



The future of apprenticeships and traineeships

Response to *Positive Futures: Apprenticeships and Traineeships in Queensland Discussion Paper*

March 2017

Executive Summary

The Australian Business Solutions Group (ABSG), and its vocational education and training (VET) service provider divisions Apprenticeship Support Australia and Apprenticeship Careers Australia, welcomes the opportunity to respond to Jobs Queensland's *Positive Futures Apprenticeships and Traineeships in Queensland*¹ Discussion Paper.

It is highly concerning that participation in apprenticeships is on the decline. While Queensland's overall labour force has grown, the proportion of training workers has not kept pace. Urgent action is needed to restore confidence in the system, lift involvement in apprenticeships and ensure our next generation of workers is equipped to meet the demands of the future.

ABSG is encouraged by the Queensland Government's appetite for reform and this review by Jobs Queensland is a prime opportunity to strengthen the system. It is also an opportunity for Queensland to engage with other jurisdictions on strategies to promote a more consistent, collaborative and industry-driven national approach.

ABSG asks Jobs Queensland to consider the recommendations summarised in the box below.

These proposals are informed by ABSG's and the Chamber movement's research; extensive experience operating as Australian Apprenticeship Support Network and Group Training Organisation providers; insights drawn from international best practice; and from targeted consultation sessions involving businesses of all sizes, not for profits and education experts.

Recommendation 1: Work with other jurisdictions to convene a Taskforce on Apprenticeships

Recommendation 2: Reignite early apprenticeship participation through:

- Redesigned funding and incentives, including a 'Kick Start' incentive for employers
- Working with the Federal Government to deliver a national pre-apprenticeship program

Recommendation 3: Boost the profile and standing of vocational career pathways through:

- an external model for careers advice for school students:
- more senior secondary colleges; and
- an ongoing public awareness campaign

Recommendation 4: Initiate higher learning apprenticeship pilots in partnership with industry

Recommendation 5: Trial a new apprenticeship involving an initial period of general industry training

A strong, resilient system of apprenticeships is a major priority for business.

We ask the Queensland Government to consider the recommendations in this submission in addition to the more substantial proposals for reform in the *Laying the Foundations for Apprenticeship Reform* report.

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¹ Discussion Paper November 2016, accessed 20 March 2017 at https://training.qld.gov.au/site/employers/Documents/engage-government/jobs-qld/jobs-qld-positive-futures-discussion-paper.pdf.

Background

About us

Australian Business Solutions Group (ABSG) helps small, medium and large companies become more productive, competitive and profitable. Clients gain access to expertise and solutions in the areas of legal, marketing, management consulting, international trade, human resources, work, health & safety, recruitment & labour hire, training, and apprenticeships and traineeships.

The Group has a national footprint with offices in Queensland, New South Wales, Victoria, South Australia Western Australia and the ACT, and is driven by the ideals of the Australian business chamber movement.

ABSG has a unique commitment to foster national prosperity and address youth unemployment across Australia. Surplus funds are dedicated to initiatives such as research and advocacy to support a thriving commercial environment. Ultimately, our purpose is to help businesses build a better Australia for all because prosperity creates new jobs, social wealth and better communities in which to live.

Apprenticeship Support Australia (ASA) and **Apprenticeship Careers Australia** (ACA) are divisions of ABSG.

Apprenticeship Support Australia (ASA) is an Australian Apprenticeship Support Network Provider currently operating throughout Queensland, New South Wales, Australian Capital Territory, Victoria, South Australia and Western Australia. ASA formerly traded as Australian Business Apprenticeship Centre and Queensland Apprenticeship Services and has been delivering services into Queensland since 1998.

Apprenticeship Careers Australia (ACA) established in 2011, formerly Extrastaff Apprenticeships, provides businesses in Queensland and New South Wales with a cost effective and hassle free solution for employing apprentices and trainees.

