



**MASTER BUILDERS  
AUSTRALIA**

Submission to the  
Department of Employment and Workplace Relations's  
***Australian Apprenticeship Services and Supports  
Discussion Paper***

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## Introduction

Master Builders Australia welcomes the opportunity to provide input to the Department of Employment and Workplace Relations' Australian Apprentice Services and Supports Discussion Paper.

Trainee and apprentice pathways are well established and operate successfully in the building and construction industry. 55,575 apprentices and trainees commenced their pathway in the construction industry in the year to 30 June 2022.

124,440 apprentices and trainees were employed in the construction industry on 30 June 2022, this is 10.4 per cent of the construction workforce, a higher proportion than any other industry sector.<sup>1</sup>

Master Builders is a strong advocate of these pathways and ensuring they are inclusive and fit for purpose now and into the future. This includes the support services that assist apprentices and their employers.

Despite a wide range of assistance available apprentice retention is an enduring challenge. Workplace-related reasons are most commonly cited by non-completers as their primary reason for withdrawing. This includes interpersonal issues in the workplace, being made redundant, not liking the work, and changing career.

Improving retention starts with improving recruitment. Ensuring apprentices understand what is involved in the apprenticeship, have realistic expectations, and are work ready is critical.

Similarly, employers and training providers need to understand the capability and limitations of the apprentice to ensure work and learning environments are suitable and that additional assistance can be organised in advance, for example for apprentices with learning support needs.

Another factor critical to the success of the apprentice is the skills and ability of their employer and supervisor to provide appropriate support and training.

The challenges to improving retention are broad and vary across industries and individuals. They cannot be addressed by solely by improving the services provided by Australian Apprenticeship Support Network providers (AASNs). A coordinated approach is required.

This submission addresses the questions raised in the Discussion Paper and calls on the Government to develop an Apprentice Commencement and Retention Strategy that assesses the impact of government policy and program decisions on commencements and retention, and draws on the findings of pilots and programs undertaken in recent decades to embed evidence-based approaches and targets that will improve the consistency and outcomes of the Australian apprenticeship system.

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<sup>1</sup> Apprentices in training 30 June 2022 (NCVER Apprentices and Trainees, June 2022) as a proportion of the workforce size at May 2022 (ABS, Labour Force Detailed, November 2022);

## Recommendations

### Master Builders recommends:

- the Government develop an Apprentice Commencement and Retention Strategy that assesses the impact of policy and program decisions on commencements and retention, draws on the findings of pilots and programs undertaken in recent decades, and embeds evidence-based approaches and targets that will improve the consistency and outcomes of the Australian apprenticeship system.
- the federal, state and territory governments enter into a new jointly funded National Partnership Agreement on Quality Careers Education to provide comprehensive, unbiased, and up-to-date careers education to secondary and senior secondary students.
- the National Careers Institute be tasked to lead a coordinated national campaign to dispel the myths and promote the value and potential of apprenticeship pathways to young people, their parents and career advisors.
- the National Careers Institute work with industry and employers to develop a work-readiness assessment tool for prospective apprentices and trainees.
- the AASN funding model be reviewed to better incentivise AASNs to help prospective apprentices to identify the apprenticeship pathway that best aligns with their interests, abilities and aptitudes, and in doing so to also identify if additional learning or other supports may be of benefit to the apprentice.
- exploring the option of a centralised database of available apprentices and employers which incorporates a matching mechanism.
- Publishing information on training quality and outcomes at the RTO level to ensure that students and employers can make informed decisions about their training pathway and training provider; to incentivise training providers to strive for excellence; and to inform decision making on funding for training delivery.
- development of a digital sign-up platform to improve the efficiency of apprentice training contract execution and to free up AASN resources to provide better support to apprentices in the initial months of their journey.
- a text message pilot for supervisors of first year apprentices with practical tips such as checking in and links to resources.
- AASNs be contracted to touch base with all apprentices and their employers in weeks four to ten of the employment relationship to identify early issues that may arise, assist to open communication channels, and refer to support services that may be required.
- a government funded national mentoring program for apprentices (or improving the longevity of proven programs through ongoing funding) to provide support and guidance to apprentices helping them to build their confidence, address issues early and remain in their apprenticeship. Careful attention should be given to ensure mentors and mentees are appropriately matched, particularly for under-represented apprentice cohorts.
- exploring mechanisms to better recognise and credit students that have the existing theoretical knowledge or practical skills required for a unit of competency.
- the Department liaise with the South Australian Skills Commission and local employers to assess the effectiveness of the transfer fee in reducing poaching and/or adequately compensating employers for their investment.
- financial incentives for apprentices be targeted at six-months, 12-months and completion of the apprenticeship.

