

Group Training Association of Victoria Response

Discussion Paper on the Youth Transitions System

Victorian Government
June 2010.



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Stronger Futures for all young Victorians

GTAV response to the discussion paper on the Youth Transitions System.

Introduction

The Group Training Association of Victoria (GTAV) welcomes the invitation by the Victorian Government to provide feedback on the Strong Future for all young Victorians discussion paper released in May 2010.

The GTAV is the peak industry body representing not for profit Group Training Organisations (GTO's) across Victoria and is part of a national network of group training associations.

Within Victoria GTAV through its members, employ over 8,000 apprentices and trainees across all industry sectors, which is supported by a network of 10,000+ host employers – small to medium size businesses.

Collectively GTAV members are also the largest employer of indigenous and disability students across Victoria

GTAV provides support and leadership to its members in the areas of advocacy, negotiation and policy setting at both the State and National level. These functions are achieved by working with governments, government departments, industry associations, industry training boards and unions as well as individual enterprises.

In Victoria, Group Training Organisations collectively employ over 200+ field officers who directly support students and host employers during their training and employment.

Our members see first hand that in many cases, young people aged between 15-24 (and older) move through various educational, employment and industry sectors, and we encourage the Victorian government to continually look at ways to improve the flexibility and improve opportunities for young people through this important stage of their lives and careers.

The group training model was established by government in the early 1980's to support small business and young people who require additional support during their transition from school to meaningful employment.

Over the past 10 years many GTO's have diversified their business model to become a more holistic support organisation for any "workforce development" solution required by business. GTO's today have other business streams or have strong alliances with a range of other employment support services, including; Australian Apprenticeship Centres (AAC's), Registered Training Organisations (RTO's), Job Service networks, youth connections, labour hire, recruitment and workplace connection.

The GTAV has established a strong network across Victoria which can support our youth, small business and educational organisations. The GTAV has worked on various projects in the past to support these stakeholder groups, and we believe this network can play a larger role into the future to support government initiatives with all young people.

This response submission by GTAV on the "Strong future for all young Victorians" is a representation of the thoughts of our members and staff who are actively working within the apprenticeship/ traineeship system.

If you would like to discuss any of the thoughts within this submission further, please do not hesitate to contact the GTAV Office.

Gary Workman
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Current issues facing Group Training in Victoria

Victorian Training Guarantee

1. School Based Apprenticeships / Traineeships should be limited to certificate II qualifications as completing higher qualifications from 2011 may limit their eligibility for funded training positions and employment opportunities once they complete secondary schooling. School based training should also be linked to a group training organisation so participants can have access to a range of workplace experience.

Industrial Relations / industry awards that require the payment of training by employers may reduce the “employability” of young people aged 20+ through the Victorian Training Guarantee as the employer will have to pay for the training costs (fee for service) if the prospective student has completed a Certificate III or higher.

The eligibility criteria for government funding training must not discourage employers or participants from being able to move into a new career path or enhance their skill development.

Funding support should be available for young people **under 30** if they want to transfer to a new career/ industry that have an identified skills shortage.

2. Government funded RTO's (TAFE's) becoming Group Training Organisations.

TAFE institutes should be encouraged to partner with existing GTO's to strengthen the links with industry. GTAV believe that allowing TAFE's to establish new GTO operations will only weaken the industry and reduce the options available to young people trying to enter the workforce.

3. Treatment of GTO's (and employee entitlements) when a business goes into administration

Each week, GTO's loan hundreds of thousands of dollars to business and industry as unsecured loans. GTO's need more protection regarding the treatment of wages in insolvency cases. Apprentices / trainees “hired” through a group training contract are not classified as “employee entitlements” when a business goes into administration. Changes to the Corporations Act to classify this type of employment as “employee entitlements” is needed.

4. Victorian Industry Participation Policy (VIPP) min. 10% apprentice / trainee employment in government funded projects. GTAV strongly supports this initiative, however there is no current method of tracking these outcomes. GTAV believe it should be a mandatory requirement to indicate a businesses commitment to training as part of the tender and reporting process for all government services, procurement and infrastructure/ construction contracts.

Current issues facing Group Training in Victoria continued.....

5. Apprenticeship / Traineeship cancellations

GTAV have been undertaking an Out of Trade register pilot program with Skills Victoria over the past 18 months, which could be expanded to support all apps/trainees permanently – web based – with additional promotion to SME's / schools / families etc....

GTO's provide a strong network across the state, which could be better utilised by governments when direct employment apps/traineeships are threatened/cancelled. GTAV recommend that before a training and employment contract is cancelled, the apprentice/trainee and employer should investigate if there is an alternative employment arrangement available through a GTO. This would give additional support to SME's and provide the apprentice/trainee with ongoing support whilst seeking a new employer.