ASA and ACA deliver Australia's most innovative industry led careers hub: the Skillsroad platform. Skillsroad is Australia's number one destination for independent career advice with over 100,000 members, growing at over 5,000 new members per month.

The observations made in this submission are grounded in our two decades' experience delivering apprenticeships and vocational education and training (VET); intelligence gathered by the Chamber movement; and consultation and intelligence gathered from Chamber's membership bases Australia wide.

In addition, the independent research captured in the 2016 report *Laying the Foundations for Apprenticeship Reform*², has been a significant contribution. There are many observations in this report that are relevant to the Queensland and national systems, and which would bring greater consistency, coherence and coordination to the apprenticeships system overall. The report can be accessed at www.nswbusinesschamber.com.au/Issues/Issues/Workforce-Skills/Recent-submissions-and-publications.

A note on terminology

'Apprenticeship' normally refers to trades-based apprenticeships while the term 'traineeship' is ordinarily used to refer to non-trade apprenticeships.

² Noonan, Peter. (2016), accessed 20 March 2017 at https://www.nswbusinesschamber.com.au/NSWBCWebsite/media/Policy/Thinking%20Business%20Reports/POL-2342-Laving-the-foundations-report final.pdf

For the sake of clarity, in most cases the term 'apprenticeship' is used in this paper to refer to both trade and non-trade apprenticeships (traineeships). In few cases where the terms 'trainee' or 'traineeship' are used, this is a specific reference to the differing characteristics that apply to a non-trade apprenticeship scenario.

Part 1: The need for reform

Queensland's economy is undergoing a period of structural adjustment. Increasing global competition, changes in technology and consumer demands are forcing industry to be as flexible, dynamic and productive as possible. As a result, industry needs to be supported by a pipeline of workers with the necessary skills to meet these changing business demands.

Governments must remain committed to the apprenticeship and traineeship system as the key incubator for the workforce of the future. The combination of work and learning provided by apprenticeships means that participants develop their skills in a practical, 'real world' way while earning a wage. The model has delivered outstanding employment outcomes and has withstood the test of time in Australia and internationally.

While the model of apprenticeships has delivered positive results, feedback from industry and analysis of key indicators suggests reform of the system is not just desirable: it is essential.

The data for apprenticeship and traineeship commencements contained in the *Positive Futures* paper³ suggests that from 1995-2015 apprenticeship and traineeship participation, at least when measured by commencements, remains fairly strong. The *Positive Futures* Discussion paper paints a similar picture.

This is a misleading view of the performance of the system. The ratio of apprentices to qualified tradespeople is a better measure of the effectiveness of the apprenticeships system, as it provides a picture of the future capacity of the local workforce to meet the demands of industry. Concerningly, the data shows that there has been a drop across most sectors in terms of the proportion of training workers in the overall workforce.

The training rates in high-demand sectors such as construction, accommodation and food are worrying: for example, despite growth in intake there are still only four apprentices in training for every 100 qualified construction workers. Overall, despite the strength of school-based apprentice programs Queensland's overall apprentice intake has been below the national average for most of the last decade⁴. There is therefore a need for a more targeted, industry-specific approach.

The evidence shows several factors have contributed to this gradual 'hollowing out' of the skilled trades and the mismatch between what industry needs, students want and the apprenticeships system is producing:

- **Demand-driven higher education system:** The introduction of the demand-driven system for higher education has led to a much higher proportion of students choosing to attend university, rather than undertaking a vocational qualification⁵.
- Change in the type of labour required: Technical advances have led to a change in the type of labour required in certain industries: for example, the proliferation of pre-fabricated components in the construction industry means that there is a reduced demand for fully qualified builder

³ Jobs Queensland. (2016). Positive Futures Discussion Paper, accessed 20 March 2017 at <a href="https://training.qld.gov.au/site/employers/Documents/engage-government/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs-qld/jobs

⁴ Construction Skills Queensland. (2016). Apprentice Annual, accessed 24 March 2017 at