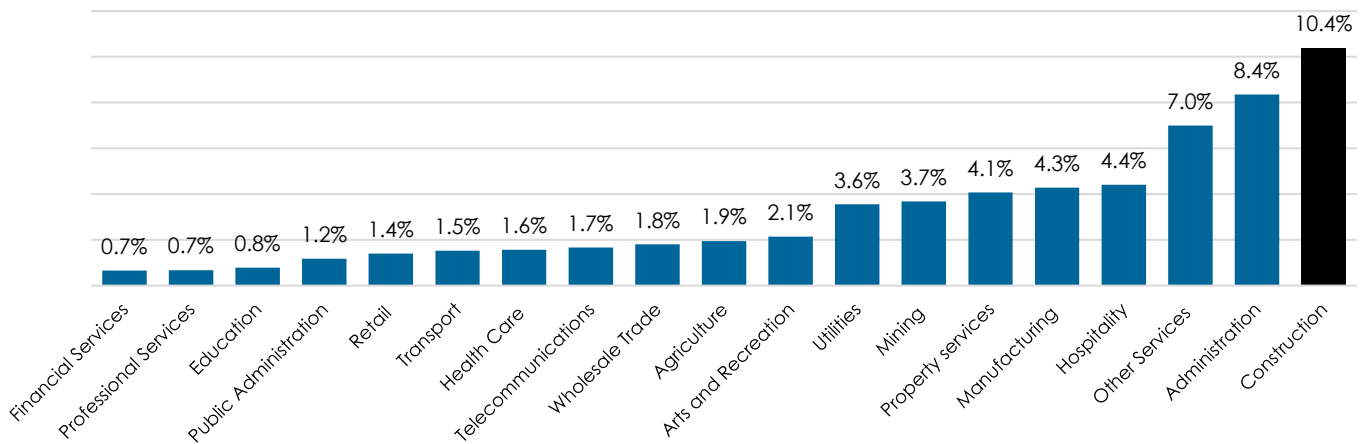


## Section 1: Apprentices in the building and construction industry

Work integrated learning pathways – including apprenticeships, traineeships and cadetships – are critical to ensuring the building and construction industry has a pipeline of skilled workers. Master Builders is a strong advocate of these pathways and ensuring they are inclusive and fit for purpose now and into the future.

Apprenticeship and traineeship pathways are well established and operate successfully in the construction industry. On 30 June 2022, 124,400 apprentices and trainees in-training were employed in the business and construction industry. This equates to 10.4 per cent of the nearly 1.2 million people employed in the at the time<sup>2</sup> and is a higher proportion of the workforce than any other industry sector.

