="list-style-type: none"> • development of a practical <i>"checklist"</i> tool which employers could follow to improve the quality of inductions they provide • face-to-face communications with employers and peak industry associations to build an understanding of the importance of quality inductions and how to provide these to students (This would be significantly more effective than written materials, as the latter is typically not effective as a communication tool) • visiting TAFE providers to encourage pre-vocational students to ask their employers to clarify a range of issues on commencing training.

QUALITY OF APPRENTICESHIPS AND TRAINEESHIPS IN THE STS

Key findings	Description	Implications for review	Strategy directions
<p>Finding 4. There is room to improve the quality of on-the-job training in blue-collar fields and office administration traineeships.</p>	<p>The quality of on-the-job training is a major driver of student satisfaction with an apprenticeship/traineeship, and is more important to students than off-the-job training.</p> <p>While many students are receiving high quality on-the-job training from employers (eg. apprentice hairdressers and chefs, health trainees), some students reported receiving limited or no on-the-job training at all.</p> <p>This tends to occur mostly in blue-collar fields, and to a lesser extent, in office administration.</p> <p>In blue collar fields, students report that employers:</p> <ul style="list-style-type: none"> • have a negative attitude towards the notion of training • claim they have too little time to train students • sometimes victimise students for asking questions or <i>"learning on the job"</i> • view students as labour, rather than employees in training • do not provide students with higher level tasks to nurture higher level skills. <p>In office administration traineeships, there is indication that employers use trainees as <i>"gophers"</i> and do not always train to cultivate core administration skills - <i>"I was told to wipe the fingerprints from the stair case railing"</i>.</p> <p>In all areas, there is also indication that the objectivity of on-the-job assessment procedures could be improved.</p>	<p>Together, key findings suggest that there is room to improve the overall quality of on-the-job training received by students in blue-collar professions and office administration.</p> <p>Improving the quality of training in these fields will be critical, as students who do <i>not</i> receive quality training are likely to become dissatisfied with their apprenticeship/traineeship.</p> <p>As attitudinal issues are a major reason for poor quality on-the-job training, shifting traditional employer mind sets will form an important part of this process.</p> <p>Accordingly, the review should consider initiatives to address both <i>attitudinal</i> reasons for poor on-the-job training and related <i>skill</i> issues (ie. employers may not know how to train).</p>	<p>Develop and implement initiatives to improve the overall quality of on-the-job training received by apprentices and trainees.</p> <p>Key initiatives should focus on improving training in blue-collar fields and office administration.</p> <p>Consider:</p> <ul style="list-style-type: none"> • requiring employers to develop a <i>"learning plan"</i> with students as a key requirement of having an apprentice/trainee (or making this a requirement for State Government funding) • developing employer-oriented performance indicators to allow monitoring of training on-the-job (<i>eg. is there evidence of a learning plan?</i>) • developing a program of communications to shift traditional employer mind sets about on-the-job training in blue-collar fields - ie. address key mind sets such as <i>"there's no learning on the job"</i>, <i>"You're here to work, not learn"</i>. • requiring or encouraging employers under take a one day "training course" before they take on an apprentice • closely monitor the quality of on-the-job training during site visits to employers.

QUALITY OF APPRENTICESHIPS AND TRAINEESHIPS IN THE STS			
Key findings	Description	Implications for review	Strategy directions
<p>Finding 5. There is room to improve key aspects of off-the-job training received by apprentices/trainees.</p>	<p>While students place less importance on TAFE training than on-the-job training, off-the-job training is still seen to be an important part of vocational education (even in blue collar fields). Similarly TAFE teachers are seen to be very helpful and supportive and are valued by students.</p> <p>Despite the overall importance of off-the-job training, however, findings indicate that TAFE in many fields does not challenge or empower students. Indeed, many students see their TAFE studies as overly simplistic and too easy - <i>"They make us cut out pictures of people in magazines with different hair styles. It makes you feel like you're back in primary school"</i> (Hairdresser)</p> <p>This is particularly so in the case of traineeships, where students comment - <i>"I can't believe we're getting a diploma for this"</i>. Many trainees also question the value of their TAFE studies - <i>"It's a joke. It's nothing compared to an apprenticeship"</i>, and expect to receive similar levels of TAFE training as apprentices.</p> <p>Students generally also emphasised that there was a need to:</p> <ul style="list-style-type: none"> allow students to choose graded or non-graded paths of study in all fields provide opportunities to pursue specialist qualifications during training encourage students to excel in TAFE send acknowledgement when students have passed each year of their training hold TAFE classes with students of the <u>same</u> year and not mixed years (some classes have a mix of trade years). 	<p>Challenging students in TAFE and building pride in the qualifications achieved should be a key objective of the STS.</p> <p>Indeed, TAFE training has potential to impact significantly in all fields and make students increasingly attractive to employers.</p> <p>Current findings indicate, however, that many students are demotivated by TAFE and in the case of traineeships, some students question the value of their qualification.</p> <p>Accordingly, the review should consider the impact of current student perceptions of traineeships on the long term marketability of trainee qualifications in the marketplace.</p>	<p>Develop a program of initiatives to permit a higher degree of <i>"user choice"</i> in TAFE curriculum and to encourage students to excel in TAFE.</p> <p>Consider:</p> <ul style="list-style-type: none"> the impact of current student perceptions of traineeships on the long term marketability of trainee qualifications in the marketplace allowing students to choose graded or non-graded paths of study in all fields reviewing curriculum in key areas to assess the value of core assessment tasks offering additional specialised qualifications for students to pursue during their training (eg. a specialist qualification in hair colouring for hairdressers or special cuisines for chefs) - these could be used as marketable qualifications to gain advantage in the workplace creating realistic expectations of traineeships in terms of the amount and nature of TAFE training (eg. trainees expect that their TAFE will be the same as TAFE in apprenticeships).

Conclusion

Focus groups with apprentices and trainees have highlighted a number of significant issues with potential to affect the quality and effectiveness of training in the STS. Focusing on key improvement initiatives will not only help to improve the quality of vocational training, but will help to ensure that apprentices/trainees develop marketable and commercially competitive skills. From this perspective, key findings will play an important role in increasing the capacity of Victoria to compete both nationally and internationally.

Introduction

Purpose

The purpose of this report is to summarise key themes from focus groups with apprentices and trainees of the Victorian State Training System (STS). Focus groups were undertaken as part of a broader review project to investigate the quality and effectiveness of apprenticeships and traineeships. In total, 4 focus groups were undertaken with 28 apprentices/trainees. An overview of focus group participants is presented in Appendix A - Focus group participants.

Project context



A key function of the STS involves encouraging and monitoring the quality and effectiveness of apprenticeships/traineeships within Victoria. This role has emerged as a particularly important priority in recent years, driven by a decline in apprenticeship commencements both nationally and within Victoria (especially in traditional apprenticeship fields). Concurrently, there has been an increase in traineeships and the range of associated providers. Traineeships are being offered through a federal initiative to address the decline in apprenticeships which has been driven by:

- economic uncertainty within specific industries
- employer reluctance to commit to 4 year apprenticeships
- perceived inflexibilities of old apprenticeship systems
- increased interest in the notion of "Traineeships" (seen to be more flexible by employers)
- a perception of limited opportunity for apprentices
- trades being viewed as unattractive careers.

As the number of RTOs increase, there is an increasing need to ensure that providers continue to deliver high quality training outcomes to Victorians. Ensuring the quality of training is critical and has major implications for both the competitiveness of Victoria as a state, and for Australia, as a whole.

Review project

Within this context, the Victorian Government has commissioned a major independent review of the quality and effectiveness of the trainee and apprenticeship program in Victoria. This review aims to examine:

- whether programs/current arrangements for RTOs provide an adequate basis for delivery, assessment and issuance of qualifications under the Australian Qualifications framework - including any identified deficiencies
- value for money of pricing arrangements, user choice and Government employer subsidies and rebates in terms of outcomes/completion rates
- effectiveness of administrative arrangements for Department of Education, Employment and Training, New Apprenticeship Centres and Registered Training Organisations in ensuring that quality outcomes are achieved
- adequacy of audit arrangements within all parts of the apprenticeship/traineeship system in Victoria
- impact of recent changes to the apprenticeship and traineeship system on demand and quality issues.

Current project



As a part of the broader review project, a series of **four focus** groups were undertaken with apprentices/trainees. Focus groups investigated student perceptions of the quality of training in Victoria's apprenticeship and traineeship system, key attitudes, expectations and feelings of students towards their apprenticeship/traineeship, and measures students feel should be implemented to improve the system in the future.

The demographics of focus groups are presented in Appendix A - Focus group participants. Focus groups covered a range of apprentices/trainees and included:

- **1 focus group** with 1st year apprentices
- **1 focus group** with a mix of 2nd, 3rd and 4th year apprentices
- **2 focus groups** with trainees.

Methods

Both qualitative and quantitative methods were used during focus groups. The qualitative protocol used is presented in Focus Group Participants by Industry Area. The quantitative survey instrument administered during focus groups is presented in Appendix C - Survey instrument.

Recruitment

Participants attending the focus groups were randomly selected from a list of Victorian apprentices and trainees. The only requirement applied was to select students from a range of the most common apprenticeships and traineeships in Victoria. In this sense, selection was random within key groups.

Participants were called by telephone and offered a \$60 monetary incentive to attend the discussion. This incentive was seen to be appropriate, given that only a few days were available for recruitment. In total, discussions lasted between 1.5 and 2 hours, and were held outside business hours for student convenience.

As would be expected, some students were unable to attend discussions or did not attend on the evening. A list of the backgrounds of attendees is presented in Appendix A - Focus group participants. A breakdown of the groups telephoned to attend and actual attendees is shown below.

Group	Students telephoned to attend discussions	Students attending focus group	Notes
Apprentices	automotive	✓	-
	building and construction	✓	-
	hairdressing	✓	-
	hospitality	✓	-
	engineering	✗	Students could not attend discussion
Trainees	retail	✓	-
	office administration	✓	-
	small business traineeships	✓	-
	food and beverage	✓	-
	cleaning	✗	Students could not attend the discussion due to evening work
	security	✗	Recruited but did not attend
	call centres.	✗	Recruited but did not attend

Definitions

In the current project, the following definitions were applied:

Term	Definition
TAFE	An acronym for Training and Further Education (TAFE). TAFE in this report does not necessarily mean classroom training provided by a public or private training provider, rather is a generic term used to describe vocational education. Thus, there are 2 types of TAFE providers - Public TAFE providers (ie. TAFE Institutes) and Private TAFE providers (ie. private training colleges).
On-the-job training	Training received on-the-job during the performance of work tasks (typically by an employer to a student).
Off-the-job training	Training received outside the performance of work tasks and typically off-the-job.
White collar apprenticeships/ traineeships	For the purpose of the report, white collar apprenticeships/traineeships were arbitrarily defined as those which are largely office-based or creative (eg. hairdressing, office administration, hospitality, retail etc.) - see Appendix A for a full description of occupations.
Blue collar apprenticeships/ traineeships	For the purpose of the report, blue collar apprenticeships/traineeships were arbitrarily defined as those which were less creative, more technical, more "hands-on" and were based in workshops, building sites or garages (eg. panel beating, spray painting, automotive etc.). One IT student attending the discussion was employed as an IT technician, and thus, is also described as a blue-collar student - - see Appendix A for a full description of occupations

Emerging themes

Overview



A scan of the experiences of apprentices and trainees clearly demonstrates the many positive successes of the State Training System. Reflecting this, many students comment that they are thoroughly enjoying their training and have developed many new skills and abilities in the process. Other students are also benefiting from their training on a personal level through new friendships, improved self-confidence and a better lifestyle (eg. less stress than school).

Despite the many positive outcomes of the current system, however, findings indicate that there is still room to improve the overall effectiveness and quality of key aspects of the system. In particular, findings indicate that some students are receiving poor quality on the job training, are completing TAFE training which they do not find challenging and are feeling isolated when confronted with problems in their apprenticeships and traineeships. Together, these issues have significant implications for the future of the STS, and in turn, important implications for the competitiveness of Victoria both nationally and internationally.

Current report

Within this context, the following report presents integrated themes from discussions with apprentices and trainees from the Victorian STS. While key themes are based on a small sample of apprentices and trainees, findings of this analysis should be considered significant to the extent that they represent experiences of at least *some* students. From this perspective, the analysis presents an opportunity to learn and build on a range of first-hand experiences for the greater benefit of future clients of the Victorian STS.



Structure



Themes from focus groups have been integrated to provide a holistic understanding of key issues currently affecting the delivery of apprenticeships/traineeships in Victoria. Key themes are structured as follows:

•• Channels to the STS

- reasons for vocational education
- information on apprenticeships/traineeships
- inductions into an apprenticeship/traineeship
- employer support on starting an apprenticeship/traineeship
- attitudinal statements
- conclusion

•• Quality of on-the-job training

- relative importance of on-the-job versus TAFE training
- quality of on-the-job training
- relevance of tasks to apprenticeship/traineeship
- attitudinal statements
- conclusion

•• Quality of off-the-job training

- importance of off-the-job training
- quality of TAFE training - apprenticeships
- quality of TAFE training - traineeships
- other issues concerning quality of off-the-job training
- attitudinal statements
- conclusion

•• Overall satisfaction

- keys driver of satisfaction
- expectations
- intentions to continue
- security of apprenticeships/traineeships
- attitudinal statements
- conclusion.

Key channels to the STS

Reasons for vocational education



With the current wide range of available apprenticeships and traineeships, it is hardly surprising to find that students pursue vocational education for a variety of reasons. For some students, an apprenticeship or traineeship meant an opportunity to leave school – *“School just wasn’t for me”* (Apprentice Cabinet Maker, 17yrs), while for others, an opportunity to pursue hobbies or interests – *“I’ve liked cooking since I was a child. It’s something I’ve always wanted to learn.”* (Apprentice Chef, 20yrs). Hospitality apprenticeships were also seen to be vocations which could help you travel around the world – *“You can work all around the world with this job”* (Apprentice Chef, 20yrs).

Other students, in contrast, were convinced to pursue a vocation through their part-time job, their employer or via parents or relatives, with a view to gaining a life long qualification – *“My uncle got me my apprenticeship. He thought I should do it to get the qualification”* (Apprentice Plasterer, 18yrs). Traineeships in some areas were also pursued as a means to a more formalised type of training – *“I’ve been working in a pharmacy for a long time and a traineeship was just a way of formalising the skills I’ve already learned”* (Trainee Retail Administration, 42yrs). In some cases, employers were also offering pay rises as an incentive to acquire qualifications.

While the reasons for doing apprenticeships were wide and varied, an important reason for undertaking a traineeship often related to the length of training. Specifically, traineeships were often preferred by those who did not want to commit to longer term training such as a 4 year apprenticeship or a similar-length university degree – *“It’s great for people who have no qualifications and don’t want to get tied down to anything”* (Trainee in Business Administration, 19yrs). Related to this, traineeships were also seen to be more flexible than apprenticeships, as they were typically only a year, and as such, a person could pursue multiple traineeships over a life time – *“Throughout my life, I’ve done an apprenticeship as a chef, a traineeship as a home carer and now I’m doing a traineeship in nursing”* (Trainee in Nursing, 45yrs).

In terms of other factors which attract people to an apprenticeship/traineeship, findings showed that a range of benefits were perceived. In particular, apprenticeships and traineeships were seen to offer the following key benefits over other forms of education (eg. HSC, university):

- a more practical or “hands-on” form of education
- more flexible than other forms of study
- more marketable skills and abilities
- improved future employment opportunities
- an opportunity to earn money as you learn and for some;
- a conduit to a future job, without having to pursue university or the HSC.

Information on apprenticeships/traineeships



While students acknowledged that there is a considerable amount of information available on apprenticeships/traineeships, most commented that it had been quite difficult finding out how to “get into the system”. Indeed, in many cases, students used very informal channels to find out about what was available and how to locate potential opportunities – *“My teacher at school told me one day these apprenticeships were going and I applied”* (Apprentice Cabinet Maker, 17yrs). From this perspective, students believed that the system could benefit from a more structured approach to informing potential students about how to pursue opportunities – *“We need to get more information on what’s out there and how to get into the system”* (Trainee in Business Administration, 31yrs).

The other issue raised by students related to selecting the right type of apprenticeship or traineeship. Once again, as most students did not know much about the system, the process of selecting the right type of training had not been easy. In some cases, students’ expectations had not been met as there were limited mechanisms to help students choose the right vocation. For instance, one trainee commented that his selection of a motor traineeship turned out to be unsuitable, yet he was not aware of the key requirements of the role upon starting. Similarly, an apprentice mechanic believed that he had chosen a field that did not match his interests - *“I’ll be 19 when I get out of my time, and I’m gonna start another trade”*.

Signing up with employers for an apprenticeship/traineeship was also often fraught with uncertainty. Generally speaking, students in “traditional” blue-collar trades (eg. Mechanics, panel beaters) had a very unstructured introduction to their firm as an apprentice – *“I was just chucked in. No-one sat down with me to explain anything. I was just given something to do”* (Apprentice Panel Beater, 25yrs). Even during the first few weeks at work, blue collar apprentices were given limited or no information on what they would be doing, and according to some, were merely viewed as an additional labour source – *“You’re often nothing more than cheap labour to your boss”*.

Most blue-collar trades were also given very limited information about their working conditions, Workplace Health and Safety (WHS) issues, and pay entitlements. There was also some confusion over whether an apprentice was allowed to leave an employer and who had to pay for the TAFE training. In relation to pay, several blue-collar apprentices believed that employers were quite secretive about appropriate rates of pay – *“It’s almost as if they don’t want you to know. They like to keep you in the dark, so they can pay you less”* (Apprentice Boiler Maker, 20yrs). In some situations, WHS briefings were almost non-existent, and could have potentially resulted in injury – *“I did some welding without a mask when I started, as no-one told me about the dangers”* (Apprentice Boiler maker, 20yrs). WHS briefings and employment explanations, however, were generally better in the case of more regulated trades such as electricians – *“We get a really structured induction process and get told everything we need to know. I often tell other people about this, and they can’t believe how good it sounds”* (2nd year Apprentice Electrician, 26yrs).

Trainees in business and office administration were similarly provided with little information on their traineeships and what they would be learning. This was often because many trainees had already been working in the organisation and were undertaking the traineeship to acquire a formal qualification. Some trainees were of the view that it was often not evident that you are commencing a traineeship, as employers did little to formalise your entry into the company - *“It was straight to work for me. I got nothing at all”* (Trainee in Office Administration, 20yrs).

Inductions into an apprenticeship/ traineeship



While induction processes into companies could usually have been better for most students, findings overall indicated that induction processes were relatively more structured for certain “white collar” professions (eg. hairdressing, health care/nursing) and less structured for certain “blue collar” professions (eg. boiler making, panel beating, spare parts). In some professions, such as hairdressing and health care, structure was necessary as students were in full view of clients/residents - *“We can’t afford to stuff up, because we work directly with clients”* (Apprentice Hairdresser, 18yrs).

A number of views were expressed which implicitly indicated the characteristics of a high quality company induction. More precisely, students characterised particularly high quality inductions when they were:

- assigned a mentor or supervisor by their employer
- given a formal introduction to the whole company – such as through company work rotations
- able to sit down with their employer to plan their learning
- given information about the employer’s expectations of their performance (ie. levels of expected performance, what was not allowed)
- given support on who to see or what to do if they have trouble during their apprenticeship.

Sitting down with your employer was viewed particularly positive by students, as this often clarified expectations about appropriate levels of work performance and other issues. When this was not done, as in many blue-collar trades, students were often worried about whether their work performance would meet their employers expectations – *“It’s hard to know if you’re doing a good job cause they never told me what they wanted me to do”* (2nd year Apprentice Mechanic, 20yrs).

In some situations, induction processes were very informal and created some uncertainty amongst students. For instance, one hairdressing apprentice commented that while the induction had not been too bad, apprentices in her organisation were looked after by other apprentices, who were often only a few steps ahead in their learning – *“You just learn to except that it’s how it is”* (Apprentice Hairdresser, 18yrs). In other cases, however, inductions were quite formal and very well-structured, particularly in the case of one apprentice chef working for an upmarket restaurant – *“We did a three day introduction to the firm and we go to 4 hours training each week after work as part of our apprenticeship”* (1st year Apprentice Chef, 21 yrs).

Employer support on starting an apprenticeship/traineeship

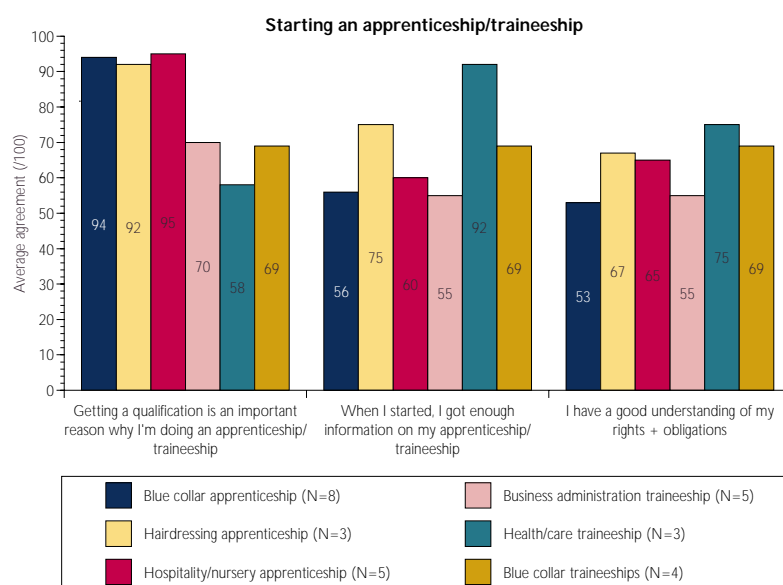
Some apprentices/trainees were also given advice from employers about what to do if they had a problem during their training – *"My employer was really good. I had trouble with a Head Chef and he helped me sort out our problem"* (1st year Apprentice Chef, 19yrs). This was typically communicated during the initial induction stage, where some employers explicitly encouraged students to approach them if they had any problems or concerns.

Support mechanisms for blue-collar apprentices, however, were generally less optimal – particularly in smaller firms. For instance, one apprentice mechanic was hit by his employer's son with a broom and badly injured in the process – *"I rang my mum. There was a trail of blood all over the room. We rang the apprenticeship commission and they treated it as childish, and told us not to speak to each other. They rang back after a month to see if we'd done this. I told my boss about it, and he told me I'd never work anywhere again, if I took things further. I didn't know what my rights were at all."* (2nd year Apprentice Mechanic, 16yrs). Another example involved an apprentice panel beater who was physically assaulted by a co-worker, yet had no idea what to do about the incident – *"One of the tradies came in claiming that I'd borrowed his angle grinder. I rolled it over to him, and then laid into me head"* (3rd yr Apprentice Panel Beater, 25yrs).

Attitudinal statements

During focus groups, apprentices and trainees were asked to rate their agreement with statements reflecting the perceived importance of their qualification, the information received at the start of their training, and their understanding of their key rights and obligations (Figure 1).

FIGURE 1. Issues relating to starting an apprenticeship/traineeship



Scores were averaged on the original 5 point scale, and then rescaled to a score out of 100. Scores <50 indicate disagreement, scores around 50 indicate neutrality and >50 indicate agreement.

Reflecting key themes from focus group discussions, survey findings indicated that:

- a qualification was generally a **more important reason** for doing an apprenticeship than for doing a traineeship
- most employers could provide **more information** to apprentices/trainees about their apprenticeship/traineeship upon starting
- relative to other groups, blue collar apprentices and business administration trainees received **less information** on their apprenticeship/traineeship upon starting
- most apprentices and trainees are **not very clear** about their rights and obligations as an apprentice/trainee
- relative to other groups, blue collar apprentices and trainees in business administration were **less clear** about their rights and obligations as an apprentice/trainee.

Conclusion

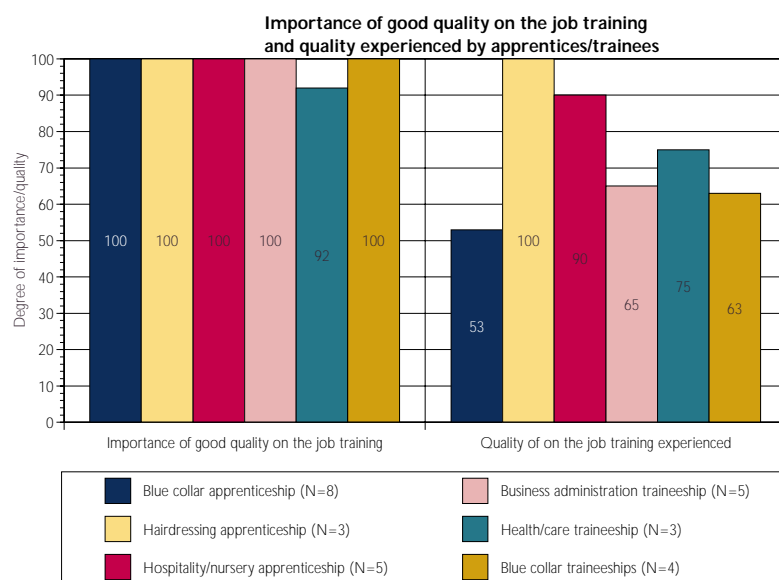
Having a structured environment and some form of support mechanism is critical to apprentices/trainees when starting with an employer. Introductory tours, work rotations, and formalised learning paths tend to make learning more enjoyable and less daunting for students. These also help to clarify employer expectations and clarify to students their rights and obligations. Formalised structure, however, becomes less important as students become increasingly familiar with a workplace. From this perspective, a formal introduction to an organisation can literally make or break an apprenticeship/traineeship.

Quality of on-the-job training

Relative importance of on-the-job versus TAFE training

Generally speaking, both apprentices and trainees view on the job training as the most important part of their apprenticeship/traineeship (Figure 2). On the job training presents an opportunity to acquire practical and marketable skills, which can be practiced in the workplace. In contrast, off-the-job training, as typically undertaken through TAFE, is seen to be less relevant and less important.

FIGURE 2. Importance/quality of on-the-job training



Scores were averaged on the original 5 point scale, and then rescaled to a score out of 100. Scores <50 indicate disagreement, scores around 50 indicate neutrality and >50 indicate agreement.

Quality of on-the-job training

Most students generally expected to receive high quality on-the-job training during their apprenticeship/traineeship. In this sense, student dissatisfaction with apprenticeships/traineeships was primarily related to poor quality on-the-job training. When a regression analysis was performed on focus group survey findings¹, quality of on-the-job training was also found to be a statistical predictor of student satisfaction with apprenticeships/traineeships.



1. Regression attempts to measure any association between different issues. Analysed survey data revealed that good quality on the job training was significantly associated with a student being happy with their apprenticeship/traineeship ($p=.006$, $Beta=.648$). This is a notable result, given the small sample size.

The overall quality of on-the-job training experienced by apprentices/trainees was generally linked to the attitudes of employers and the initial induction process during commencement. Students who received little or no formal introduction into the company generally tended to receive poor quality on-the-job training, while those who had received a more structured introduction tended to receive better quality training.

Professions which required a high degree of contact with clients (eg. hairdressing, hospitality and health care) tended to provide students with higher quality on-the-job training. For instance, one trainee in a migrant nursing home commented that the staff in her organisation had been great and the training fantastic - *"I've really learnt a lot. They're so helpful and take time to explain things to me"* (Trainee Nurse, 19yrs). Apprentice hairdressers and chefs similarly seemed to be well-mentored, with employers taking time to build student skills in areas of interest. A trainee IT technician was also receiving good on-the-job training and commented - *"Every week my employer makes a point to sit down with me and show me a couple of new things"* (Trainee IT technician, 19yrs). Another example was in the case of an apprentice chef, where - *"The head chef is really good. He'll go through the molecular structure of a zucchini with me on occasions"* (Apprentice Chef, 21yrs).

Typical reasons for poor quality on the job training often related to employers claiming to have limited time for instruction, viewing their students as a labour source, and in some cases, having a poor attitude towards the whole notion of training - *"Most tradesmen don't care about training. They're not interested in you. They just want to get the work done"* (Apprentice Cabinet Maker, 17yrs). Poor attitudes towards training were also reflected in students feeling victimised for asking questions about how to perform certain tasks. This was typically so in the case of blue collar apprentices (eg. panel beaters, boiler makers, spray painters) and some blue collar traineeships (eg. spare parts), where employers would sometimes not permit students to ask questions - *"I was told that I could watch him do the task, but I wasn't allowed to ask any questions"* (Apprentice Panel Beater, 25yrs). That same apprentice was then sacked, as the employer claimed that he was too far behind - *"I was behind, and no wonder, he didn't show me anything"*.

Another example related to a spare parts trainee who, despite having trouble understanding the parts in his control, was not allowed to visit the workshop to see the parts being used - *"I asked if I could go through the workshop to help me in my job, but they told me I wasn't allowed"* (Spare parts trainee, 20yrs). Training in some areas, such as WHS, was also poor in some businesses - *"We've got to weld in a room with no exhaust fans in thick clouds of smoke. We've been asking for better ventilation since I started, and still nothing's changed"* (Apprentice Boiler Maker, 20yrs).



Relevance of tasks to apprenticeship/traineeship



On a positive note, most students were undertaking tasks which were either directly or somewhat relevant to their trades. Hairdressing students were learning about cutting and styling hair, health care trainees were learning the skills of health care and apprentice chefs were learning everything from cutting techniques to how to prepare a range of exotic and challenging dishes.

While most students were doing tasks of moderate to high relevance to their training and were being given tasks to progressively build higher skills, several blue-collar apprentices and trainees reported performing menial tasks which, while relevant to some extent, did not cultivate higher level skills. For instance, one 3rd year apprentice boiler maker reported that his employer never allowed him to attempt any higher level tasks, despite his continued interest - *"None of us apprentices are allowed to touch the higher quality jobs. I'm in the third year of my apprenticeship and I'm still doing the same stuff I did in 1st year"*.

Business administration students also generally felt that they had not been receiving relevant or exceptionally high quality training during their traineeships. For instance, one trainee commented that a major problem with her traineeship had been the absence of a job description to define what she would be doing. While she had expected to be performing business administration tasks, her main task involved answering the phones which was not a core skill of an administrator - *"I know how to answer a telephone, however, I'm not training to be a receptionist. It's hardly a challenge. Excuse the french, but I'm just being given the crap that no-one else wants to do. I haven't learnt a thing so far"*. Accordingly, the reason for her dissatisfaction related primarily to having different expectations of the role - *"I'd never do this again. It's been a waste of time"*.

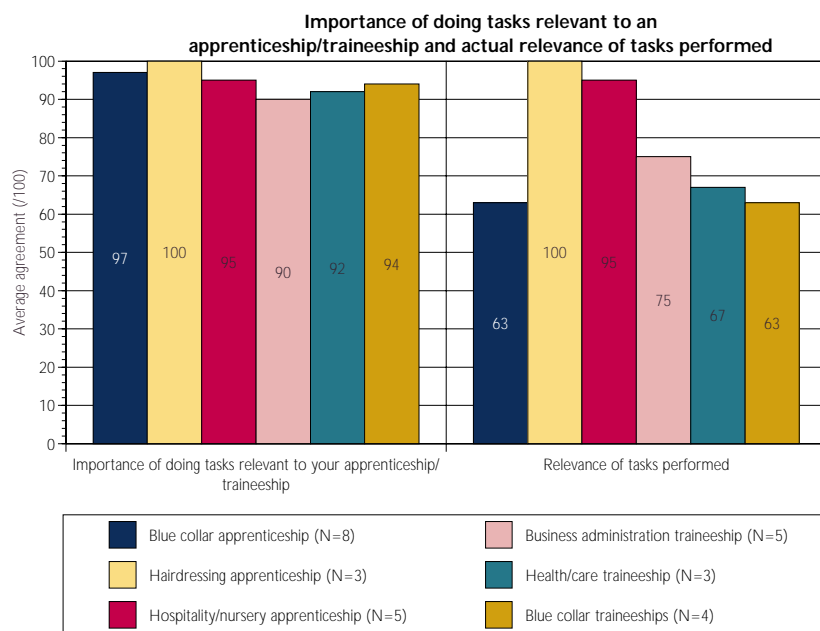
While tasks performed during health care traineeships were generally seen to be relevant and high quality, students were somewhat frustrated over having to perform many of the less pleasant tasks such as patient toilet trips, patient bathing and general cleaning. In this sense, two of the health care trainees believed that there was some room to improve the relevance of tasks performed in their training.

Making an official complaint about poor quality on the job training, however, was not seen to be an option by students. Indeed, most feared that complaints could incite negative reactions from both the employer and work colleagues - *"You don't complain as you don't want to be tarnished as a trouble maker"*. Accordingly, in most instances, apprentices and trainees would endure poor quality training out of a fear of negative repercussions.

Findings from the focus group survey relating to the importance and perceived relevance of tasks performed by apprentices/trainees are shown in Figure 3. These findings strongly correlate with key themes from discussions and reinforce the ideas that:

- all apprentices and trainees see it as **critically important** to perform tasks relevant to their apprenticeship/traineeship
- apprentices in hairdressing/hospitality view tasks they perform at work as **highly relevant** to their field, while business administration/health care trainees see the tasks they perform as **moderately relevant**
- blue collar apprentices/trainees see the tasks that they perform at work as **less relevant** to their chosen field, as compared to other groups.

FIGURE 3. Importance of doing relevant tasks and actual relevance of tasks performed during an apprenticeship/traineeship

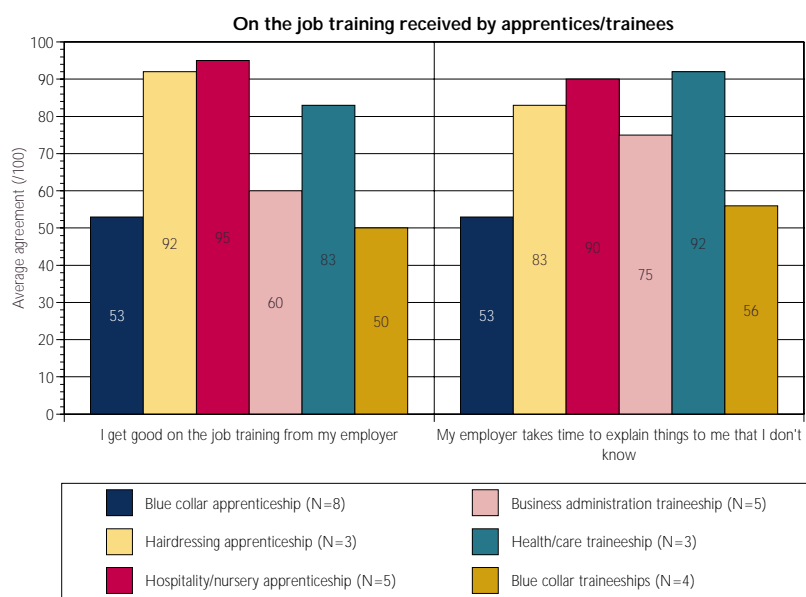


*Scores were averaged on the original 5 point scale, and then rescaled to a score out of 100
 Scores <50 indicate disagreement, scores around 50 indicate neutrality and >50 indicate agreement.*

Attitudinal statements

Apprentices and trainees were asked to rate their agreement with statements relating to the overall quality of training they receive on the job from their employer. Findings are presented in Figure 4.