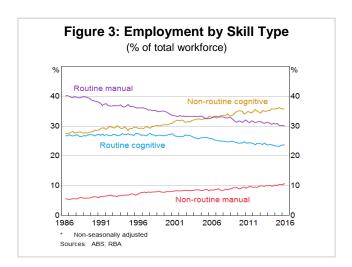
http://csq.org.au/csq/media/Common/Knowledge%20Centre/Knowledge%20Centre%20Publications/CSQ-Apprentice-Annual-2016.pdf

⁵ Kemp, D. Norton, N. (2014) Review of the Demand Driven Funding System—Final Report, Department of Education & Training, accessed 27 June 2016 at https://docs.education.gov.au/system/files/doc/other/review of the demand driven funding system report for the website.pdf.

tradespeople, but an increase in demand for tradespeople who can perform certain construction processes.

Demand for advanced trade skills: The rise of more advanced, knowledge-based industries
such as advanced manufacturing has also generated demand for tradespeople with a higher
level of skills which the existing apprenticeship model (and VET providers) is arguably not
equipped to provide them with.

Figure 3 below demonstrates the steady decline in people employed in routine manual occupations (for example, mining and manufacturing) as a proportion of the overall workforce.



These factors should be considered in the design of the apprenticeship system, and are dealt with in our proposals to the Review.

Part 2: Governance and funding

The need for national coordination, simplicity and consistency

A consistent theme of studies analysing the features common to successful apprenticeships is the need for a coordinated approach to policymaking and funding⁶. In Australia, responsibility for the delivery of apprenticeships and traineeships is shared between the Federal Government with the States and Territories.

The existing governance arrangements for apprenticeships are, however, complex, difficult for employers to navigate and overly bureaucratic. There is substantial duplication of effort and lack of coordination across the system, for example:

- the direction of incentives designed to boost participation;
- the conduct of new apprenticeship pilots, with the Federal and State Governments piloting their own approaches with what appears to be minimal collaboration; and
- the myriad of consultative groups, committees and other groups ostensibly responsible for ensuring our apprenticeship system is as resilient and industry aligned as it can be.

To improve coordination, consistency and to deliver a coherent approach, a National Taskforce on Apprenticeships is needed.

⁶ See, for example: Smith, E. and Kemmis, R.B. (2013) 'Good practice principles in apprenticeship systems: An international study'. *The Online Journal for Technical and Vocational Education and Training (TVET) in Asia*, pp. 73-94.

As outlined in the Australian Chamber's *Call to Action*⁷, the Taskforce would:

- Involve industry, Federal and State Governments
- Take immediate action to reform the system: not more reviews, trials or consultations
- Model future skills shortages caused by the collapse in apprenticeship participation
- Identify the actions needed for employers to re-engage with apprenticeships.

We recommend Queensland work with the other jurisdictions to broker an agreement with the Federal Government and create the Taskforce. This would mean the Minister for Training and Skills would champion this proposal via the Council of Australian Governments (COAG).

Recommendation 1: Work with other jurisdictions to convene a Taskforce on Apprenticeships

Incentives: principles for design and boosting entry-level apprenticeships

The purpose of incentives in any system is to influence behavior. In the Australian apprenticeship system, incentives on the employer side aim to motivate employers to engage apprentices and, more broadly, in the training system. Incentives directed at apprentices are primarily designed to supplement wages and the costs associated with training (for example, for tools and equipment not paid for by an employer).

We were pleased to see the crucial importance of incentives for apprenticeships to influence employer and apprentice behavior recognised in the Discussion Paper⁸.

As recognised in the Discussion Paper, the majority of employer incentives are directed at lifting apprenticeship completions. As a result, they are deferred towards the end of the training period. Fluctuations in apprentice and traineeship commencements can be directly linked to changes in these incentive payments: clearly, these changes have caused market distortions and failed to achieve the desired effect of improving completion rates.