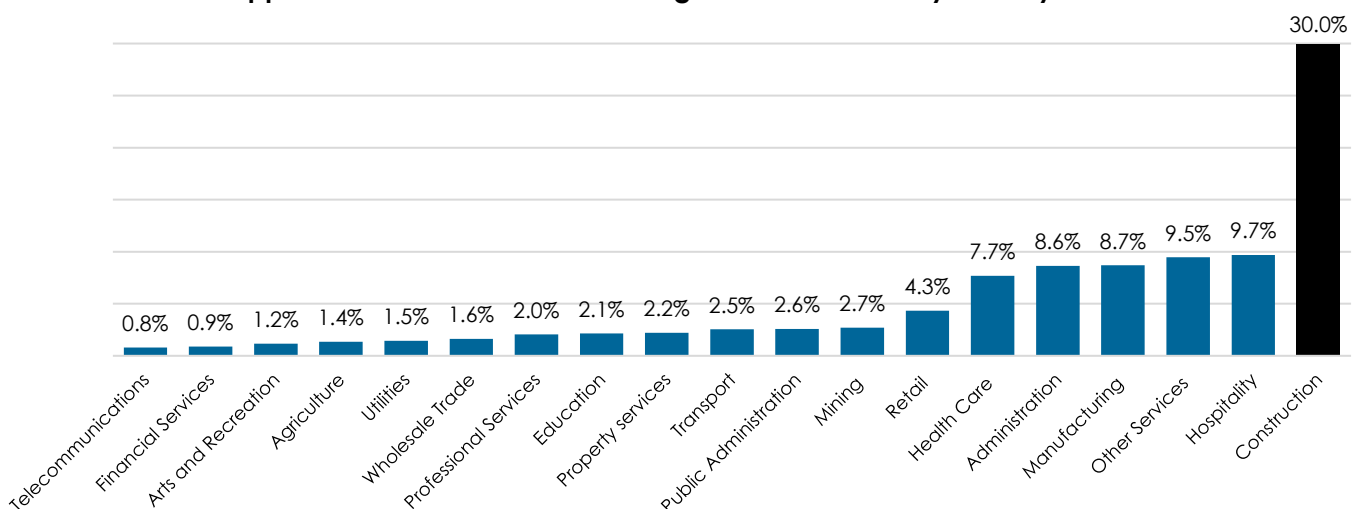
### Proportion of workforce employed as an apprentice or trainee



Workforce size at May 2022 (ABS, Labour Force Detailed, November 2022); Apprentices in training 30 June 2022 (NCVER Apprentices and Trainees, June 2022).

The building and construction industry employs significantly more apprentices and trainees than any other industry sector. As of June 2022, three in 10 apprentices and trainees in-training in Australia were employed in construction.<sup>3</sup>

### Distribution of apprentices and trainees in-training on 30 June 2022 by industry sector



<sup>2</sup> ABS, 2022. Labour Force, Australia, Detailed, November 2022. NCVER, 2022. Apprentices and Trainees, June 2022

<sup>3</sup> NCVER, 2022. Apprentices and Trainees, June 2022

## Section 2: Attracting apprentices

To attract more people to careers in the building and construction industry, particularly trade apprenticeships, work is needed to address the bias pushing young people toward university and to reframe the apprenticeship narrative.

A National Partnership Agreement on Quality Careers Education is needed to provide secondary school students with access to comprehensive, unbiased, and up-to-date careers education.

The perception that an apprenticeship means low wages and undesirable work is far too common, and it isn't true. This perception puts people off considering apprenticeship pathways. The apprenticeship story needs a rebrand. Young people, their parents and career advisors need to be educated and to understand the value and potential that an apprenticeship pathway offers.

### Leveling the playing field for tertiary education

In the Expert Review of Australia's Vocational Education and Training System, the Hon Steven Joyce noted:

***“Vocational education has been steadily losing the battle for the heart and minds of the university sector. Fewer young people aspire to undertake vocational education courses. Many consider VET as less prestigious and only for students who are of low academic ability.” Steven Joyce<sup>4</sup>***

It is disappointing that the perception of VET in young minds compares poorly to university. Especially as this does not necessarily match the experience and outcomes for those who do follow a VET pathway. In the building and construction industry trade apprentices compare favourably to higher education graduates in terms of satisfaction, employment and income.

The VET system is poorly understood and many young people feel they are not provided with a deep understanding of post-school options and are instead pushed toward university, while only 10 per cent of young people report facing no pressure at all.<sup>5</sup>

The impact of the bias in schools toward university pathways is compounded by the views and perceptions of parents. For young people, their most trusted career advice from their parents (56%) followed by the internet (42 per cent), teachers (42 per cent) and career advisors (40 per cent).

The gap in unbiased and up-to-date careers education is contributing to the 43 per cent of young people who self-report having 'no idea' what they want to do when they leave school.<sup>6</sup> A major constraint on the quality of careers education in schools is a lack of funding and resources. The Career Industry Council of Australia report that half of schools with a student population over 1,000 have less than \$3 per student to spend on careers education.<sup>7</sup> This is not acceptable.