FIGURE 4. On the job training received by apprentices/trainees



Scores were averaged on the original 5 point scale, and then rescaled to a score out of 100. Scores <50 indicate disagreement, scores around 50 indicate neutrality and >50 indicate agreement.

Overall, survey findings reinforce themes from group discussions and show that:

- blue-collar apprentices/trainees and to some extent, business administration trainees tend to receive **lower quality** on the job training from their employer than other groups
- employers of blue-collar apprentices/trainees take **less time** to explain work issues to their apprentices/trainees than other groups.

Conclusion

While many apprentices/trainees are receiving high quality on-the-job training during their apprenticeship/traineeship, themes from discussions suggest that there is generally room to improve the overall quality of on-the-job training received in blue collar professions. Indeed, students in these fields not only find the quality of on-the-job training less than other groups, but also report that key tasks performed are less relevant and employers are less inclined to explain unfamiliar tasks to students. This also applies to business administration trainees, however, to a lesser extent. Accordingly, future improvement initiatives should focus primarily on improving the overall quality of on-the-job training in these fields.



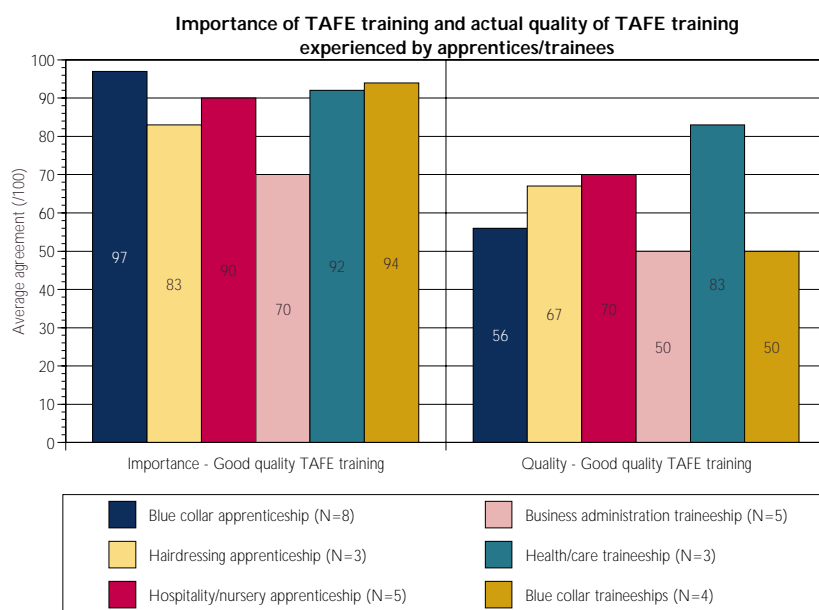
Quality of off-the-job training

Importance of off-the-job training



Generally speaking, students place relatively less importance on off-the-job training at TAFE, than training on-the-job. Compared to on-the-job training, TAFE training is seen to be less relevant, more theoretical and less useful than the skills learnt at work - *"You learn heaps more at work than at TAFE"* (Apprentice Hairdresser, 18yrs). Despite this overall view, blue collar apprentices/trainees rated the importance of TAFE training as quite high (Figure 5). Training was considered to be critically important in the electrical field, where knowledge of electrical principles was a precursor to working effectively as an electrician. Business administration trainees and apprentice hairdressers, however, rated TAFE training as marginally less important than other professions, indicating less perceived relevance of TAFE studies to those fields.

FIGURE 5. Importance and quality of TAFE training



Scores were averaged on the original 5 point scale, and then rescaled to a score out of 100
 Scores <50 indicate disagreement, scores around 50 indicate neutrality and >50 indicate agreement.

Students also reported that many employers hold TAFE studies in low regard, particularly in blue collar professions, where TAFE is often viewed as a waste of time - *"They want you to stay at work. They're not interested in TAFE"* (Apprentice Cabinet Maker, 17yrs). Reflecting this sentiment, this same apprentice was sent by his employer to TAFE 5 weeks late - *"I missed out on 5 weeks of TAFE on account of my boss"*. Generally, students reported that employers saw that TAFE cut into the work time of students and did not nurture relevant or useful skills.

Quality of TAFE training - apprenticeships



The overall quality of TAFE training in the case of apprenticeships was broadly judged by the extent it nurtured skills which could be used in the field. Thus, courses which nurtured useful and relevant skills which could be used on the job were generally more favourably regarded by students. The actual quality of training experienced by apprentices, however, varied according to the field.

Hairdressing. Discussions with hairdressers showed that students held the belief that TAFE training in hairdressing was generally too “simplistic”, and as expressed by one apprentice, catered to a “lower intellect” - *“They make us cut out pictures of people in magazines with different hair styles. It makes you feel like you're back in primary school. The books we use are really dumb”*. However, practicals at TAFE in hairdressing were more interesting and useful. There was also comment that a hairdressing apprenticeship is very broad and could allow more scope for specialisation in the future (eg. some students may want to specialise in areas such as hair colouring, but do not want to do the whole apprenticeship).

Hospitality. TAFE training for apprentice chefs was generally seen to be useful, yet some concepts covered (such as cutting techniques) were again seen to be too basic and had already been covered at work. Assignments were relevant (eg. costing and planning a menu), yet had not been overly challenging for students - *“They don't push you to excel and anyway, there's no scope for specialisation, as I'll have the same qualifications as a pizza maker”* (Apprentice Chef working in upmarket restaurant, 21yrs).

Nursery studies. A student doing nursery studies also commented that the training she had received at TAFE had been fairly basic and *“laid back”* - *“There's not really much to it really”*. On a positive note, however, there was comment that the teachers at TAFE were very helpful and focused on student needs.

Blue collar apprenticeships. Students in areas such as panel beating, boiler making and cabinet making generally rated the overall quality of TAFE teaching lower than in other fields. The quality of TAFE training for electricians, however, was generally seen to be higher and much more challenging. The finding concerning other blue collar professions, however, most probably reflects the desire of some apprentices to not do TAFE, rather than necessarily the quality of training received. Indeed, several blue collar apprentices were of the view that - *“The teachers know what they're talking about”* and *“TAFE teachers are much better than school teachers”*. At the same time, however, there was also comment by this group that some teachers needed to become better at actually communicating material to students - *“They know their stuff, but can't always explain it well”*. There was similarly comment that there is room to improve the application of TAFE studies to make the two integrate better.

Quality of TAFE training - traineeships



As TAFE training undertaken by trainees was generally very low intensity, many trainees commented that they often literally forgot that they were doing a traineeship. In some office administration traineeships, TAFE training was non-existent and field officers would visit students from time to time to check competencies and assess progress. There was also comment that field visits were very flexible - *"They just ask you how your assignments are going. And if you say you need more time, they say OK, that's fine"* (Trainee Office Administration, 19yrs).

As TAFE studies in traineeships were very low intensity, students felt very neutral or indifferent about the quality of training received. Key comments about TAFE training once again varied according to the type of profession.

Health. Training in the field of nursing and health care was generally more favourably regarded than other areas due to the potential for its use and application in the workplace - *"The theory is really useful and handy to have"* (Trainee Nurse, 19yrs). TAFE training in personal or health care provided practical skills such as lifting techniques and how to care for sick and elderly patients. Training in nursing was also useful to the extent it cultivates skills in understanding different medical problems.

Blue collar traineeships. Most blue collar trainees were rather indifferent about the quality of TAFE training received, particularly because training was limited in some fields. A trainee in meat processing also commented that the training was overly relaxed - *"It's a joke. It's nothing compared to an apprenticeship"*. An IT technician, however, found the training he received very relevant, useful and up-to-date, which is critically important in information technology fields.

Office administration. Most office administration trainees saw TAFE training in office administration to be almost too easy and not very challenging. There was comment that the assignments were overly basic and in some cases, students had no forms of assessment at all - *"It's just like nothing. You just get your boss to tick things off when you do them. The work books are simplistic"*.

An office administration trainee also commented that she was enrolled at Box Hill TAFE, yet had only been there once since commencing the training (She had the expectation that more TAFE training would take place). On a positive note, a business administration trainee found the assignments relevant and interesting, dealing with contemporary business issues (eg. dealing with customers). In this sense, the TAFE training was able to provide theory which could be applied in her job. Generally, however, all trainees expressed the view that TAFE training for traineeships presented few challenges to students. A comment by one trainee summed up the overall sentiment - *"I can't believe we're getting a diploma for what we're doing. It's crazy"* (Trainee Office Administration, 20yrs).

Other issues concerning quality of off-the-job training

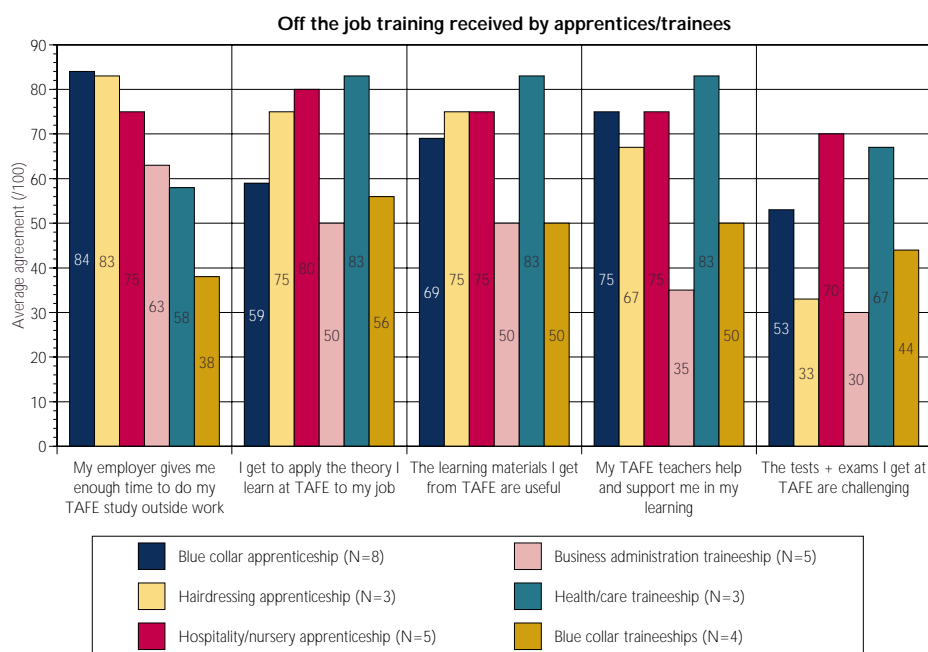
A number of other general comments were made about the TAFE training received during apprenticeships/traineeships, which could not be tied down to a specific profession. Key themes from focus group discussions included:

- TAFE teachers are generally very helpful and supportive
- students generally requested more contact with TAFE teachers and had noticed that core staff in some courses had been reduced - *"We often have to hang around for ages to get a stamp"* (Apprentice Panel Beat, 25yrs)
- a number of apprentices reported receiving no formal recognition for passing their apprenticeship each year - *"We don't even get a letter saying that we've completed the second year of our apprenticeship"*
- in some fields, there are no achievement levels other than pass or fail (although an apprentice electrician commented that his exams were graded with credits/distinctions) - some students find this de-motivating and would find achievement levels more of a challenge
- assessment of competencies and skills during traineeships and to a lesser extent during apprenticeships, is seen to be somewhat subjective and dependent on the assessor you get, rather than on your performance
- students believed that TAFE studies should be more integrated with the work of apprentices/trainees - in some fields, TAFE training is relevant and useful, but if the timing of training is incorrect, it can be seen as irrelevant (eg. showing 2nd or 3rd year apprentice chefs cutting techniques, which they should have learnt already in 1st year)
- many apprentices and particularly trainees report finding their school to be "too easy" and comment that providers do not push students to excel
- some apprentices are having to complete their classes together with 1st, 2nd and 3rd year students - in later years, some find this frustrating as material covered has to cater to all skill levels
- while some TAFE teachers are very knowledgeable in their fields, there needs to be a system to keep teachers up-to-date with the latest technologies in some areas.

Attitudinal statements

Apprentices and trainees were asked to rate their agreement with statements relating to the overall quality of training they receive off-the-job (eg. at TAFE). Findings are presented in Figure 6.

FIGURE 6. Off the job training received by apprentices/trainees



*Scores were averaged on the original 5 point scale, and then rescaled to a score out of 100
 Scores <50 indicate disagreement, scores around 50 indicate neutrality and >50 indicate agreement.*

Findings reinforce key themes from group discussions in that they demonstrate that:

- trainees are generally given by their employers **less time** to study outside of work hours than apprentices
- students in business administration traineeships and in blue collar apprenticeships/traineeships receive **less opportunity** to apply their TAFE studies to work
- blue collar and business administration trainees find the learning materials they get from TAFE as **less useful** to their profession than other groups
- apprentices and trainees generally find their teachers **helpful and supportive**, with the exception of business administration and blue collar trainees (presumably due to limited contact)
- most apprentices and trainees **do not** find their exams/assessment pieces very **challenging** - this is particularly so in the case of hairdressing apprenticeships and business administration traineeships, and to a lesser extent in blue collar traineeships.

Conclusion

Generally speaking, off-the-job training is seen to be less important by apprentices/trainees than training received on-the-job. Despite the usefulness of TAFE training in some fields, employers in blue collar professions are generally negative towards the notion of TAFE training. Indeed, in some cases, it is seen as a waste of time and a liability, rather than an asset. TAFE training is seen by students to be high quality in most fields, however, of lesser quality and less challenging in traineeships (eg. particularly in office administration) and some apprenticeships (eg. hairdressing). From this perspective, students believed that there is potential to make TAFE more challenging for students who want to excel in their studies.



Overall satisfaction

Key drivers of satisfaction

Generally speaking, students who were very pleased with their apprenticeship/traineeship were generally satisfied on account of the high quality on-the-job training they were receiving. Others were also satisfied when training was personally rewarding. For instance, one trainee training in aged care commented - *"It's really great to see that you're making a difference to the lives of people. It can be very rewarding at times"* (Trainee Nurse, 19yrs).

Expectations



Most students acknowledged that their training had turned out often somewhat different to what they had expected. Most put this down to not knowing much about the system on commencement, and thus, probably having too high expectations of the training. In this sense, students once again commented that more information could be provided to not only help students choose a more suitable form of training, but also to help students understand how the system should operate. Indeed, in some cases, where students were *not* enjoying their training, they had no idea about what to expect and consequently, were not aware of how the training should be (eg. Apprentice Motor Mechanic, who had a limited understanding of his rights/obligations as an apprentice, on account of an employer who provided limited information and limited on-the-job training).

The only students who believed their expectations had been unrealistic were mostly office administration trainees, and to a lesser extent, blue-collar trainees in areas such as motor wholesaling and spare parts management. The reason why the training had not met their expectations appeared to be related to having different expectations of traineeships generally. In this sense, these students had expected more structure in their on-the-job training, more rigorous TAFE training, and not having received either of these, and naturally became dissatisfied.

Together, these findings appear to suggest that the apprenticeship system has historically created expectations of more formalised and structured training, which have led students to expect this also from traineeships. Accordingly, creating realistic student expectations of traineeships will play an important role in ensuring high retention of trainees in the future.

Intentions to continue

Unsurprisingly, overall satisfaction with an apprenticeship/traineeship was often strongly related to a student's intention to continue with the training and to complete other forms of vocational training in the future. For instance, one office administration trainee commented that she would never do a traineeship again, as the on-the-job training she was receiving had been poor quality - *"I wouldn't recommend anyone to do this. It's been really disappointing. No, it hasn't met my expectations at all"* (Trainee Office Administration, 20yrs).

On a positive note, some students commented that they would definitely do an apprenticeship/traineeship in the future and would recommend this to others. Key reasons often related to the overall flexibility of vocational training (especially traineeships) and the on-the-job training received by students - *"This is the only way you can learn practical skills and train to get a profession without having to do years of uni. It's great for people with no qualifications"* (Trainee Office Administration, 19yrs).

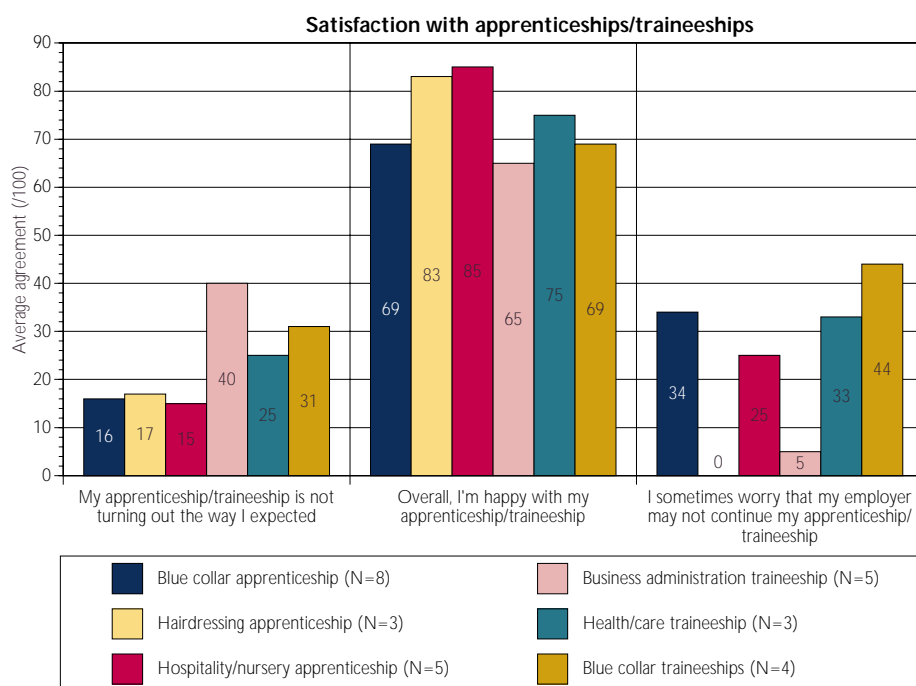
Security of apprenticeships/traineeships

Security of apprenticeships/traineeships was generally not a major concern for students. Indeed, as one apprentice cabinet maker commented - *"You've got really good protection these days compared to 20yrs ago. They can't just sack you if they feel like it"* (Apprentice Cabinet maker, 17yrs). From time to time, however, continuity of training had crossed most people's mind. For instance, one nursery apprentice commented that water restrictions had slowed down the growth of plant stock in her organisation, and consequently, she had some occasional concern about whether her training would continue. Another example related to an office administration student, who often had no tasks to do - *"The big boss has approached me, and has told me that it's not my fault I've often got nothing to do"*. Together, these findings suggest that the STS is seen to provide a number of safety nets for students in vocational training, and as such, is seen to provide a reasonable degree of certainty and security about the future.

Attitudinal statements

Apprentices and trainees were asked to rate their agreement with statements relating to their overall satisfaction with their apprenticeship/traineeship (Figure 7).

FIGURE 7. Overall satisfaction of apprentices/trainees



Scores were averaged on the original 5 point scale, and then rescaled to a score out of 100. Scores <50 indicate disagreement, scores around 50 indicate neutrality and >50 indicate agreement.

Reinforcing key themes from focus group discussions, findings indicate that:

- students **expectations of traineeships** are **not being met** to the same degree as apprenticeships - this could indicate that students have different expectations of traineeships (students seem to expect more structure on- and off-the-job training)
- overall satisfaction with apprenticeships is generally **higher** than overall satisfaction with traineeships - this is probably very related to students' expectations of traineeships being different to what they are experiencing
- most students are **not too concerned** about the security of their apprenticeship/traineeship.

Conclusion

Historical knowledge of workings of the apprenticeship system has led students to expect traineeships to be very much like apprenticeships (apart from the length of training). Findings show, however, that students find traineeships very different, and in some fields, are disappointed with the quality of on- and off-the-job training received. Dissatisfaction in many cases results from a mismatch between students expectations and the true nature of traineeships (ie. self-directed learning, not always formalised TAFE training). Accordingly, creating realistic expectations of traineeships should form an important future focus for the STS.



Appendix A - Focus group participants

Type of training	Field of apprentice/trainee	Blue or white collar ^a	Year of training	Age	Gender	Size of company ^b
Apprenticeships	Cabinet making	Blue	1	17	M	M
	Electrician	Blue	2	26	M	L
	Hairdressing	White	1	21	F	S
	Hairdressing	White	2	18	F	S
	Hairdressing	White	3	18	F	S
	Nursery^c	White	3	22	F	S
	Chef	White	3	21	F	L
	Chef	White	1	19	F	L
	Chef	White	1	20	F	S
	Chef	White	1	20	F	M
	Panel beater	Blue	3	25	M	M
	Panel beater	Blue	4	26	M	L
	Boiler maker	Blue	3	20	M	L
	Mechanic	Blue	2	16	M	M
	Plastering	Blue	1	18	M	S

Type of training	Field of apprentice/trainee	Blue or white collar ^a	Year of training	Age	Gender	Size of company ^b
Traineeships	Certificate III in Business (Office Administration)	White	1	19	F	S
	Certificate III in Business (Office Administration)	White	1	20	F	S
	Certificate III in Business (Office Administration)	White	1	31	F	L
	Certificate III in Business (Office Administration)	White	1	20	F	S
	Certificate II in Retail Operations	White	1	42	F	S
	Certificate III in Community Services (Aged Care Work)	White	1	46	M	M
	Certificate IV in Health (Nursing)	White	2	19	F	M
	Certificate III in Community Services (Personal Care)	White	1	52	F	S
	Certificate II in Automotive Repair Services & Retail (Sales)	Blue	1	20	M	M
	Certificate II in Business (Small Business Traineeship) ^d	Blue	1	20	M	S
	Certificate IV in Information Technology (User Support) ^e	Blue	1	19	M	L
	Certificate II in Meat Processing (Abattoirs)	Blue	1	33	M	M
	Certificate II in electro-trades (Traineeship)	Blue	2	20	M	L

a. Arbitrarily defined as blue or white collar for the purpose of the report.

b. Small company (S) - under 20 staff, medium company (M) - 20-100 staff, large company (L) - over 100 staff.

c. Working in mostly sales, customer service and horticulture.

d. Working in spare parts role.

e. Working in IT technician/computer repair role

Focus Group Participants by Industry Area

The table below shows the industry areas in which apprentices and trainees who attended the focus groups were employed, from the DELTA apprenticeship and traineeship database. This is designed to allow comparisons between the focus group results and other research conducted for this review that is based on industry areas.

Unfortunately, the quality of data on industry areas in DELTA is poor, leading to the large number of 'Not Stated' responses in the table below. However, this is the best data available, as it is not possible to allocate people to industries based on the qualification they are studying, as many qualifications lead to occupations that are practiced across a number of industries.

Field of Apprentice/Trainee	Industry	Number of Focus Group Participants
Cabinet Making	Fabricated Wood Manufacturing	1
Electrician	Wholesaling	1
Hairdressing	Hairdressing and Beauty Salons	1
Hairdressing	Not Stated	2
Nursery	Not Stated	1
Chef	Cafes and Restaurants	2
Chef	Not Stated	2
Panel Beater	Not Stated	2
Boiler Maker	Not Stated	1
Mechanic	Not Stated	1
Plastering	Not Stated	1
Certificate III in Business (Office Administration)	Not Stated	4
Certificate II in Retail Operations	Pharmaceuticals, Cosmetics and Toiletries Retailing	1
Certificate III in Community Services (Aged Care Work)	Accommodation for the Aged	1
Certificate IV in Health (Nursing)	Not Stated	1
Certificate III in Community Services (Personal Care)	Health Services	1
Certificate II in Automotive Repair Services and Retail (Sales)	Car Wholesaling	1
Certificate II in Business (Small Business Traineeship)	Road Freight Transport	1
Certificate IV in Information Technology (User Support)	Other Education	1
Certificate II in Meat Processing (Abattoirs)	Meat Processing	1
Certificate II in Electro-Trades (Traineeship)	Not Stated	1

Appendix B - Focus group protocol

Introduction

Welcome. Explain that doing a project for the Victorian Government looking at the quality of training people get during an apprenticeship. Set expectations for discussion.

Channels to an apprenticeship

- why did you do an apprenticeship/traineeship?
- why did you choose the field you did?
- how did you first find out about it?
- what information did you first get on it?
- what sort of expectation did this information provide about where your apprenticeship would get you?

Expectations of apprenticeship

- what do you expect to get out of your apprenticeship?

Rights and obligations

- what information, if any, did your employer provide you with on your rights and obligations as an apprentice?
- would you say you had a good understanding of what was expected of you when you signed up? Why do you say this?

Satisfaction with apprenticeship

- how has your apprenticeship been going overall?
- are there any differences between what you thought it would be like and was it's actually like?
- what would say the difference is between a good and bad apprenticeship?

Quality of on-the-job training

- which do you find more important - on or off-the-job training?
- how would you describe the quality of the on-the-job training you get?

Employer support

- what sort of support do you get from your employer?
- do you feel you could approach them and voice your concerns?
- say you had some problem or concern - where would you go for help?

*Quality of
off-the-job
training*

- how about off-the-job training - like at TAFE?
- How relevant is it? To what extent do you get to apply the theory?
- how helpful and supportive do you find your TAFE provider?
- how important is getting a qualification in your apprenticeship?
- what are the learning materials like? Do you just use text books or are there other resources? (ONLINE?)
- how fair are the exams and tests they give you? Are they challenging?
- what sort of feedback do they give you about how you're going?

*Security of
apprenticeships*

- how confident are you that your apprenticeship will last for the time your employer agreed to? Is this ever something which worries you?
- what sort of effect does this have on your own work or how you view your apprenticeship?

Future

- overall, what are the best things about your apprenticeship?
- what would be the top things that really need to be improved?
- what could your employers do to help improve your apprenticeship?
- what could the government do to help improve the apprenticeship system?

Appendix C - Survey instrument

1. Using a scale from 1 to 5, where 1 is "strongly disagree", 5 is "strongly agree" and 3 is "neutral", please rate how much you agree or disagree with the following statements...

Statement	Strongly disagree		Neutral		Strongly agree
Starting out					
1. When I started, I got enough information on my apprenticeship	1	2	3	4	5
2. I have a good understanding of my rights and obligations as an apprentice	1	2	3	4	5
3. Getting a qualification is an important reason why I'm doing an apprenticeship	1	2	3	4	5
Your training on the job					
4. I get good on-the-job training from my employer	1	2	3	4	5
5. My employer takes time to explain things to me that I don't know	1	2	3	4	5
6. The tasks I get to do as an apprentice are relevant to my trade	1	2	3	4	5
7. My employer gives me enough time to do my TAFE study outside work	1	2	3	4	5
Your training off the job					
8. I get to apply the theory I learn at TAFE to my work	1	2	3	4	5
9. The learning materials I get from TAFE are useful	1	2	3	4	5
10. My TAFE teachers help and support me in my learning	1	2	3	4	5
11. The tests and exams I get at TAFE are challenging	1	2	3	4	5
Overall					
12. My apprenticeship is <u>not</u> turning out the way I expected it to	1	2	3	4	5
13. Overall, I am happy with my apprenticeship	1	2	3	4	5
14. I sometimes worry that my employer may not continue my apprenticeship	1	2	3	4	5

2. How would you rate the **importance** and **quality** of your apprenticeship training in different areas...

Aspects	How important is this to you?					How would you describe what you're actually getting?				
	Not at all important		Somewhat important		Very important	Poor		Average		Very good
1. Good quality <u>on-the-job</u> training	1	2	3	4	5	1	2	3	4	5
2. Doing tasks at work which are <u>relevant</u> to your trade	1	2	3	4	5	1	2	3	4	5
3. Good quality <u>TAFE training</u>	1	2	3	4	5	1	2	3	4	5
4. Learning things at TAFE which are <u>relevant</u> to your work	1	2	3	4	5	1	2	3	4	5

A. YOUR NAME - _____

B. TYPE OF APPRENTICESHIP - _____

C. YEAR OF YOUR APPRENTICESHIP (eg. 1st year) - _____

D. YOUR AGE - _____

E. APPROX. NUMBER OF STAFF IN THE COMPANY - _____

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DELIVERING QUALITY

REPORT OF THE INDEPENDENT REVIEW OF THE QUALITY OF TRAINING IN VICTORIA'S APPRENTICESHIP AND TRAINEESHIP SYSTEM

KAYE SCHOFIELD

MAY 2000

VOLUME 1: MAIN REPORT

Disclaimer

This report has been prepared by the independent consultant conducting the Review and does not necessarily represent the views of the Victorian Government or the Office of Post Compulsory Education, Training and Employment.

Nothing in this report should be taken to constitute legal advice.

Table of Contents

Volume 1 Main Report

	Page
Preface	i
Abbreviations	
Executive Summary	iv
Chapter 1 The Approach	1
Chapter 2 A Quality System?	9
Chapter 3 Quality Training and Learning?	46
Chapter 4 A Better Balance	70

Appendices

Appendix 1	Terms of Reference
Appendix 2	Reference Group Members
Appendix 3	A Note on Methodology
Appendix 4	Stakeholder Consultations
Appendix 5	Submissions Received
Appendix 6	Trends in Apprenticeships and Traineeships in Victoria, 1995–1999

Volume 2 Working Papers

Working Paper 1	<i>Apprenticeships and traineeships in Victoria: A Survey of employers, apprentices and trainees</i> , NCS Australasia with Fischer & Associates, May, 2000
Working Paper 2	Additional analysis of Survey of Apprentices and Trainees
Working Paper 3	Additional analysis of Survey of Employers
Working Paper 4	<i>Quality of Training in Apprenticeships and Traineeships: A Report on Findings of Focus Groups</i> , McDonnell-Phillips, April, 2000

Preface

In January 2000 Kaye Schofield & Associates was commissioned by the Minister for Post Compulsory Education, Training and Employment, the Honorable Lyn Kosky MP, to undertake an independent investigation into the quality and effectiveness of the apprenticeship/traineeship program in Victoria and to provide recommendations to the Victorian Government on measures by which its quality and effectiveness might be improved.

The full Terms of Reference for the Review, conducted between February and May 2000, are at Appendix 1.

Throughout the Review I was well advised by a Project Reference Group chaired by Ross Oakley, Chair of the Victorian State Training Board. Membership of the Reference Group is at Appendix 2.

This report draws on information from a range of sources.

- **Stakeholder consultations.** During March eleven consultation forums were conducted in Melbourne and ten forums were held in regional Victoria, attended by a total of 231 stakeholders. External stakeholders consulted are listed at Appendix 4. In addition, a consultation forum with PETE officers was also held to seek their views.
- **Individual interviews.** Prior to preparing the Discussion Paper, individual interviews were conducted with twelve stakeholders with state or national interests in the apprenticeship and traineeship system and these are also included in Appendix 4.
- **Employer and Apprentice/Trainee Survey.** NCS Australia P/L was commissioned to conduct a telephone survey with a total of 760 employers and 760 apprentices/trainees. The full NCS report is reproduced as Working Paper 1 in Volume II of this report. Working Papers 2 and 3 provide additional analysis of this survey which was undertaken by the Review.
- **Apprentice/Trainee Focus Groups.** McDonnell-Phillips P/L was commissioned to conduct four focus groups with 28 apprentices and trainees. The full McDonnell-Phillips report of these focus groups is reproduced as Working Paper 4 in Volume II of this report.
- **Submissions.** Following a public call for written submissions, a total of 99 submissions was received and systematically analysed. Those who made submissions are listed at Appendix 5.
- **Internal data and documents.** A range of relevant internal documents was reviewed. The PETE analysis of trends in apprenticeships and traineeships in Victoria 1995–1999 is included at Appendix 6.

Consultations and submissions to this Review have canvassed almost every conceivable aspect of the VET system in Victoria and nationally. The Review has been called on to produce solutions to many important issues including access and equity, student concessions, travel, accommodation and support services, TAFE funding, infrastructure funding, Training Packages, competency-based training and

assessment, the National Training Framework, the Australian Recognition Framework and occupational health and safety.

While all these matters may be in need of creative solutions, producing them is not the central function of this Review.

This Review examines one relatively small but absolutely critical part of the VET system — the Victorian apprenticeship and traineeship system — and it does so within its Terms of Reference. It addresses wider VET issues within Victoria and nationally only in so far as they impact on efforts of Victoria to improve the quality of training in its apprenticeship and traineeship system.

I would like to thank all those who contributed to the Review and to the preparation of this report.

The Project Reference Group provided constructive advice throughout. External stakeholders contributed generously by providing information, making submissions and attending consultations. PETE officers were helpful and co-operative.

I wish to thank Meredith Sussex, Director of PETE, and John Sullivan, General Manager Policy and Planning in PETE, for making available the resources necessary for a comprehensive independent Review and ensuring it proceeded smoothly.

This Review has been a team effort and my special thanks go to the project team who assisted in many ways and whose professionalism and support were never less than exemplary. George McLean's support on strategic planning, policy and organisational issues was invaluable. Edmund Misson, in the role of Executive Officer to the Review, has made a major contribution to both the Review's management and its analysis and preparation of Appendices. Sue Foster also contributed in many ways and I have especially appreciated her part in designing and leading the systematic analysis of the submissions. Geoff Foster generously shared his extensive knowledge of the apprenticeship and traineeship system with the Review and assisted with consultations and the analysis of the industrial relations issues. Anya Richards provided much assistance particularly with the Melbourne and regional consultations and the commissioned research.

I have benefited from the constructive contribution of all stakeholders. Without a co-operative effort, this Review would not have been possible. I trust it will lead to the quality improvements they are seeking.

An optimist is one who sees the doughnut while the pessimist sees the hole. This report has been written by both an optimist and a pessimist.