Evidence suggests that successful completion of the first six months of an apprenticeship correlates strongly with ultimate completion of the entire program⁹. Incentives that better support apprentices over the first six to twelve months of their training should therefore be considered.

ABSG recommends that Queensland work with the Federal Government to design incentives with the following principles in mind:

- Target a broad spread of qualifications but not at the expense of entry level qualifications
- Target incentives towards the initial 6-12 months of an apprenticeship
- Improve the consistency of incentives across all jurisdictions
- Improve pathways connecting school to industry progression
- Improve employer awareness of the incentives that are already available and the means for obtaining them

As outlined in the Australian Chamber's Call to Action¹⁰, a key success factor for lifting engagement in the apprenticeship system overall is re-igniting entry-level apprenticeships. The Queensland Government should support this aim by committing to fully funding Certificate II level apprenticeships, regardless of whether the person has used up their "training entitlement" or undertaken other training at the same Australian Qualification Framework (AQF) level as part of a VET in Schools program.

Australian Chamber. (2016). Apprenticeships – the Call to Action. pp. 14-16
 Jobs Queensland. (2016). Positive Futures Discussion Paper, accessed 20 March 2017 at https://training.qld.gov.au/site/employers/Documents/engage-the-

⁻qld/jobs-qld-positive-futures-discussion-paper.pdf>

⁹ Pelosel, J. (2015). Paving the Pathway: addressing post year 10 education, NSW Business Chamber, accessed 20 March 2017 at

http://businesschamber.com.au/NSWBC/media/Unfinished-Business/Thinking
¹⁰ Australian Chamber. (2016). Apprenticeships – the Call to Action. pp. 14-16

Queensland should also consider introducing a more widely available 'Kick Start' incentive for employers, similar to the incentive for engineering and construction apprentices the Federal Government introduced in 2009¹¹. The incentive would consist of a modest \$1,500-\$2,000 incentive for an employer commencing an apprentice or trainee in Certificate II training.

Finally, the lack of a nationally accepted and applied pre-apprenticeship program means many work readiness initiatives operate in a virtual training limbo. Too often pre-apprenticeship programs are unable to deliver outcomes for students because they are developed and delivered without shared expectations and without industry engagement.

We recognise there are a range of pre-apprenticeship courses and work readiness programs available in Queensland. However, pre-apprenticeship courses are not sufficiently defined in National Training Packages as distinctive, industry-recognised offerings, or do not provide clear pathways to higher level VET qualifications, including apprenticeships ¹². VET qualifications in Queensland leading to apprenticeships must sit within the framework of National Training Package standards and qualifications so that they are recognised by all RTOs and by industry, and have credit based pathways into apprenticeship programs.

In line with the recent independent research commissioned by the Chamber movement, we recommend Queensland work with the Federal Government and other jurisdictions to fund and deliver a national apprenticeship program. Industry should have a prominent part in this: and we suggest the role of Group Training Organisations is broadened to facilitate and coordinate structured work placements for pre-apprentices through their extensive employer networks.

Recommendation 2: Reignite early apprenticeship participation through:

- Redesigned funding and incentives, including a 'Kick Start' incentive for employers
- Working with the Federal Government and other jurisdictions to deliver a national preapprenticeship program

Part 3: Models Queensland can learn from

The German experience

The German model is often touted as the 'gold standard' for apprenticeships and, more broadly, vocational education and training¹³. Unlike in Australia, where an apprenticeship is often viewed as a second-chance option for less academically gifted young people, a vocational pathway in Germany is viewed as a well-respected and worthwhile track to long term work.

Apprenticeships in Germany are founded in its Dual Vocational Training System (TVET). The model involves students applying to an employer for an apprenticeship. If the application is accepted, the apprentice undertakes direct on-the-job experience with the employer in addition to broad based education in the sector at a vocational school.