Vocational and higher education are both integral parts of Australia's tertiary education system. But, they are not equally valued. To level the playing field we need to address the bias toward university, overcome misconceptions, and overhaul the quality, funding and availability of careers education in secondary and senior secondary schools.

<sup>4</sup> Joyce, 2019. *Strengthening Skills: expert review of Australia's vocational education and training system*

<sup>5</sup> Year13, 2017. *After the ATAR: Understanding how Gen Z transition into further education and employment*

<sup>6</sup> Year13, 2017. *After the ATAR: Understanding how Gen Z transition into further education and employment*

<sup>7</sup> Clarke, 2015. *Careers education must be for all, not just those going to university*

Students need access to comprehensive, unbiased and up-to-date careers education in order to understand the options available and to choose the most appropriate pathways for their interests and aptitudes as they transition from school to work, further education and training.

**Master Builders recommends the federal, state and territory governments enter into a new jointly funded National Partnership Agreement on Quality Careers Education to provide comprehensive, unbiased, and up-to-date careers education to secondary and senior secondary students.**

### **Reframing the apprenticeship story**

The perception that an apprenticeship means low wages and undesirable work is far too common, and it isn't true. This perception puts people off considering apprenticeship pathways. Young men and women need to know the truth about apprenticeships.

Research by Year 13 reports Australian apprentices have the potential to graduate from training nearly \$150,000 financially ahead of university students when accounting for apprentice earnings and university debt. 64 percent of young people said knowing this would make them consider an apprenticeship pathways more seriously.<sup>8</sup>

The combination of work and study allows participants to reap the benefits of formal training while gaining practical on the job experience and earning a wage. Students also report higher satisfaction and improved employment outcomes<sup>9, 10, 11</sup>

- 88.9 per cent of trade apprentices are satisfied with their apprenticeship, compared to 80.1 per cent satisfaction with training for university graduates, dropping to 74.4 per cent for engineering and 74.5 per cent for architecture and built environment fields of study.
- 91.5 percent of trade apprentices are employed on completion, 92.0 percent in occupations relevant to their training and 94.6 per cent report their trade skills as directly relevant to their work. By comparison, 72.2 per cent of university graduates gain full-time employment, of which 28.3 per cent report they are not fully using their skills or education in their employment.
- VET graduates of construction, plumbing and services qualifications have average starting wages of \$65,000, while average starting wages for university bachelor undergraduates are \$62,600.

The challenge in the current employment environment isn't the number of apprentice jobs available. It is attracting people to do an apprenticeship. The apprenticeship story needs a rebrand. Young people, their parents and career advisors need to be educated and to understand the value and potential that an apprenticeship pathway offers.

**Master Builders recommends the National Careers Institute be tasked to lead a coordinated national campaign to dispel the myths and promote the value and potential of apprenticeship pathways to young people, their parents and career advisors.**

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<sup>8</sup> Year13, 2018. *After the ATAR II: Understanding how Gen Z make decisions about their future*

<sup>9</sup>NCVER, 2020. *Apprentice and trainee experience and destinations – time series 2008, 2010 and 2019*; and

<sup>10</sup> NCVER, 2020. *VET student outcomes 2019*

<sup>11</sup> QILT, 2020. *2019 Graduate outcome survey*



## Section 3: Testing the waters

Question 2 - In a tight labour market, is a pre-apprenticeship attractive to potential apprentices?

Prospective apprentices should have access to a range of opportunities to explore the sector and trade that is of interest.

Testing the waters will assist the apprentice to cement their understanding of the industry and occupation and to develop realistic expectations. It will also show a potential employer that they have initiative, have explored their options, and know they want to do an apprentice.

### Gaining experience

Ensuring prospective apprentices have the opportunity to explore areas of interest prior to committing to a four-year apprenticeship is critical. Apprentices that have explored their options and identified the best fit for their interests and aptitudes and can demonstrate this to a prospective employer are more likely to gain employment and are more likely to stick out their apprenticeship.

Pre-employment/apprenticeship experience can take many forms such as VET in school, work experience, try-a-trade days, pre-vocational program, or a pre-apprenticeship.