Kaye Schofield

31 May, 2000

Abbreviations

AAB	Apprenticeship Administration Branch, PETE
ACE	Adult and Community Education
AFO	Apprenticeship Field Officer
ANTA	Australian National Training Authority
ANZSIC	Australia and New Zealand Standard Industry Classification
AQF	Australian Qualifications Framework
ARF	Australian Recognition Framework
AVETMISS	Australian Vocational Education and Training Management Information Statistical Standard
CBT	Competency Based Training
DELTA	Victoria's Contracts of Training database
DETYA	Department of Education, Training and Youth Affairs (Commonwealth)
GTC	Group Training Company
ITAB	Industry Training Advisory Board/Body
ITB	Industry Training Board
NAC	New Apprenticeship Centre
NCVER	National Centre for Vocational Education Research
NTF	National Training Framework
PETE	Office of Post Compulsory Education, Training and Employment, Victorian Department of Education, Employment and Training
QETO	Quality Endorsed Training Organisation
RCC	Recognition of Current Competency
RPL	Recognition of Prior Learning
RTO	Registered Training Organisation
SCH	Student Contact Hours
STB	State Training Board of Victoria
TAFE	Training & Further Education
VET	Vocational Education & Training

Executive Summary

In January 2000 Kaye Schofield & Associates was commissioned by the Minister for Post Compulsory Education, Training and Employment, the Honorable Lyn Kosky MP to undertake an independent investigation into the quality and effectiveness of the apprenticeship/traineeship program in Victoria and to provide recommendations to the Victorian Government on measures by which its quality and effectiveness might be improved. This is the Main Report of the investigation.

The Approach

As with almost every other facet of economic and social life, the apprenticeship and traineeship system, born and raised in the old economy, is struggling to come to terms with its form and place in the new global economy.

Most Victorian stakeholders appreciate the challenges involved. While there are small stakeholder niches in which the longing for a return to the good old days is still strong, most who responded to this Review acknowledge that the old days were never as good as we sometimes remember. The world is moving on fast and most stakeholders want the apprenticeship and traineeship system to move on also.

But there are two pre-conditions for moving on. Deep-seated and widespread anxieties about poor quality training must be dealt with and a shared understanding of where the system is heading needs to be developed.

Many factors have led to the current level of anxiety about the quality of training within the apprenticeship and traineeship system. The most visible of these have been significant and rapid growth within traineeships, the introduction of competition through User Choice, the roll-out of Training Packages, negative consequences arising from the application and marketing of some Commonwealth government incentives under its New Apprenticeship Program and evidence of some abuse of the apprenticeship and traineeship system by unethical and, in a small number of cases, possibly fraudulent organisations. But in considering the quality of training for apprentices and trainees at the start of the 21st century, two other factors must be taken into consideration.

The apprenticeship and traineeship system is also under pressure from clients, industry and governments who want training to be delivered more flexibly and from the rapid diversification of contexts in which apprentices and trainees can now receive training. The combination of multiple modes of delivery, multiple training providers and multiple and very different workplaces is making it far harder to manage, monitor or control what actually happens in all training for all apprentices and trainees across all sites. In this less controlled and more fluid environment, anxieties about the quality of training are exacerbated.

A Quality System?

The management of Victoria's apprenticeship and traineeships system has a number of important strengths which need to be acknowledged. Its end users (employers, apprentices and trainees) are well satisfied with the services currently provided; the majority of RTOs are delivering services according to their contractual and other

obligations; the provider audit and review program is being continuously improved; the legislative framework is essentially in place and many aspects of administration of the system are reasonably efficient.

At the same time, there are significant weaknesses.

Some of these weaknesses are the result of the way Victoria has managed its apprenticeship and traineeship system. These include too many incidences of non-compliance by both employers and providers with their legal and moral obligations to apprentices and trainees; provider registration and audit processes which are not sufficiently rigorous or consistent and not sufficiently informed by an industry perspective; insufficient effort applied to auditing and reviewing workplace training; insufficient emphasis on the suitability of the workplace environment for work-based training; weak arrangements for dealing with apprentice/trainee complaints and grievances; some significant problems associated with the User Choice system which are reducing training quality; administrative inefficiencies which add to provider costs unnecessarily; and governance which in the past has not actively promoted collaboration, quality training delivery and ethical market practices.

Other system weaknesses arise out of the national framework for the VET system and Commonwealth/State relationships. Such weaknesses include insufficient policy and administrative cooperation between the Commonwealth government and the Victorian government and registration and audit standards within the Australian Recognition Framework which are too low and insufficiently broad in scope to protect the integrity of nationally recognised apprenticeship and traineeship qualifications. These weaknesses will not be resolved by Victoria acting unilaterally. Viable solutions will depend on renewed cooperation between PETE, other State and Territory Training Authorities and ANTA through the ANTA processes and between the Victorian and Commonwealth governments.

At present, the systemic strengths and weaknesses are finely balanced in Victoria. However, if quality assurance arrangements are not improved quickly, system quality is likely to decline as the current strengths are overtaken by the increasingly apparent weaknesses. This has already begun to happen in some respects.

Quality Training and Learning?

In the majority of instances, training and assessment in the apprenticeship and traineeship system is effective. Training and assessment services are meeting the expectations of the majority of Victorian employers, apprentices and trainees to a high degree. This implies that the majority of Registered Training Organisations have been staffed with capable and committed teachers and trainers with the required industry and teaching/training experience and most assessments have been carried out in accordance with agreed standards, where they exist. It also suggests that most employers and workplace supervisors are fulfilling their training obligations and working with the Registered Training Organisation of their choice in appropriate ways.

There are also some excellent examples of innovative and high quality training within the system although these are rarely highlighted and even more rarely celebrated.

At the same time there are many weaknesses which undermine quality and confidence in the system. There are too many instances where, in an effort to cut corners for

financial reasons, the quality of training received by apprentices and trainees has been compromised.

The absence of Training Plans for more than 40% of all apprentices and trainees suggests that training is not always effectively planned and documented and that apprentices and trainees are not always regarded as active participants in the training process. Many trainees are not regularly receiving feedback and advice to aid their progress.

Some apprentices and trainees are being required to undertake training when better systems for funding pre-assessment and RPL processes would in many cases reduce the time they need to spend in training and in other cases assist in a better targeted training program.

Both providers and employers are still working out their new roles in a system moving towards more flexible modes of delivery. Many are uncertain of their responsibilities in relation to on-the-job and off-the-job training, how best to deliver quality on-the-job and off-the-job training in the workplace and how workplace competence can be validly and reliably assessed. In this climate of uncertainty, and in a system which does not demonstrate that it values quality training, very poor 'tick and flick' training and assessment practices have arisen in some places.

Such practices, if unchecked, will inevitably lead to a system where credentials not skills are seen as the required outcome.

Not all employers demonstrate a commitment to quality training, notwithstanding their decision to employ an apprentice or trainee. The reluctance of a minority of employers to cooperate with Registered Training Organisations or to release apprentices or trainees for off-the-job training in either the workplace or off site demonstrates a lack of commitment to quality training, belies claims that growth in the numbers of New Apprenticeships is evidence of the emergence of a stronger training culture and undercuts the training efforts of the majority of good employers involved in and contributing to the system.

Not all providers can demonstrate a commitment to quality training. This is a prerequisite in any system aspiring to provide Victoria with a skilled and internationally competitive workforce.

Not all providers ensure that the training staff they employ are suitably qualified and experienced to facilitate learning and to conduct assessment in particular occupational areas for a range of learners across different training sites. While allocating greater responsibility to individual trainers and assessors for developing their own proficiency, neither providers nor the system offer real incentives for them to do so or accept that this may be in the longer term interests of the provider itself and the apprenticeship and traineeship system. Under current arrangements, it is economically rational (at least in the short term) for providers not to develop their training staff. There is little evidence that significant numbers of providers rigorously measure or monitor the effectiveness of their training provision so that continuous improvement is achieved. There is little incentive within the current system for them to do so.

Most disappointing of all is the fact that some apprentices and many trainees are not challenged by their training program and that 20% of trainees do not believe they are learning new skills. In part, this is leading to views that the apprenticeship and traineeship system is 'dumbing down' the workforce when its essential task is to lift expectations of all involved, challenge apprentices and trainees and make possible

new pathways not only into the apprenticeship and traineeship system, but from it to a life of learning in an increasingly global environment.

A Better Balance

The Victorian government needs now to make some purposeful interventions to produce a more balanced system — one which achieves a better balance between the quantity of traineeships and the quality of training actually received by apprentices and trainees; between the short-term need for narrow technical skills and the long-term need for broad-based generic skills; between the interests of the apprentices and trainees and the interests of employers; between management priorities and educational priorities and between the interests of the providers of training and the interests of clients of training.

The Review proposes seven strategies which need to be pursued by the Victorian government to achieve its objectives for the apprenticeship and traineeship system and to achieve a more balanced system.

The government will need to take a lead role in *building new partnerships for quality* within Victoria generally and within PETE specifically, between Victoria and ANTA and between Victoria and the Commonwealth government. Unless all stakeholders are heading in the same direction and involved in the shared responsibility for resolving quality weaknesses, the system will fail to deliver social and economic benefits to Victorian communities and enterprises. To do this, Victoria must clarify its public policy objectives and these should focus on building Victoria's skills base, strengthening the system's role as a valued pathway to satisfying and rewarding work and to further learning for youth and young adults and protecting the integrity of and public confidence in the nationally recognised vocational qualifications issued to competent apprentices and trainees in Victoria.

Provider registration is *the* touchstone of a diversified training system. The final responsibility for ensuring that apprentices and trainees receive training which is of consistently high quality while meeting the needs of the employer lies with Registered Training Organisations, notwithstanding the increasingly important role of the employer in developing the skills of their apprentices and trainees both on and off the job. *The quality bar, represented by national standards for the registration of providers of training and assessment services, must be lifted and broadened* to include a better suite of standards for training delivery and assessment, including work-based training and assessment, and for learning outcomes. While there will be significant transitional difficulties in achieving this, these must not impede efforts to raise national standards and protect the national vocational qualification.

The audit and review function must be strengthened. The Victorian government has already taken significant steps to assure the quality of training by strengthening the audit and review function of PETE. The report makes recommendations to support these directions, with one additional feature given greater prominence — assessing employer and apprentice/trainee conformance with the Training Agreement.

The quality of training received by apprentices and trainees needs to be assured. This influences articulation between part-time apprenticeships and traineeships for school students and the VCE, between apprenticeships and traineeships and higher vocational education or higher education, and must remain a key objective of the apprenticeship and traineeship system. For this pathway to remain wide open, apprenticeships and

traineeships must be able to develop the generic and underpinning knowledge needed in a knowledge economy. Because this cannot be developed in a systematic way using only on-the-job training, total on-the-job training should not be encouraged or supported by state government funds. At the same time, part-time apprenticeships and traineeships for school students should meet the same national standards that are required for all other apprenticeships and traineeships in Victoria.

User Choice has had both positive and negative impacts on the quality of training in Victoria. While an assessment of its full effects on the quality of training can only be achieved over a longer period of time, this Review believes that it has promoted more flexibility, responsiveness and innovation in training delivery. It has encouraged providers, particularly TAFE Institutes, to get closer to their clients — employers, apprentices and trainees — and levels of client satisfaction are high. Having regard to all the factors, this Review has concluded that the benefits *in terms of quality* of shifting the balance in apprenticeships and traineeships from an albeit imperfect client-driven system back to a purchaser- and regulator-driven system are outweighed by the disadvantages. In future considerations of contestability, this conclusion should be taken into account. There are however significant associated resource implications to be considered.

The efficiency, effectiveness and accountability and therefore the quality of the apprenticeship and traineeship system would be improved by *clarifying five matters related to the legislation covering the apprenticeship and traineeship system in Victoria*. A mechanism is needed to adjust apprentice wages in view of developments in competency-based training; decisions are needed in relation to the issuing of Completion (Trade) Certificates; the Inquiry System under the VET Act needs review as does the current policy on participation of apprentices in industrial disputes. So that Apprenticeship Field Officers may perform their legislated role and departmental functions, there will need to be more of them and they will need to be well trained.

Considerable inefficiencies exist in the way PETE administers the various aspects of the apprenticeship and traineeship system, especially in relation to information management. Not only do these inefficiencies add to PETE costs, they also add considerably to provider costs, drawing significant funds towards administration and away from training delivery. Victoria needs to *build better business systems that meet user needs*.

Conclusion

Victoria's apprenticeship and traineeship system is at a quality crossroads. Targeted intervention by the Victorian government, in genuine partnership with other stakeholders, is needed now if the required outcomes — skills, pathways and valued qualifications — are to be achieved. Such interventions will require both carrots and sticks, an eye for the long term and acceptance that quality must be pursued in parallel with flexibility and diversity.

List of Recommendations

Recommendation 1.

The Victorian government should build a more balanced apprenticeship and traineeship system with three overriding public interest objectives in mind:

- (a) to ensure that the apprenticeship and traineeship system continues to make a strong contribution to the development of Victoria's skills base;
- (b) to ensure that the apprenticeship and traineeship system remains a highly valued pathway into satisfying and rewarding work and to further learning, especially for youth and young adults; and
- (c) to protect the integrity of and public confidence in the nationally recognised vocational qualifications issued to competent apprentices and trainees in Victoria.

Recommendation 2.

The Victorian government should take an active leadership role in building collaborative partnerships throughout the apprenticeship and traineeship system with the goal of lifting the quality of training. Particular attention should be given to ways of promoting partnerships particularly:

- (a) between Victoria and ANTA for higher national standards;
- (b) between the Victorian and Commonwealth governments for policy, audit and administrative coordination;
- (c) between PETE and industry (employers and unions) for better registration and audit processes;
- (d) between Registered Training Organisations, employers and apprentice/trainee partnerships for better training delivery and assessment;
- (e) between PETE and providers to promote and share best practice in managing and delivering quality training for apprentices and trainees;
- (f) between Registered Training Organisations, public and private, to develop, deliver and promote the apprenticeship and traineeship system as a whole; and
- (g) between various sections of PETE for more client-oriented business services.

Recommendation 3.

Through the ANTA processes, PETE should seek a National New Apprenticeships Quality Summit designed to achieve three outcomes:

- (a) agreement on ways in which the policy and program priorities of the Commonwealth and those of ANTA and the States and Territories can be more closely aligned to achieve a better balance between growth in New Apprenticeships and the quality of training undertaken through them;

- (b) agreement on ways through which the administrative requirements and systems of the States and Territories in relation to apprenticeships and traineeships, and those of the Commonwealth through New Apprenticeship Centres can be re-engineered to achieve significant efficiency improvements for all users, including end users; and
- (c) agreement on ways in which audit and review information acquired by the Commonwealth in relation to its New Apprenticeship Program and audit and review information acquired by the States and Territories in relation to the apprenticeship and traineeship systems in their jurisdictions might be systematically shared across jurisdictions.

Recommendation 4.

The Victorian government should establish a “Partners for Quality” fund designed to stimulate and support pilot collaborations within the training market in four key areas of the apprenticeship and traineeship system:

- (a) innovative approaches to linking on-the-job and off-the-job training;
- (b) teaching and learning resources for workplace training;
- (c) quality assessment in the workplace; and
- (d) benchmarking quality training outcomes.

Recommendation 5.

Through the ANTA processes, Victoria should seek amendments to the ARF which would have the effect of:

- (a) lifting the standards for provider entry into and continued operation in the national VET system;
- (b) allowing for audits for provisional registration of training organisations for one year and continuing registration for four years following a further audit at the end of the first year of operation as a Registered Training Organisation;
- (c) distinguishing more clearly between the quality of the management of a training organisation and the quality of its training and assessment practices;
- (d) ensuring that the evidence requirements for National Core Standards for Registration provide sound tests of the quality of training management within training organisations; and
- (e) lifting and broadening the scope of the standards and evidence requirements for quality training and assessment by:
 - incorporating specific standards and/or evidence requirements for apprenticeships and traineeships, recognising that this mode of training has unique features, involves partnerships between providers, employers and apprentices/trainees and demands particularly strong provider capabilities in order to deliver quality training; and
 - strengthening the emphasis on the level of benefit which the learner derives from the training.

Recommendation 6.

Pending any changes to the ARF as proposed above, all providers seeking registration in Victoria, if they meet the existing ARF standards through a satisfactory initial registration audit, should be given provisional registration within their approved scope for one year. At the end of the Registered Training Organisation's first year of operation, a follow-up confirmation audit should assess actual performance against the ARF standards and, if satisfactory, full registration within their scope for four years will be granted.

Recommendation 7.

All initial registration audits and confirmation of registration audits in Victoria should be field-based audits and include an industry associate with particular technical expertise in the qualification/s for which scope of registration is being sought and who has no conflict of interest in relation to the organisation seeking registration.

Recommendation 8.

PETE should draw up, in consultation with TAFE Institutes, a process and a program for the auditing of TAFE Institutes against ARF standards for the purpose of confirming their registration.

Recommendation 9.

PETE should conduct, on a regular basis, an intensive program of training and development for Training Recognition Consultants and industry associates to ensure rigour and consistency in registration audits across all occupational fields and modes of delivery and to receive feedback on how registration processes may be continuously improved.

Recommendation 10.

To promote statewide audit quality, consistency and transparency in auditing for registration and to provide registration information to the marketplace, all registration audits of public and private providers in Victoria which have resulted in registration should be electronically published on the PETE website within six weeks of the date of the audit. The quality improvements achieved in the year between the initial audit and confirmation audits should be a strong focus of the audit for confirmation of registration.

Recommendation 11.

PETE should issue an annual report of the outcomes of its audit and review function, ensuring that information on post-registration auditing against ARF registration standards is clearly differentiated from auditing against other agreements and contracts and that PETE action taken in relation to unsatisfactory audits is clearly communicated to the public.

Recommendation 12.

From the start of 2001, PETE should implement a more rigorous, holistic and field-based audit and review program for the apprenticeship and traineeship system which incorporates

- (a) random and targeted auditing of TAFE Institutes and private providers delivering apprenticeship and traineeship training for compliance with contracts and Performance Agreements and seeking stronger evidence requirements in respect of the quality of training and learner outcomes and, specifically, in relation to PETE's Workplace Based Training Minimum Compliance Standards;
- (b) random and targeted auditing of workplaces for their compliance with Training Agreements and Training Plans and suitability as a learning site for apprentices and trainees; and
- (c) involvement of industry representatives as audit associates for the qualifications for which training is being delivered.

Recommendation 13.

PETE should conduct an intensive training and development program for all auditors and industry associates, including Apprenticeship Field Officers, and ensure rigour and consistency in audits across workplaces, qualifications and modes of delivery.

Recommendation 14.

The State Training Board should incorporate within its risk assessment strategy the risks associated with Registered Training Organisations that are also New Apprenticeship Centres and Registered Training Organisations that are also employers and consider the development of a targeted conflict of interest audit.

Recommendation 15.

No Victorian training funds should be applied to apprenticeship and traineeship training which is delivered in the "fully on-the-job" mode. All training for apprentices and trainees which is funded or subsidised by the Victorian government will contain an off-the-job component facilitated by a qualified and capable trainer which may be conducted in the workplace and/or off site, depending on the joint agreement between the Registered Training Organisation, the apprentice or trainee and the employer when preparing the Training Plan.

Recommendation 16.

Part-time apprenticeships and traineeships for Victorian school students should meet the same national standards as are required for all other apprenticeships and traineeships in Victoria.

Recommendation 17.

When considering the extent of contestability in the Victorian training market, the State Training Board should take account of the findings of this report that while User

Choice has had some negative impacts on the quality of training provided to apprentices and trainees, these have been outweighed by the positive effects in terms of encouraging providers, particularly TAFE Institutes, to get closer to their clients and develop more flexible and innovative approaches to training delivery. The Review recognises, however, that factors additional to that of quality will be part of State Training Board considerations.

Recommendation 18.

The Victorian government should establish a system for amending the Industry Sector documents established under the former Victorian Industrial Relations Act so that apprentice wage provisions may be adjusted when the duration of an apprenticeship changes and so that rates can be set for part-time apprenticeships and other competency-based apprenticeship arrangements which may arise.

Recommendation 19.

Having regard for existing national agreements under the National Training Framework and New Apprenticeship arrangements and for the positions adopted in other jurisdictions, the State Training Board should convene a roundtable of industry and provider representatives in Victoria with the intention of canvassing views on whether Completion Certificates should be reintroduced into the Victorian apprenticeship system or whether the current system of a single AQF qualification should be retained.

Recommendation 20.

The State Training Board should undertake a thorough review of the Inquiry System established under s.60 of the Vocational Education and Training Act to ensure that any Orders which may be issued on either employers or apprentices are both enforceable and enforced.

Recommendation 21.

The State Training Board should review the substance and application of its policy on apprentice/trainee participation in industrial disputes.

Recommendation 22.

PETE should increase the number of Apprenticeship Field Officers and provide sufficient training to them so that they are able to perform their duties more effectively, particularly in relation to

- (a) monitoring on-the-job training delivery;
- (b) conducting investigations which support PETE's quality assurance and audit responsibilities;
- (c) responding to complaints in a timely and effective way; and
- (d) conducting and reporting on investigations into breaches of the Vocational Education and Training Act 1990.

Recommendation 23.

PETE should undertake a comprehensive analysis of all its information and management systems which provide or receive apprenticeship and traineeship data, especially the DELTA system, with a view to

- (a) ensuring information systems support and encouraging efficient business processes;
- (b) eliminating duplication in data collection and reporting by users;
- (c) guaranteeing to all users timely, valid and reliable data on apprenticeships and traineeships, with particular attention to completion data;
- (d) moving from a paper-based to a business-oriented largely electronic data system from the start of 2002; and
- (e) ensuring information systems for apprenticeships and traineeships are effectively integrated with PETE's corporate strategy and standards for information systems.

Chapter 1

The Approach

1.1 Continuity and change

As with almost every other facet of economic and social life, the apprenticeship and traineeship system, born and raised in the old economy, is struggling to come to terms with its form and place in the new global economy. There are two essential tasks in this multi-faceted transformation.

The first is to identify those durable features from the traditional system which must be protected and taken forward into the future and those features which should be left behind.

The second is to actively pursue innovations and good practice so that the system can better achieve its long-term objectives.

Most Victorian stakeholders appreciate the challenges involved. While there are small stakeholder niches in which the longing for a return to the good old days is still strong, most who responded to this Review acknowledge that the old days were never as good as we sometimes remember. The world is moving on fast and most stakeholders want the apprenticeship and traineeship system to move on also.

But there are two pre-conditions for moving on. Deep-seated and widespread anxieties about poor quality training must be dealt with and a shared understanding of where the system is heading needs to be developed.

This report is a considered contribution to the debate on both these matters.

1.2 The challenges to quality

There are many reasons for the current focus on quality of training within the apprenticeship and traineeship system specifically and the wider VET system more generally. The reasons usually offered include:

- the significant growth of traineeships over the past five years;
- the entry into the apprenticeship and traineeship system of old industries with little previous history of training or new industries which are still assessing the cost-benefits of training;
- the introduction of competition through User Choice and other mechanisms;
- the roll-out of Training Packages as specifications of national industry standards, associated with the withering of traditional curriculum-based models of training;
- negative consequences arising from the application and marketing of some Commonwealth government incentives under its New Apprenticeship Program; and
- evidence of abuse of the apprenticeship and traineeship system by unethical and, in a small number of cases, fraudulent organisations.

All of these factors have played a part in focusing attention on quality and are considered in the subsequent chapters of this report. Appendix 6 provides a detailed analysis of the trends in Victoria's apprenticeship and traineeship system 1995–1999 and identifies significant changes in the size and composition of the system.

However, looking through a wider lens, there are two additional factors that need to be taken into account when reviewing the quality of training by apprentices and trainees.

The first is the flexibility factor. The second is the diversity factor.

1.3 Flexibility

Apprenticeships and traineeships form part of what we have traditionally called employment-based structured training.

For at least the past forty years in the case of apprenticeships and for fifteen years in the case of traineeships, training has been delivered in a single mode: on-the-job training in the workplace plus off-the-job training usually in a TAFE Institute (for apprenticeships) and in various education or training institutions (in the case of traineeships). A place for everything and everything in its place.

This traditional and lock-step approach has come under substantial pressure as globalisation, technological change, the rise of the new economy and public and private sector reforms have driven major changes in VET policy in Australia.

Following the introduction of competency-based training and, later, User Choice, employment-based structured training could be conducted in many different ways as employers and, to a lesser extent apprentices and trainees, exercised choice of training program, training provider and mode of delivery.

Over recent years, both providers and employers have been struggling for ways to manage flexibly delivered employment-based structured training and have been experimenting with different approaches. They have had to resolve thorny questions along the way about workplace training and assessment and who would be responsible for what aspect of the learning.

Providers and government have both been struggling with how to fund it. From their point of view (although not from the point of view of an individual or a company), the most efficient form of delivery is the maximum number of people in a room listening to a single instructor talk. While not particularly effective as a training methodology, this system does have economies of scale.

We have now opened up the apprenticeship system to the possibility of mass customisation. Theoretically, individualised instruction for all is possible if that is the choice of the users.

Mass customisation of training programs and services, as distinct from program and service standardisation, is a financially risky strategy.

Providers unable or unwilling to deliver on call in infinitely flexible ways are bypassed for those who will. Providers, competing for custom, are reluctant or unable to negotiate with employers for modes of delivery which they professionally believe to be more appropriate. The customer rules and many providers are finding it difficult to deal with both the positive and negative dimensions of that. Providers of apprenticeship and

traineeship training can no longer remain in their institutions — their very survival now depends on being out in workplaces liaising with employers, delivering customised training, assessing competence, monitoring Training Plans and the like.

Employers, mainly those newcomers with little or no experience of the apprenticeship and traineeship system, little background in training, and no Human Resources department behind them, have also struggled with how much and what sort of flexibility best suits their needs and with the new and more active role they are required to play in on-the-job training, coaching and mentoring, and assessing competence. They have shopped around to find providers who could deliver training in ways that suited the needs of the business and developed clearer ideas about what to look for when choosing a provider.

Apprentices and trainees have been struggling with self-paced learning rather than instructor-paced learning. They have been required to engage in self-managed learning rather than facilitated training, often regardless of their language, literacy or numeracy levels or preferred learning styles. They have also become far more demanding of their trainers and supervisors.

The ultimate development in the concept of flexible delivery is when employment-based structured training is transformed into incidental, informal, unplanned learning on the job. While research suggests that in some contexts this informal and opportunistic learning may be more significant than formal training,¹ it all depends on the individual context and the apprenticeship and traineeship system is funded by government to facilitate formal, planned and recognised learning.

As employers, apprentices, trainees and providers search around for the level of flexibility they need in order to achieve the training outcomes they expect, issues of the quality of some of the flexible training provided to apprentices and trainees have emerged. Fears have arisen about the dilution of training standards and the value of the public credential in a national and increasingly international skills formation system.

Having let the flexibility genie out of the bottle, customers and the better providers have acquired a taste for it and it is unlikely to fade away. There is no going back to the old inflexible ways of delivering apprenticeship and traineeship training.

However, the complexity and consequences of mass customisation of apprenticeship and traineeship training has never been fully appreciated or acknowledged within the VET system. What is now needed is a re-evaluation of how employment-based structured training can be made more flexible without sacrificing quality training outcomes along the way.

1.4 Diversity

One of the drivers of the reforms to the apprenticeship and traineeship system in recent years has been the need to achieve greater diversity and responsiveness amongst its providers. Indeed, one of the goals of opening the market to competition was to encourage new and different players into the market and to encourage existing players to diversify and improve. There is a growing body of evidence to suggest that

¹ Waterhouse, P., Wilson, B. & Ewer, P. (1999), *The changing nature and patterns of work and implications for VET, Review of Research*, NCVER, Adelaide

this is happening in many instances. While some of this diversification has meant the entry into the market of some poor performing training organisations, the overwhelming majority appear to be delivering good quality training to apprentices and trainees in Victoria.

This diverse group of public and private providers is held together by the common thread of registration against national quality standards and all are expected to manage and facilitate training and conduct assessment to national industry standards. The major quality issue for this Review is whether they are currently doing that.

In the employment-based apprenticeship and traineeship system, unlike the institution-based training system, there is a second key element impacting on the quality of the training and learning and that is the context of the workplace as both a site of learning and an environment for learning.²

The quality of the learning outcomes from any apprenticeship or traineeship training depends on the capability of the registered training organisation and its compliance with the various weak standards of training delivery and assessment. The suitability of the workplace as a site for learning for off-the-job training and the learning environment offered by the workplace for planned on-the-job learning become key ingredients in the quality of training story.

While discussions about audit and review have focused on the quality of training providers, the quality of workplaces as sites for learning and as learning environments is rarely considered part of the quality debate. But the differences between workplaces in their capacity to support and/or deliver quality training are significant.

Some workplaces are exemplary, aspire to be learning organisations and represent best practice in both training and development and in workplace learning. For many organisations, investment in apprenticeship and/or traineeship training is integral to the overall business strategy of the company.

However, as the Tavistock Institute has noted in its report to the Institute of Personnel and Development on workplace learning, and as Apprenticeship Field Officers and providers can attest, many workplaces in many industry sectors are 'unprepossessing' with limited potential as a site for educational development.³ Examples given to the Review, some of which are cited in this report, illustrate just how poor some workplaces can be. Yet these poor workplaces are expected to develop competence to national industry standards in the same way as those which have a true commitment to quality training.

The shared goal of all stakeholders is to bring about significant improvements in the quality of apprenticeship and traineeship training in Victoria. This is essential to Victoria's skills base, and essential if Victorian industries and workers are to be globally competitive.

² See Tavistock Institute (1998), *Workplace Learning, Learning Culture and Performance Improvement*, report prepared for the Institute of Personnel and Development, London, p.9. A site for learning is where learning and working are spatially separated in the workplace while the workplace as a learning environment is where the workplace is the source of planned learning on-the-job.

³ Tavistock Institute (1998) p.14

To achieve this we will need to incorporate in the discussion about the quality of apprenticeship and traineeship training questions about the differing capacities of diverse workplaces to contribute to the achievement of quality training outcomes.

1.5 Quality

This Review is about quality, a word with many meanings and in danger of becoming little more than a policy cliché.

It is necessary then to be explicit about how quality will be interpreted in this Review for the purpose of forming judgments about the quality of the apprenticeship and traineeship system in Victoria.

The Discussion Paper proposed, and stakeholders have confirmed, the need to adopt a wider rather than a narrower reading of quality in the system. Therefore, the Review has proceeded on the basis of the following definition from the Australian National Audit Office:

... In its broadest sense (quality) incorporates assessment of outputs, processes and outcomes and takes into consideration the relevant objectives and resources. Assessment of quality involves the use of information gathered from key interests ... to identify differences between expectations and experience of users.⁴

The development of a flexible and devolved environment for delivering VET services has been accompanied by the development and application of quality assurance systems. In the first stage of this transition, VET quality assurance models have emphasised the quality of management and business processes (system or structural performance). The Review considers that assuring the quality of management in the system is a necessary but not sufficient condition for assuring quality in the apprenticeship and traineeship system and, indeed, in the wider VET system.

The way training is delivered (process performance) now needs to be embraced within the VET quality assurance framework in the same way that both actual health care delivery and the quality of care are now being factored into considerations of the overall performance of health care services. The processes by which training inputs (human, physical, financial and intellectual resources) are converted to learning outputs (occupational competence) affect the overall outcomes of the VET system and, most specifically, the apprenticeship and traineeship system.

This is essentially a re-balancing task, not a U-turn.

As the previous sections of this report have highlighted, the task has been made more urgent by the increasing flexibility of training delivery and growing diversity of contexts within which competence is to be developed. If the quality of training processes and learning experiences is not factored into the VET quality equation in a more systematic way, behaviours in the system will be further skewed in unintended and undesired directions. The need to place greater emphasis on the quality of training and learning was a strong and recurring theme in the Review consultations and submissions.

⁴ Australian National Audit Office, (nd), *Better Practice Principles for Performance Information*, p.33.

The Review has therefore developed a template for making its judgements about quality in the apprenticeship and traineeship system (see Exhibit 1.1). This template does not purport to be a set of quantifiable indicators, measures or benchmarks of quality, nor does it claim to be a comprehensive analysis of all dimensions of quality in the apprenticeship and traineeship system. Rather it is used simply as a practical device for making transparent to readers the way the Review has approached the question of quality.

Consistent with the Discussion Paper, the template nominates five aspects of quality:

- Effectiveness
- Fitness for purpose
- Efficiency
- Accountability
- Ethical practice and fair dealing

The template then makes a distinction between *systemic quality* on the one hand which is primarily concerned with questions of the management of training and, on the other, *the quality of training and learning* which is primarily concerned with the training and learning experiences and outcomes. It assumes that judgments about quality require consideration of both these dimensions.

The Review starts from the proposition that it is not possible to have systemic quality if the training and learning is deficient and, similarly, it is not possible to have quality training and learning if the system which underpins it is deficient. They are interdependent dimensions of quality.

Exhibit 1.1: Template for Reviewing Quality in the Victorian Apprenticeship and Traineeship System

1. Effectiveness	
The apprenticeship and traineeship system is achieving its objectives.	
Systemic Quality	Training and Learning Quality
<ul style="list-style-type: none"> • Are objectives of the system made explicit? • Do stakeholders have a common understanding of objectives of the apprenticeship/traineeship system? • Is the system contributing to the economic and social development of Victoria? • Is it deepening and widening Victoria's skills pool? • Is it helping to overcome industry skills shortages? • Is its distribution geographically, across industries and across sub-populations, consistent with the system's objectives? 	<ul style="list-style-type: none"> • Do employers, apprentices and trainees have a common understanding of the purpose of apprenticeships and traineeships? • Do apprenticeships/traineeships provide a valued career pathway for people making transitions from school to work and from work to further learning? • Are learners' goals and aspirations factored into training processes? • Are learners developing new and valued skills and are these transferable between workplaces? • Is training helping to minimise company skills shortages and improve company productivity?