This step could easily be added to the current cancelation process – at no cost to government.

6. Increased support for small business by GTO's (education and training)

Employing young people, HR, IR, OH&S, training requirements, supporting and facilitating training for apps/trainees, Skills development.

All Group Training Organisations have strong partnerships with various organisations that assist with workforce development including; Australian Apprenticeship Centres, Job Services, Youth connections, labour hire, recruitment agencies, Registered Training Organisations. This network could better prepare and support small business when engaged in employing and training young people.

7. The Victorian Government can better utilise the Group Training Network.

Collectively GTAV members employ 8000+ apprentices / trainees per year, and have a network of over 10,000 small businesses. GTAV believe this is a strong network which could provide addition support to government programs within these stakeholder groups.

GTAV believe current Government initiatives (Federal and Victoria State programs) such as increasing the number of apprentice "mentors / field officers" could be implemented through the Group Training Network more efficiently and cost effectively to support all apprentices and trainees.

Knowledge and Skills underpin economic prosperity. The economic recovery and young people

GTAV believe that the group training industry is an early indicator of how the economy and business confidence is tracking. Our members saw signs of early completion requests and business's returning apprentices and trainees back to the group training organisation well before the global financial crisis was public news in 2008.

GTAV agree that when economic downturns occur there are larger repercussions for young people who have just entered the workforce compared to the broader population.

During the height of the recent economic downturn, governments established a range of incentives for business to directly employ apprentices and trainees. GTAV believe this funding could have been used more effectively through the group training model, as this would have reinforced the employment and training flexibility that group training provides small business when needed most.

Victorian Industry Participation Policy (VIPP) and other Government funded economic stimulus initiatives

GTAV strongly supports a min. 10% apprentice / trainee employment requirement in government funded projects, however there is no current method of tracking these outcomes. GTAV believe it should be a mandatory requirement to indicate a businesses commitment to training and employment of apprentices and trainees as part of the tender and ongoing reporting process for all government services, procurement and infrastructure/ construction contracts.

GTAV believe many of the “mentoring / career coaching” initiatives outlined in the discussion paper could be supplied to the wider population through the established group training network, and would compliment the existing support structures in place.

GTO's have an existing strong support structure that can easily be scaled up, to better assist the transition and retainment of young people into employment and training, including the support required for indigenous and disadvantaged students.

Group training can provide the vital link with industry and employment that many school based education programs require to achieve successful training and employment outcomes

How can we continue to improve the current youth transitions system?

Strengthening literacy and numeracy in the post compulsory years.

In what ways can the acquisition of literacy and numeracy skills be strengthened in the post compulsory years?

GTAV support the view that, low achievement in literacy and numeracy is directly associated with low levels of engagement with school and with the non completion of initial qualifications. GTAV strongly support the “sustained support” approach that will assist students as they progress through their education. GTAV also supports the recommendation of an early intervention program at year 9 level to identify and assist students that need additional LL&N support to better progress through the later years of their schooling and transition into employment.

Historically GTO’s have assisted a greater proportion of participants that have low- medium LL&N skills, as students with higher levels often have the skills to seek direct employment.

In 2008/09 GTAV developed a training program to assist field officers and recruitment staff to better identify potential apprentices and trainees with low level LL&N, and to identify and implement a range of existing resources to assist and improve LL&N.

GTAV believe that students need to be able to see the relevance of LL&N training before they fully engage with the training and make sustained improvement. The training needs to be based on real life situations such as;

- Make it relevant to student’s work and life situation
- Financial Literacy
- Employment
- Job specific skills - “employability skills”
- Development of Career / training plans

Support for making informed education and training choices

Will a career plan strengthen young people's engagement with education and their capacity to make informed study and career choices both during schooling and in subsequent education, training and employment settings?

What other actions should be taken to ensure that a sound career development services are available to all young Victorians

How can business/industry be more involved in assisting student's career choices?

Giving young people the responsibility to set their own career goals is critical in the development of career /training planning and ongoing meaningful employment.

GTAV believe current career pathway examples are too narrow, and usually lead to a single outcome/ industry vocation.

GTAV recommend that when developing career pathway plans for young students, the plan needs to show that a training direction can lead to various employment / career outcomes, and that their chosen pathway has some flexibility as they gain experience and a better understanding of the technical and workplace skills required.

This would encourage students to complete their existing qualifications, knowing that it can lead them into a variety of employment outcomes. Young people are looking for greater flexibility in career choices, and the training model needs to allow people the flexibility to move from one area of training into new areas, whilst acknowledging their existing skills and qualifications.