It is critical that a wide variety of opportunities are available to prospect apprenticeships. To attract more females into non-traditional trade apprenticeships it may also be beneficial to provide female only opportunities. For example, in 2022 in the Australian Capital Territory the Canberra Institute of Technology partnered with a number of local high schools to offer female only try-a-trade days. This opportunity enabled interested females in year 9 and 10 to explore two different construction trades and have a go on some of the tools. Feedback from participants was positive.

There are industrial relations barriers to self-initiated work experience (i.e. not through a school) in regard to pay rates. The absence of junior rates in the construction award means that it is not commercially viable for employers to provide interested young people with work experience. Master Builders Queensland reported to us that each year they are contacted by many employers who intend to give holiday work experience to young people who have shown the initiative to approach them. However, when they are advised that full adult casual wages must be paid, nearly all make the decision not to proceed with offering work experience. For those that are offered work experience, the high pay rates can then make transitioning to apprenticeship rates unattractive.

### Assessing the work-readiness of apprentice candidates

Apprenticeships are a key entry pathway into skilled trade occupations in the building and construction industry. Undertaking an apprenticeship allows the participant to reap the benefits of formal training while gaining practical work experience and earning a wage. As apprenticeships combine work and training it is important that apprentice candidates are work ready and this should form part of the recruitment process.

Pre-vocational programs provide prospective apprentices with insight into their work-readiness and provide the opportunity to assess the suitability of a particular trade prior to commencing a formal contract of training. Programs typically involve two weeks at trade school and two weeks in industry, with many also providing mentoring.

In 2016, Master Builders conducted four pre-apprenticeship pilots with grant funding from the Commonwealth. The pilots provided participants with introductory skills and knowledge in a range of construction trades and job roles, many went on to undertake apprenticeships. The pilots also identified that employers look for apprentice candidates with broadly similar interests and aptitudes,

including a good work ethic, interest in the industry, basic social and communication skills, a good attitude to safety, a willingness to learn and follow directions, and realistic expectations.

Apprentices that commence without being work-ready are less likely to complete their training and apprenticeship. This costs employers, trainers and governments time and money, and can create issues for the apprentice's future work prospects.

Our view is that learners sit on a continuum of work-readiness. As such, developing a work-readiness assessment tool would be beneficial to individuals, schools, training providers and employers to understand and assess if a learner is work-ready or requires additional support and training, such as a pre-apprenticeship, foundation skills or pastoral care support.

Apprentices that undertake prevocational training, such as VET in school or a pre-apprenticeship are more likely to complete their apprenticeship. Prevocational training enables participants to gain confidence and to become familiar with an industry sector and VET. A work-readiness assessment tool has the potential to improve education, training and employment outcomes.

**Master Builders recommends the National Careers Institute work with industry to develop a work-readiness assessment tool for prospective apprentices and trainees.** The tool could be used by schools, training providers, group training organisations, AASNs, industry and employers.

It is not clear what type of job suitability assessment is offered to potential apprentices by AASNs beyond general career counselling. Feedback indicates this service is not readily available and that the intellectual and physical suitability of a prospective apprentice to a trade is not adequately considered. Under the current funding model AASNs do not have a financial incentive to steer an ill-suited applicant toward an alternative trade as their funding primarily rewards commencements.

**Master Builders recommends the AASN funding model be reviewed to better incentivise AASNs to help prospective apprentices to identify the apprenticeship pathway that best aligns with their interests, abilities and aptitudes.**

## Section 4: Recruiting apprentices

*Question 1 - How could services better support the match between apprentices and employers?*

*Question 5. How can the sign-up process ensure the employer and apprentice feel supported, understand their responsibilities, understand the frequency and form of AASN contact to expect and know where to go for help?*

*Question 6. What do apprentices and employers most value in the sign-up process? Are there alternatives?*

Improving recruitment practices present one of the best opportunities to improve apprentice retention, and ultimately to lift completion rates.

Recruitment practices should:

- assess the prospective apprentices work-readiness, suitability to the selected trade, and identify any additional support mechanism that may be required (discussed in section 3 above)
- assess the suitability of the employer and the supervisor to meet the training and support needs of the apprentice, and identify if additional training and support for the employer would be beneficial
- match apprentices and employers based on values, culture, and interest.