<p>2. Fitness for purpose</p> <p>Apprenticeship and traineeship management and training conform to specifications laid down in contracts, performance agreements, training agreements, state and national agreements, legislation and regulation</p>	
<p>Systemic Quality</p>	<p>Training & Learning Quality</p>
<ul style="list-style-type: none"> • Does training meet the needs and expectations of industry and government? • Are specifications clear, realistic, coordinated and communicated to stakeholders? • What is the incidence of non-compliance with specifications? 	<ul style="list-style-type: none"> • Does training meet the need and expectations of apprentices/trainees and employers? • What is the incidence of service failure? • Do the competencies which are being acquired conform with agreed national industry standards? • Are instances of non-compliance dealt with in a timely and appropriate way?
<p>3. Efficiency</p> <p>Public funds allocated to the apprenticeship system are used in the best possible way to achieve optimal performance.</p>	
<p>Systemic Quality</p>	<p>Training & Learning Quality</p>
<ul style="list-style-type: none"> • Do the resources used, the business processes and the outputs from the apprenticeship/traineeship system deliver value for money to the taxpayer? • Is valid and reliable performance information used to achieve system improvements? • Are instances of market failure identified early and remedied quickly? • Is public investment in the system used to leverage additional private investment? 	<ul style="list-style-type: none"> • Do the resources used, the training processes and the outputs from the apprenticeship/traineeship system deliver value for money to the <ul style="list-style-type: none"> (a) apprentice/trainee (b) employer? • Is valid and reliable performance information from apprentices/trainees and employers used to achieve planned training and learning improvements?
<p>4. Accountability</p> <p>All stakeholders receiving public funds are answerable for their plans, actions and roles in achieving the objectives of the apprenticeship and traineeship system.</p>	
<p>Systemic Quality</p>	<p>Training & Learning Quality</p>
<ul style="list-style-type: none"> • Are the roles of all stakeholders clearly specified? • Are roles complementary and coordinated? • Is the level of cooperation between stakeholders adequate? • Are sound systems in place for monitoring, auditing and reviewing the system? • Are instances of non-compliance by any player dealt with in a timely, transparent and appropriate way? 	<ul style="list-style-type: none"> • Are the roles and responsibilities of employers and apprentices/trainees clearly specified? • Are sound systems in place for monitoring, auditing and reviewing training processes and learning outcomes? • Are grievances and complaints by individual employers and apprentices/trainees dealt with in a timely, transparent and appropriate way?

5. Ethical practice and fair dealing	
Stakeholders conform to or exceed legal and community standards of ethical practice and fair dealing, within a competitive training environment	
Systemic Quality	Training & Learning Quality
<ul style="list-style-type: none"> • Does the system build a climate of ethical practice and fair dealing? • Do all stakeholders exercise duty of care in situations of conflicts of interest and ensure such conflicts are made transparent in all relevant dealings? • Are all stakeholders honourable and scrupulous in all financial transactions? • Is there any evidence of anti-competitive behaviour within the training market? 	<ul style="list-style-type: none"> • Do workplace supervisors, trainers and assessors protect the integrity of the nationally recognised VET qualification? • Do employers and apprentices/trainees exercise a free choice of providers and training programs as required under User Choice principles? • Do VET practitioners conform to community expectations of professional practice?

Not all the questions raised within the template can yet be answered comprehensively. In many cases the data is simply not available, reliable or valid. However, the Review has sought to use a very wide range of information in making its overall assessment of quality.

1.6 The structure of this report

The body of this Main Report is organised into three chapters. Chapter 2 examines the systemic quality of the apprenticeship and traineeship system in Victoria. Chapter 3 examines the quality of training and learning in the system. Based on the analysis in these two chapters, Chapter 4 puts forward practical proposals for quality improvement.

Threaded throughout the report is the urgent need for a better balance between flexibility, diversity and quality in Victoria's apprenticeship and traineeship system.

Chapter 2

A Quality System?

2.1 Introduction

This chapter deals with the systemic performance of the apprenticeship and traineeship system in Victoria and the extent to which it supports quality training outcomes. From this system perspective, the chapter focuses on the key business processes and the policy and structural arrangements which underpin them.

There is a widespread agreement amongst VET stakeholders in Victoria that the system is not performing as well as it should and that significant improvements are needed. There is a good deal of agreement amongst Victorian stakeholders about where improvements are most necessary but there is less agreement on how they can be best achieved.

Any analysis of quality needs to take account of the full range of inputs from government, employers, RTOs, NACs, unions, industry associations and apprentices and trainees themselves in coming to final conclusions. Not that quality is a function of consensus. In the end it comes down to a professional judgement based on the evidence.

In this chapter, the overall satisfaction of end users is considered first and then the structural performance of the apprenticeship and traineeship system is considered against other evidence available to the Review.

2.2 Apprentice, trainee and employer satisfaction with the system

Client satisfaction is one important indicator of quality. Satisfaction is always influenced by expectations and is more likely to be high where expectations are low. Further, the expectations of employers, apprentices, trainees, governments, industry associations, unions, providers, NACs and other stakeholders may differ. Therefore, the results of the commissioned telephone survey of apprentice, trainee and employer satisfaction provide one important measure of quality but this needs to be considered against other evidence from consultations, submissions and the apprentice and trainee focus groups.

Despite these cautionary comments, the survey suggests that the Victorian system is, to a high degree, meeting the current expectations of the vast majority of employers who are now involved with the apprenticeship and traineeship system, and also the expectations of the vast majority of current apprentices and trainees themselves.⁵

Employers, apprentices and trainees surveyed have strongly positive feelings towards and experiences of the Victorian apprenticeship and traineeship system. Their

⁵ See Volume II, Working Papers for full Survey Report

satisfaction was high on most important measures including satisfaction with the services provided by TAFE Institutes, private providers, GTCs, NACs and AFOs and also with training delivery and assessment.

The vast majority of apprentices, trainees and employers value their experience and strongly endorse the system. 96% of apprentices, 93% of trainees and 96% of employers (regardless of location or size or type of employee) would recommend apprenticeships/traineeships to others. 97% of employers would also employ apprentices/trainees again.

Such data provide considerable comfort that in the view of its end users, the Victorian system as a whole is satisfactory. This level of customer satisfaction is a solid base from which to achieve the significant quality improvements identified by other elements of this Review and which will be required if the skills base of Victoria is to remain nationally and internationally competitive.

2.3 Provider registration

Registration is a matter for the whole VET system and is not unique to the apprenticeship and traineeship system. However the Terms of Reference require the Review to consider whether the current registration arrangements for RTOs offering traineeships and apprenticeships provide an adequate basis for quality delivery.

Having considered the range of evidence available to it, the Review concludes that they do not.

Two aspects of registration need to be distinguished

- the standards under the ARF, and whether they are adequate to ensure quality training; and
- the processes of registration audit, and whether they are sufficient to ensure quality training.

A quality apprenticeship and traineeship system requires that the standards themselves are sound and also that processes for assessing aspiring providers against those standards are adequate.

Submissions and consultations commented primarily on perceived inadequacies in the processes of registration audit. However, many also suggested that there were quality weaknesses in the registration standards themselves.

Registration standards

Gaining national agreement on a set of registration standards, codifying them in the ARF and introducing them from 1 January 1998 has been a major achievement of the national VET system. While there have been major transitional problems associated with their implementation since then, there is virtually unanimous support in Victoria (and elsewhere in Australia) for the existence of such standards and unanimous support for rigorous provider registration against them.

However, consultations in Victoria have revealed an important trend. An increasing number of industry bodies are arguing for their own industry-specific standards for provider registration at a higher level than the national standards and are seeking to become approving bodies for registration or looking to establish systems for provider

endorsement following registration. While some of this activity may be motivated by the wish to develop a commercial product or extend their power and influence, much is the result of industry frustration with current provider registration and a genuine desire to lift the quality of providers operating within their industry. The growing industry view is that the generic national standards do not take sufficient account of differences between industries, that is, one size does *not* fit all.

This trend is also driven by a related factor — globalisation of skills standards. While skill standards are separate from provider registration standards, and go to the question of specification of competence in Training Packages more than the ARF, the two are closely linked.

Those companies which compete in the global marketplace know they are competing against global product and service standards and, consequently, think about Australian skills standards as a key enabler. Their concern is that national standards are, in some instances, too low and that there is no national aspiration to raise the standards, only to encompass more people within existing standards. Similarly, some occupations are aware that unless national skill standards are consistently lifted, the Australian skills pool will become uncompetitive and their roles will be reduced to on-shore operatives in a global skills pool where the high-skill jobs are held offshore.

Of the 14 industry bodies whose submissions responded directly to the question of whether the registration standards under the ARF are adequate in their scope, 13 believed they are not.

Confidence of other stakeholders that the registration standards themselves are adequate is also shaky. Of the 17 other submissions which responded directly to this question, only 4 believed the standards are adequate in their scope. These same views were consistently articulated during consultations.

This Review is not the place for a comprehensive analysis of the strengths and weaknesses in the ARF standards. The following comments relate only to the main considerations leading the Review to find that they do not support quality training within Victoria's apprenticeship and traineeship system.

- In some respects, the ARF has been constructed within a competent/not competent frame, implying that once a training organisation has demonstrated competence and been registered, that is the end of the matter. It contains no aspiration for continuous improvement against low minimum standards required for initial registration. There is no inbuilt mechanism for continuous improvement of providers against the standards.
- Both the National Core Standards for Registration and the Training Delivery Standards (listed in Exhibit 2.1 below) fail to distinguish between evidence that a provider has the systems in place to perform against the standard and is therefore *ready* to provide training and evidence that the provider does *actually perform* against the standard. Standards TD1, TD2 and TD3 are more concerned with systems and potential than demonstrated capability in practice. TD5 is more about the management of training than training delivery. TD3, on assessment, appears to be the only standard against which a provider's actual practice may be tested.

Such systems-oriented standards may, at a pinch, be appropriate for provisional registration of start-up providers with no track record of training but they provide

a poor basis for subsequently testing compliance in actual practice against those standards.

Exhibit 2.1: National Product/Service Standards for Training Delivery

<p>TD1 Resources for delivery and assessment</p>	<p>Resources for the delivery, assessment and issuance of qualifications, in the area(s) of recognition sought, meet the requirements of the relevant endorsed Training Package(s) and/or accredited course.</p>
<p>TD2 Identifying learning needs and designing training products</p>	<p>The organisation can demonstrate its ability to identify the learning needs of diverse clients and to plan/implement appropriate learning strategies. This includes the capacity to design and adapt training products in the area(s) of recognition sought, enabling the endorsed components of the Training Package(s) and/or the accredited course(s) to be achieved.</p>
<p>TD3 Assessment</p>	<p>The organisation can demonstrate its capacity to conduct or facilitate assessment which meets the endorsed components of relevant Training Package(s) and/or the accredited course(s) in the area(s) of recognition sought.</p>
<p>TD4 Client services</p>	<p>The organisation provides timely and appropriate information, advice and support services which assist learners/clients in achieving their desired outcomes.</p>
<p>TD5 Issuance of Qualifications and Statements of Attainment</p>	<p>Qualifications and Statements of Attainment are issued in accordance with the requirements of the AQF Implementation Handbook, the Guidelines for Training Package Developers and specific qualification requirements of the relevant endorsed Training Package(s) and/or the accredited course(s).</p>

- In most cases, the National Product/Service Standards for Training Delivery are not stand-alone standards about quality teaching and learning. They are only meaningful when referenced back to the requirements of a Training Package. That is, the ARF assumes that teaching and learning standards are subsumed within and determined by each Training Package. This in turn assumes that each Training Package makes explicit the standards of teaching and learning and that collectively they do so consistently. This is patently not the case. The submission from the Victorian Wholesale, Retail and Personal Services ITB clearly identified the issue from an industry perspective.

Despite pleas from both employers and unions, ANTA and the States have refused to allow Training Packages to incorporate prescriptive provisions for delivery of training. The absence of prescriptive delivery provisions leads some to question the efficacy of delivery in some circumstance.

Even where industry parties have desired to incorporate basic minimum standards for trainers delivering the competencies contained within Training Packages, some of the States have refused to endorse such Training Packages unless all such prescriptions are removed . . .

Consequently, each Training Package now has a provision 'recommending' that deliverers meet the industry required standards but, in effect, no minimum requirements of deliverers apply.⁶

This circularity in the way training delivery standards are dealt with in the VET system means that there are, in effect, no national training delivery standards.

- The standards muddle the quality of the management of training with the quality of training delivery. While the ARF Training Delivery standards are consistently referenced to requirements of the Training Packages, there is inadequate reference within the standards themselves to generic training and learning elements of quality training delivery, distinct from the quality of the management of training. The standards are silent on such characteristics as the capacity of the provider to understand and meet learner aspirations; to accurately diagnose learner needs; to recognise and build on prior learning; to provide constructive feedback to learners on progress; to develop skills for lifelong learning; to challenge learners; to help learners acquire new knowledge and skills and expand their understanding of working life.
- The Training Delivery standards make no allowance for differing requirements of institution-based training and assessment, and workplace training and assessment. This lack of differentiation is highly problematic in the apprenticeship and traineeship system since delivery in the workplace of quality on-the-job training and, increasingly, off-the-job training is central to its relevance and effectiveness. The complexity of workplace training and assessment should be recognised within the delivery standards. These could include evidence of the integration of the on-the-job and off-the-job experiences to provide a coherent program of learning; of informing employers of learners' progress; of productive relationships between the training provider and workplace supervisors, trainers and assessors; of designing training strategies which take account of workplace needs and the like.
- The ARF relies to a large degree on State and Territory interpretations of Training Delivery standards, despite the intent that these be *national* standards, not *nationally consistent* standards. The only true national minimum standard for providers which is not necessarily subject to multiple local interpretations is the requirement that they be capable of applying Training Package assessment guidelines in practice. At the same time there seems to be an emerging view that these guidelines are highly variable between Packages and not of consistently good quality.

Having considered all the available evidence, the Review has come to the following conclusions.

- The ARF standards are the result of a series of compromises about which national registration standards all Australian governments were willing at the time to support. They are low minimum standards, and in the light of more than two years of experience in their application, they are no longer adequate. The quality bar needs to be raised.
- The National Core Standards for Registration under the ARF are probably adequate to ensure the quality of the management of training but their evidence

⁶ Submission 45, Victorian Wholesale, Retail and Personal Services ITB

requirements are not sufficiently stringent to ensure that training organisations have high quality systems for managing training, particularly for managing the flexibility and diversity of workplace training.

- Neither the National Product/Service Standards for Training Delivery under the ARF, nor their associated evidence requirements, are adequate to ensure quality training delivery and quality learning outcomes.

Registration processes

As at 1 March 2000, there were 1015 private training organisations registered in Victoria, around 25% of the national RTO pool. Of those, fewer than 200 receive government funding through User Choice to train apprentices and trainees.

The consultations and submissions clearly indicate widespread stakeholder dissatisfaction with registration audits on the grounds that poor quality providers have been registered.

The Review considers that a majority of private providers registered in Victoria appear to be conforming to nationally agreed standards and protocols for registration and delivering sound training. High levels of employer and apprentice/trainee satisfaction with their training and assessment attest strongly to this conclusion. So too do the results of compliance audits conducted by PETE which have found the majority of providers are complying with the (albeit low) standards and performance agreements, although the risk of non-compliance appears greater in the area of New Apprenticeships than in other areas of training provision.

In the pursuit of a higher level of quality within the apprenticeship and traineeship system as a whole, this underpinning strength should not be diminished.

However, as the submission from the Australian Council for Private Education and Training (ACPET) notes . . . *Any system with flexibility will reflect the different standards of participants and can become as 'weak as the weakest link'*.⁷

The danger for Victoria is that confidence in the whole system of provider registration is undermined by processes which are perceived to have allowed some poor quality providers to be registered.

It is not possible to put a precise figure on the proportion of poor quality providers who may have been registered in Victoria. However, PETE audits of around 400 registered providers had led, by the end of March 2000, to 'sanctions' against 100 providers. These included 10 suspensions of registration. In the other 90 instances, various compliance orders and improvement requirements were specified by PETE to ensure that the provider was complying with the ARF or contractual terms.

In addition, three private providers have been deregistered by the end of March 2000 as a result of provider insolvency, or upon advice from providers that they were not operating as an RTO. One provider was deregistered in April 2000.

While these audits have revealed minor and major provider inadequacies in around 25% of cases investigated, it should not be assumed that this can be generalised across the whole Victorian system since many of the audits have been the result of risk

⁷ Submission 86, Australian Council for Private Education and Training

assessment or in response to specific complaints not only in relation to the ARF standards but also to compliance with performance agreements and contracts. Nor can it be assumed that a provider who failed some aspect of a compliance audit was not a quality provider at the point of registration.

However, it could be estimated from this information provided by PETE — based on existing registration standards, current audit processes and approaches to 'sanctions' — that something like one in 100 registered providers across the Victorian system may not be meeting the existing standards for registration.

This low number from PETE's audit information contrasts strongly with the views expressed in consultations and in submissions that a significant number of poor providers have been registered. Notwithstanding PETE's audit information, which suggests that the problem of registration of poor providers is a 1% problem, the market perception is of an apprenticeship and traineeship system which does not project a quality image.

. . . this company's hesitation to move into this sector of the market was largely due to perceived concerns about the quality, credibility and stability of 'the system' in the broadest sense. We had concerns about involving our company in a field that was perceived to be educationally dubious and (seemingly) open to the operations of financial charlatans.⁸

It is a moot point whether registration of a number of poor quality providers has been the result of the introduction of a radically new system, the sheer number of initial registration audits following the introduction of the ARF, weaknesses in the registration and audit standards themselves or weaknesses in the audit processes. Most likely, these four factors have combined to contribute to the problem.

Turning now to the processes of initial registration audits, it would seem there are three core weaknesses: lack of rigour, inconsistency and lack of industry involvement.

Lack of rigour

Stakeholders do not believe the first wave of registration under the ARF in Victoria have been sufficiently rigorous and believe that it has been too reliant on desk-based processes. The following extracts from the submissions are typical of stakeholder views.

The registration of training providers should be stringent and certainly not handled on a desk-top basis. There is no doubt that a minority of training providers have been registered without adequate rigour. However, the vast majority of training providers are extremely diligent and conscientious and show a great deal of responsibility.⁹

(This organisation) recommends that the registration process feature more prominently at the centre of a quality system and is more stringently applied to ensure that it is more than purely a mechanistic check of training outcomes.¹⁰

The current registration and contractual arrangements could best be described as a minimalist approach. Under this arrangement, provided an RTO has acknowledged on paper that they had the capability to deliver the programs

⁸ Submission 46, Workplace Learning Initiatives

⁹ Submission 75, Private Provider

¹⁰ Submission 78, Industry Body

*described in the scope, market forces would decide which providers would survive. However, this approach does not take into consideration the number of trainees and employers who have been burnt during this process.*¹¹

The Review does not justify this lack of rigour, since the negative consequences for quality are now being felt and will continue to reverberate through the whole VET system for some time. However, the Review does acknowledge that the combination of a very new business model, a very large number of providers seeking initial registration and the limited resources applied to initial registration audits were all factors in making initial auditing processes less rigorous than stakeholders now know they need to be.

The interface between government purchasing and registration has also complicated the rigour of the registration audit process. To tender for government contracts under User Choice, a provider needed to have the qualification to be issued within their scope of registration. However, in many instances providers could not afford to contract staff or purchase resources until they had won the tender. PETE chose not to put RTOs in a 'catch 22' situation. Thus providers were registered on the basis of capacity (promise of competence) rather than capability (demonstration of actual competence).

There seems to have been instances where the promise was not fulfilled.

The industry believes that in some cases the Victorian State Training Authority is not meeting their accountability requirements related to registered Training organisations. The registration process of Registered Training Organisations is inadequate and needs some tightening to ensure RTOs can deliver specific Training Packages.

*(This organisation) feels that strict enforcement of the registration requirements to have qualified trainers and relevant industry experience would go a long way to addressing quality problems in delivering training to the industry. Likewise it is vital to ensure that RTOs have expanded their trainer base when they take on an increased number of trainees, this is especially the case when RTOs are expanding rapidly.*¹²

The Review has been advised of so many instances where providers have been registered with inadequate or inappropriate physical or intellectual infrastructure that it is convinced that registration audits have not been sufficiently rigorous.

Inconsistency

There are two aspects to this: inconsistencies in registration audits across Victoria and inconsistencies between registration audits within Victoria and those in other jurisdictions.

State inconsistency

Prospective training providers are audited for registration by externally contracted Training Recognition Consultants. The Review believes that different interpretations of the evidence requirements by different Training Recognition Consultants have led to greater inconsistency in registrations than is desirable in a highly devolved system. The following are findings of some post-registration audits.

¹¹ Submission 61, Industry Body

¹² Submission 79, Industry Body

- There are inadequate or rudimentary assessment recording systems and student data records in some RTOs, despite the Core Standard for Management and Administration which requires the provider to have sound client/learner records management procedures in place before registration.
- Not all RTOs have a documented Code of Practice, even though this is the *only* evidence requirement for registration against the Training Delivery Standard for Client Services.
- Not all RTOs employ training staff with demonstrated competencies at least to the level of those being delivered, despite the requirements of the Training Delivery Standard for Resources for Delivery and Assessment.

The submissions, particularly those from industry, also highlighted other instances where, on the face of it, providers should never have been registered. Providers have been registered without appropriate physical infrastructure or, alternatively, industry partnerships through which such infrastructure can be provided for delivery. This is not consistent with the Training Delivery Standard for Resources for Delivery and Assessment.

The instances call into question the consistency of the initial registration audits in Victoria.

National inconsistency

Many submissions raised the issue of inconsistency between States and Territories. National employers and industry bodies are concerned that variable registration systems and differing interpretations of standards across Australia undercut the very idea of a national system. Providers too express concern. They have argued that differences in interpretation mean they are required to behave differently in different jurisdictions.

Mutual Recognition has always operated in Victoria. There are no pre-delivery audit requirements for RTOs registered elsewhere, prior to beginning operations in Victoria. Providers operating in Victoria, and registered elsewhere, may be audited in relation to contract compliance with any Victorian contracts they have, as a result of complaint, by inclusion in a strategic industry audit, or by inclusion in a random audit. All audits are conducted in cooperation with the primary recognition authority.

The Review welcomes recent steps by the State Training Authorities in Victoria, Queensland and NSW to share information about poor performing providers. This is an important step towards national cooperation for risk assessment.

The Review did not identify any matters of substance which suggested that Victoria, in particular, was not fulfilling its registration obligations to the national training system. Rather, the problems identified by stakeholders were more national ones of inter-jurisdictional differences in the interpretation and application of standards.

However, the Review does note that Victoria makes no provision for RTOs, through a process of Quality Endorsement, to receive delegated powers to self-manage their scope of registration or accredit their own courses and customised qualifications, as provided for under the ARF. This Review understands there is currently a national investigation into this provision and the granting of Quality Endorsed Training Organisation (QETO) status to suitably qualified RTOs.

At the ANTA Ministerial Council Meeting on 30 March 2000, Ministers passed a resolution seeking an urgent report on real or perceived inconsistencies across States and Territories which are impeding the implementation of a fully integrated national VET system. This Review welcomes the national initiative, the outcomes of which should serve to address a number of the matters raised here. However national inconsistencies are but one aspect of a quality national system. Consistency against poor standards is of little value in enhancing the quality of training.

Lack of industry involvement

Industry Training Boards have a legislated role to participate in accreditation and recognition processes. Yet they have not been systematically or directly involved in provider registration or subsequent compliance auditing. The submission from Furnishing Training Victoria expressed the widely held view put forward in many industry submissions that

*Knowledge of, or expertise in an industry sector does not appear to be fundamental to the work of training recognition consultants or of any audit process.*¹³

The Review believes that failure to involve industry in a systematic way in the registration (and post-registration audit) arrangements, while avoiding conflicts of interest, has reduced the capacity of the system to assure quality at the point of registration. Again, a generic training perspective does not fit all industries in all instances.

Industry involvement, if structured as a partnership between PETE and industries to raise training standards, can add substantial value to registration and audit processes. A suitably qualified and trained pool of industry specialists can bring to registration and audit specific technical expertise related to the occupational scope for which registration is sought, appreciation of the complexities of Training Packages and training innovations in the industry. This perspective complements the more generic orientation required in assessment of organisational capability for the purpose of registration.

2.4 Audit and review

The evolution of a strategically conceived and intelligently planned audit program is a strength of the Victorian system. It might seem surprising for the Review to judge this as a system strength given that audit and review was consistently identified during consultations and in submissions as a core area requiring substantial improvement.

It is certainly true that there are many deficiencies, some of which are the function of Victorian arrangements, many which are a function of the national VET system itself. But Victoria has done what a number of other States and Territories have not done: applied a thoughtful if imperfect risk management model; undertaken strategic industry audits; conducted compliance audits for a substantial number of RTOs on a systematic basis; started to move from a substantially desk-based to a field-based audit model; begun to incorporate interviews with RTO staff, apprentices and trainees into its standard audit processes; and has now begun to look at ways of strategically sharing information across PETE, notably between the audit and the purchasing

¹³ Submission 71, Furnishing Training Victoria

function, to assist with risk identification. These are all positive steps towards auditing and reviewing quality.

While aspects of the audit and review program and processes have also been identified as weaknesses, the Review believes that its strengths should be acknowledged. The auditing of training providers is still a very new area for VET and auditing of training delivery has not really begun. But Victoria's overall approach to audit and review has demonstrated a genuine commitment to continuous improvement.

Notwithstanding these comments, industry, providers (public and private), unions, GTCs and employers are united in the view that significant improvements are required in the area of monitoring, audit and review. Similar views were consistently expressed in submissions and at both the Melbourne and the regional consultations.

When asked if they considered PETE's RTO *audit program* to be adequate in scope, depth and frequency, 47 of the 99 submissions explicitly addressed the question. 40 submissions clearly indicated they did not believe it to be adequate; 4 indicated they thought it adequate with no indication that any improvement was needed; one indicated that it is adequate but there is some room for improvement and 2 others suggested specific improvements without directly answering the question.

When asked if they considered PETE's RTO *audit processes* sufficient to ensure the quality of the apprenticeship/traineeship system, 46 submissions explicitly addressed the question. 40 submissions clearly indicated they were not; 5 indicated they thought they were adequate; and one suggested they were sufficient but that, in future, specific improvements would be needed.

In the main, support for current audit and review arrangements came from private providers, although a greater number of private providers believed that current arrangements were not adequate.

Principal weaknesses

The principal weaknesses in current monitoring, audit and review processes identified by the Review, in addition to those identified earlier in relation to provider registration, are as follows.

Workplace training arrangements not adequately monitored

Over 90% of the complaints investigated through PETE's audit program lie in this area. Risk analysis by PETE and research by DETYA¹⁴ suggest that fully on-the-job training is a high risk factor. This justifies a particular emphasis on developing appropriate standards and processes for auditing workplace training arrangements. However, rigorous and consistent processes for monitoring workplace training and assessment are not yet in place.¹⁵

¹⁴ DETYA (1999), *Traineeship non-completion*, Research and Evaluation Branch Report 1/1999, February which reports a . . . *relatively high rate of non-completion in traineeships where training is conducted entirely on-the-job.* (p.2)

¹⁵ The Review does however note that good links are now being established between the audit function and Apprenticeship Field Officers.

In addition to workplace delivery, the nature of workplaces themselves and the extent to which they provide suitable learning environments is not audited in any systematic way. The following story, provided in one of the submissions, illustrates just what is possible under the current system. While lengthy, it is worth quoting in full to illustrate just how bad workplaces can be in isolated instances.

. . . the workplace is a 20ft caravan, with annexe, located in a caravan park and home to the employer, his partner and trainee who is his youngest daughter. The employer is an itinerant housepainter and the NAC representative visits the employer in response to a request to sign another daughter's boyfriend as an apprentice painter. Whilst there the NAC suggests that he employ the youngest daughter part-time as an Office Administration trainee. Both are signed up. The premises are unbelievably untidy with clothes strewn everywhere, dirty dishes, benches with old food stuck to them, the office facilities consist of the fold down table and a filing cabinet. The caravan which contained the office, also doubled as the kitchen table, employer bed and cooking and storage facilities . . . that is where the NAC came and did the signing . . . Now this NAC is an RTO for Office Administration but for some unknown reason the trainee was referred to [name] TAFE and the trainee was under the impression that she would be coming to TAFE 4 days a week and working for her father for 1 day a week. The situation became known when a TAFE staff member visited the trainee and employer to carry out enrolment and commence training. We believe the apprentice painter was the comatose body on the floor of the annexe at the time (I am not joking).

The Apprenticeship Field Officer was contacted and the traineeship has been cancelled, but interestingly the NAC officer did not really see that any action should be taken. Now if the trainee had not been referred to [name] TAFE but the NAC in its RTO role had carried out the training . . . I leave that to you but I bet a certificate would have been issued. (And this is a short version of the story.)

By coincidence I met with the Manager of the above NAC a few days later on another matter. The meeting commenced with him stating that he considered NAC visits to employers throughout the term of the apprenticeship/traineeship was an unfair expectation of DETYA.¹⁶

Heavy reliance on desk-based audit of administrative functions

Stakeholders want to see a more holistic and field-based review of the quality of the training delivery. PETE processes have begun to move in this direction.

Patchy auditing of Training Plans

Auditors look at Training Plans as part of their audit. However, differing understandings of what is a good training plan make such auditing problematic at this stage.

Lack of industry involvement in the audit and review process

As with initial registration, the absence of industry participation in the audit program and processes makes it difficult to form considered judgements on the extent to which providers are conforming to the requirements of Training Packages. The spirit behind the following comment is typical of many submissions received by the Review.

The Victorian system clearly makes Victoria the easiest state in which to gain (registration) . . . It is not simply a question of whether quality outcomes are being

¹⁶ Submission 12, Individual

*produced; it is a question of whether industry perceives that quality is being delivered. In some States — and Victoria would be one of them — industry has serious doubts as to whether quality outcomes are always being delivered.*¹⁷

Embryonic auditing of training outcomes

Just what constitutes training outcomes for the purpose of audit and review has not been resolved in Victoria or elsewhere. In the meantime

There does not appear to be any investigation into quality and effectiveness of training under the existing auditing process. Given this lack of investigation, the issuing of qualifications by RTOs under the AQF could be described at times as questionable.

*As an RTO, (this organisation) has been audited twice in three years, and on each occasion congratulated by the auditor on our processes.*¹⁸

Audits not always consistent

Provider audits are largely undertaken through two mechanisms: a panel of private audit contractors and a private company, Curriculum and Training Services, which is guaranteed a minimum number of audits per year. In recent times, some PETE staff have been directly involved in provider audits. Providers who have been audited subsequent to registration report the application of different standards by different auditors. One of the essential elements of a quality auditing program is consistency in the interpretation and application of standards. This has yet to be achieved in Victoria.

The Review found no evidence to suggest that moving from an outsourced model of auditing to an 'in-house' model would necessarily overcome this consistency problem or necessarily lead to quality improvements.

Skill composition of the panel of audit contractors no longer appropriate

The panel of private audit contractors was established under a time contract which expires at the end of 2000. These contractors were engaged largely on the basis of their financial expertise in the initial stages of the ARF implementation when the financial viability of providers seeking registration was considered to be a primary issue for audit. The panel does however include two assessment experts.

With the passage of time and the benefit of hindsight, a stronger focus on expertise within the panel in monitoring the quality of training and development is needed. The Review notes that Victoria has begun to move in this direction by engaging one of the assessment experts on the panel to meet with the other contracted auditors and then visit workplaces which have been audited by them.

Lack of auditing of TAFE Institutes for quality

Within PETE's audit strategy, TAFE Institutes are audited on the basis of contracts, financial situation and Module Enrolments. They are not audited against the ARF standards for quality and there are no alternative quality auditing arrangements in place. The Review is aware of only one instance of auditing of TAFE Institutes

¹⁷ Ian Blandthorn, Shop, Distributive and Allied Employees Association, statement to public hearing of the Senate Inquiry into the Quality of Vocational Education and Training in Australia, Melbourne, 28 March 2000

¹⁸ Submission 61, Industry Body

against the ARF standards and that has been through a strategic audit of training for the cleaning industry through which all providers, public and private, were similarly audited.

Market perceptions that provider breaches are not always dealt with appropriately

There is a perception held by a small number of stakeholders that breaches of conditions of the Training Agreement, in particular, and of provider registration and contracts which have been identified through audits and investigations have not always been vigorously pursued. It has been suggested to the Review that the previous government was somewhat reluctant to take strong decisive action against employers. It has also been suggested that governments generally are not well placed to pursue legal action or apply significant sanctions swiftly against those who breach commercial contracts.

This is a very grey and difficult area and the Review has not investigated in detail the way complaints and breaches are handled. It is however aware of instances where PETE has referred matters to the police and sought legal advice. Deregistration is of course a significant sanction which has been applied in one instance on the grounds of non-compliance.

The role that government adopts in relation to audit and review is relevant here. The previous government saw its role more as one of facilitation rather than regulation. As a consequence, non-compliance by a provider was more likely to be addressed by quality improvement measures than by regulatory sanctions such as immediate suspension, de-registration or contract cancellation. Consequently, in some cases, known poor quality providers have been permitted to operate in the market and to receive public funds for and deliver apprenticeship and traineeship training whether the required quality improvements were being effected or not.

Many Victorian providers have therefore come to believe that the sanctions for non-compliance imposed by government are weak or non-existent or that the government is unwilling to impose sanctions. De-registration as the ultimate sanction for non-compliance is sufficient, with the possibility of prosecution always available. The real problem arises when a government lacks the will to apply those sanctions it has at its disposal and poor quality providers are permitted to continue operations.

Market perceptions are important and all players in the apprenticeship and traineeship system must be confident that all complaints are investigated thoroughly, that breaches are handled in a transparent manner and that the Victorian government is prepared to act swiftly to impose appropriate sanctions where quality audit advice is available.

Insufficient sharing of audit information between DETYA and PETE in relation to audits of apprenticeships and traineeships

PETE's audit responsibility in relation to apprenticeships and traineeships is restricted to its contractual arrangements with RTOs and GTCs and the delivery of services specified in performance agreements. There are a number of quality-related matters that are not directly under the control of PETE. While PETE and State DETYA officers do work together to address individual cases, there seems to be little intergovernmental effort to share audit information in high-risk areas of mutual interest such as agents on-selling training agreements to NACs, abuse of employer

incentive payments, apprentices/trainees not declaring previous qualifications, employers and apprentices/trainees not declaring previous employment with the employer, employer churning of trainees and the like.

2.5 Aspects of the training market

Under its Terms of Reference, the Review is required to consider whether pricing arrangements, User Choice and Government employer subsidies and rebates ensure value for money in terms of quality of outcomes and completion rates. This section considers the first three of these matters while the question of completion rates is considered in Chapter 3.

Pricing arrangements

Background

Under the 2000 Apprenticeship/Traineeship Training Program Guidelines, RTOs are paid a set price per Student Contact Hour for the delivery of the STB-approved training scheme. Prices vary according to industry and the AQF level. The 2000 prices are the same as those offered to RTOs in 1999.

PETE has arrived at these set prices by detailed analysis and financial modelling over time. In 1998, a tendering system was used and RTOs paid at the tendered price. PETE arrived at the 1999 price by consideration of every tender by qualification level and industry sector. Variations between TAFE Institute prices and private RTO prices were also considered, as were prices which existed in the TAFE Institute profile funding model. A set price was established for each industry sector. The pricing does not distinguish between modes of delivery.