While the combination of work and learning resembles the Australian system, a key aspect of the model is that the system is employer driven. Chambers of Commerce provide a direct line of communication to Government from businesses concerning their changing workforce skills needs. They administer skills tests and qualification exams for apprentices; direct the creation of new apprenticeship pathways; and work with the school system in the delivery of apprentice training⁷.

¹¹ Jobs Queensland, (2016), Positive Futures: Apprenticeships and Traineeships in Queensland, p.6. accessed 21 March 2017 at

https://training.gld.gov.au/site/employers/Documents/engage-government/jobs-gld/jobs-gld-positive-futures-discussion-paper.pdf.

12 Noonan, Peter. (2016), Laying the Foundations for Apprenticeship Reform, NSW Business Chamber, accessed 20 March 2017 at

https://www.nswbusinesschamber.com.au/NSWBCWebsite/media/Policy/Thinking%20Business%20Reports/POL-2342-Laying-the-foundations-report_final.pdf.

13 (Wentzel, 2011:83)

There are some important differences. Membership in a Chamber of Commerce is, for example, compulsory in Germany: and while the membership base for the network of Chambers in Australia is also very broad in terms of its size and spread across different industries, it is not entrenched within the system in this way.

North Carolina: A new industry-led model

North Carolina's Apprenticeship 2000 program is designed to prepare senior secondary students for employment and connect them with jobs after graduating. It involves a time-based 8000 hour (four year) apprenticeship model delivered by schools in partnership with major local employers.

While the model adopts many elements of the German system, the focus is on the advanced manufacturing industry. Participants receive high quality technical training in advanced manufacturing. In addition to their vocational training, apprentices must maintain minimum standards in algebra and geometry.

The apprentice receives a "Journeyman's Certificate" 14, an associate degree qualification and a guaranteed job on completion.

The United Kingdom: moving toward reform

The apprenticeships system in the United Kingdom is very similar to the Australian model. Nevertheless, the Government of the United Kingdom has taken steps to reform apprenticeships with the aim of achieving 3 million additional apprenticeship commencements.

The reforms include:

- Industry at the centre: Industry is now at the heart of the system design process. All new apprenticeship standards will be designed by employers and will be occupation-specific. The standards include requirements for end-point assessments which cover theoretical and practical elements; a minimum of 20% off the job training; and the use of technology in the delivery of training and assessments.
- Apprenticeship levy: Employers paying total wages of more than £3 million are required to pay an apprenticeship levy equating to 0.5% of their total wages bill. The levy is not widely supported by business and has not been shown to deliver the uplift in training quality it was designed to achieve¹⁵. ABSG would not support the introduction of a similar levy in Queensland.
- Higher learning apprenticeships: 'Higher apprenticeships' involving an apprenticeship integrating higher learning content have been available in the United Kingdom for some years. These apprenticeships are primarily used by larger companies needing an advanced level of technical, knowledge-based skills: for example, in engineering 16. Take-up by smaller businesses in more traditional industries has been limited.

What this means for our system

ABSG is highly concerned with the levels of youth unemployment. More needs to be done to connect young people with meaningful work and train the workforce of the future.

Several studies have been undertaken over the past decade into the best models of apprenticeships in terms of delivering employment outcomes. A consistent theme emerging from these studies is that a highly coordinated but employer-driven approach to vocational education and training, such as that

15 CIPD. (2016). Employer views on the apprenticeship levy, June, accessed 25 September 2016 at http://www.cipd.co.uk/binaries/employer-views-on-the-

¹⁴ The American term for a craft certificate

apprenticeship-levy 2016.pdf>.

16 Guthrie, H. Dowling, N. (2012). Higher apprenticeships: Scoping report to Higher Education and Skills Group, Victoria University, pp. 4-7, accessed 28 September 2016.

in Germany or being trialled in North Carolina, produces far better employment outcomes¹⁷. The youth unemployment rate in Germany, for example, sits at a very low 7.3%¹⁸.