These career pathways should start with lower level employment outcomes, and progress through to higher education and high level employment. Students will then be able to appreciate that life long learning and career progression is achievable regardless of the starting point.

Many industry sectors face skills shortages in the project management, estimating, planning, supervision etc..., many other young people have a goal to own/run their own business.

If these careers (and the training qualifications needed), were better promoted as a progression leading on from a certificate III qualification when students were deciding on a career path, GTAV believe this would assist students to stay within and return to the training system as their progressed their careers.

GTAV supports a training system that will develop a students skills, so they can make informed decisions and manage their careers into the future.

The professional development of the Victorian GTO field officers (200+) would also improve the career development process

Arrangements that support and encourage young people to complete qualifications

What additional actions should governments take to support young people to complete initial qualifications in the VET sector?

Greater flexibility in being able to move from one qualification to another.

GTAV believe the current **Victorian Training Guarantee** policy will discourage young people to complete qualifications.

The eligibility criteria for government funded training must not discourage employers or participants from being able to move into a new career path or enhance their skill development.

Funding support should be available for young people **under 30** if they want to transfer to a new career/ industry that have an identified skills shortage.

Many Industrial Relations / industry awards require the payment of training by employers, which may reduce the “employability” of young people aged 20+ through the Victorian Training Guarantee as the employer will have to pay for the training costs (fee for service) if the prospective student has completed a Certificate III or higher.

School Based Apprenticeships / Traineeships – VCAL Should be limited to certificate II qualifications as completing higher qualifications from 2011 may limit their eligibility for funded training positions and employment opportunities once they complete secondary schooling. School based training should also be linked to a group training organisation or practical work experiences, so participants can have access to a range of workplace experience to enhance the training..

GTAV would support the development of VCAL programs as a “hands on” alternative to the VCE. These programs should include a variety of work experiences with so young people can see first hand what is involved on a day to day level which will assist them in making a more informed training and career choice.

Systems that assist students to move effectively between courses, institutions and sectors

Articulation can be a significant issue for students when trying to move from one industry sector to another. GTAV would support a training system that increased flexibility for students moving efficiently between courses while still attaining the general and specific skills needed for a qualification.

As vocational training starts with lower level qualifications and progressively work towards specific higher level skills, the training should also identify other alternative (and supportive) area's of employment. Many students complete 70-80% of a training program only to realise it is not exactly what they expected it to be, At this stage alternative industry sectors / training and employment options should be explored so students can complete a training qualification and find employment within an area they prefer.

Articulation within the VET sector and from VET to higher education

The development of a “generic” certificate I and II (pre apprenticeships) in construction, automotive, community services/ health care and other industry sectors, could provide participants with a greater range of training and workplace experiences. GTAV believe that this will assist students with making a more informed choice with their future career and education pathway.

Dual vocational qualifications ie Business and “ a trade” should be encouraged to establish stronger pathways into careers such as – planning / management / supervisors / estimating / business development / business ownership. .

While only representing a small percentage, GTAV believe pathways from Higher education into VET should also be supported, as the vocational skills to support the higher education qualification, is highly regarded by industry.

Students completing (or part completion) Higher Education qualifications should be encouraged to work with VET students on “industry/project based” subjects to encourage teamwork, and assist with breaking down barriers seen to be between to two educational sectors.

Consideration could also be given to provide employer incentive payments (as they do for apprentices and trainees) for VET students moving into higher education while in full time employment. This could be limited to identified skill shortage areas, and would encourage the employer and employee to invest the resources needed to progress beyond a certificate III.

ITP’s – the foreshadowed Industry Themed Programs that will be piloted in 2011 in the areas of Manufacturing, Building and construction, and community services and Health. Whilst GTAV support these programs in principal as an articulation pathway into higher qualifications, GTAV believe the group training model would provide a stronger link with industry and ongoing employment once the student completed their apprenticeship/ traineeship. GTAV would like to participate in the piloting of this program in 2011 to explore methodologies for articulation into further education and employment.

There needs to be strong consideration for career and training pathways from Higher Education back into the VET sector, without financial penalties for continuing training, especially within identified skill shortage industries.

Opportunities for young people to re-engage with education and training

How can Youth Connections be implemented in Victoria to most effectively re-engage young people with education and training.

GTAV believe the existing group training network across Victoria could be better utilised to support youth connections and other government strategies to re-engage young people with training and employment.

GTAV would encourage government agencies and other service providers to form stronger relationships with local / regional group training organisations to improve;

- Employment outcomes for young people including Indigenous, disability and students which need additional LL&N support.
- Establish stronger links with industry
- Improve employment outcomes for young people trying to re-engage with education / training and employment.