Views on pricing

Views of private providers on the adequacy of government prices to support quality training were mixed. Some felt that prices were adequate and others did not. The strong opposition of private providers to the freeze on User Choice and their wish to expand their operations in the market suggest that government prices are sufficient to be commercially viable.

However, this view must be tempered by two other considerations.

- There is an absence of any agreed quality benchmarks for training delivery, although some standards were introduced into the 2000 Performance Agreement for Workplace Training. If higher standards or benchmarks were in place, views on the commercial viability of delivering apprenticeship or traineeship training might well be different.
- The general view expressed to the Review was that profit margins in the area of apprenticeship training are very low, while the margins in traineeships, although higher, are very much dependent on the nature of the training program, economies of scale and the quantum of off-the-job facilitated delivery which is provided.

Employers who were also RTOs also expressed the view that prices are adequate to support quality training.

In those industries where training involves high capital costs, mainly in the traditional apprenticeships offered through TAFE Institutes, industry bodies believed more funding for the acquisition and maintenance of facilities and equipment was needed. This is a function of government funding to TAFE for maintenance and physical infrastructure rather than the set prices for RTO program delivery. The Review notes that the Victorian 2000–2001 Budget allocates additional funds to TAFE Institutes for maintenance, equipment and capital works.

In consultations and submissions it was the TAFE Institutes who were most concerned about pricing of apprenticeship and traineeship training and expressed the view that it was inadequate to support quality training delivery and assessment. Many of the price issues raised by TAFE Institutes were really cost issues, reflecting their particular cost structures, and involve the far wider issue of public funding to and financial viability of TAFE Institutes. These cost issues lie beyond the Terms of Reference of this Review. The recent announcements in the 2000–2001 Budget of additional funding support for TAFE Institutes should address many of these concerns, especially in the important area of capital funding referred to above and funding for community service obligations and compensation for additional costs related to regional delivery.

Two aspects of the pricing arrangements for apprenticeships and traineeships warrant particular comment.

Pricing for workplace delivery

Some TAFE Institutes are struggling to finance a move to what for them is the more costly mode of flexible workplace delivery. One TAFE Institute calculated that a unit of study, which traditionally takes 40 hours to deliver in a classroom mode with 20 apprentices/trainees, translates in workplace delivery mode to two hours of teacher time per trainee.¹⁹ Another made a similar point.

*The economics of workplace training, particularly in rural areas where enterprises are small and distance between towns is large, have not been taken into account in the current funding model . . . Without a change to the current funding arrangements, training in the workplace has the potential to degenerate to an assessment service that recognises current competency, with very limited training provided by the RTO to apprentices/trainees.*²⁰

Unions likewise argued that the costs involved in the shift to on-the-job training and assessment are not recognised in the PETE pricing model.²¹

Industry bodies too are concerned that current pricing arrangements are insufficient to support quality workplace training and assessment and professional development of trainers and assessors.

*Industry is very sceptical of the quality of training that can be achieved through a provider that receives 400 hours of funded training for a trainee and enters the worksite on only six occasions.*²²

¹⁹ Submission 29, TAFE Institute

²⁰ Submission 89, TAFE Institute

²¹ Submission 92, Union

²² Submission 62, Industry Body

While this Review has not done any analysis of the cost–price relativities between workplace delivery and institutional delivery, the cost structure of delivering quality training in the workplace will inevitably be different in some cases from that of delivering in an institution, be it a TAFE Institute or a private education or training institution or skills centre and this may have relevance in future considerations on pricing arrangements.

Where prices are low and costs high, savings are being achieved by:

- reducing the quantum of facilitated learning in the workplace and increasing the quantum of self-managed learning — while this can have beneficial learning outcomes and quality is not *necessarily* reduced, especially where the workplace provides a learning environment, it is not an appropriate response for all learners in all workplaces in all training programs at all levels;
- minimising investment in the development of learning materials, teaching technologies, equipment and materials supplied and other teaching resources;
- increasing the use of sessional staff;
- minimising the monitoring and management of workplace delivery by the RTO and relying to a high degree on the individual trainer's professionalism; and
- cutting professional development to the bone.

The cumulative impact on quality appears in some fields and some locations to be quite significant and the longer-term prospects for quality teaching and training are not always positive. This view that reduced prices have lowered quality must, however, be seen from another angle.

Reduced funds to actual delivery

The apprenticeship and traineeship market is now covered by multiple players trying to gain some financial advantage by offering various brokerage deals and undertaking vigorous marketing activities.

The consultations with NACs indicated that brokers are performing activities that should be performed by NACs or their subcontractors, and taking advantage of employers by charging for services that NACs provide free. DETYA now has to approve NAC subcontractors, but this doesn't cover brokers.

A number of TAFE providers gave examples of what they considered to be inappropriate brokerage activities.

(This) Institute of TAFE has been approached to pre-sign 'application for subsidy' documents or lose business to a more 'compliant' provider. Commissions have also been offered to direct business to NACs as well as being asked for part of our RTO subsidy in return for business. It has been stated at a meeting that one Melbourne TAFE offers \$300.00 per sign up as a spotter's fee.²³

It would seem that Training Agreements have become tradeable commodities within some parts of the training market.²⁴ This is a dangerous development undermining their value.

²³ Submission 23, TAFE Institute

²⁴ Submission 51, Industry Body

Another TAFE Institute advised that

The evolution of a secondary market or 'spotters fee' offered by New Apprenticeship Centres to RTOs referring employers of New Apprentices to the Centre could be viewed as unethical practice. This practice is common and one new Apprenticeship Centre tenderer offered this arrangement to establish a presence in [Victorian region]. The fee for referring Apprentices/Trainees and acting as an agent for the New Apprenticeship Centre was approximately \$200 per training contract.²⁵

Other providers expressed concerns about brokerage activities by TAFE Institutes and offered examples where TAFE Institutes were also paying such fees.

The point to be made here is not so much about the existence of brokers or the use of spotters' fees per se; these would be difficult but not impossible to control or restrain in some way if the government wished to do so. The central issue is that through the payment of such brokerage and spotters' fees, through significantly increased costs of marketing activities by RTOs in particular and the administrative costs associated with managing flexible apprenticeship and traineeship training, more and more of the training dollar assigned under the Set Price is being diverted away from actual training delivery and this inevitably reduces the quality of training. The following is a good example of the problem which extends beyond the training dollar to broader budget issues.

A Melbourne based NAC sub-contracts a local [name] employment agency, and for an administration fee the agency finds a suitable RTO based in Melbourne to provide the most economical training. This RTO cannot deliver the training but acts as a broker and then arranges for the local TAFE Institute to provide the training. There are four players in this transaction, which means four shares of whatever incentives, or funding is available for hiring an apprentice or trainee. This reduces the funding available to deliver quality training. It is unclear where the employer, a fifth player fits into this equation.²⁶

At least two conclusions from these observations are possible:

- that the total price is satisfactory but that so much is being taken out of that price for administrative overheads, marketing and payment of intermediaries that this is impacting on funds for actual delivery and thus on the quality of training actually delivered to learners; or
- that the total price (and therefore margin) is so low relative to costs that inappropriate short-cuts are necessary and therefore the quality of training is being affected.

Whichever of these (or other) scenarios actually proves to be the case in subsequent PETE price analyses, the quality of teaching and assessment at the top of the value chain is being reduced.

While the marketplace does have its own imperatives, government funding and pricing systems do shape provider behaviour in the area of apprenticeship and traineeships to a considerable extent. In recognition of this, DETYA (Victoria) and PETE have recently come together to consider how more of the training dollar can

²⁵ Submission 89, TAFE Institute

²⁶ Submission 31, TAFE Institute

make its way to training, rather than being siphoned off to non-productive activities before it is allocated to support actual delivery. This is a very welcome move which could be pursued in other jurisdictions to good effect.

User Choice

A number of submissions argued strongly against User Choice, claiming that it had reduced quality. However, many of these submissions attributed to User Choice effects which this Review believes are more appropriately attributed to other factors such as the rise of workplace learning, greater client demand for customisation, wider issues of contestability of the VET budget in Victoria, the cumulative impact of years of cost-cutting within the sector, and funding systems which rightly sought greater efficiency and accountability but not always with due regard to effectiveness, fitness for purpose and ethical practice.

The positive impact of the competitive training market has been to provide challenge and innovation. However, the negative impact has shown a dollar-driven environment which has degraded quality of training provision.²⁷

The plethora of training institutions, both public and private, has led to a dramatic downturn in quality of delivery. Funding is more thinly spread leading to a downturn in quality of training materials and equipment. Competition for students, hence funding, is so fierce that corners are being cut in programs and procedures to ensure adequate 'bums on seats' to maintain courses and hence staff employment.²⁸

The Review found considerable evidence in Victoria to indicate many positive quality outcomes arising from the introduction of User Choice into the apprenticeship and traineeship system. The key benefits arising in the Review included the following.

- More innovative and flexible approaches to training are undoubtedly emerging.
- A stronger focus on client service is apparent amongst many but not all RTOs.
- Many providers are challenged and motivated by the actual or perceived threat of User Choice, encouraging better management and training practices.
- There is greater responsiveness in the system to industry and employer needs.
- There is a strengthened capacity within RTOs to balance supply and demand for training.
- There is more effective use of resources by RTOs to develop niche expertise for competitive advantage.
- User Choice has encouraged some RTOs to establish collaborative industry partnerships and alliances.

Many submissions from industry bodies and private providers, as well as consultations, indicated that User Choice has made many public providers more responsive.

Public providers have benefited from competition and are continually challenged to move from an internal focus to a client/outcome focus. More entrepreneurial

²⁷ Submission 21, TAFE Institute

²⁸ Submission 11, Professional Association

*public providers have a greater understanding of the benefits of competitive pressures and the need to demonstrate understanding of 'value' from an employer's perspective in their contribution to the apprenticeship and traineeship system.*²⁹

This view was shared by many public providers.

*While [we] believe that the maintenance of adequate public provision through TAFE Institutes is essential to the health of every community, we also acknowledge that our Institutes are extremely competitive in the User Choice system. Contrary to suggestions that TAFE Institutes are unable or unwilling to compete with private providers, it is significant that not one of the TAFE representatives who appeared before the House of Representatives Standing Committee on Employment, Education and Training attempted to argue that TAFE should not have to compete against other providers.*³⁰

Employers have clearly appreciated the choice now available to them.

My organisation supports the opening up of the training market to competition. Prior to the introduction of competition employers had to send their apprentices to some TAFEs with poor teachers, facilities and very inflexible timetables for the delivery of training programs.

*My organisation uses four different RTOs, three TAFEs and one Private Provider. [My organisation] benchmarks these RTOs against each other and is very happy with their service. [My organisation] has also dispensed with the services of non-performing TAFEs. [My organisation] opposes any suggestion to the freezing out of **quality Private Providers** from the Training System.*³¹

Despite its still relatively immature stage of development, the market for apprenticeship and traineeship training appears fairly healthy, as indicated by:

- a growing number of employers willing to employ trainees and also, though to a lesser extent, apprentices;
- a growing number of people, including young people, able to access employment-based training;
- a growing number of new industries engaging with the apprenticeship and traineeship system for the first time;
- greater access to formal training for those industries which have found it difficult to gain access to government training funds in the past because of historical allocations to older industries;
- a large and diverse pool of RTOs competing vigorously in the market; and
- a broader range of more flexible training programs and services available in the marketplace.

Some submissions pointed to skills shortages as an indicator of failure of the User Choice system. Skills shortages are, rightly, a matter of serious concern to industry and government alike, requiring public policy responses to minimise them and to overcome them when they arise. However, skills shortages have been a feature of the

²⁹ Submission 86, Australian Council for Private Education and Training

³⁰ Submission 34, TAFE Institute

³¹ Submission 49, Group Training Company

apprenticeship system from time immemorial, long before the introduction of User Choice. They are a reflection of the cyclical nature of many industries and the career choices of individuals. While government incentives can and should be directed to avoiding or overcoming them, their existence cannot be attributed to the User Choice system of funding.

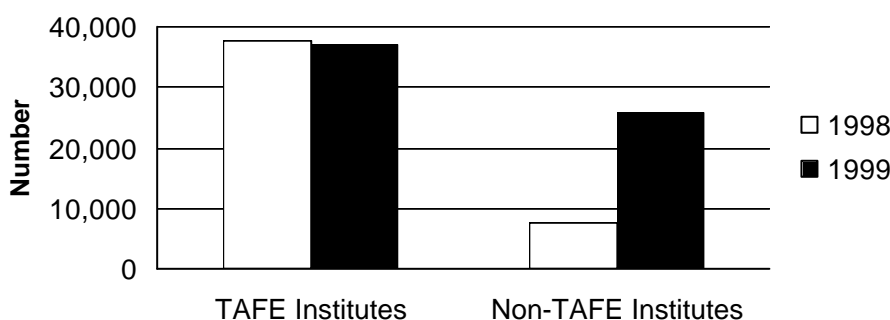
The current User Choice freeze

Upon its election in 1999, the Victorian government placed a freeze on both User Choice funding and other contestable funding for a minimum period of 12 months, to allow time to assess the impact of competition on the quality of training and consider the desirability of further competition in the training market. One of the concerns behind this decision was that apprentices and trainees should receive training which is not diminished by intense price competition.

It has been the policy position of governments to fund apprenticeship and traineeship growth on an open-ended basis. As a result of significant growth in demand, government funding for apprenticeship and traineeship training in Victoria has risen from \$62.5m in 1996 to \$151.1 million in 1999. In 1996 all Victorian government funding for apprentice and trainee training (\$62.5m) went to TAFE Institutes. With the introduction of User Choice, combined with the introduction of the National Training Framework, many private providers and ACE providers were able to access government funding for apprenticeship and traineeship training.

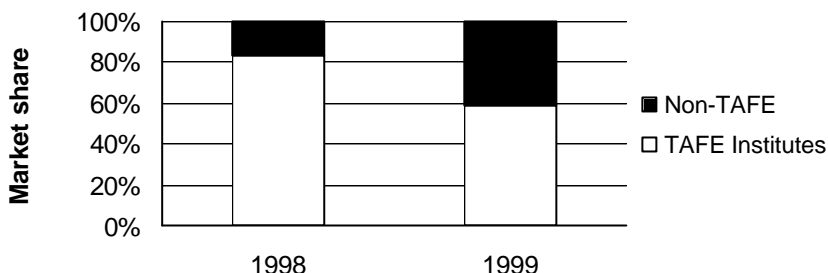
As the graph below indicates, most enrolment growth since the introduction of User Choice has been with non-TAFE Institute providers. TAFE Institute enrolments have declined marginally from 37,607 to 37,001 over the two-year period 1998–1999, while non-TAFE Institute enrolments have increased from 7,717 to 25,752 over the same period.

Trainee and Apprentice Enrolments, Victoria, 1998 and 1999



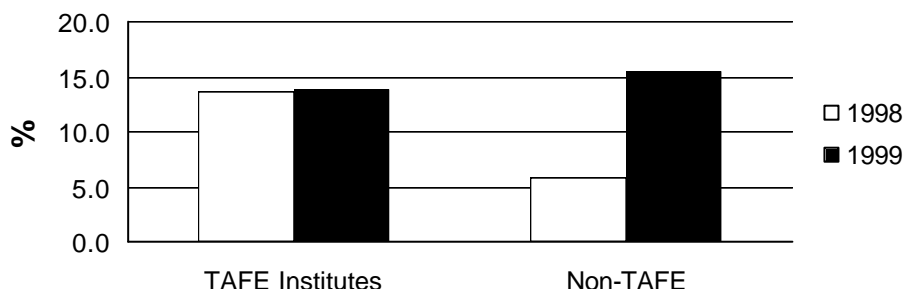
The share of the government-funded apprenticeship and traineeship training held by private providers and ACE providers has increased from a little under 20% in 1998 to around 40% in 1999, as shown in the following graph.

% Market Share of Trainee and Apprentice Enrolments Victoria, 1998 and 1999



For Victorian TAFE Institutes as a whole, apprentice and trainee enrolments comprise a small proportion (around 14%) of all government-funded enrolments, although this pattern does vary from Institute to Institute depending on their profiles. By contrast, as the graph below shows, non-TAFE Institute providers (principally private providers) are increasingly reliant on government-funded training for apprentices and trainees.

Apprentice and Trainee Enrolments as % of total Enrolments, Victoria, 1998 and 1999



From the perspective of this Review and the evidence available to it, the freeze on User Choice has had mixed effects. On the positive side, it has slowed uncontrolled growth so as to provide a clear space for re-assessment of the competition-quality nexus and other factors which affect quality training. It has sent a strong signal to the market that quality now matters.

The freeze appears to have also had some negative impacts on the market.

- It has frozen out new and potentially excellent providers seeking to enter the market.
- It has had significant negative impacts on the individual business plans of private RTOs, especially those who had entered the market shortly before the freeze.
- It has limited choice for those employers dissatisfied with TAFE Institute provision.
- It has limited the capacity of private providers to respond to local industry expansion.

One submission claimed that in a couple of instances, apprentices/trainees have had to travel considerable distances to a provider when local providers, who were previously able to deliver the training, reached their cap.

Submissions and consultations around this Review have revealed widely differing views on the impact of the freeze. At one end, the view is that the freeze should remain as a means of restricting the number of private providers operating in the training market. At the other end are arguments that the freeze should be lifted forthwith.

The views of private providers are well reflected in the Australian Council for Private Education and Training's submission to the Review.

The Victorian Government has a choice — try to recreate the past or work with the political and market pressures to develop a system which meets the future needs of apprentices, trainees and employers. Ultimately the Victorian Government, by its actions rather than its words, will demonstrate in whose interests the apprenticeship and traineeship system exists.³²

The Hon. Lynne Kosky, Minister for Post Compulsory Education, Training and Employment has given a reference to the State Training Board of Victoria to consider and report on the extent of contestability in the VET market. The extent of User Choice in this wider context of contestability will be one of its considerations.

Government employer subsidies and rebates

The provision of Commonwealth and State incentives and subsidies has a positive bearing on employer involvement with apprenticeships and traineeships. Incentives have encouraged many employers with no training history to become involved in the formal VET system and through additional targeted Commonwealth and now State government incentives, the access of those most disadvantaged in the labour market has been enhanced.

However, it is only when this involvement by employers is guided by a company's commitment to quality employee training and development rather than the availability of incentives and subsidies that the true benefits of government investment are realised.

The application of Commonwealth government incentives and rebates, when combined with very heavy marketing of traineeships as a subsidised employee rather than as a subsidised quality, structured, training strategy for businesses, has meant that training and development benefits have not being fully realised.

There is evidence that many NACs sell a subsidy rather than a training arrangement. Clearly, the subsidy is easier to market and there appears to be no incentive for the NAC to promote training because they receive payment for 'selling' a traineeship . . .³³

NACs are still relatively 'new kids on the block' within the training market for apprenticeships and trainees and there is still a good deal of resistance to them from the 'older kids' such as RTOs and GTCs (where these are separate organisations

³² Submission 86, Australian Council for Private Education and Training

³³ Submission 30, Private Provider

competing in the marketplace against NACs) and from independent brokers who are the other 'new kids' who have emerged in the training market. Some of the 'old kids' have sought to confine NACs to administrative processing functions despite their wider contracted functions.

NACs have a key role to play in marketing New Apprenticeships and ensuring quality information on them is available to *both* employers and apprentices/trainees and ensuring that User Choice principles operate. They also have a useful role to play in brokering administrative processes with employers in relation to the payment of employer incentives to employ an apprentice/trainee. They are a key link between RTOs and employers.

The quality of the services they provide to employers, apprentices and trainees on the one hand, and to the Victorian apprenticeship and traineeship system on the other is a critical factor in the success of the whole system.

This Review is not a review of NACs — that function lies squarely with the Commonwealth government through DETYA. Nor is this Review privy to DETYA evaluations and audits of New Apprenticeships and New Apprenticeship Centres. However, the interface between NACs and the Victorian apprenticeship and traineeship system is an important matter for this Review and the following comments relate to this interface. The Review is in no doubt that this interface is not good enough and both NACs and RTOs have contributed to the problem.

The initial point to be made is that it was widely agreed amongst stakeholders that the first NAC contract contained inadequate performance criteria to ensure that both the Commonwealth and the Victorian government objectives were met. A radically different market-based system for promoting New Apprenticeships, combined with unfortunate guidelines on the application of incentives to existing employees, created a feeding frenzy in the marketplace.

Revised guidelines on incentives in 1999 and a much improved second round contract seem to have gone some way to rectifying this deficiency. Comments to this Review about NACs may therefore be skewed by negative experiences of the first contract round rather than reflecting the current situation.

Notwithstanding this comment, the standard of services provided by NACs remains highly variable across Victoria.

The Review became aware of a number of NACs who are providing top-quality services. This occurs most often where the NAC staff understand the nature of the industries in their area, employer requirements, Training Packages, work-based training and the VET system more broadly; attend to the interests of apprentices and trainees as well as employers; have efficient administrative systems; and manage conflicts of interest scrupulously. The commissioned survey indicated that 90% of those surveyed employers currently involved in the system were very satisfied or somewhat satisfied with the services provided by NACs. This does not give an indication of the views of those employers who are not currently participating in the system.

Some NACs advised the Review of the difficulties they have with RTOs, employers, employer associations and independent brokers in fulfilling their contracted functions and responsibilities.

However, the Review is convinced that there are NACs whose services to the system are either inefficient or unethical.

Administrative services

The introduction of NACs into the training market in Victoria does not seem to have simplified paperwork or streamlined processes. Delays in NACs entering Training Agreement data on the DETYA data system before passing the Training Agreement to the AAB for registration via DELTA was frequently raised by providers and employers in submissions and consultations. There is considerable frustration with these delays and their negative consequences for provider cash flows and the timing of training commencement.

Submissions and consultations suggest that basic errors on simple matters such as recording the correct qualification in the Agreement seem unacceptably high. PETE has confirmed this, noting also that illegible writing is a further factor contributing to delays in issuing DELTA numbers.

The NAC consultation indicated that heavy marketing by providers and brokers is making processing the primary activity of NACs. They have argued that this restricts their capacity to market to meet the targets in their contracts.

Information to employers

Some NACs are facing industry barriers in carrying out their legitimate functions. The Review was advised of one employer organisation which refuses to allow NACs to work directly with their members and will not deal with a particular NAC because it demands to be present to conduct the sign-up. One can only speculate what the employer organisation's intentions might be in insisting on this practice.

On the other hand, some NACs or their agents are failing to provide employers with accurate information and advice on their role and responsibilities in workplace training and assessment.

. . . The present funding arrangements do not provide incentives for training-focused promotion, often resulting in a situation where employers are unaware of what the traineeship program, particularly the workplace delivery model, involves.³⁴

Not all NACs appear to be providing employers with genuine User Choice. In some instances, employers not acquainted with User Choice principles are steered to particular providers with commercial links to the NAC. This is a special problem when the NAC is also an RTO, offering a particular range of Training Packages and programs.

Marketing to employers

Aggressive marketing of New Apprenticeships, User Choice and flexible delivery by NACs to employers has been highly successful in introducing many new employers and jobseekers to the apprenticeship and traineeship system.

The Review did not undertake a detailed analysis of NAC targets (which are set in consultation with PETE) or NAC performance against their set targets. It has relied on

³⁴ Submission 30, Private Provider

knowledge from the field that suggests that not all NACs are servicing all industries and all employers equally — that is, they may be ‘cherry-picking’ the market.

This claim needs to be set against the views expressed during the NAC consultation that heavy marketing by brokers and RTOs in areas outside their targets made it difficult for them to reach their DETYA targets, that is, any perceptions of ‘cherry-picking’ may be a function of the marketing activities of brokers and RTOs as well as NACs.

However, in one of many similar examples offered to the Review, one industry experienced an immediate decline in the commencements of traineeships in their industry from 1 May 1998 when the Jobs Network and NACs commenced operations. The industry body concerned offers the following analysis.

It is apparent that, under financial and contractual pressure to place significant numbers of trainees and apprentices, New Apprenticeship Centres are servicing larger employers with potential for multiple placements, and promoting traineeships that are easily understood and can be sold in one visit. New Apprenticeship Centres do not seem to have the capacity, nor the desire, to promote more complex traineeships that require more than one visit to an employer.³⁵

Similar views were expressed in regional consultations where concerns were expressed that small employers, farmers and employers located at some distance from major regional centres were not being well serviced by NACs, who concentrated their marketing efforts on major employers in major population centres within the region to reach their sign-up targets with minimum marketing outlay.

Inappropriate sign-up

Some NACs are arranging inappropriate sign-ups in the volatile traineeship area, with negative consequences for RTOs, apprentices/trainees, employers and the integrity of the apprenticeship and traineeship system as a whole. The following example is illustrative of many received by the Review.

One NAC [named] signed 70 trainees in Small Business in one worksite. The trainees were actually employed in two restaurant operations under the one roof. Clearly, the 70 trainees should have been (and were after a delay of more than six months) signed into Hospitality Traineeships . . . Trainees signed into ‘incorrect’ certificates occurs far too regularly. This occurs because many NAC personnel or NAC agents do not understand training.³⁶

Other examples of inappropriate sign-ups provided to the Review included the following:

- a Small Business Package for farm workers in lieu of the more appropriate horticulture or agriculture programs;
- a chicken bar takeaway food fry cook signed up for a Frontline Management Traineeship;
- sign-up at Certificate III without due regard to trainee capability, because of the more favourable incentive payments at that level;

³⁵ Submission 51, Industry Body

³⁶ Submission 15, TAFE Institute

- a sign-up which failed to consider the literacy, numeracy and English proficiency levels of the trainee.

Conflict of interest

Because the market is so fiercely competitive, specialised and complex, there are very few players in it who do not have some real or potential conflict of interest. Very few players are in a position to provide objective advice untainted by financial self-interest.

In the Victorian NAC market there are GTCs, employer organisations, RTOs, industry training companies and ITBs. The DETYA contractual requirements for NACs have gone some way to ensure NACs handle such conflicts in transparent ways but, as one NAC submission noted, not all NACs operate in this manner.

RTOs argue that, in order to circumvent perceived anti-competitive behaviour by some NACs who are also RTOs, they have been forced to market directly to industry to ensure employers are aware of the full range of RTOs available. This in turn has increased employer confusion about who is responsible for what within the system.

The following comment expresses the overall judgment of the Review in relation to NACs.

The problem of NAC services has to be addressed at the NAC level. This problem is worse with NACs who are now in their second contract than those who have just started. There will need to be a combined approach by DETYA and OTFE on this issue. The credibility and hence the future of the NAC system depends on it. Ignore it and the system will break down.³⁷

2.6 Legislative framework

In general terms, the legislative provisions governing the apprenticeship and traineeship system are considered adequate to support quality training.

Only a handful of stakeholders consider that legislative change is needed to improve quality. The following comment reflects the spirit of the majority of submissions.

Dependence on legislation and regulations supposes that government wants to be in the business of quality management via those instruments. In the past this required a significant workforce, fleet of cars and support staff. While it worked well at some levels it only attended to squeaky wheels. There is no way that government could manage the quality of the new, changing and expanding training environment in any physical sense.³⁸

There are, however, four legislative and related matters raised during the Review which do require further consideration.

Apprentice wage provisions

When the former State government transferred its industrial relations powers to the Commonwealth, the former State Awards were mostly revoked and replaced by the

³⁷ Submission 12, Individual

³⁸ Submission 81, Group Training Organisation

minimum conditions employment agreements available under Section 1A of the Workplace Relations Act.

During this process, there were a number of items which, for various reasons were not or could not be transferred. The apprenticeship wage provisions contained in the former awards (expressed as a percentage of the tradesperson's rate) was one of these.

The items from the various Awards were thus grouped together in a set of Industry Sector Documents, made under the old Industrial Relations Act, just as this Act and the former State Industrial Relations Commission were being abolished.

Advice from the Industrial Relations Unit in the Department of Treasury and Finance is that there is currently no mechanism available under legislation to amend these documents.

The effect of this is that where the duration of an apprenticeship changes (e.g. from four years to three, as in Horticulture) there is no mechanism to adjust the percentages. Likewise there is no mechanism to provide for the introduction of part-time or school-based wage rates or for any future competency-based wage system for apprenticeships.

On a related matter of actual wages paid, the Review has been advised of a number of disturbing cases in relation to trainee salaries. These include cases where:

- *no award exists and employers have paid \$50.00 per week*
- *employers deduct payments from the agreed annual salary when trainees are on block or day release and salaries are not paid for this time*
- *a trainee's parents paid an employer to train their child*
- *despite referring a number of these cases to Apprenticeship Field Officers, there are cases where trainees are not being paid for up to four weeks and are in fear of losing their traineeship if the matter is disclosed.³⁹*

Single or dual qualifications

From 1 January 1998, changes to the Vocational Education and Training Act, in conjunction with the implementation of New Apprenticeships, saw the powers of the State Training Board to issue Completion Certificates revoked, except where the apprenticeship/traineeship had been commenced before that date. This was intended to ensure that completing apprentices/trainees who commenced after 1 January 1998 received only the AQF qualification from their RTO, as is provided for under the ARF framework.

The power to issue "Trade Certificates" to persons other than those who had completed an apprenticeship (such as those who had gained skills informally or migrants) was removed at the same time and the program for issuing these certificates was outsourced to VETASSESS.

Discussions between PETE and some TAFE Institutes during 1999 revealed concerns that the incorporation of the employer "sign off" prior to issuing the qualification required considerable additional (and what Institutes considered to be unfunded) effort. At the same time, several instances arose of interstate licensing authorities

³⁹ Submission 38, TAFE Institute

refusing to accept an AQF Certificate issued by private providers where they had previously accepted students completing the same programs who had either a Completion Certificate or Trade Certificate issued by the STB. It was further identified that most other jurisdictions had yet to implement the single certificate approach in apprenticeships, though several were planning to do so.

A policy decision was made in Victoria to reinstate the issuance of Completion Certificates to completing apprentices, *as a transitional measure*, whilst completing trainees would continue to receive only the AQF qualification. However the issue of these Completion Certificates to any apprentice who commenced after 1 January 1998 is not provided for by the legislation and, if not resolved, could lead to questions about the validity of such certificates. Completions of this nature could occur from the second half of 2000 onwards.

The Victorian government will need to decide whether the issuing of Completion Certificates will continue, thus requiring legislative change, or whether there should be a return to the original intent of having one certificate issued by the RTO. If the latter, this will require resolution of the issues surrounding employer “sign off” of competency and continued monitoring by the RTO during the “fourth year” of the apprenticeship.

Complaints and grievances

There is sufficient evidence through this Review, Job Watch statistics and Victorian submissions to the current Senate Inquiry into the Quality of Vocational Education and Training in Australia, to indicate that there are weaknesses in the current arrangements for dealing with complaints and grievances related to both training and employment matters.

Matters of concern raised in submissions and consultations include workplace violence, sexual harassment, unsuitability of some employers to train, poor quality training by some employers and providers, generally poor knowledge of the complaints and resolution procedures, access of trainees to the Inquiry system, poaching of apprentices by employers, lack of will by the previous government to engage in prosecutions, inadequate level of resourcing for AFOs by PETE and inadequate levels of training of AFOs to assist them to pursue investigations.

Current legislative provisions

If an apprentice/trainee or their parent considers that an employer is unsuitable to train apprentices, or is not training them properly, an AFO investigation could lead to the STB using its powers under section 53 of the Act to limit or revoke the approval of that employer as provided for under 58 (3) and (4). This mechanism is used in response to both perceived training problems and in cases of workplace violence/harassment.

In addition to show cause letters, provision exists to prosecute employers under section 54 of the Act if they do not ensure their apprentice is trained, including time release to attend any scheduled classes. There have been no prosecutions of this nature for many years.

The STB has powers to suspend or cancel Training Agreements at its own discretion, under sections 58 and 59 (the latter section covering work shortage situations). These are most often exercised after a complaint and AFO investigation and with the

offending party being given the opportunity to “show cause” as to why such action should not be taken. These actions may also occur as part of an Order made under an Inquiry.

A provision formerly existed to prosecute employers for late lodgement of Training Agreements. Only one prosecution has occurred in the last decade. The prosecution power was removed from the Act in the 1997 changes and the only sanctions which now apply for late or non-lodgement are withdrawal of approval to train and non-payment of Commonwealth incentives (as there is no DELTA registration).

The most often used section is section 60 which provides for the STB to determine grievances through an Inquiry process. The process may cover anything to do with the operation of the Training Agreement but is almost always concerning the dismissal of an apprentice or an apprentice who wishes to leave the employer and transfer to another (often allied to allegations of poaching). Trainees (i.e. those under Set 2 conditions) do not have access to the dismissal aspects of Inquiries as they are excluded under section 51.

All of the above mechanisms have been in place for decades.

Trainees were able to access the Inquiry process between 1995 and 1997 however no actual hearings involving trainees were held. Their access was removed in 1997, under the previous government, to give policy consistency with the Workplace Relations Act. Whether trainees should have access to an unfair dismissal process is essentially a political question.

The Inquiry system

The Inquiry system worked so long as the parties to the Training Agreement recognised the authority of the tribunal.

However there is an increasing tendency among both young people and some employers to regard the Training Agreement as being less binding than was the case in the past. This contrasts with the view of other employers that it has the power to compel a young person to remain at a job.

With the increasingly litigious nature of society and greater willingness by people to engage lawyers on issues which were once dealt with simply, the effectiveness of the Inquiry system is being reduced by excessive concern with due process.

There is also a tendency for some young people to reject the Inquiry finding or refuse to comply with an Order. At present the only options are to prosecute for such a breach (which seems excessive) or to prevent the apprentice being re-engaged under another Training Agreement for a specific period — a process which has been legally challenged in recent months.

The Inquiry section of the legislation appears now as outmoded and in need of significant overhaul.

Handling complaints

The focus groups with apprentices and trainees raised a number of troubling matters about unsatisfactory workplace environments and the way grievances are handled. While it is not possible to generalise from one instance, the following example is instructive. A 16-year-old apprentice was hit with a broom by his employer's son and injured.

I rang my mum. There was a trail of blood all over the room. We rang the apprenticeship commission and they treated it as childish, and told us not to speak to each other . . . They rang back after a month to see if we'd done this. I told my boss about it, and he told me that I'd never work anywhere again if I took things further. I didn't know what my rights were at all.⁴⁰

The report of the focus groups also found that most apprentices and trainees had a limited understanding of their rights and obligations as an apprentice/trainee. This extended to issues such as pay entitlements, working conditions, OH&S and tenure commitments on signing a Training Agreement. Accordingly, it found that there is room to improve the information provided to apprentices/trainees by employers on commencing a course of training.