### Matching apprentices and employers

There is no single recruitment pathway for an apprentice and an employer coming together, although broadly the pathways could be defined as direct or indirect.

A direct recruitment pathway could be formal whereby an employer advertises for an apprentice and the prospective apprentice applies. Or informal where no job is advertised, the apprentice and the employer may be in the same network of family and friends, or the individual may reach out directly to an employer seeking an apprenticeship.

An indirect recruitment pathway involves a third-party intermediary that brings the employer and the apprentice together. The intermediary could be an AASN, but they could also be a training provider, a group training organisation, a school, an industry association, or someone else.

Improving the capacity for third parties to match a prospective apprentice with an employer is a critical success factor. GTOs have a commercial incentive to carefully match their apprentices and host employers. A poor match requires additional resources, such as greater engagement by field officers to resolve issues or having to find a new host/apprentice if the relationship breaks down. Typically, GTOs do this well and they have higher completion rates to show for it.

However, only a small proportion of apprentices are employed by GTOs. The vast majority are employed directly by a business. **Master Builders recommends exploring the option of a centralised database of available apprentices and employers which incorporates a matching mechanism to employers and apprentice to find each other and for intermediaries to connect suitably matched apprentices and employers.**

### Choosing the right training provider

The RTO is identified on the training contract and therefore it is important that employers and apprentices are able to make an informed decision on the most suitable training provider for the both their needs. However, the lack of publicly available information on quality and outcomes of VET training at the RTO level makes this difficult. Addressing this will drive informed user choice, improve training quality, and aid funding decisions.

Information on RTO quality will provide potential students, their advisers and employers with a clearer understanding of the strengths of particular RTOs and therefore enable them to make more informed decisions about the training provider and courses that best meets their needs and aspirations. This will also incentive RTOs to deliver higher quality training.

Governments provide significant investment in RTOs to deliver VET training. Achieving value for this investment is critical. Improved information on RTO quality and training outcomes will assist governments to better align funding decisions with the measures of quality that align with their policy priorities and jurisdictional needs.

In the five-year Productivity Inquiry Interim Report, the Productivity Commission noted that “information to guide student choice has improved in higher education, but remains deficient in VET”.

In the higher education sector, the ComparED ([www.compared.edu.au](http://www.compared.edu.au)) website draws on the Quality Indicators for Learning and Teaching (QILT) database to provide public information by institution and qualification on student experience, skills development and employment outcomes. This resource also enables comparison between institutions and with the national average.

Similar information for the VET sector is collected by the NCVER. This includes a range of measures covering student satisfaction, skills development, and employment outcomes. However, this information is not published at the RTO level. This can and should change.

**To ensure that students and employers can make informed decisions about their training pathway and training provider, to incentivise training providers to strive for excellence, and to inform decision making on funding for training delivery, governments should make information on training quality and outcomes publicly available at the RTO and qualification level.** Over time the VET quality database could be expanded to draw on data from the Australian Skills Quality Authority, the Unique Student Identifier and other sources.

## Signing up

AASNs have a critical role in coordinating apprentice sign ups. Unfortunately feedback from across the country is less enthusiastic about the proficiency with which this is done. There are two key areas of concern – timeliness and quality of information.

### **Timeliness**

We are aware of employers having to follow up with their AASN multiple times to get training contract paperwork finalised and the process taking multiple months. Some AASNs are even encouraging employers to use the first months before the training contract is signed as a pseudo probationary period saying they will back-date the apprenticeship if it goes ahead. In the meantime, the employer, the apprentice and, if applicable, their parent or guardian are not getting any information or support in the critical initial months of placement, as well as opening up the likelihood of underpayment of wages.

### **Information**

The quality of the information provided by AASNs to employers and apprentices on sign-up can be superficial (e.g. pay the apprentice, make sure they go to training, the end) and can come across as meeting the needs of a government process rather than the needs of the employer and apprentice.

There are a broad range of reasons why an apprentice may decide to discontinue their training. One of the reasons frequently cited is not getting along with the employer, supervisor or colleagues. This alludes to disconnects in workplace expectations and a lack of communication. Onboarding information should cover behaviour and communication expectations and conflict resolution.