Background – Group Training in Victoria

The Group Training Association of Victoria (GTAV) is the peak industry body representing not for profit group training companies across Victoria and is part of a national network of group training associations.

Within Victoria GTAV through its members, employ over 8000 apprentices and trainees across all industry sectors, which is supported by a network of 10000+ host employers – small to medium size businesses across Victoria.

GTAV provides support and leadership to its members in the areas of advocacy, negotiation and policy setting at both the State and National level. These functions are achieved by working with governments, government departments, industry associations, industry training boards and unions as well as individual enterprises.

In Victoria Group Training Organisations also employ over 200+ field officers which support students and host employers during the training phase.

The core activity of the members of GTAV is the employment and vocational training of young people to the levels and in the method set out in the Australian Qualification Framework.

GTAV is unique in that it represents a network of companies which not only spans the state of Victoria but represents an integrated network that has developed in a planned and structured way. The enduring asset achieved as a result of this planned process is a well developed and cohesive communication network. Since GTA's inception this communication network has developed so that it can deal with both operational and policy issues, and can do this at all levels of group training operation.

In addition to supporting the needs of its constituent member companies, GTAV provides a variety of support to small business and to schools. Over the past few years GTAV has played a major role in the development of Vocational Education and Training (VET) in Schools and is an active promoter of school based apprenticeship.

GTAV has developed a research and policy capacity specialising in issues to do with apprenticeship, traineeship and the broader vocational education agenda.

GTA Vic promotes innovation and awareness as the mechanisms to assist in coping with and utilising change.

GTAV Network Groups include;

Training Managers / RTO's

Field Officers

GTO managers

Standards

Australian Apprenticeship Centres

Communications

OH&S

Financial Officers / Payroll

GTO Quality Assurance / National

Job Network Services

Group Training Association of Victoria – Current Projects

Out of Trade Register – Skills Victoria- Assisting Out of Trade Apprentices and Trainees to find a new employer to be able to continue their apprenticeship/ traineeship.

Corrections Victoria – Industry Skills Centres – Employment liaison officer - To assist released offenders with the transition back into employment

WELL – Workplace English language and Literacy training program for recruitment and field officers

GTAV Recent Projects

‘You’re not on your own: Strengthening apprentices’ core skills’ – Workplace English Language and Literacy (WELL) Project – funded by DEEWR

This has been a two year project focused on building the skills of Field Officers to recognize and address language, literacy and numeracy issues when recruiting and monitoring apprentices. The aim is not to make Field Officers experts in this area but to give them the capacity to identify potential areas of concern and the resources/tools/contacts to assist the apprentice and if appropriate the host employer. In the first phase of the project GTA Vic in collaboration with Workplace Learning Initiatives (WLI) developed and trialed a professional development strategy for GTO Field Officers based on a two day highly interactive workshop. The workshop is supported by e-learning resources and workbooks that are provided to the Field Officers as part of the training.

The second phase of the project has been to roll out the PD strategy to GTO’s nationally and to make the resources available through the WELL flexible learning website. Beyond the life of the project (June 2010) workshops can be organized for individual or groups of GTO’s on a fee for service basis; and the resources can be purchased from GTA Vic.

‘What Would It Take? Employer perspectives on employing people with a disability’ - NCVER funded research.

This research project undertaken by GTA Vic and two partner organizations examines employer views on employing people with a disability. The researchers utilized the GTO employer network for a series of focus groups with employers from small to medium sized enterprises. The report describes the attitudes of employers towards hiring a person with a disability. It also sets out some strategies that would assist businesses to take on employees with a disability. The research will be valuable for those GTO’s who are working with equity groups.

My Business: My People - GTA Vic brokered the *MyBusinessMyPeople* program for the Department of Industry Innovation and Regional Development (DIIRD) during 2007-2009.

This program involved receiving applications from more than 250 SMEs, assessing their business growth needs, crafting advice and training solutions in response, allocating training funding to SME’s and monitoring their outcomes.

GTA Vic took a ‘business centred’ approach to working with all of the enterprises. Understanding their business needs; gaining their trust that the advice provided and the learning solutions suggested were the ‘best fit’ for their needs; and would result in the outcomes and benefits predicted. In this way GTA Vic consultants naturally provided independent, objective and impartial advice. Our success in achieving high levels of training outcomes from MBMP was based on extensive research of the right training and the training provision of best fit for each enterprise. This was complemented by further assistance to make final choices for training from the potential alternatives provided.

Industry Skill Centre Pilot – Corrections Victoria.