A sufficient number of submissions also expressed dissatisfaction with the vigour with which complaints are handled and the reluctance of apprentices/trainees to complain to cause the Review to conclude that all is not well in this area.

Participation in industrial action by apprentices and trainees

The issue of apprentice participation in industrial disputes was raised with the Review.

This is not a legislated matter nor is it included in and enforceable under the contract of training. Rather, it is a policy originally developed by the former Apprenticeship Commission of Victoria.

The current policy dates back many years to when the majority of apprentices were 15–19 years old. It was traditionally accepted by both employers and unions that apprentices would effectively be quarantined from industrial disputes, provided that they were not utilised on work which would be considered strike breaking, and an employer could bring an apprentice before an Inquiry for unauthorised participation. This view is now being increasingly questioned by some unions, particularly in the context of enterprise bargaining negotiations.

Whilst the policy may have been well suited to a former era, its application to all apprentices/trainees regardless of age or industry may be questionable given the changes to the system. Considerable change to the age and experience of the apprentice cohort, the move to train existing employees through apprenticeships, an expansion of employment-based structured training beyond the traditional trade areas and the introduction of less binding traineeship employment arrangements are all factors for fresh consideration.

It may therefore be timely to consider whether the continuation of such a policy is desirable and what the extent of any continued coverage should be. Alternatively this could be recognised as an issue for the industrial parties to resolve in the appropriate tribunals and away from the training jurisdiction.

⁴⁰ *Quality of Training in Apprenticeships and Traineeships: A Report on Findings of Focus Groups*, McDonnell-Phillips P/L, April, 2000, PETE

2.7 Administration and information systems

The administration of the apprenticeship and traineeship system in Victoria, while having some strengths, is underpinned by a clumsy and inefficient set of business processes which add to costs unnecessarily.

Administration within the system is necessarily complex because it involves high levels of co-operation between multiple players. It requires:

- efficient processes for the registration and monitoring of Training Agreements through to their completion;
- administrative links between various parts of PETE in relation to the regulation and purchasing of training;
- efficient administration at the interface between PETE and DETYA in relation to the payment of Commonwealth incentives to employers; and
- that the administrative responsibilities of each of the parties are clear to all parties.

The Review considers that significant improvements are needed in each of these areas.

Use of electronic systems

- The internet claiming system is proving very effective both for claims by private providers for payment and for them to check an apprentice/trainee's status. It is well regarded by users. It is disappointing however that progress has been slow in relation to modernising other aspects of the administration of apprenticeships and traineeships through the use of electronically available templates and data transmission and the development of a management system based on e-commerce principles and processes.
- Development work on the use of electronic templates has commenced at the AAB. E-commerce legislation which legalises the use of electronic signatures was passed by the Victorian Parliament on 16 May 2000. This will now facilitate the introduction of electronic-based training agreement lodgement and registration systems. The take-up of this option will depend in part on the extent to which smaller enterprises are prepared to invest in computers and internet access.

The DELTA system

- It has not been possible within the Review to undertake a comprehensive systems analysis of DELTA through which regulated training is managed. At the same time, the Review has not been presented with any comprehensive documentation of the system or analysis of the current strengths or weaknesses of the DELTA system.
- However the Review is convinced that there are a number of deficiencies which undermine efficiency, reduce data validity and reliability and which, at first sight, seem inconsistent with best practice business processes and a coherent corporate IT strategy. Only some of them are highlighted here.

Delays in issuing a DELTA number

- DELTA numbers are provided by the STB as a means of both confirming the registration of new apprentices/trainees and tracing them through their training periods. Registration is the only means of reliably confirming the status of an apprentice/trainee.
- Extensive delays in the provision of DELTA registration numbers are causing significant problems for many stakeholders, as illustrated by the following comment from an industry body, representative of many stakeholder views.

Currently the provision of DELTA numbers from the State Training Authority can take up to ten weeks. This significant gap between the commencement of a new apprentice in the industry and provision of a DELTA number exposes employers and RTO's to unwarranted commercial issues.

Further, from the perspective of the employer, they are often unable to delegate or supervise the work of an apprentice or trainee until essential core modules/competency standards have been undertaken at TAFE, without a DELTA number and a place in TAFE this cannot occur. Where an employer elects for an RTO to undertake all of the training, in an off-the-job-mode, the situation is further exacerbated where the competency of the student has not been assessed and confirmed by the RTO.

In most cases TAFE Institutes will not enrol a student into a training program until a DELTA number has been received. Where TAFE Institutes have enrolled students prior to the provision of a DELTA number and the student has left the trade before a number is provided, any training hours that have been provided by the TAFE are forfeited.⁴¹

- In an isolated instance quoted in the submissions, 200 apprentices and trainees who signed Training Agreements in December 1999 had not been registered as at mid-March 2000 because a new NAC contractor was sending them to the wrong address, despite having been given the correct information. Once the agreements were tracked down and the AAB did receive them they were given top priority and processed immediately (two days).
- Lengthy delays are particularly a problem when the traineeship is only 12 months, or when the delay stretches beyond the three-month probationary period. Any delay also causes problems when work practices are entrenched before an RTO ever makes contact with the employer — it is difficult (and often costly to the RTO) to rectify on-the-job training arrangements or supervision if they are found to be unsatisfactory.
- Delays are caused at two points in the business process: NACs and the AAB. NACs are not always passing the Training Agreements to the AAB in a timely fashion. Backlogs and workloads in the AAB are causing further delays, despite the fact that three additional people were assigned to data entry following the huge growth in numbers of trainees during 1999 and that there are now at least 10 people working centrally, full time, to enter data on the DELTA system.
- AAB is aware of the difficulties for stakeholders caused by the lack of a DELTA number. The Branch carefully monitors processing times and regularly reports any delays and the reasons for them to PETE management.

⁴¹ Submission 26, Industry Body

Direct access to DELTA

- Direct access to DELTA is available to TAFE Institutes who find this has improved their administrative efficiency, although claiming that it adds to their administrative costs. Lack of access by private providers means that they often don't find out for some time that incorrect information is recorded about them or a training program. This in turn has consequences for payment and progression. Chasing and rectifying the information is the responsibility of the provider and can be a costly and difficult exercise without access to the electronic database. Private providers also argue that their access to DELTA would improve information about employees' prior qualifications.
- The DELTA Future Directions Report, currently in preparation, will address the access issues and make recommendations for incorporation into the next stage of DELTA development. Internet access is currently being evaluated with several options being considered.

Data reliability and validity

- When a Training Agreement is registered by the AAB, the data in DELTA becomes the basis for all subsequent business transactions. Error rates in the initial basic information — such as the name of the traineeship, its level, the status of the apprentice/trainee (new or existing employee) — appear unacceptably high. An in-depth interview with a traineeship coordinator who made a submission to the Review suggested that the RTO experienced data error rates at this initial point of between 1 in 3 and 1 in 5. AAB believes that statewide error rates on initial registration would be between 1 in 10 and 1 in 12.

Error rates are caused by a combination of incorrect information from NACs and human error in AAB. Of these, AAB believes the human error rate at AAB represents 10% of all errors and the NAC error rate is approximately 90%. When introduced, electronic lodgement of Training Agreements is expected to substantially reduce such errors. Another factor contributing to error rates is incorrect course selection by the employer.

Whatever the source of error rates, it falls to the RTO to seek the correct information and arrange variations.

- It would seem that the DELTA system allows multiple registrations by an individual where that individual has more than one part-time Training Agreement. DELTA issues both a student number which remains the same and is used by RTOs for claiming funding and also a registration number relating to each individual agreement. Although the number of apprentices and trainees with multiple concurrent Training Agreements on DELTA is very small, it does lower confidence in the validity of aggregated data.
- RTOs are required to provide two pieces of information into the DELTA system for it to yield quality data: advice of apprentice/trainee enrolment and advice of their completion of training. Private providers are required to submit enrolment and completion details with the DELTA number in order to be paid through the Training Purchasing System (TPS), so this data within DELTA is likely to be reasonably reliable.

However the provision of similar data by TAFE Institutes as a group is poor, notwithstanding a requirement in their Performance Agreements to directly input

to DELTA. Internal PETE documents provided to this Review suggest that less than 50% of TAFE Institutes comply. Consequently, confidence in the reliability and validity of DELTA data overall is reduced. There are no financial incentives for TAFE Institutes to record completions, although the Review notes that not all good data reporting is dependent on financial incentives.

- Poor reporting by employers is a further complication. Six weeks before the expiry of the Training Agreement, AAB sends a letter to employers to confirm that the training and employment requirements have been completed. If employers do not respond to this letter, a further letter may be sent, but there is no definitive follow-up.
- Because of the poor reporting, reports of overdue completions are produced from DELTA at three-monthly intervals. AAB has advised the Review that follow-up procedures to determine completion or withdrawal are then put in place and that the procedures are consistent with AVETMISS guidelines for statistical collection. The DELTA User Group has recently identified additional changes to the completion process which have been implemented as of April 2000.
- The reporting of completion rates is a national issue and further discussed in Chapter 3. There are obviously significant problems with the accuracy of completion data provided through DELTA in Victoria. Until there are better ways of ensuring quality data on completions, discussions about whether completion rates are high or low are of limited value.

Duplication of data collection and entry

- While various sections within PETE and DETYA (through NACs) may each have legitimate reasons for each of the data collections they require, the cumulative impact on providers and employers is labour intensive and therefore costly. The same information is required in different forms or at different times so that providers and employers face multiple data collections which in many cases yield little direct benefit for them. Most notably, much of the information for the DELTA system from the Training Agreements is duplicated in the AVETMISS reports.
- There appears to have been little or no coordination or cross-referencing between the Commonwealth and State governments or within PETE to reduce multiple requests for similar or the same information. Discussions are being held with the Commonwealth in relation to their proposed redevelopment of the employer incentives data base to determine what efficiencies can be gained, in terms of both a reduction in data collection and reduced duplication of data entry.
- For those with cross-border enrolments, state differences in data requirements further complicate the administration and duplicate reporting information. For those dealing with New Apprenticeships in Schools there is a further duplication of data entry onto the VASS system of the Department of Education.

AVETMISS

- RTOs face a specific problem in relation to the rigidity of the AVETMISS reporting dates which become increasingly problematic or the data becomes meaningless in training systems which are not time driven and which have flexible enrolment and progression.

- Some training providers complained in their submissions about having to self-fund constant upgrades to systems to meet changed AVETMISS requirements. While sympathetic to their argument, the Review considered this a matter outside its Terms of Reference.

Advice to RTOs

- The administrative instructions received by providers and employers come from multiple sources within PETE and are open to various interpretations as to what is required. A quick scan of the fragmented documentation issued by PETE in paper or via its website reveals the complexities and differing definitions. It is no wonder that there is such confusion in the field about what is actually required of providers.

2.8 Conclusion

This chapter has considered the quality of the key elements of the system through which Victoria's apprenticeships and traineeships are managed.

The system has a number of important strengths which need to be acknowledged. Its end users (employers, apprentices and trainees) are well satisfied with the services currently provided; the majority of RTOs are delivering services according to their contractual and other obligations; the provider audit and review program is being continuously improved; the legislative framework is essentially in place; and important aspects of administration of the system are reasonably efficient.

At the same time, there are significant weaknesses.

Some of these weaknesses are the result of the way Victoria has established and managed its apprenticeship and traineeship system. These include too many instances of non-compliance by both employers and providers with their legal and moral obligations to apprentices and trainees; provider registration and audit processes which are not sufficiently rigorous or consistent and not sufficiently informed by an industry perspective; weak arrangements for auditing and reviewing workplace training; insufficient emphasis on the suitability of the workplace environment for work-based training; weak arrangements for dealing with apprentice/trainee complaints and grievances; some complex matters around pricing, User Choice and the marketing of New Apprenticeships by NACs and RTOs which are reducing training quality; a decline in the proportion of the training dollar actually going to delivery; administrative inefficiencies which add to provider costs unnecessarily; and corporate governance which in the past has not actively promoted collaboration, quality training delivery and ethical market practices.

Other system weaknesses arise out of the national framework for the VET system and Commonwealth/State relationships. Such weaknesses include insufficient policy and administrative cooperation between the Commonwealth government and the Victorian government and ARF registration standards which are too low and insufficiently broad in scope to protect the integrity of nationally recognised apprenticeship and traineeship qualifications. These weaknesses will not be resolved by Victoria acting unilaterally. Viable solutions will depend on renewed cooperation between PETE and the ANTA processes and between the Victorian and Commonwealth governments.

At present, the systemic strengths and weaknesses are finely balanced in Victoria. However, if quality assurance arrangements are not improved quickly, system quality is likely to decline as the current strengths are overtaken by the increasingly apparent weaknesses. This has already begun to happen in some important respects.

Chapter 3

Quality Training and Learning?

3.1 Introduction

The quality of training delivery and assessment, learning outcomes and the issuance of nationally recognised qualifications is one of the core issues to be assessed in this Review. In order to form a view on this matter, this chapter brings together a range of evidence including the commissioned survey, the focus groups with apprentices and trainees, consultations and submissions. In this process, the views of all stakeholders have been carefully considered.

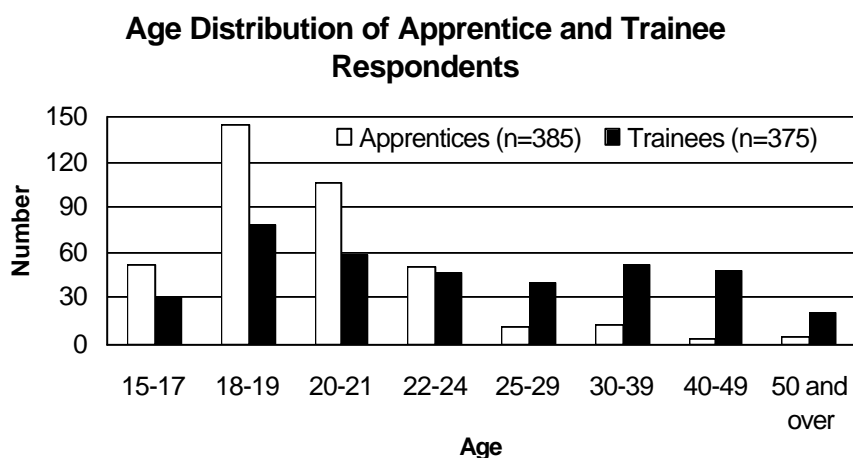
3.2 Survey of apprentices and trainees

In general the survey of apprentices and trainees found a high degree of satisfaction with most of the training delivery aspects which were explored. Metropolitan and non-metropolitan respondents provided very similar responses.

What follows is an analysis of those issues which suggest avenues for improvement and those on which there were differences in the responses of subgroups of the sample e.g. between apprentices and trainees.

Age of respondents

As the following graph indicates, the apprentice respondents were generally younger than the trainee respondents. 79% of the apprentice respondents were 21 and under while only 44% of trainee respondents were in this age group. 43% of the trainee respondents were 25 and over.

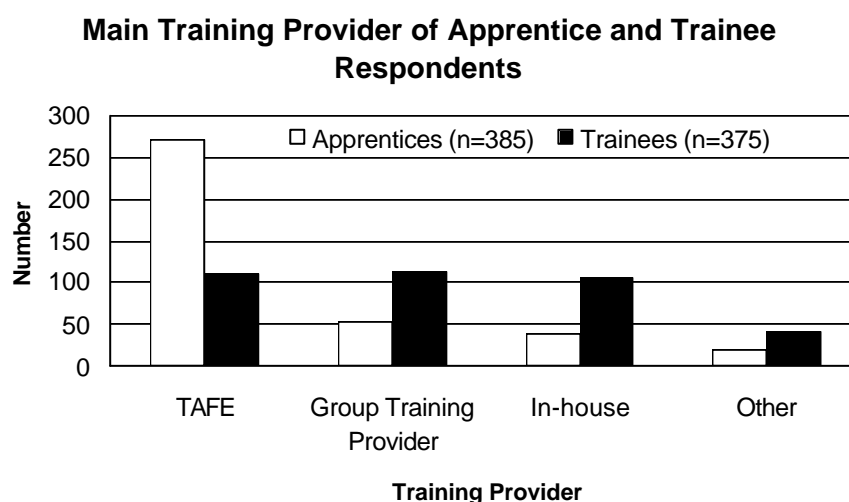


Adequacy of information

- While 74% of both apprentice and trainee respondents indicated they received sufficient information about their conditions of employment, there was a stark difference in satisfaction with information received about choosing an appropriate course. While 76% of apprentice respondents said they received enough information about choosing an appropriate course, only 56% of the trainee respondents said they received enough. The difference may perhaps be explained by the fact that apprentices rarely have any choice in their course. However, the finding that *44% of trainees did not have enough information about choosing a course* is a cause for considerable concern.
- 66% of apprentice respondents also thought they had enough information about choosing a training provider whereas only 40% of trainee respondents thought so. Again, this difference may be a function of TAFE being the only provider offering certain apprenticeship courses. The finding that *60% of trainees did not think they had enough information about choosing a training provider* raises important doubts about the way information is made available within the training market.
- Of the 143 apprentice respondents and the 146 trainee respondents who thought there was information needed but not received, 36% of the apprentices and 40% of the trainees simply felt they needed more specific and more in-depth information about apprenticeships and traineeships. There was little consensus on what specifics were required.

Training providers

As the following graph indicates TAFE Institutes were overwhelmingly the training provider for apprentice respondents (70%) while trainees were equally likely to undertake their training at TAFE Institutes (29%), with a Group Training Provider (30%) or in-house (28%).



Reasons for becoming involved

- When asked the main reason for becoming involved in an apprenticeship/traineeship, 59% of the apprentice respondents cited “to start a career in the industry” as the main reason whereas this was the driver for only 21% of trainee respondents. Perhaps reflecting the age differences, trainees were more likely to cite “to get a better job or promotion” (22%) or “the employer decided” (24%).
- When asked to list other reasons for becoming involved 60% of apprentice respondents and 51% of trainee respondents cited “to gain qualifications”. 95% of apprentice respondents and 81% of trainee respondents agreed that their apprenticeship/traineeship was helping them to achieve the main reason they had for getting involved.

Appropriateness of enrolment

- 88% of apprentice respondents and 84% of trainee respondents thought their training was at an appropriate level.
- *46% of the trainee respondents and 34% of the apprentice respondents believed they could have commenced their training at a higher level.* This finding for Victorian trainees compares unfavourably with the findings of the Queensland survey of trainees which found that 26% of trainees believed they could have started their traineeship at a higher level.⁴²
- 96% of the apprentice respondents believed they were learning new skills while 80% of trainees believed this. This is a more positive result than the Queensland survey which found that 73% of trainees believed they were acquiring new knowledge and skills through their traineeship. However, it is troubling that *20% of trainees do not believe they are learning new skills*, a reflection perhaps of the inclusion of existing employees in the survey.
- *59% of apprentice respondents and 64% of trainee respondents had had their existing skills recognised.* Of these, 97% of apprentice respondents and 93% of trainees were satisfied with the process for recognition of competencies. These high satisfaction rates may be due to the fact that these were the successful applicants for RPL.
- 25% of apprentice respondents said they had no existing skills, compared with 12% of trainee respondents. This may be a corollary of the relative youth of the apprentice respondents.

Existing and new employees

Existing employees tended to be older than new employees, more likely to be engaged in “fully on-the-job” training, and less likely to have a TAFE Institute as their main

⁴² Callan, V. (1999) *Findings of Employer and Trainee Survey*, a report prepared for Vocational Education and Training Commission, Queensland, in Schofield, K. (1999), *Report of the Independent Investigation into the Quality of Training in Queensland's Traineeship System*, VETEC

training provider. It is not surprising therefore that only 75% of existing employees said they thought they were acquiring new skills, while 90% of new employees thought this to be the case. However there was little difference in the response to whether training could have started at a higher level. *41% of existing employees and 40% of new employees said that their training could have started at a higher level.*

Choice of training provider

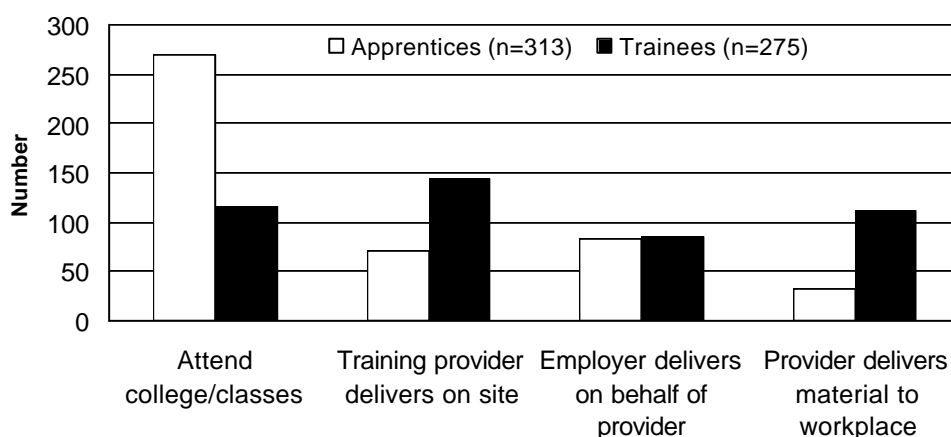
When asked for the reasons they chose their training provider, 30% of apprentice respondents indicated that the employer made the choice, while this reason was mentioned by 68% of trainee respondents. Proximity to home was also a significant determinant for apprentices (mentioned by 33% of them).

Training delivery and assessment

- 81% of apprentice respondents indicated that their training was delivered both on and off the job while 54% of trainee respondents indicated that their training was “fully on-the-job”. It is difficult to draw too many conclusions from this difference as there appears to have been some confusion between on-the-job and on-site delivery which could have been “off-the-job”.
- 32% of apprentice and trainee respondents who claimed their training was fully on-the-job also claimed that they had attended college/classes. 29% of apprentice and trainee respondents who said their training was fully on-the-job also said that a TAFE Institute was their main training provider, and 20% of apprentice and trainee respondents who said that a TAFE Institute was their main provider also said their training was fully on-the-job.

As the following graph illustrates, there are differences in the delivery methods for those apprentice and trainee respondents who had actually commenced their training.

Training Methods Used by Provider



- Apprentice respondents were most likely to attend a college while trainee respondents were equally likely to experience other methods of training delivery. Delivery at the work site is the primary method of delivery for the majority of trainees.

- There were no significant differences between apprentice and trainee satisfaction levels with training methods, although 8% expressed dissatisfaction and 20% were neither satisfied nor dissatisfied.
- However of the 68% of apprentices and 70% of trainees who had been assessed during training, 93% were satisfied with the assessment. If there were one focus for improvement, only 74% felt they received adequate information about their progress.
- The question of whether the course had the right balance between on- and off-the-job training was the only outcome on which there was significant difference in responses from apprentices and trainees. 86% of apprentice respondents thought the balance was right while only 66% of trainee respondents thought so. *83% of all respondents who said their training was on and off the job thought it had the right balance while only 65% of those whose training was fully on-the-job thought it was balanced.* This is a significant difference which warrants consideration in policy formulation.

Outcomes of training

- Asked what they thought their future would be on completion of their apprenticeship/traineeship, only 54% of apprentices thought they would continue working with the same employer while 70% of trainees thought this would be the outcome.
- 92% of all respondents who said a TAFE Institute was their main training provider thought that their apprenticeship/traineeship had helped them achieve the main reason they had for taking up this type of training/employment. Only 85% of those who said their main training provider was in-house thought it had helped them achieve their main aim.

3.3 Employer survey

On the evidence of the survey commissioned by the Review, employers of apprentices and trainees are also very satisfied with almost all aspects of training delivery.

The following analysis highlights those issues where there was either room for improvement or differences between groups of employers by size of company, main training provider used, or type of employee (apprentice or trainee). Location of company did not seem to make any difference to responses.

Employer characteristics

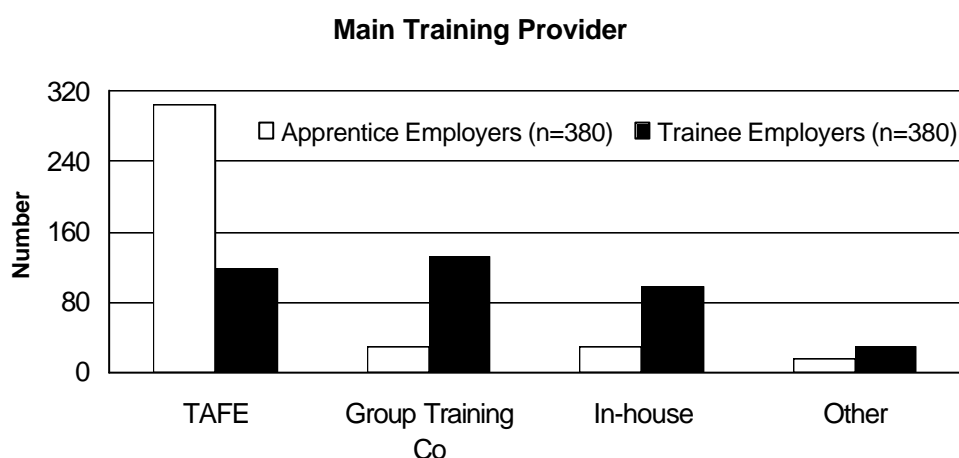
- The 380 employers surveyed who employed less than 20 people were described as small. Of the 377 large employers surveyed, 66% employed 20–100 people and 34% employed more than 100 people.
- Small companies accounted for 28% of the employers whose trainees/apprentices were existing employees and for 53% of the employers whose trainees/apprentices were new employees.

Adequacy of information

- While 90% of large company employers thought they had sufficient information about choosing a course for their apprentices/trainees, only 80% of small company employers thought they had enough information to do so.
- However 79% of small company employers and 81% of large company employers thought they had enough information to choose a training provider.

Training provider

As with the apprentice/trainee survey, TAFE Institutes are the main training providers for apprentices, while trainees are just as likely to have training provided by TAFE Institutes, GTCs or in-house.



Training delivery and assessment

- There were reasonably high levels of satisfaction with the delivery methods with almost 69% of employers satisfied or very satisfied. Only 9% were dissatisfied or very dissatisfied.
- There are significant differences in mode of delivery between small and large companies.
- *Small companies were more likely than large companies to say that training of apprentices and trainees was fully on-the-job.* 22% of the small company employers of apprentices said that the training was fully on-the-job while this was true for only 12% of the large company employers of apprentices. 57% of the small company employers of trainees said that the training was fully on-the-job while this was true for only 39% of the large company employers of trainees.
- As with the apprentice and trainee survey there appears to have been some confusion between “on-the-job” and “on site”. 14% of the employers with apprentices who said a TAFE Institute was their main training provider also stated that training was fully on-the-job, while 39% of employers with trainees who said a TAFE Institute was their main provider also said training was fully on-the-job.
- TAFE Institutes were less likely to leave employers very satisfied than other providers.

- Where their apprentices/trainees had been assessed, over 90% of employers were satisfied with the assessment overall and were satisfied that skills were adequately assessed and that the assessment was fair and professional.

Reasons for becoming involved

- Over 90% of employers of apprentices and of trainees (metropolitan and non-metropolitan, large and small), indicated that their main objective of becoming involved in apprenticeships/traineeships had been achieved.
- The main reason trainee employers gave for becoming involved was to increase the skill levels in the business (40%) while the main reason for apprentice employers was not so clear-cut, with 21% saying it was to pass on trade skills and 18% saying it was to employ a new worker.
- Significantly, 18% of both groups said it was to give an opportunity to a young person.

Appropriateness of enrolment

Employers expressed high levels of satisfaction (around 90%) with the levels of the courses and the development of new skills by their apprentices/trainees. Location and size of company did not show any significant difference in these satisfaction ratings.

3.4 The Training Plan

In the Victorian context it is necessary to distinguish between a Training Program and a Training Plan

Following the signing of the Training Agreement by the employer and the apprentice/trainee and its submission to PETE for registration, the choice of RTO is made by the employer and the apprentice/trainee.

The chosen RTO is then required to submit to PETE a *Training Program and Application for Commonwealth Incentives for New Apprentices* form. This is signed by the RTO, the employer and the apprentice/trainee. The Training Program is a minimalist document which contains the name of the qualification to be awarded and lists the competencies to be achieved. All RTOs must deliver the approved training scheme in accordance with this form.

The 1999 Performance Agreement between PETE and RTOs introduced a requirement for an RTO to negotiate and prepare a Training Plan prior to the commencement of training when the RTO is supplying workplace-based training. The Agreement specifies what this Plan should contain. This requirement continues in the 2000 Performance Agreement. The Training Plan is an auditable document under the Agreement and was audited in both 1999 and 2000.

The Review was pleased to note the inclusion of this element in the Performance Agreement. However, an RTO which is not supplying workplace training does not have the same contractual obligation to prepare a Training Plan although PETE's information booklet strongly encourages the development and use of training plans in all contexts, not just workplace-based training.

Irrespective of contractual obligations, a quality provider would be working to a training plan for each individual apprentice/trainee and both the employer and the apprentice/trainee would see this as an integral part of the training process.

The following findings from the commissioned survey need to be considered in this Victorian context where the survey responses may possibly relate to either a Training Program or a Training Plan.

The survey of apprentices and trainees clearly indicates that there are significant problems with Training Plans.

- 49% of apprentice respondents to the survey, and 41% of trainee respondents said they did not have a Training Plan. This compares very unfavourably with the response to the same question in a Queensland survey of trainees which found that 13% of trainees said they did not have a Training Plan.⁴³
- Of those who did have a Plan, only 27% of the apprentice respondents and 31% of the trainee respondents were involved in the development of their Plan. This finding for trainees matches the findings of the Queensland Survey that 36% of trainees were involved in the development of the Training Plan.
- There were insignificant differences between apprentices and trainees in what elements the Training Plans contained. However, of those who did have a Training Plan, 15% of those Plans did not identify whether each competency was to be developed by the employer or training provider and 6% of respondents did not know. 12% of Plans did not identify whether each competency was to be assessed by the employer or the training provider. 14% of Plans did not specify how each competency was to be delivered.
- Only 63% of the apprentices who had Training Plans said they had referred to them to check their progress, and only 56% of the trainees did. This latter finding is consistent with the finding of the Queensland survey which found that only 60% of trainees referred to the Training Plan to check their progress.

A quote from a first-year sprinkler fitting apprentice, which was included in the Victorian TAFE Students and Apprentices Network submission, enlarges on the consequences of no Training Plan from the learner's perspective.

You don't really know where you're at. I couldn't tell you how many welding things I've done . . . like how many he's marked off.

We don't really know what we're doing. If they'd give us a course outline or something like that. It's all self-paced though.

It's different from the pre-apprenticeship course where we had a big board with all our names on it and the modules and the teacher would go and fill it in straight away so you could see what you had to do. So if you're waiting you can go ahead and do something else.'

*. . . There's no real order to what we're learning.*⁴⁴

⁴³ Callan, V. (1999) *Findings of Employer and Trainee Survey*, a report prepared for Vocational Education and Training Commission, Queensland, in Schofield, K. (1999), *Report of the Independent Investigation into the Quality of Training in Queensland's Traineeship System*,

⁴⁴ Submission 91, Victorian TAFE Students and Apprentices Network

Another from a third-year plumbing apprentice makes a similar point.

*We need more hands on teaching. They say it is self paced and that's OK but you really need a few lessons to lay the ground work. I think it's just a cheap way of teaching.*⁴⁵

- Differences between public and private provision are small. 41% of all respondents who said a TAFE Institute was their main training provider also said they had no Training Plan while 46% of those whose main training provider was described as in-house said they had no Training Plan.
- Where a Training Plan exists, those who said their main training provider was a TAFE Institute were the least likely to have been involved in developing that Plan (24%) while 39% of those who said their main training provider was in-house said they were involved in developing their Training Plan.

It is instructive to compare the findings of apprentices/trainees surveyed with those of employers.

- 52% of employers of apprentices said all their apprentices had a Training Plan, which closely mirrors the apprentice response of 51%.
- 81% of the employers of trainees said they all had a Training Plan in contrast to the 59% of trainee respondents who indicated they had a Training Plan. The Queensland survey of trainees found a much closer alignment between employer statements and trainee statements on this matter. There, 84% of employers said they had a Training Plan for their trainees and 87% of trainees said they had a Training Plan. This significant disparity between employer and trainee responses in Victoria is a matter for further investigation.
- Larger companies are more likely to have a Training Plan. 70% of the large company employers said all their apprentices/trainees had a Training Plan, while 62% of small company employers said all their apprentices/trainees had a Training Plan.
- A Training Plan was most commonly in place for all trainees where the training was delivered in-house (86%). Only 48% of the employers of apprentices who said their main training provider was a TAFE Institute said all their apprentices had a Training Plan.
- In contrast to the apprentices and trainees who seem to rarely consult their Training Plans, 78% of the employers whose apprentices/trainees had Training Plans said they have referred to them to check progress.
- Company location did not impact on whether the employer had been involved in the development of Training Plans for apprentices/trainees, but size of company did. Where Training Plans existed, large company employers were more likely to have been involved in their development (80%) than small company employers (70%).

The Review considers that Training Plans are an essential component of quality employment-based training and are of increasing importance as competency-based

⁴⁵ Submission 91, Victorian TAFE Students and Apprentices Network

training is more comprehensively implemented. The Review believes that the absence of attention to the role, value and application of Training Plans within the apprenticeship and traineeship system is a significant weakness.

3.5 Focus groups with apprentices and trainees

The focus groups with apprentices and trainees provided an opportunity to gather some detailed qualitative data about the quality of training experiences. The small sample size (28) means that the results cannot be statistically analysed nor can findings be extrapolated across the whole system or to individual occupational fields. The opinions of the apprentices and trainees do, however, provide important client perspectives on how they understand and experience their training.

The report of the focus groups offered a number of observations which inform an assessment of the quality of training and assessment.

Induction

While some participants were given high-quality inductions into their training (e.g. hospitality, hairdressing, nursing and health care participants), some in certain fields tended to receive poor-quality inductions from their employers. Poor-quality inductions tended to be experienced by participants in traditional blue collar apprenticeships/traineeships and, to a lesser extent, in office administration traineeships. Participants in these fields were typically given limited information about their training, workplace health and safety, working conditions and pay entitlements

I was just chucked in. No-one sat down with me to explain anything. I was just given something to do.

The overall quality of on-the-job training experienced by apprentices/trainees was generally linked to the attitudes of employers and the initial induction process during commencement. Students who received little or no formal induction into the company generally tended to receive poor-quality on-the-job training, while those who had received a more structured induction tended to receive better-quality on-the-job training.