### **Digital opportunities**

Training contract sign-up processes could be digitised and managed via an online portal either nationally or by state training authorities. The process could include stepping the employer and apprentice through their role, responsibilities and obligations prior to signing and be followed up with digital onboarding resources tailored for each party.

Further, the digital system could be used to provide ongoing touch points with the both the employer and the apprentice. This could leverage the successful apprentice text message pilot in New South

Wales and be expanded to employers to nudge them to check in with their apprentice's well-being and training experiences.

**Master Builders recommends development of a digital sign-up platform to improve the efficiency of apprentice training contract execution and to free up AASN resources to provide better support to apprentices in the initial months of their journey.**

A digital sign-up process is available in Victoria, however there are issues. Master Builders Victoria has advised us of issues with the system – namely, Master Builders Victoria does not train apprentices. They offer a Certificate III in Work Health and Safety, but do not deliver training in a format applicable to an apprenticeship. Despite this in the digital system AASNs have assigned Master Builders Victoria as the training provider without any discussion or notification. The first they know about it is if the student puts in an application for training and by chance mentions they're doing an apprenticeship, or by monitoring the system regularly.

## Section 4: Starting an apprenticeship

*Question 7. How could employers be supported with their supervisory role of an apprentice?*

*Question 8. How should advice on available supports and services to apprentices and employers be delivered?*

*Question 9. How should extra supports such as mentoring, study assistance, mediation, career advice be promoted?*

*Question 10. How can we make it easier to communicate regularly with apprentices in the first 12 months?*

*Question 15. How can we better identify apprentices, particularly at-risk cohorts who need additional support?*

The early stages of an apprenticeship are the most tenuous. The apprentice is finding their feet, it may be their first job, they may be nervous and need support to build their confidence. Their employer and/or supervisor may be great at their trade, but that doesn't necessarily mean they know how to support or train an apprentice.

There can be a disconnect between the expectations of the employer and the apprentice. As discussed earlier in this submission improving the work readiness of apprentices and ensuring they have realistic expectations about the work they will be doing (particularly in the first year) will greatly assist to address this disconnect.

In addition, work is needed to ensure employers and supervisors have the skills and emotional intelligence to support and train an apprentice, particularly where the apprentice is young and inexperienced.

### Supporting employers and supervisors

The workplace support available to apprentices can vary significantly depending on the size of the employer's business. Large employers have established resources and policies to support an apprentice such as human resources personnel, workforce development strategies, and codes of conduct. Small employers, on the other hand, are less likely to have these resources, strategies and policies and may need additional assistance.

In the building and construction industry nearly 70 per cent of apprentices are employed in a small business, while only 6 per cent are with large employers.<sup>12</sup> A key challenge to lifting the quality of apprentice supervision and support is getting employers and supervisors to self-identify their skills needs and to address them.

Master Builders Victoria ran a short course for employers and supervisors on providing constructive feedback and support in the workforce. While helpful for those that participated, they found that the only people the course appealed to were the employers and supervisors that were already interested and engaged in the space, not the ones that really needed it.

Options to integrate better education and support for employers when they sign-up an apprentice and in the critical first months need to be identified. And education and support needs to be targeted at time poor small businesses.

In addition, resources and training should be developed to assist new supervisors to understand their role and provide practical strategies to build the skills they need.

**Master Builders recommends a pilot, similar to the NSW Government apprentice wellbeing text message pilot, be undertaken sending messages to first year apprentice supervisors with practical tips such as checking in and links to resources.**

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<sup>12</sup> NCVER, 2022. *Apprentices and Trainees*, June 2022



## Identifying apprentices and employers in need

Under current arrangements AASNs are required to check-in with apprentices under 25 in the first three months of their apprenticeship. Feedback from industry is mixed as to whether or not this is occurring in practice.

Pro-active contact is a positive initiative that should be encouraged and expanded. Ideally **AASNs should be contracted to touch base with all apprentices and their employer/supervisor in the initial months of the employment relationship.**

At a minimum, the service should include employers and be expanded to also include under-represented apprentice cohorts, such as women in non-traditional trades and first nations people.

In addition, the timeframe for contact should be adjusted so contact is made between weeks four and 10. This would allow for the apprentice to have settled in, while also providing opportunity for the three-month probation period to be extended where necessary. Where issues are identified at the check-in the apprentice and/or employer should be referred to appropriate services.