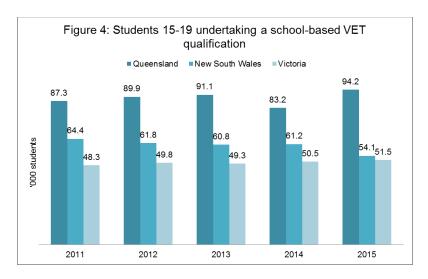
Queensland would do well to adopt elements of these systems, in addition to some of the new approaches being tested in the United Kingdom. Our recommendations for adoption are summarised below.

Raising the profile of apprenticeships and boosting school-based participation

There is an urgent need to raise the profile and reputation of apprenticeships with parents, educators and young people. This is borne out by the German experience.

In Queensland, however, the overwhelming emphasis of current public discourse on education has centred on higher school certificate attainment. As a result, apprenticeships are often seen as lesser option for those not capable of achieving a high Overall Position (OP) and Australian Tertiary Admission Rank (ATAR). This, in turn, has a bearing on the quality of candidates undertaking apprenticeships: and makes taking on an apprentice still less attractive to employers.

Figure 4 below compares the level of participation in school-based apprenticeships in Queensland, Victoria and NSW. The data shows that Queensland performs far better than the other States, with more than 94,000 (equating to nearly 12%) of Queensland's 15—19 year olds enrolled in a VET in school course. This, however, still compares unfavourably with the more than 60% of German students undertaking a school-based vocational qualification¹⁹.



Another issue with the delivery of VET qualifications in school is that many students are using traineeships in order to supplement their Queensland Certificate of Education (QCE) score. Vocational qualification should not generally, in ABSG's view, be used as a transitional step to university but as pathways to a long-term, fulfilling career.

The reality is that an apprenticeship or traineeship can often lead to more highly paid, secure and exciting career opportunities. The Chamber's *Paving the Pathway* report, for example, found that 85.5% of apprentices had secured full time work within six months of completing their training²⁰. Conversely, only 62% university graduates were in full time employment six months after completing a degree.

¹⁷ Lodovici, M. Comi, S. Origo, F. Torchio, N. (2013). The effectiveness and costs-benefits of apprenticeships: Results of the quantitative analysis, European Commission, Directorate-general for Employment, Social Affairs and Inclusion, p. 4.

18 OECD. (2016). Youth unemployment rate, online article, accessed 25 September 2016 at https://data.oecd.org/unemp/youth-unemployment-rate.htm.

¹⁹ NCEVR. (2016) VET in Schools Report, p. 2, accessed 21 March 2017 at https://ncver.edu.au/_data/assets/pdf_file/0017/60380/VET-in-Schools-2015.pdf.

²⁰ NSW Business Chamber. (2015). Paving the Pathway: Addressing Post Year 10 Education, accessed 25 July 2016 at

http://www.nswbusinesschamber.com.au/NSWBCWebsite/media/Policy/Thinking%20Business%20Reports/Reforming-Post-Year-10-Education-and-Training.pdf

We recommend a three-pronged approach to raise the profile and boost participation in apprenticeships.

Firstly, young people must have access to effective and balanced course and careers advice, including information about their likely job opportunities, potential pathways and outcomes. In ABSG's view, this advice is best delivered externally given many schools do not provide VET courses as a major offering. Comprehensive, personalised careers advice should be available externally, by industry, and independent of education and training institutions and providers.

Secondly, we recommend expanding on the success of senior secondary colleges that prioritise VET pathways and adopt some of the features of the German model.

Thirdly, ABSG recommends a multi-channel, ongoing campaign designed to change the attitudes of parents, students and educators about apprenticeships and the career outcomes they offer. The campaign should integrate real-life case studies of people who have completed an apprenticeship, and should highlight the excellent career outcomes an apprenticeship can lead to.