Participants thought it important to receive a high-quality induction upon commencing their training, which they believed should include:

- allocation of a mentor or supervisor to the apprentice/trainee;
- a formal introduction to the company
- a session with their employer to plan learning;
- information on the employer's expectations; and
- support on who to see or what to do if the apprentice/trainee has concerns.

Expectations of apprentices and trainees

Participants sought an apprenticeship or traineeship for a variety of reasons including to pursue lifelong interests, to leave school, to work overseas and, in the case of some trainees, to receive a formalised qualification.

Traineeships were seen to be beneficial, in that they do not tie students to a lengthy course of study. Apprenticeships and traineeships were also seen to offer the following benefits over other forms of education (eg. HSC, university):

- a more practical or “hands-on” form of education;
- more flexibility than other forms of study;
- more marketable skills and abilities;
- improved future employment opportunities;
- an opportunity to earn money as you learn; and, for some,
- a conduit to a future job without having to pursue university or the HSC.

While expectations were generally met on these dimensions, some apprentices and trainees found it difficult to select a training program to match their personal and professional interests. From this perspective, there is some room to facilitate the improved selection of studies by apprentices/trainees.

Support during an apprenticeship/traineeship

Participants thought that employer support can literally make or break an apprenticeship/traineeship. Explaining to apprentices/trainees where to seek support during their training was seen as critical, and also as an important driver of apprentice/trainee satisfaction.

Despite the importance of employer support, the focus groups show that many receive less than optimal support during their training.

Quality of on-the-job training

On-the-job training was generally considered by participants to be the most important part of an apprenticeship/traineeship, and quality of on-the-job training received was the most important driver of student satisfaction.

They saw on-the-job training as presenting an opportunity to acquire practical and marketable skills, which can be practised in the workplace. In contrast, off-the-job training was seen to be less relevant and less important.

Most participants generally expected to receive high-quality on-the-job training during their apprenticeship/traineeship. In this sense, student dissatisfaction with apprenticeships/traineeships generally was primarily related to poor-quality on-the-job training.

While apprentices/trainees in many fields were receiving high-quality on-the-job training, on-the-job training in some blue collar fields and in office administration traineeships, was seen to be poor.

Occupations which required a high degree of direct contact with clients tended to provide students with higher-quality on-the-job training.

The head chef is really good. He'll go through the molecular structure of a zucchini with me on occasions. (Apprentice Chef, 21 years)

I've really learnt a lot. They're so helpful and take time to explain things to me. (Trainee Nurse, 19 years)

Every week my employer makes a point to sit down with me and show me a couple of new things. (Trainee IT technician, 19 years)

Typical reasons for poor-quality on-the-job training often related to employers claiming to have limited time for instruction, viewing their students as a labour source, and, in some cases, having a poor attitude towards the whole idea of training.

Most tradesmen don't care about training. They're not interested in you. They just want to get the work done. (Apprentice Cabinet Maker, 17 years)

Poor attitudes towards training were also reflected when participants felt victimised for asking questions about how to perform certain tasks. This was typically so in the case of blue collar apprentices (e.g. panel beaters, boiler makers, spray painters) and some blue collar traineeships (e.g. spare parts).

I was told that I could watch him do the task, but I wasn't allowed to ask any questions. (Apprentice Panel Beater, 25 years)

I asked if I could go through the workshop to help me in my job, but they told me I wasn't allowed (Spare parts trainee, 20 years)

All apprentice and trainee participants saw the performance of relevant work tasks as critical to their on-the-job learning and their overall success. Most were undertaking tasks which were either directly or somewhat relevant to their occupation and most were being given tasks to progressively build higher skills. But there were exceptions.

None of us apprentices are allowed to touch the higher quality jobs. I'm in the third year of my apprenticeship and I'm still doing the same stuff I did in 1st year. (3rd year Apprentice Boiler Maker)

I know how to answer a telephone, however, I'm not training to be a receptionist. It's hardly a challenge. Excuse the french, but I'm just being given the crap that no-one else wants to do. I haven't learnt a thing so far. I'd never do this again. It's been a waste of time. (Certificate III in Business [Office Administration] trainee)

Quality of off-the-job training

The focus groups indicate that there is considerable room to improve key aspects of off-the-job training received by apprentices/trainees. While students see on-the-job training as more important, off-the-job training is still seen as an important part of vocational education.

Off-the-job training was seen by participants to be high quality in most fields, however, of lesser quality and less challenging in traineeships (particularly in office administration) and in some apprenticeships (e.g. hairdressing).

While participants praised the skills and support provided by their teachers/trainers, many did not find their off-the-job studies nor the assessment processes to be very challenging. Learning materials were similarly often seen to be overly simplistic.

Despite the overall importance placed on off-the-job training by participants, the focus groups suggest that in many fields such training does not challenge or empower

students. Indeed, many students see their formal studies as overly simplistic and too easy.

They make us cut out pictures of people in magazines with different hair styles. It makes you feel like you're back in primary school. (Hairdressing apprentice)

Participants suggested that some employers were generally negative towards the notion of off-the-job training, particularly in blue collar occupations, where it was often viewed as cutting into work time and not developing relevant or useful skills.

They want you to stay at work. They're not interested in TAFE. I missed out on 5 weeks of TAFE on account of my boss. (Apprentice Cabinet Maker)

Many participants have found off-the-job training to be demotivating. As off-the-job training undertaken by trainees was generally very low intensity, many trainees commented that they often literally forgot that they were doing a traineeship. In some office administration traineeships, formal training was non-existent and field officers would visit students from time to time to check competencies and assess progress.

They just ask you how your assignments are going. And if you say you need more time, they say OK, that's fine. (Office Administration trainee)

Participants generally emphasised that there was a need to:

- allow students to choose graded or non-graded paths of study in all fields;
- provide opportunities to pursue specialist qualifications during training;
- encourage students to excel in off-the-job training;
- send acknowledgment that students have passed each year of their training;
- hold classes with students of the same year and not mixed years (some classes have a mix of trade years).

The focus group report proposed that challenging students and building pride in the qualifications achieved should be a key objective of the State Training System.

The value of the qualification

Qualifications were just one reason why trainees sought a traineeship. Particularly disturbing was the finding that, in the case of traineeships, some participants question the value of their qualification.

I can't believe we're getting a diploma for what we're doing. It's crazy. (Office Administration trainee)

It's a joke. It's nothing compared to an apprenticeship. (Meat Processing trainee)

It (assessment) is just like nothing. You just get your boss to tick things off when you do them. The work books are simplistic. (Office Administration trainee)

Improvements to the apprenticeship/traineeship system

Generally speaking, the participants in the focus groups found it difficult to explicitly identify ways to improve the current apprenticeship/traineeship system. Most improvement initiatives were implicit and based on attitudes, expectations and feelings expressed during focus groups. Explicit suggestions offered by students, however, included:

- support to students in selecting the right apprenticeship/traineeship;
- closer monitoring of employers during apprenticeships/traineeships;
- acknowledgment each year when a student successfully completes a year of an apprenticeship/traineeship; and
- making TAFE assessment processes more challenging for students who want to be challenged.

3.6 Whose choice?

One of the fundamental principles underpinning User Choice arrangements is that clients are able to negotiate their publicly funded training needs. Clients means both employers and apprentices/trainees.

There are indicators that the User Choice system is being increasingly interpreted as Employer Choice. Some submissions drew attention to the need to fully consult with apprentices/trainees before signing up to a Training Program with a particular RTO.⁴⁶ However most submissions simply assumed that User Choice was synonymous with Employer Choice.

The commissioned survey supports this view. When asked for the reasons they chose their training provider, 30% of apprentices and 68% of trainees included “employer chose” amongst their reasons.

The 1999 National Evaluation of User Choice Phase 2 by KPMG considered this matter, amongst others, in some detail. It highlighted the divergent interests at play.

- *Employers are concerned about the efficiency and competitiveness of their enterprises. This concern leads them to seek customisation of training to match the particular requirements of the enterprise.*
- *Apprentices and trainees share their employer's interest in efficiency and competitiveness of the enterprise . . . At the same time, however, they are conscious of their need to be attractive to the larger external labour market. This latter consideration leads them to appreciate the value of skills and choices that enhance their labour mobility. Such mobility is enhanced by the acquisition of skills that are generic, or at least, valued and acknowledged throughout a broader industry sector.⁴⁷*

The report noted that all parties involved recognise that employers and apprentices/trainees will inevitably have different levels and types of involvement in the exercise of choice. It went on however to comment that . . . *This does not mean that apprentices and trainees are written out of the choice equation.*

The negotiations around the Training Plan become critical here. The role of the RTO in facilitating choices around content and timing of training that serve the interests of both employers and apprentices and trainees becomes vital.

⁴⁶ For example, Submission 91, Victorian TAFE Students and Apprentices Network

⁴⁷ ANTA (1999), *National Evaluation of User Choice Phase 2*, KPMG

3.7 “Fully on-the-job” training

The Terms of Reference for this Review require specific consideration of the provision of training in “fully on-the-job” mode and the matter has already been considered from various perspectives in the previous sections and also in Chapter 2. Submissions to the Review add a further perspective.

The submissions indicate that there is no shared understanding of what “fully on-the-job: training is. Some confused “on the job” with “at the site” and assumed that “fully on-the-job” training was the equivalent of workplace delivery.

*(We) would not agree that fully on-the-job training undermines the quality of skills formation. The location of training is only one aspect of the training process . . .*⁴⁸

Some (incorrectly) claimed that the Discussion Paper, by asking for comment on the value of “fully on-the-job” training was questioning the value of workplace delivery. Survey responses on the amount of “fully on-the-job” training also point to considerable confusion.

Clearly, there is a language problem here and clarification is required.

Apprenticeships and traineeships are a form of employment-based training. Traditionally they have involved around four days per week of on-the-job training plus one day per week facilitated off-the-job training in an educational institution (mainly TAFE Institutes) or a training centre (mainly company training centres or industry skills centres in or near the workplace).

Apprentice and trainee wages are premised on two main assumptions:

- while in training the individual has less productive value to the company; and
- some time will be spent away from the workstation during work time to undertake structured and facilitated training.

Training for apprentices and trainees has been premised on three main assumptions:

- quality vocational learning is learning which is transferable from task to task, problem to problem, place to place;
- vocational competence comes from the continuous interaction over time between skills practice and underpinning knowledge and understanding; and
- vocational competence is best developed by a judicious mix of on-the-job and off-the-job training.

These long-standing assumptions are under challenge for many reasons.

Employers, apprentices, trainees and industries are seeking greater training relevance and more flexibility in the way employment-based training (and other forms of vocational training) is delivered. Moving the VET system from a time-based to a competency-based training system and government support for more training in the workplace have been valued responses to changing client needs.

For apprenticeships and traineeships, part or all of the traditional structured off-the-job training component is increasingly being delivered at the workplace rather than in

⁴⁸ Submission 78, Industry Body

an institution or training centre, although this is still far more common for trainees than for apprentices.

This directional shift makes facilitated structured training more complex for the provider and makes greater demands on the workplace supervisor but, of itself, is not a threat to quality training. As discussed in Chapter 1, the quality of facilitated training in the workplace depends on many contextual factors. When done systematically within a quality framework, it achieves closer integration of on-the-job and off-the-job training and thus better training outcomes.

“Fully on-the-job” training is something different again. This refers to structured training arrangements whereby competence is acquired solely through the performance of normal work duties and for which the apprentice or trainee is given no release from their work duties to participate in either self-managed or facilitated training with the support of a teacher/trainer.

This mode of delivery is obviously attractive to employers in that it provides them with a subsidised employee who is on work duties for a full working week rather than being withdrawn from work for facilitated structured training and shifts the onus of allocating time to achieve competence from the employer to the apprentice or trainee. It is obviously less attractive to apprentices and trainees. It may be that the employer is also the RTO under such arrangements or it may be that an external RTO is contracted to support the training.

Within the open labour market, employers are of course free to train their employees how they wish. Employees likewise are free to accept or reject employer-supported training arrangements. It is only when the training involves the public interest — government funds, industrial or other regulations, the integrity of the national VET qualifications, industry-wide skill shortages etc. — that governments have a legitimate interest in the way training is delivered by employers to their employees.

Submissions revealed strong opinions on this matter of “fully on-the-job” training.

The majority of submissions from industry bodies, employers and public providers did not believe that “fully on-the-job” training supported quality delivery. Support for and opposition to “fully on-the-job” training was evenly balanced amongst those private providers who submitted to the Review.

Submissions from the overwhelming majority of employers and industry bodies were strongly opposed to “fully on-the-job” training for apprentices, even when they were dissatisfied with the quality of training being provided off-the-job. While they wished to negotiate with RTOs on a range of matters including the quality, location, duration, relevance and mix of on-the-job and off-the-job training, they felt a need for some specialist off-the-job training either in the workplace or externally to complement on-the-job training and learning.

The views of employers and industry bodies working with trainees were more diverse but the majority believed that some off-the-job training was necessary.

All on the job training does not provide the trainee with sufficient skills or the company with enhanced skills. Also the trainee does not get the opportunity to network with others and gain further skills in this way.

I would like to recommend that training is at least 75% on the job and the remaining 25% be given in some form of classroom format, times, dates, subject matter to be negotiated with the RTO, the trainee and the employer.⁴⁹

[This company] offers a balanced approach to training with a preference for facilitated off-the-job training which is balanced by on the job coaching and support.⁵⁰

There are fundamental problems across the board with training programs that are delivered solely on the job. Abuse of on-the-job training by employers is widespread and too often neither RTOs nor Governments make sufficient efforts to try and ensure quality outcomes.⁵¹

Regrettably, an employer's desire for a trainee to be ever present in the workplace can result in the choice of an inappropriate training package or an inappropriate training method.⁵²

Providers generally supported some off-the-job training either in the workplace or elsewhere. But some RTOs have difficulty negotiating this with some employers who are reluctant to release employees from work duties.

A small number of submissions also commented on trainee resistance to off-the-job training. When some providers have sought to include more workplace-based off-the-job training into their training program, trainees have complained since this means that they would have to do more at home and in their own time, even when the employer has been informed that half a day a fortnight release time is a minimum condition in the Training Plan.

The rapid growth of “fully on-the-job” training in the apprenticeship and traineeship system in recent years, and the allocation of public training funds to support it, is one of the factors undermining system confidence in workplace training generally. In particular, numerous submissions (and the consultations) highlighted multiple deficiencies with the continued use of the Small Business Traineeship where it is delivered in “fully on-the-job” mode.

Given the significant risks to quality training arising from “fully on-the-job” training, PETE is to be commended for the steps it has taken recently to better manage the mix of on-the-job and off-the-job training. The 2000 Performance Agreement between PETE and RTOs requires a trainee at AQF Level 3 or above to be withdrawn from work duties for a minimum of three hours per week (averaged over four weeks) for facilitated training. Through this specification, there is now no “fully on-the-job” training at AQF 3 or above which is supported with State training funds. Under current rules, it is still an option at AQF Levels 1 and 2.

⁴⁹ Submission 70, Employer

⁵⁰ Submission 72, Employer

⁵¹ Submission 45, Industry Body

⁵² Submission 51, Industry Body

3.8 “Tick and flick” training

The Review has identified many examples of on-the-job training of outstanding quality, where employers, RTOs and apprentices/trainees work together within a negotiated and comprehensive Training Plan and the full benefits of competency-based training are being realised.

With this as a benchmark of what is possible, it is deeply disturbing that a good deal of training delivered on-the-job in the apprenticeship and traineeship system is commonly described as “tick and flick” training.

A ‘tick and flick’ on the job training mentality is applied by at least three RTOs operating within . . . [this] Region. ‘Tick and flick’ involves negligible, inadequate or non-existent training of New Apprentices. It also involves congruent, irresponsible, deficient or non-existent assessment of Trainee competencies. Fortunately, ‘tick and flick’ training does not generally pervade the Apprenticeship system.⁵³

Consultations with employers suggest that this may be a widespread practice, particularly in regional areas where RTO costs of travel between workplaces is high and the number of small businesses to be served by RTOs is also high.

Where an employer is not a partner in the training, the problems can be exacerbated.

A recent example involved one employer who had 7 trainees signed up at one time although no other staff were employed in the business. Trainees were put off just prior to the end of their traineeship and new trainees were then immediately signed up. The employer did not participate in the training of trainees and considered this was the sole responsibility of the RTO. This particular employer advised [us] that workplace assessment could be conducted at midnight on Sunday evening. If trainees were required to meet with the RTO then they had to work overtime to make up for loss of time.⁵⁴

While RTOs expect employers to complement their training efforts by on-the-job training and assessment, they may not always appreciate the pressures facing employers, especially small employers.

The inadequacy of training offered to trainees and apprentices on-the-job is not necessarily or even likely to be the result of unethical employers. Rather, it is likely to be the result of their inability to provide the necessary time, equipment and teaching expertise to deliver and assess a broad range of competencies, transferable skills and underpinning knowledge.⁵⁵

In these circumstances, the role of off-the-job training becomes even more central to quality training outcomes.

Where the employer is the sole assessor, the risks to the integrity of the assessment are higher.

On the job assessment too has its problems. Invariably the employer is a key person in the assessment, if not the sole assessor. This situation lends itself to the

⁵³ Submission 15, TAFE Institute

⁵⁴ Submission 38, TAFE Institute

⁵⁵ Submission 34, TAFE Institute

*assessment being biased towards the employer's need rather than a fully comprehensive assessment of all learning outcomes.*⁵⁶

3.9 Trainer and assessor capability

Stakeholders throughout the apprenticeship system believe that the qualifications and experience of many trainers and assessors are a weak link in the quality chain for training. There are two aspects to this dissatisfaction.

There is growing disquiet in industry about the capability of many TAFE Institute staff, especially trade staff, to make a successful transition to workplace delivery and the absence of developmental support by their employer for this transition. Industry bodies note the ageing of the TAFE Institute teaching force and perceive that many teachers in traditional trades areas are technically out of date. Levels of investment in initial and continuing training of TAFE Institute teaching staff are considered far too low and standards for recruitment for both full-time and sessional staff are also too low.

Equally evident is the growing dissatisfaction with what are perceived as low minimum standards for workplace trainers and assessors. One TAFE Institute wryly noted that . . . *There is low basic training for teachers and trainers and that a far more rigorous preparation is required for a tennis coach.*⁵⁷

Industry bodies consistently expressed anxiety that the role of teachers and trainers is now more challenging than ever before because of the introduction of the National Training Framework but that the minimum standards currently required are insufficient to the challenge.

Over the past ten years teaching qualifications in . . . TAFE have been eroded to the extent that a short course assessor qualification is now deemed appropriate to deliver training. This shift in appropriate qualification to teach comes at a time when the role of the teacher under the NTF has increased in complexity . . .

*The inability of a teacher/s to meet competency training package evidence requirements will compromise apprenticeship and traineeship specifications under the NTF.*⁵⁸

Others call into question the use in some instances of unqualified staff for training and using qualified staff only for assessment purposes as required under the ARF.

Incentives for teacher training in the State of Victoria are abysmal.

There is no requirement in Victoria to engage any individual in training delivery with qualifications greater than Workplace Trainer and Workplace Assessor Certificates . . .

*RTOs may at their discretion elect to use a non qualified person for all training delivery and then have the assessment undertaken by another person who has workplace assessor qualifications.*⁵⁹

⁵⁶ Submission 11, Professional Association

⁵⁷ Submission 14, TAFE Institute

⁵⁸ Submission 4, Industry Body

Workplace Trainer and Assessor qualifications were consistently raised in consultations and submissions. While some stakeholders believe that these qualifications provide a sound, if minimal, program to prepare for the challenges of workplace delivery, many suggest that their credibility in the marketplace has been eroded and that now “. . . it is not worth the paper it is written on”. It would seem that even if the standards themselves are sufficient to ensure quality trainers and assessors, the training and assessment for the qualification has not been delivered consistently across all providers.

The need to combine the capability to train and assess with experience in the specialist field of training is becoming increasingly evident. The ability of a Level 2 Workplace Assessor to assess any competency in any industry while having no experience in any particular occupational or subject field is simply unacceptable on quality grounds.

A submission from a private provider, Workplace Learning Initiatives, expressed what is a growing view about current standards for teachers, trainers and assessors.

. . . As a minimum qualification for VET practice something like Certificate IV in Assessment and Workplace Training is necessary, but in most cases, quite insufficient. An unfortunate consequence of the focus on Certificate IV has been the devaluing of 'traditional' educational qualifications (and knowledge) held by teachers. Whilst it is true that such 'traditional' teacher qualifications do not necessarily provide a very effective grounding or preparation for working in the VET sector (particularly in industry/workplaces), it is our experience that Certificate IV does not very effectively plug the training needs gap. Nor do industry trainers 'graduating' with Certificate IV necessarily develop/possess the more sophisticated (and useful) understandings about learning that most 'traditional' teachers have had as part of their repertoires for years. The industry focus on competencies, standards and assessment is important, but we are left with no baby and no bathwater if we have practitioners without the multiple skills not merely to assess, but to facilitate learning and development.⁶⁰

3.10 Recognition of Prior Learning

Matters related to RPL were raised in consultations, explored in the commissioned survey and discussed in submissions. PETE's audit program has also identified RPL as an issue for audit and in 1999 PETE conducted a workshop for providers with a view to improving their RPL practices.

Indicators from the survey of employers

70% of the employers of apprentices and 77% of the employers of trainees indicated their apprentices/trainees had received recognition of their competencies prior to training. Of the remainder, only 8% said their employees had skills that were not recognised. It is interesting that this figure remains constant regardless of location, company size and whether the employee is new or existing.

⁵⁹ Submission 26, Industry Body

⁶⁰ Submission 46, Workplace Learning Initiatives

91% of those employers whose apprentices/trainees had their skills recognised were satisfied with the process for recognition. Of those whose employees' skills were not recognised, or who said their employees had no skills to be recognised, 70% said they would like the option of RPL to be available. Presumably the majority of these employers were those whose employees had skills that had not been recognised.

Indicators from the submissions

A number of the submissions clearly appreciated the benefits of RPL.

Clearly as a method of reward and motivation for existing workers RPL is potentially a very powerful tool. It is equally potent as a mechanism for maintaining people in work and accelerating retraining.⁶¹

Submissions also recognised that properly applied, RPL is cheaper than an employee undertaking a complete training program for skills already held.

However, despite the survey's reported high levels of satisfaction with RPL, the submissions reveal a high degree of discontent with the process. The most frequent criticism is that its application is patchy and inconsistent and that the process is cumbersome and costly.

The system provides few incentives to apply RPL and many incentives to train irrespective of the competencies already held.

Recognition of Prior Learning has been an unmitigated disaster in [this] Industry. Whilst the potential for the use of RPL in the Industry was, and still is huge, training providers have failed to deliver.

The main cause of this failure is that providers viewed the awarding of RPL as giving away what might otherwise have been 'a bum on a seat'. This view was reinforced by the OTFE funding and auditing model which prevented RPL from being incorporated into the training service for industry. RPL had to be separately funded and for training providers a service offered to industry through their commercial arm.

For employees this provided a choice of sitting through the training for the cost of \$1.00 per hour, or paying the commercial rate for RPL that provided no guarantee of any substantial benefit. For employers the choice was not greatly different — train the workforce or pay a prohibitive cost to perhaps find out that employees still had to attend the training as providers were locked into the RPL versus 'bums on seats' dilemma.⁶²

It would seem that RPL has been poorly communicated to industry. Employers continue to use it in an informal way which may be useful to the individual company but which is a misuse of the RPL system and an abuse of the apprenticeship and traineeship system.

This penalty based system, has again encouraged the maintenance of an informal RPL process whereby benefits can be found for the RTO, the apprentice and the employer without penalty. Effectively where a student is informally RPL'd by an RTO the RTO retains the training hours needed to run the rest of the learning

⁶¹ Submission 81, Group Training Organisation

⁶² Submission 48, Industry Body

*group, the apprentice exits the system earlier and the employer gets the student back in the workplace sooner than would otherwise occur.*⁶³

A final RPL issue raised in submissions was a perceived lack of adequate numbers of RPL assessors and little appreciation that an RPL assessor requires different skills from workplace assessors.

3.11 Non-completion

The Terms of Reference require the Review to consider the question of non-completion. The Discussion Paper canvassed the extent to which the current rate of non-completions amongst apprentices and trainees is a sign of quality weaknesses.

Having considered the research and submissions, the Review agrees with the comments made by an industry body in its submission to the Review.

*Non completion rates amongst apprentices and trainees should not be assigned to single factors. To assign completion and retention rates to specific issues, say quality of employer relationships is to simplify a complex issue. Factors that encourage students to enter apprenticeships and traineeships are as complex as those factors that determine a student's decision to exit a training relationship. While the quality of a training arrangement/system may have some bearing on a student's decision to exit a training contract it is rarely an overriding one.*⁶⁴

There has been much discussion nationally and in Victoria about whether completion rates for apprentices and trainees are high or low. Compared to reported completion rates in the higher education sector, reported completion rates for apprentices and trainees are high. If the focus is on efficiency, then perhaps completion rates for apprentices and trainees are low.

However, it is difficult to say what the real rate of completion is. Submissions have highlighted some of the difficulties of accurate reporting in an administratively complex system which requires data input from multiple sources. Some of the apparent non-completion is simply a systemic failure to record a completion within required time limits. Some of the apparent non-completion is a systemic failure to record a change of employer or a change of training provider in a timely fashion.

At a more complex level, some submissions question whether a trainee who leaves a traineeship for a better-paid job in the same or another industry should be considered as a debit statistic or as an accelerated positive outcome, particularly as systems for RPL improve and become more widespread.

Improved administrative systems for recording outcomes will certainly provide a more accurate reflection of the completion rate. In the end, the question of whether this rate is high or low will be a theoretical consideration based on assumptions about what the hierarchy of outcomes should be and how best to measure it.

At this stage, no sensible conclusion can be drawn about the relationship between rates of non-completion and quality of training. This is an area which requires further

⁶³ Submission 26, Industry Body

⁶⁴ Submission 26, Industry Body

empirical analysis and is currently being considered by the National Centre for Vocational Education Research.

3.12 Conclusion

In the majority of instances, training and assessment in the apprenticeship and traineeship system is effective. The survey indicates that training and assessment services are meeting the expectations of the majority of Victorian employers, apprentices and trainees to a high degree. This implies that the majority of RTOs have been staffed with capable and committed teachers and trainers with the required industry and teaching/training experience and most assessments have been carried out in accordance with agreed standards, where they exist. It also suggests that most employers and workplace supervisors are fulfilling their training obligations and working with the RTOs in appropriate ways.

There are also some excellent examples of innovative and high-quality training within the system although these are rarely highlighted and even more rarely celebrated.

At the same time there are many weaknesses which undermine quality and confidence in the system. There are too many instances where, in an effort to cut corners for financial reasons, the quality of training received by apprentices and trainees has been compromised.

The absence of Training Plans for more than 40% of all apprentices and trainees suggests that training is not always effectively planned and documented and that apprentices and trainees are not active participants in the training process. Many trainees are not regularly receiving feedback and advice to aid their progress.

The current skills of almost 40% of apprentices and trainees are not being recognised under current arrangements. This suggests that they may be undertaking training when RPL processes might be able to reduce the time they needed to spend in training. At the very least, if RPL is not warranted, pre-assessment can lead to a better targeted training program.

Both providers and employers are still working out their new roles in a system moving towards more flexible modes of delivery. Many are uncertain of their respective responsibilities in relation to on-the-job and off-the-job training, how best to deliver quality on-the-job and off-the-job training in the workplace and how workplace competence can be validly and reliably assessed. In this climate of uncertainty, and in a system which does not demonstrate that it values quality training, very poor “tick and flick” training and assessment practices have arisen in some places.

Such practices, if unchecked, will inevitably lead to a system where credentials not skills are seen as the required outcome.

Not all employers demonstrate a commitment to quality training, notwithstanding their decision to employ an apprentice or trainee. The reluctance of a minority of employers to cooperate with RTOs or to release apprentices or trainees for off-the-job training either in the workplace or off site demonstrates a lack of commitment to quality training, belies claims that growth in the numbers of New Apprenticeships is evidence of the emergence of a stronger training culture and undercuts the training efforts of the majority of good employers involved in and contributing to the system.

Not all providers can demonstrate a commitment to quality training. This is a prerequisite in any system aspiring to provide Victoria with a skilled workforce.

Not all RTOs ensure that the training staff they employ are suitably qualified and experienced to facilitate learning and to conduct assessment in particular occupational areas for a range of learners across different training sites. While allocating greater responsibility to individual trainers and assessors for developing their own proficiency, RTOs or the system offer few incentives for them to do so or accept that this may be in the longer term interests of an RTO itself and the apprenticeship and traineeship system. There is little evidence that significant numbers of RTOs rigorously measure or monitor the effectiveness of their training provision so that continuous improvement is achieved. There is little incentive within the current system for them to do so.

Most disappointing of all is the fact that some apprentices and many trainees are not challenged by their training program and are not learning new skills. In part this is leading to views that the apprenticeship and traineeship system is “dumbing down” the workforce when its essential challenge is to lift expectations of all involved and make possible new pathways not only into the apprenticeship and traineeship system, but from it to a life of learning in an increasingly global environment.

Chapter 4

A Better Balance

Introduction

Chapter 2 provided an analysis of the strengths and weaknesses of the management of training within the Victorian apprenticeship and traineeship system while Chapter 3 offered an analysis of the strengths and weaknesses of training and assessment in the system, based on a wide range of evidence.

As both these chapters indicate, the way the apprenticeship and traineeships system is managed and the way training and assessment is delivered is meeting the expectations of the majority of individual employers, apprentices and trainees involved in the system at present. The system retains the confidence of the vast majority of its end users. This is an important strength and one essential indicator of quality.

However it is clear from all the evidence considered by this Review that the apprenticeship and traineeship system is not meeting the expectations of all employers, apprentices and trainees. Nor is it meeting the expectations of other legitimate stakeholders — training providers, employer associations, unions, industry bodies and government.

This final chapter makes proposals designed to bring about quality improvements to overcome the quality weaknesses which have been identified in Victoria while retaining and building on the strengths.

Build partnerships for quality training

By its very nature, work-based training through the apprenticeship and traineeship system is complex. While most stakeholders rail against this complexity and long for simplicity, the truth of the matter is that the system is now, and is likely to remain complex. While end users — apprentices, trainees and employers — must be presented with the most simple user-friendly interface possible, behind this interface lie many competing interests and priorities that have to be balanced.

At its broadest level, this is *the fundamental role of government* — to ensure that all legitimate interests are carefully considered and balanced to produce a system which serves the public interest rather than any one narrow sectional interest.

The Victorian government needs now to make some purposeful interventions to produce a more balanced system — one which achieves a better balance between the quantity of traineeships and the quality of training received by apprentices and trainees; between the need for narrow technical skills and the need for broad-based generic skills; between the interests of the apprentices and trainees and the interests of employers; and between the interests of the providers of training and the interests of clients of training.

To do this, the government will need to be explicit about the public policy objectives to be achieved through the apprenticeship and traineeship system.

Skills, pathways and valued qualifications must be the focus.

Recommendation 1.

The Victorian government should build a more balanced apprenticeship and traineeship system with three overriding public interest objectives in mind:

- (a) to ensure that the apprenticeship and traineeship system continues to make a strong contribution to the development of Victoria's skills base;**
- (b) to ensure that the apprenticeship and traineeship system remains a highly valued pathway into satisfying and rewarding work and to further learning, especially for youth and young adults; and**
- (a) to protect the integrity of and public confidence in the nationally recognised vocational qualifications issued to competent apprentices and trainees in Victoria.**

Because there are so many players with a very keen and legitimate interest in the apprenticeship and traineeship system and because it lies at the intersection of State, ANTA and DETYA responsibilities, no single player is likely to achieve all the quality improvements needed by acting unilaterally.

Similarly, because overall demand for apprenticeships and traineeships is and always has been a function of decisions made by individual apprentices, trainees and employers, State government interventions need to be subtle and judiciously managed.

Government cannot assume that market forces will inevitably lift the demand for quality vocational training. Neither can it assume that in all instances, central government planning will have that effect.

Within its own jurisdiction the Victorian Government must of course define its objectives and priorities and vigorously pursue them to good effect through audits, legislation, the exercise of government purchasing power and more attention to the efficiency and effectiveness of its own business processes. Together, such actions will have the effect of raising the quality of training in Victoria's apprenticeship and traineeship system and go a long way to ensuring that public interest objectives are met.

If, however, Victorian actions are not better coordinated with the objectives and programs of DETYA or ANTA and with the aspirations of clients (principally employers, apprentices and trainees), the effects of unilateral State action may be neutralised or countered.

Here, the Victorian Government has an additional role to play, one which cannot be played by any other stakeholder. This is the *role of building partnerships for quality training*.

It is true that legislation, regulations, audits and commercial contracts are powerful and effective instruments which the Victorian government will need to use to raise the standard of apprenticeship and traineeship training so that its objectives are achieved. However, like tax rules, while these instruments can shape or moderate behaviours they do not necessarily change attitudes. Quality is a not simply a technical matter, it is also about organisational culture and relationships.

The Victorian apprenticeship and traineeship system is dominated by two sorts of relationships: competitive relationships and purchaser–provider relationships. These have led to important efficiency gains and have also fostered greater provider responsiveness and innovation in training programs and services. But there are limits to what competition and purchasing mechanisms alone can achieve in the medium to longer term.

It is time to put a strong third leg on the relationship stool — partnerships. It is true that there are many examples within the system where partnerships have developed between providers, between providers and businesses, between employers and unions, between DETYA and PETE, between NACs and RTOs, and between training providers and local communities, including schools. Indeed the whole VET system is a national partnership. But it is not an approach to governance which has been fostered in Victoria's VET system.

Doing business through partnerships needs to be valued and consciously strengthened. Collaboration within a generally competitive environment is not only desirable, it will be essential if Victoria is to achieve the quality improvements in the apprenticeship and traineeship system that it obviously needs. Leadership by the Victorian government will be critical.

The need to get all stakeholders working together to address local, regional and national skills needs is compelling.

Recommendation 2.

The Victorian government should take an active leadership role in building collaborative partnerships throughout the apprenticeship and traineeship system with the goal of lifting the quality of training. Particular attention should be given to ways of promoting partnerships particularly:

- (a) **between Victoria and ANTA for higher national standards;**
- (b) **between the Victorian and Commonwealth Governments for policy, audit and administrative coordination;**
- (c) **between PETE and industry (employers and unions) for better registration and audit processes;**
- (d) **between Registered Training Organisations, employers and apprentice/trainee partnerships for better training delivery and assessment;**
- (e) **between PETE and providers to promote and share best practice in managing and delivering quality training for apprentices and trainees;**
- (f) **between Registered Training Organisations, public and private, to develop, deliver and promote the apprenticeship and traineeship system as a whole; and**
- (b) **between various sections of PETE for more client-oriented business services.**

Chapter 2 set out many of the problems at the interface between the Victorian government and the Commonwealth government which have impacted negatively on quality, especially in relation to administrative efficiency, policy effectiveness, accountability and ethical practice.