In this project GTA Vic has partnered with Corrections Victoria to provide practical work preparation and employment opportunities for ex-offenders. GTA Vic employs an Employment Liaison Officer to work with five prisons across Victoria that are working towards changing the nature and focus of prisoner training and skills development. The ELO assists both the prison staff to help prisoners to prepare better for the post release period; and prisoners by working with them directly to secure employment post release and to connect them to the networks needed to support their successful transition from prison. The ELO has worked closely with GTA Vic member GTO's to contribute to the effectiveness of the pilot.

“The Positive Recruitment Cycle” – a Targeted Initiatives Project (TIP) funded by DEST/DEEWR

focused on addressing some of the issues related to recruitment and retention of apprentices. The research sought to address an issue being raised by GTO's namely that they were reporting a lack of applicants for apprenticeships and at the same time a rise in unsuitable candidates for apprenticeship. Of the candidates interviewed only a relative few appeared suitable for immediate referral to employers. We asked the questions 'What happens to those who have demonstrated an interest in apprenticeship but are deemed not suitable? And 'Is there a way to hold them in the recruitment loop with training and a guaranteed employment outcome?' This project aimed to improve the employability of these apprenticeship candidates through a managed recruitment cycle that takes them through extra preparation activities and then returns them to the GTO and a guaranteed employment opportunity. The research and the Report resulted in a constructive contribution to the continuing debate around skill shortages and attracting suitable candidates into the traditional trades. The project presented an opportunity for group training to gain a greater understanding of some of the issues related to the recruitment and retention of new apprentices; and how GTO's might do better in transforming the initial interest of an applicant into a new apprenticeship outcome. The research and recommendations demonstrated a number of points of intervention and potential strategies that could improve apprenticeship take up.

“Good Start, Great Finish” - research undertaken by GTA Vic in partnership with OTTE/Skills Victoria.

The aim of this project was to utilise the existing data held by GTO's as a research base to understand:

- why apprentices and trainees cancel and withdraw from training contracts;
- the methods/measures that have been successfully implemented by GTC's to reverse this trend and to increase the numbers of apprentices and trainees commencing and completing their contract of training;
- how these methods/measures can be distilled into broader advice to employers to improve their apprentice and trainee retention and completion rates.

The outcome of this project was to facilitate a discernible improvement in the retention of apprentices and trainees by employers, resulting in better training and better completion rates. The project concentrated on working closely with GTC's to interrogate existing information for the reasons why apprentices and trainees cancel and withdraw from training contracts; working closely with a selection of employers to document any existing practices designed to enhance apprenticeship and traineeship completion; documenting best practice in retention strategies; developing online and print materials, such as a 'ten point guide' for employers in supporting apprentices and trainees to complete their qualification. Apart from the Report itself we developed a one page eight point guide for employers in a laminated format that has been and continues to be distributed to employers by field officers nationally.

Group Training in Victoria – Statistics

Collectively GTAV members employ 8000+ apprentices / trainees per year, and have a network of over 10,000 small businesses.

Currently GTAV are surveying the group training industry on various activities including;
Completion Rates

Pastoral Care: Ratio of GTO field officers to apprentices / trainees

OH&S performance

Age and Highest level of schooling completed before commencing an Apprenticeship/
traineeship.

GTAV plan to have industry statistics available in the later part of 2010.

15-20% of apprentices / trainees are employed through a Group Training Company (GTO) across Victoria (within Regional Victoria Group training is the principal source supply of apprentices and trainees) – GTOs are registered with the State training authority – currently there are 30 (not-for-profit) GTO's across Victoria. Government initially funded the establishment of GTO's in the 1980's

80% of apprentices / trainees are directly employed with little support for either the apprentice or the employer (usually small to medium sized enterprise)

50-60% of current SME's know little about the group training model. GTO's are diversifying into "employment solution" organisations which will be able to assist SME's in the future with all their employment needs (recruitment/ host employment / direct employment etc...)

Increased promotion and communication is needed with small business

GTO's provide additional support and care to apps/trainees, usually they are students who need additional support.

Government funding model "employer incentives" are based purely on "outcomes/ placements". More financial support is required by employers to place the disadvantaged (lower 20-30%) of young people into meaningful employment. (Additional incentives could be awarded once the app/traineeship has completed and the person is permanently employed)

Diversified Business model:

Most Group Training Organisations have diversified their business model over the past 10 years. Traditionally GTO's had a "group training" focus, however today over 90% are RTO's, and many provide a range of other "workforce development" services including, Australian Apprenticeship Centres, Job Services, Youth programs, labour hire and recruitment. This network provides a strong source of industry intelligence and combined is one of the largest employer networks across Victoria.