Recommendation 3: Boost the profile and standing of vocational career pathways through an external model for careers advice for school students; more senior secondary colleges; and an ongoing public awareness campaign

Extending apprenticeships to emerging industries and knowledge jobs

We note the Discussion Paper's reference to a higher learning apprenticeship pilot being led by Ai Group in collaboration with Swinbourne University of Technology. Participants in the pilot will combine participation in a Diploma and Associate Degree in Applied Technologies with employment with Siemens Ltd to develop the higher-level skills needed in advanced manufacturing.

This pilot closely resembles two higher learning apprenticeship pilots being delivered by the NSW Government. The pilots experiment with integrating higher learning apprenticeships similar to those available in the United Kingdom, by testing two models:

- Model A A traditional apprenticeship model with the addition of higher education content
 gradually built into the training component. An apprentice would complete the apprenticeship
 and in addition have partially completed a related higher education qualification with the option to
 progress further to sub degree/degree level.
- Model B A higher education course consisting advanced vocational skills and competencies
 integrated with higher education knowledge and capabilities. Participating apprentices will have
 an associate degree or similar qualification on completion.

These pilots are an important step toward extending the unique and historically successful model of integrated work and learning that apprenticeships offer. Over the years, however, many models for apprenticeship have been trialed and tested, without ever being implemented more broadly.

The Queensland Government is also investing in higher learning training through the Higher Level Skills program. The program subsidises access to training in certain certificate IV and above qualifications, or priority skill sets, with the intention of assisting individuals to gain higher level skills needed to transition to university²¹.

While this program is a positive support for the development of higher level vocational skills, we recommend the Queensland Government look to partner with industry on similar higher learning pilot

²¹ Department of Education and Training. (2017). Higher Level Skills, online article, accessed 29 March 2017 at https://training.qld.gov.au/providers/funded/higher-level-skills,

initiatives to those being trialled in New South Wales. This will lift the confidence of industry that Queensland is committed to extending apprenticeships into new, knowledge-based jobs and sectors.

Recommendation 4: Initiate higher learning apprenticeship pilots in partnership with industry

Another model?

The changing nature of work is a major theme in any discussion about the future of the economy. The jobs of today will not necessarily be the jobs of tomorrow.

This is particularly apparent in the industries that have a central place in our economy. The proliferation of pre-fabricated components in construction, for example, means that many of the processes that were learned by apprentices four or five years ago are now obsolete. Industry increasingly needs workers who can quickly adapt to different ways of working and with broad skills transferrable across a range of occupations.

We believe there is potential for a new apprenticeship model adopting some of the features of successful pre-apprenticeship programs such as Productivity Bootcamp²².

Productivity Bootcamp is an 8 week foundation skills initiative aimed to prepare young people for work in construction. The training is vocational in nature. Participants are trained in all facets of employability, such as workplace safety training, communication and fitness skills, in addition to training in basic construction techniques in formwork, steel, concrete and general groundworks. This means they emerge from their training with employability skills as well as the basic vocational skills necessary to add value to the workplace from the first day on the job.

The Queensland Government should consider trialling a new model for apprenticeships which takes up some of the features of this successful program and also addresses the industry trend toward transferrable, broad-based skills.

The model could follow a structure involving:

- 6 -12 months of general industry skills development integrating employability training. In construction, for example, the approach could embrace training in basic bricklaying, carpentry, concreting and plastering skills in addition to training in safe work practices on construction sites.
- The **remainder of the training in the area of specialisation** jointly selected by the employer and the apprentice.

This type of apprenticeship would enable participants to have a 'taster' of different trade areas before they specialise. Employers would benefit from an apprentice who has an understanding of end-to-end processes in the industry; and who can quickly adapt to changing processes or workplace demands.

This model diverges significantly from those supported by the existing system and would need to be trialled before it is introduced. Industry should be given the opportunity to work with Government to broker a pilot or pilots that support this model, or a similar apprenticeship that supports the development of transferrable, broad-based industry skills.

Recommendation 5: Trial a new apprenticeship involving an initial period of general industry training

²² Further information about the Productivity Bootcamp program can be found here: productivitybootcamp.com.au