There is agreement amongst Victorian stakeholders that Commonwealth policy objectives for its New Apprenticeships Program and the State's policy on the apprenticeship and traineeship system do not seem to be heading in the same direction, resulting in confusion and uncertainty in the marketplace. As one industry body put it

*Distinctions between National and State training agendas are often blurred. Messages to the training community between these organisations are not always consistent or clear.*⁶⁵

The training community in Victoria is almost unanimous that quality skill formation should be the central objective of the apprenticeship and traineeship system. There is widespread concern that this objective is being diminished by incentive-driven growth of what are perceived to be low-skill jobs cloaked in the skills mantle of traineeships.

A submission, typical of many, commented that

*It appears that Commonwealth Policy objectives are confused, and New Apprenticeships are expected to be used as a Labour Market Program, a staff training program and an advanced skills program as well an entry-level skills program. The incentive payments seem to be a result of 'policy on the run'. The State policy seems to be much clearer. It supports new entrants to the workplace and, in some contexts at least, supports training as the central policy issue.*⁶⁶

Another submission emphasised the need for a closer more productive relationship between the two levels of government.

There are often inconsistencies in policy emphasis between the Commonwealth and State Governments (and from State to State for that matter). As major stakeholders in the system, NACs and RTOs may operate to the satisfaction of their respective government masters, however they may not be perceived as meeting the other Government's expectations of the overall system.

In my opinion, if both State and Commonwealth Governments must be involved, the current scenario has the potential to be quite well balanced:

- 1. RTOs deliver quality accredited training as agents for the State Government*
- 2. NACs deliver quality marketing and administration as agents for the Commonwealth government.*

*Consistency and reliability of service delivery are dependent on the quality of the service providers and the congruence of the agendas/contracts that drive them.*⁶⁷

There is much room for closer collaboration between the Commonwealth government on the one hand, and ANTA and State governments on the other to ensure that the skills formation objectives of ANTA and State governments are working with the employment objectives of the Commonwealth government.

At the level of budget outcome, the goals of the Commonwealth government and ANTA are closely aligned as Exhibit 4.1 indicates.

⁶⁵ Submission 26, Industry Body

⁶⁶ Submission 67, Individual

⁶⁷ Submission 65, NAC

Exhibit 4.1: DETYA and ANTA Budget Outcomes

ANTA Budget Outcome	DETYA Budget Outcome 2
To ensure that the skills of the Australian labour force are sufficient to support internationally competitive commerce and industry and to provide individuals with opportunities to optimise their potential.	Post-school education and training providers assist individuals to achieve relevant skills and learning outcomes for work and life

Despite this common ground, differences open up as national budget outcomes are translated into program objectives and flow through into Victoria's apprenticeship and traineeship system.

However, it is very dangerous to simplistically pit skill formation objectives (read ANTA and State governments such as Victoria) against employment objectives (read the Commonwealth government) — to pose them as competing agendas. As Richard Sweet for the Dusseldorp Skills Forum has noted

The expansion of employment-based structured training through apprenticeships and traineeships, rather than full-time institution-based vocational education, has been a key objective of successive Commonwealth governments, with the full support of State governments, since the mid 1980s . . .

Successive governments have seen increasing access to such employment based structured training opportunities as a key strategy in increasing young people's access to vocational education and training and in combating the difficulties that they face in the labour market participation⁶⁸

Despite this shared aspiration of governments for apprenticeships and traineeships — employment *and* skills for young people entering the paid workforce for the first time — more and more of them are being captured by adults and the skills objective has in some policy decisions been sacrificed to the employment objective.

There is a need for a new balance, with a stronger emphasis on building pathways for young people, and this can only be achieved by a new partnership.

Recommendation 3.

Through the ANTA processes, PETE should seek a National New Apprenticeships Quality Summit designed to achieve three outcomes:

- (a) agreement on ways in which the policy and program priorities of the Commonwealth and those of ANTA and the States and Territories can be more closely aligned to achieve a better balance between growth in New Apprenticeships and the quality of training undertaken through them;**
- (b) agreement on ways through which the administrative requirements and systems of the States and Territories in relation to apprenticeships and traineeships, and those of the Commonwealth through New Apprenticeship**

⁶⁸ Sweet, R.(1998), "Youth: the rhetoric and the reality of the 1990s" in *Australia's youth: reality and risk*, Dusseldorp Skills Forum

Centres can be re-engineered to achieve significant efficiency improvements for all users, including end users; and

- (c) **agreement on ways in which audit and review information acquired by the Commonwealth in relation to its New Apprenticeship Program and audit and review information acquired by the States and Territories in relation to the apprenticeship and traineeship system in their jurisdictions might be systematically shared across jurisdictions.**

Innovation will need to be the lifeblood of the apprenticeship and traineeship system in Victoria if it is to rise to the challenges posed by flexibility, diversity and quality. As the National Innovation Summit held in February 2000 demonstrated, competition plays a key role in providing incentives to innovate. But the Summit also identified the importance to the innovation process of networking and collaboration among firms, collaboration between industry and the public sector and the significant role of tacit knowledge embodied in people.⁶⁹

Achieving a cultural shift which better balances the currently dominant competitive and contractual relationships with more collaborative relationships cannot be achieved by exhortation or fiat. It will require a practical indication from government that collaboration in certain targeted areas can and should yield significant and sustainable quality improvements. There is a need for government to signal that it wants to see more imaginative and innovative approaches to improving quality in an increasingly flexible and diverse apprenticeship and traineeship system. There is a need for government itself to act collaboratively.

Recommendation 4.

That the Victorian government establish a “Partners for Quality” fund designed to stimulate and support pilot collaborations within the training market in four key areas of the apprenticeship and traineeship system:

- (a) **innovative approaches to linking on-the-job and off-the-job training;**
- (b) **teaching and learning resources for workplace training;**
- (c) **quality assessment in the workplace; and**
- (d) **benchmarking quality training outcomes.**

Raise registration standards

Over the past twelve months, Ministers, ANTA CEOs, ANTA and individual jurisdictions including Victoria have given a good deal of consideration to the question of quality, and much of this has focused around how the audit and review system might be used to improve it. This is a necessary and desirable emphasis and

⁶⁹ Department of Industry, Science and Resources (1999), *Shaping Australia's Future Innovation – Framework Paper*, DISR, Canberra

already improvements are evident with the identification of some non-performing RTOs and far more rigorous monitoring, particularly in the area of fully on-the-job training.

But an exclusive focus on audit review, without specific attention to lifting the standards for registration is, in some respects, like trying to close the door after the horse has bolted.

Provider registration is *the* touchstone of a diversified training system. It serves two critical functions.

- Registration is a market signal from government to industry, apprentices, trainees and the wider community that an organisation has been formally assessed against nationally agreed standards, found to meet those standards and is therefore entitled to issue nationally recognised qualifications. Market confidence and efficiency depends on the integrity of this signal from government.
- Registration is the gateway through which every training organisation in Australia has to pass if it wishes to access government training funds and government employment subsidies.

The final responsibility for ensuring that apprentices and trainees receive training which is of consistently high quality while meeting the needs of the employer lies with Registered Training Organisations, notwithstanding the increasingly important role of the employer in developing the skills of their apprentices and trainees both on and off the job.

No amount of post-registration auditing and review can compensate for the registration of a poor-quality provider. And there can be no doubt that there is a small number of poor-quality providers in Victoria delivering poor-quality publicly funded training to apprentices and trainees.

As Chapter 2 argues, the registration of quality providers depends on two things: the standards against which they are assessed for registration and the processes by which they are assessed for registration. The Review found that the national standards are too low to necessarily assure quality training.

While Victoria can by its own actions tighten up its processes for auditing against the standards, and certainly needs to do so, its efforts to lift the quality of registration are inevitably limited. The standards under the ARF cannot be changed unilaterally by Victoria. Any such changes will require national agreement. Victoria should vigorously pursue changes to the ARF with a view to lifting standards for all training organisations seeking registration under the ARF.

While standards and evidence requirements need to be lifted, there is also the matter of the period of registration. Under current ARF arrangements, when a training organisation is registered, it is then free to deliver recognised training against the scope of that registration for five years. Each State/Territory is required to ensure that registered providers are audited at least once in that period. It is therefore possible that an RTO may not be audited for compliance with the ARF for four years from registration.

Recognising the risks involved here, the audit program of PETE for the past two years has included an audit of new RTOs in the period 6–12 months after registration. This practice should now be formalised and incorporated within the national VET system

through a system of provisional registration for a year followed by audit for formal confirmation of registration.

Recommendation 5.

Through the ANTA processes, Victoria seek amendments to the ARF which would have the effect of:

- (a) lifting the standards for provider entry into and continued operation in the national VET system;**
- (b) allowing for audits for provisional registration of training organisations for one year and continuing registration for four years following a further audit at the end of the first year of operation as a Registered Training Organisation;**
- (c) distinguishing more clearly between the quality of the management of a training organisation and the quality of its training and assessment practices;**
- (d) ensuring that the evidence requirements for National Core Standards for Registration provide sound tests of the quality of training management within training organisations; and**
- (e) lifting and broadening the scope of the standards and evidence requirements for quality training and assessment by:**
 - incorporating specific standards and/or evidence requirements for apprenticeships and traineeships, recognising that this mode of training has unique features, involves partnerships between providers, employers and apprentices/trainees and demands particularly strong provider capabilities in order to deliver quality training; and**
 - strengthening the emphasis on the level of benefit which the learner derives from the training**

Recommendation 6.

Pending any changes to the ARF as proposed above, all providers seeking registration in Victoria, if they meet the existing ARF standards through a satisfactory initial registration audit, should be given provisional registration within their approved scope for one year. At the end of the Registered Training Organisation's first year of operation, a follow-up confirmation audit should assess actual performance against the ARF standards and, if satisfactory, full registration within their scope for four years will be granted.

One of the continuing criticisms of the VET system is the sheer volume of change it has undergone over the past decade. Many stakeholders are feeling the effects of "reform fatigue" and urge stability and a period of consolidation.

The Review has a good deal of sympathy with this view, and recognises that recommendations of significant changes to the ARF would indeed present major transitional difficulties on top of the other transitions, especially the implementation of Training Packages. How to deal with providers who already have registration? How to differentiate standards for providers who deliver apprenticeship and

traineeship training and standards for those who provide training in other modes? None of these or other transitional difficulties should be underestimated.

However, after a little more than two years' experience with the ARF, its weaknesses are becoming more visible. Quality is achieved by continuous improvement and the ARF will inevitably require adjustment in light of experience in applying it. The changes proposed here will be the first of many iterations over time in the ARF.

Stakeholders in Victoria could reasonably argue that the national-level changes proposed are unrealistic given so many other major quality improvements to be achieved at the State level. However, so long as the ARF continues in its current form, efforts by Victoria to raise the standard of training in its own apprenticeship and traineeship system will inevitably be restricted.

There is widespread dissatisfaction with the emphasis on desk-based registration processes which have tended to dominate in Victoria in the past, although the system is now moving towards a stronger field-based approach.

At the same time, industry-specific technical knowledge is required in order to adequately assess provider capability to deliver against those qualifications for which scope of registration is sought. This is especially important in apprenticeships and traineeships where the integration of on-the-job training with off-the-job training is critical to quality training overall. This involvement of industry should be seen as a partnership with industry for the common purpose of raising the quality of training. Industry participation is proposed here to complement not replace the core work of the Training Recognition Consultants in assessing overall provider capability.

Recommendation 7.

All initial registration audits and confirmation of registration audits in Victoria should be field-based audits and include an industry associate with particular technical expertise in the qualification/s for which scope of registration is being sought and who has no conflict of interest in relation to the organisation seeking registration.

Chapter 2 draws attention to the fact that while all TAFE Institutes are audited on the basis of contracts, financial situation and Module Enrolments, they have not been fully audited against the ARF standards. They must now be brought into the audit and review system from the point of view of compliance with the ARF.

This will be a complex process but one which is necessary because all providers, irrespective of their ownership, must be assessed for registration. It cannot be assumed that public ownership assures training quality nor should public ownership confer immunity from scrutiny. Both the consultations and submissions provided some examples where the performance of TAFE Institutes against ARF standards, particularly those for training delivery and specifically those which related to equipment, facilities and staff qualifications, was not considered adequate.

The Review recognises the particular complexities associated with auditing large and diverse TAFE Institutes which still deliver off-the-job training for the majority of apprenticeships in Victoria and for a large share of traineeships. The process of auditing TAFE Institutes for registration will need to be carefully designed to ensure it is both efficient and effective.

Recommendation 8.

PETE should draw up, in consultation with TAFE Institutes, a process and a program for the auditing of TAFE Institutes against ARF standards for the purpose of confirming their registration.

To overcome the problem of inconsistencies in registration identified in this report and to lift the standard of all registrations, all those who undertake registration need to be working from a shared understanding and consistent practice.

Recommendation 9.

PETE should conduct, on a regular basis, an intensive program of training and development for Training Recognition Consultants and industry associates to ensure rigour and consistency in registration audits across all occupational fields and modes of delivery and to receive feedback on how registration processes may be continuously improved.

There is a need to raise the standard of provider registration in Victoria and these last four recommendations are explicitly intended to do this. There are two other actions that would assist quality improvement at the point of registration.

First, the registration function needs to deliver a professional, reasoned and defensible judgement on the capability of a provider to deliver against the agreed registration standards. Narrowly conceived checklists are not an adequate basis for judging a training organisation's suitability for registration. The registration process and outcome also needs to be transparent. In addition, registration audits should be able to contribute to the national stock of market information about providers.

The Review has considered in some detail the way the Training Standards Council in the UK has approached the matter of quality in work-based training. While its approach is conceived within a very different quality and qualifications framework from the ARF, one of its most appealing features is that the inspection and re-inspection reports which it prepares on all training providers in receipt of government funds for work-based training are electronically published on the Council's website.⁷⁰

In order for reports to be publicly available, the Council's inspections have to be thorough and allow for due process, the standard of the reports has to be very high, the conclusions drawn have to be defensible in the public domain and a consistent approach between reports needs to be evident.

Recommendation 10.

To promote state-wide audit quality, consistency and transparency in auditing for registration and to provide registration information to the marketplace, all registration audits of public and private providers in Victoria which have resulted in registration should be electronically published on the PETE website within six weeks of the date of the audit. The quality improvements achieved in

⁷⁰ See <http://www.tsc.gov.uk>

the year between the initial audit and confirmation audits should be a strong focus of the audit for confirmation of registration.

The final matter to be considered in raising the standard of registration in Victoria relates to the audit reporting function.

The Review believes that greater clarity about and market confidence in PETE's audit and review function could be achieved by the annual publication of a public report on the outcomes of PETE's audit program. While a good deal of information is currently provided to the State Training Board, a more public account of audit program outcomes would help achieve greater transparency and openness and also begin a process of benchmarking.

In making such a report, it is desirable to make a clear distinction between outcomes of post-registration auditing against the ARF registration standards and auditing in relation to conformance with contracts, Performance Agreements, Training Agreements and other formalised obligations of providers.

The current Victorian practice of conducting integrated audits against the various accountability requirements is supported. However, the Review is concerned that in current debates about quality, the phrase "audit and review" is used almost generically to encompass multiple matters and it is difficult to map precisely the number of breaches which have been found, where they occur, to what extent and what action PETE has taken by way of follow-up.

Any public reporting should list all providers audited in the previous year and clearly identify, at a Statewide level, patterns of compliance with the different accountability requirements.

Recommendation 11.

PETE should issue an annual report of the outcomes of its audit and review function, ensuring that information on post-registration auditing against ARF registration standards is clearly differentiated from auditing against other agreements and contracts and that PETE action taken in relation to unsatisfactory audits is clearly communicated to the public.

Strengthen audit and review

The Victorian government has already taken significant steps to assure the quality of training by strengthening the audit and review function of PETE. In its 2000–2001 Budget, the government announced an additional \$2.4 million over the next four years to raise public confidence in the Victorian training system and to ensure improved quality assurance. This will assist PETE to address many of the quality weaknesses identified in this report.

In addition, Chapter 2 draws attention to the progressive improvements in PETE's audit and review program which have been introduced, especially over the past six months.

The recommendations which follow are intended to support the directions which are already being pursued in Victoria.

There is, however, one additional feature that does need to be factored into the audit and review program in a more systematic way and that is compliance with the terms of the Training Agreement. Lack of attention to and resources for assessing employer and apprentice/trainee conformance with the Training Agreement may be a factor in diminishing its value in the eyes of some employers and apprentices/trainees. At the same time, a growing client preference for the workplace as a site for both on-the-job and off-the-job training means that the suitability of the workplace for training assumes even greater significance than in the past.

Recommendation 12.

From the start of 2001, PETE should implement a more rigorous, holistic and field-based audit and review program for the apprenticeship and traineeship system which incorporates

- (f) random and targeted auditing of TAFE Institutes and private providers delivering apprenticeship and traineeship training for compliance with contracts and Performance Agreements and seeking stronger evidence requirements in respect of the quality of training and learner outcomes and, specifically, in relation to PETE's Workplace Based Training Minimum Compliance Standards;**
- (g) random and targeted auditing of workplaces for their compliance with Training Agreements and Training Plans and suitability as a learning site for apprentices and trainees; and**
- (h) involvement of industry representatives as audit associates for the qualifications for which training is being delivered.**

Recommendation 13.

PETE should conduct an intensive training and development program for all auditors and industry associates, including Apprenticeship Field Officers, and ensure rigour and consistency in audits across workplaces, qualifications and modes of delivery

Managing conflict of interest to avoid unethical practices is a challenge within the Victorian apprenticeship and traineeship system.

The reality is that almost every stakeholder in the VET system has some conflict of interest which needs to be managed in a transparent way. There are however two areas that this Review considers to be high risk.

- Where an RTO is also a NAC, there is the potential for inappropriate sign-ups or restrictions on choice of provider or training program.
- Where an employer is also an RTO, there are risks associated with the issuance of a public credential.

A range of options exists for reducing the potential risks in these two areas.

At the NAC/RTO interface, one option, urged by some at the consultations and in some submissions, is to either make a registration ruling that NACs cannot be registered as RTOs in Victoria because of the associated risks or make a purchasing

ruling that RTOs who are also NACs may not receive government training funds for apprenticeship and traineeship training.

Another involves using the audit and review powers rather than registration or purchasing powers, and subject NAC/RTO organisations and employer/RTO organisations to a conflict of interest audit, considering matters such as the range of RTOs receiving referrals (NAC/RTO), the range of training programs being signed through individual NACs (NAC/RTO), the issuance of progression statements by RTO (Employer/RTO) and the like.

Having considered the options, the Review believes that answers to potential conflicts of interest lie not in introducing restrictive practices in relation to registration or purchasing. Creating a market climate for ethical behaviour, combined with incorporation of this risk factor into the design of the audit and review program is the preferred approach.

Recommendation 14.

The State Training Board should incorporate within its risk assessment strategy the risks associated with Registered Training Organisations that are also New Apprenticeship Centres and Registered Training Organisations that are also employers and consider the development of a targeted conflict of interest audit.

Improve the quality of training provision to apprentices and trainees

Many of the recommendations above are designed to raise the registration standards and improve audit and review and each will have the effect of improving the quality of training provided to apprentices and trainees. There are however two additional measures which this Review believes to be essential.

The first measure relates to “fully on-the-job” training. Apprenticeships and traineeships are not simply about jobs and skills. They must remain a highly valued systemic pathway for young people to satisfying and rewarding work and to further learning. Articulation between part-time apprenticeships and traineeships for school students and the VCE, between apprenticeships and traineeships and higher vocational education or higher education must remain a key objective of the apprenticeship and traineeship system. This articulation serves the individual interests of the apprentice or trainee and serves the wider social and economic interests of the Victorian community.

For this pathway to remain wide open, apprenticeships and traineeships cannot be confined to a narrow set of technical job skills, even if that is an individual employer's choice. They must develop, in a planned way, the generic and underpinning skills that enlightened employers know to be necessary for personal and career success in the knowledge economy.

For these reasons, and to address the quality problems outlined in Chapter 3, a line in the sand must be drawn in the public interest. “Fully on-the-job” training should not be encouraged and supported by State government funds.

Recommendation 15.

No Victorian training funds be applied to apprenticeship and traineeship training which is delivered in the “fully on-the-job” mode. All training for apprentices and trainees which is funded or subsidised by the Victorian government will contain an off-the-job component facilitated by a qualified and capable trainer which may be conducted in the workplace and/or off site, depending on the joint agreement between the Registered Training Organisation, the apprentice or trainee and the employer when preparing the Training Plan.

The second measure relates to part-time apprenticeships and traineeships for school students.

There is a growing commitment in the VET sector in Victoria to a stronger emphasis on VET in Schools, but only on the condition that such programs do not redefine national VET policies or diminish the quality of the national VET system. The following two responses from VET stakeholders are typical of those received.

An increased focus on Vocational Education and Training in Schools programs would be useful . . . Our involvement in this area has been very limited because of issues relating to treatment of VET in Schools graduates as existing workers, lack of school based resources, concerns about excess pressure on school students and variation in approaches to VET in Schools across the States.⁷¹

We believe the current VET in Schools program needs to be re-examined. We view the VET in Schools program as an ‘add on’ to the traditional curriculum in secondary schools and a limited response to the needs of secondary students who do not wish to continue to university. Collaboration between TAFE Institutes and secondary schools is vital to the successful provision of VET in Schools in Victoria.⁷²

These matters are likely to be extensively canvassed in the concurrent Review of Post Compulsory Education and Training in Victoria, and are largely outside the Terms of Reference for this Review.

However, the matter of what approach should be taken in relation to apprenticeships and traineeships in any extended VET in Schools policy in Victoria is relevant to this Review.

At the end of 1999, over 900 students from government and nongovernment schools had registered Training Agreements in eleven different industry areas. Of these industry areas, most were enrolled in Retail (23.7%), Business (14.7%), Agriculture (13.2%) and Hospitality (11.1%). These vocational pathways are meeting the needs of the school students involved and are beginning to yield wider benefits.

While the Apprenticeships and Traineeships pathway is relatively new, and although there are implementation difficulties, it is fulfilling needs for an increasing number of students as a pathway through their VCE. There is also evidence to suggest that this pathway meets particular needs in rural and regional Victoria. This is often in contrast to a perceived lack of employment opportunities in these areas. Increasingly, the partnerships formed between schools, employers

⁷¹ Submission 97: National employer

⁷² Submission 27, Holmsglen Institute of TAFE

*and Registered Training Organisations (RTO) create community networks that were not previously identified and these networks create employment opportunities for young people.*⁷³

Outcomes so far for both schools and individual part-time apprentices and trainees have been positive. However, an evaluation of the 1998 school-based apprenticeship and traineeship pilot programs by the Office of Schools in the Victorian Department of Education, Employment and Training raised concerns about provider quality and flexibility.

The use of casual and sessional staff in some Institutes, the unfamiliarity with Training Packages, and the reluctance to embrace workplace based delivery and assessment were noted by more than a few project coordinators as persistent difficulties.

*The level of satisfaction with the training arrangements appeared higher among projects working with private providers, which were reported to be more responsive to project requirements.*⁷⁴

There are very mixed views within the VET community about the extent to which part-time apprenticeships and traineeships for school students should be encouraged by the Victorian government and how they should be funded.

Some industries which are having difficulty recruiting suitable applicants for apprenticeships from the pool of school leavers see considerable benefit in promoting part-time apprenticeships in schools, helping to overcome industry skill shortage problems. Some industry bodies and group training schemes have been particularly proactive in this area.

However, the VET sector in Victoria is fearful that the policy objective of quality skill formation to national industry standards through apprenticeship and traineeship programs will be diluted by an expanded program of part-time apprenticeships and traineeships for school students which has other primary objectives of school retention and youth participation. The central issue here is whether part-time apprenticeships and traineeships for school students conform *in all respects* to national industry standards.

Fears in the VET sector are that schools will become RTOs and deliver off-the-job components of apprenticeship and traineeship training in-house with staff who are not always qualified to teach VET programs and equipment that is not always to industry standards. Until stakeholders are confident that part-time apprenticeships and traineeships for school students meet industry standards set within the national VET system, support from within the VET community will be limited.

Recommendation 16.

Part-time apprenticeships and traineeships for Victorian school students should meet the same national standards that are required for all other apprenticeships and traineeships in Victoria.

⁷³ Submission 96: Office of Schools, Department of Education, Employment and Training

⁷⁴ Submission 96: Office of Schools, Department of Education, Employment and Training

Retain the benefits of User Choice

From the perspective of its primary clients — employers, apprentices and trainees — User Choice is working well. This finding is consistent with the general findings of the KPMG National Evaluation of User Choice in its report to ANTA in September 1999.⁷⁵ While still less than perfect, the User Choice system in Victoria has had the positive effect of introducing a major demand-driven element to the training system.

The very rapid growth of User Choice in recent years has, however, triggered sufficient concern to cause the Victorian government to freeze User Choice at 1999 contestability levels until November 2000. The government will need to make a decision on how best to deal with User Choice beyond November 2000 and the Minister has recently asked the STB to consider the extent of contestability in the Victorian training market.

In arriving at its position, the STB and government will need to take account of many factors, including the extent of market failure, thin markets, labour market training needs and the role of public infrastructure in the training market. Quality of training will also be one factor in this consideration.

From the perspective of this Review, and as discussed in detail in Chapter 2, contestability through User Choice has had both positive and negative effects on quality.

The negative effects are most worrying, but many of these can in fact be traced back to factors other than User Choice: initial registration of a small number of poor-quality providers; lack of will to take strong regulatory action in relation to breaches; declining prices in recent years; the introduction of Training Packages; and aggressive and often inappropriate marketing of New Apprenticeships.

By encouraging providers, particularly TAFE Institutes, to become more flexible, diverse and innovative and to get closer to their clients, User Choice has made a valuable contribution to customer satisfaction.

On balance, the Review believes these benefits in relation to the quality of training outweigh the negative impacts. In determining how best to approach User Choice beyond November 2000, these quality gains should not be overlooked.

Recommendation 17.

When considering the extent of contestability in the Victorian training market, the State Training Board should take account of the findings of this report that while User Choice has had some negative impacts on the quality of training provided to apprentices and trainees, these have been outweighed by the positive effects in terms of encouraging providers, particularly TAFE Institutes, to get closer to their clients and develop more flexible and innovative approaches to training delivery. The Review recognises, however, that factors additional to that of quality will be part of State Training Board considerations.

⁷⁵ KPMG (1999), *National Evaluation of User Choice: Phase 2*, ANTA, September

One of the benefits of User Choice has been growth. While growth, especially in the traineeship area, has been the result of a range of factors, User Choice seems to have made a significant contribution to overall growth. As Appendix 6 shows, apprentice/trainee commencements have grown, new industries are becoming involved in the employment-based structured training system and more employers are now participating.

Until the current 12-month freeze on User Choice was instituted in Victoria, it has been the policy position of government to fund this growth on an open-ended basis.

Given the expected growth in apprenticeships and traineeships that would occur in a non-freeze environment, the continuation of the policy of funding all training for all apprentices and trainees in Victoria will have significant resourcing implications.

Within the existing budget, funding open-ended growth in training for apprentices and trainees can be handled by:

- lowering the price paid, although for the reasons set out earlier, this is likely to reduce training quality and also to impact on the viability of some TAFE Institutes (especially those operating in thin markets);
- revising the policy and imposing a cap, perhaps on certain types of traineeships, although this may impact on government employment policy; or
- shifting funding from other forms of training to allow the policy priority to remain with apprentices and trainees.

It seems clear to this Review that maintaining the current policy priority in respect of apprentices and trainees while not impacting on funding for other types of training would require additional resources.

Clarify legislative arrangements

A number of matters are raised in Chapter 2 which relate to the current Victorian legislative framework (or lack of it) and which go to the question of efficiency, effectiveness and accountability and therefore the quality of the apprenticeship and traineeship system.

First, mechanisms are needed in Victoria to adjust apprentice wages when the duration of the apprenticeship changes and to provide for the introduction of part-time or school-based wage rates and for any future competency-based wage system for apprenticeships.

Recommendation 18.

The Victorian government should establish a system for amending the Industry Sector documents established under the former Victorian Industrial Relations Act so that apprentice wage provisions may be adjusted when the duration of an apprenticeship changes and so that rates can be set for part-time apprenticeships and other competency-based apprenticeship arrangements which may arise.

The second matter relates to apprenticeship Completion Certificates (or Trade Certificates) developed under the time-based apprenticeship system and theoretically no longer necessary under the AQF because the RTO issues a qualification certifying

competence following employer “sign off” of competency and continued monitoring by the RTO during the “fourth year” of the apprenticeship.

Leaving aside issues to do with the merits or otherwise of Completion Certificates, there is no legislative provision for the State Training Board to issue them. A decision is required on whether to reintroduce them, in which case legislative amendments will be necessary. If they are not to be reintroduced, then the resource implications for RTOs in issuing an AQF qualification will need to be resolved.

Recommendation 19.

Having regard for existing national agreements under the National Training Framework and New Apprenticeship arrangements and for the positions adopted in other jurisdictions, the State Training Board should convene a roundtable of industry and provider representatives in Victoria with the intention of canvassing views on whether Completion Certificates should be reintroduced into the Victorian apprenticeship system or whether the current system of a single AQF qualification should be retained.

The third legislative matter relates to the Inquiry System (s.60) of the VET Act. The Inquiry section of the legislation needs significant overhaul. The processes of an Inquiry, the views of employers and apprentices as to its binding nature and the sanctions available for breaches all need to be reviewed.

Recommendation 20.

The State Training Board should undertake a thorough review of the Inquiry System established under s.60 of the Vocational Education and Training Act to ensure that any Orders which may be issued on either employers or apprentices are both enforceable and enforced.

The fourth matter relates to the participation of apprentices and trainees in industrial disputes. As both Chapter 2 and Appendix 6 indicate, the composition of the apprenticeship and traineeship cohort has changed significantly in recent years and the premises on which the existing policy was constructed may no longer be appropriate.

Recommendation 21.

The State Training Board should review the substance and application of its policy on apprentice/trainee participation in industrial disputes.

The fifth and final matter is about the role and function of AFOs.

A quality system is one which values prevention more than cure. It is one built on the desire of industry, government and the wider community to systematically eliminate the causes of employment and training disputes rather than on establishing and maintaining elaborate dispute resolution structures and mechanisms.

The preferred situation is one where grievances and disputes are resolved equitably in the workplace by discussion between the employer and the apprentice/trainee. But as the submissions, consultations and focus groups have shown, this certainly does not happen in all cases.

Different organisations can and do play a constructive role in dispute prevention and resolution, including trade unions, community organisations, providers and employer associations. Creative partnerships between employers and unions, such as the recent enabling agreement between Group Training Victoria and the union movement to identify common objectives and establish a process of dialogue at the industrial relations/training interface, are commendable moves to prevent disputes about apprentices and trainees where possible and resolve them quickly when they do arise.

However, government as regulator and funder has a special responsibility.

Government-funded Apprenticeship Field Officers have a core role in establishing systems which minimise disputes arising from Training Agreements and in ensuring there are good systems for resolving them. The growth and diversification of the apprenticeship and traineeship system has led to the current situation whereby most of their energies are devoted to dealing with specific complaints of workplace exploitation or harassment rather than either constructive prevention activities or monitoring Training Agreements.

Despite efforts by the AAB of PETE to get good information about rights and obligations into the hands of employers, apprentices and trainees, the consultations, submissions and the focus groups indicate that a significant minority of apprentices and trainees still do not have a good understanding of their rights and obligations and that dispute resolution procedures do not always work as they are intended. A Group Training Company submitted that . . . *due to the downsizing of PETE Apprentice Field Officers, apprentice and trainee grievances and appeals are almost impossible to be either heard or dealt with.*⁷⁶

The problem of complaints and grievances lies not with the legislative provisions of the *Vocational Education and Training Act 1990*, which gives the State Training Board in some situations the power to hear and determine issues of grievances between an employer and an apprentice or trainee in relation to the Training Agreement. Rather, it lies with the policy framework and the administrative processes through which complaints and grievances are handled.

Two other matters are of concern in that they impact on the vigour with which complaints and grievances under the Training Agreement are handled and the reasonable protection that should be afforded to both parties under them. These are inadequate levels of resourcing for Apprenticeship Field Officers by PETE and inadequate levels of training of AFOs to assist them to pursue investigations.

Recommendation 22.

PETE should increase the number of Apprenticeship Field Officers and provide sufficient training to them so that they are able to perform their duties more effectively, particularly in relation to

- (a) monitoring on-the-job training delivery;**
- (b) conducting investigations which support PETE's quality assurance and audit responsibilities;**

⁷⁶ Submission 49, Group Training Company

- (c) **responding to complaints in a timely and effective way; and**
- (d) **conducting and reporting on investigations into breaches of the Vocational Education and Training Act 1990.**

Build business systems that meet user needs

As outlined in Chapter 2, despite some important efficiency improvements, considerable inefficiencies exist in the way PETE administers the various aspects of the apprenticeship and traineeship system. Not only do these inefficiencies add to PETE costs they also add considerably to provider costs, drawing significant funds towards administration and away from training delivery. Users of the system are not satisfied, systems are not well documented, data is not consistently defined and there is clearly room for improvement.

Recommendation 23.

PETE should undertake a comprehensive analysis of all its information and management systems which provide or receive apprenticeship and traineeship data, especially the DELTA system, with a view to:

- (a) **ensuring information systems support and encourage efficient business processes;**
- (b) **eliminating duplication in data collection and reporting by users;**
- (c) **guaranteeing to all users timely, valid and reliable data on apprenticeships and traineeships, with particular attention to completion data;**
- (d) **moving from a paper-based to a business-oriented largely electronic data system from the start of 2002; and**
- (e) **ensuring information systems for apprenticeships and traineeships are effectively integrated with PETE's corporate strategy and standards for information systems.**

Conclusion

Victoria's apprenticeship and traineeship system is at a quality crossroads. Targeted intervention by the Victorian government, in genuine partnership with the other legitimate stakeholders, is now required if the required outcomes — skills, pathways and valued qualifications — are to be achieved. Such interventions will require both carrots and sticks, an eye for the long term and acceptance that quality must be pursued in parallel with flexibility and diversity.