## Mentoring and pastoral care

While the vast majority of apprentices are employed directly by a business, some are employed by GTOs. Under the GTO model, the GTO is responsible for recruitment, matching apprentices with host businesses, support the apprentice and host, and all employer obligations such as wages and entitlements, arranging training and assessment.

Pastoral care is a core element of the GTO model and likely one of the main reasons that GTOs have higher completion rates than small employers. For Master Builders South Australia:

*“Apprentice wellbeing is front and centre in the mind of our GTO. Providing support through field officers and our host employers is critical, especially for our younger apprentices.”*

*Ongoing mentoring and support are key to the success of an apprentice and their employment outcomes. We have run specific mentoring programs in the past and these have shown great success in improving completion rates.”*

Outside of the GTO environment the provision of mentoring and pastoral care can be ad hoc and while usually beneficial is dependent on grants from governments or training funds.

The scope of the role of AASNs includes providing pastoral support, advice and conflict resolution for apprentices at risk cancelling their apprenticeship. Feedback from industry is that this is not occurring.

In this regard, **Master Builders recommends developing a government funded national mentoring program for apprentices or improving the longevity of proven mentoring programs through ongoing funding to provide support and guidance to apprentices helping them to build their confidence, address issues early and remain in their apprenticeship. Careful attention needs to be given to ensure mentors and mentees are appropriately matched, particularly under-represented cohorts.**

## Section 5: Training

- Question 11. Is there sufficient flexibility to support apprentices with pre-existing skills and those who are excelling to progress faster through their apprenticeship?
- Question 12. What would assist regional apprentices experiencing difficulty accessing off-the-job training?
- Question 13. Is the value of releasing the apprentice for off-the-job training clear enough to the employer?

Off-the-job training is recognised and generally supported by employers. Having said that confidence in the quality of off-the-job training remains a concern for some employers.

There are limited mechanisms to support apprentices with pre-existing skills and knowledge to progress through their apprenticeship more quickly and this needs to be addressed.

Many RTOs offer apprentice training in block format, this in combination with the growing prevalence of online learning is assisting to reduce access issues for regional apprentices

### Striving for excellence in training

Off-the-job training is a recognised part of an apprenticeship and is generally supported by employers. Having said that confidence in the quality of off-the-job training remains a concern for some employers.

The current regulatory approach to the VET sector maintains minimum standards for RTOs but does not have a mechanism to identify and reward providers that exceed these standards. Publishing data on training quality and outcomes of RTOs will acknowledge high performing providers and incentivise RTOs to improve quality and strive for excellence.

Information on quality at the RTO level will also provide assurance to industry and governments paving the way for less prescriptive, more flexible, and more responsive training products, that are better able to meet current and emerging training and skills needs.

As discussed earlier in this submission, a VET equivalent to ComparED drawing on data already collected by the NCVET should be used as the database to provide publicly available information on quality indicators at the RTO level.

**To incentivise training providers to strive for excellence, inform government funding decisions and ensure that students and employers can make informed decisions about their training pathway and provider Master Builders recommends information on training quality indicators at the RTO level be made publicly available.**

### Apprentices with existing skills and knowledge

Master Builders NSW and Master Builders ACT both provide block training to their apprentices. Feedback indicated that high performing students could finish a training block in a shorter period of time, e.g. four days instead of five, but that scheduling makes it difficult for delivery of training to be fast-tracked. Employer reluctance to pay wages for additional time in off-the-job training was also identified as a barrier to progressing faster through an apprenticeship.

Apprentices with pre-existing skills or knowledge have limited mechanisms to progress through their apprenticeship more quickly. Units of competency have requirements for both practical skills and theoretical knowledge that must be demonstrated for a learner to be deemed competent. While this appears a sound concept it creates challenges for people with either practical experience or theoretical knowledge, but not both. For example:

- an apprentice that has been labouring for 10 years likely has many of the practical skills required to be deemed competent from the outset but may lack the underpinning theoretical knowledge.
- Similarly, a university graduate with a degree in architecture, civil engineering, or construction management will have the theoretical knowledge but lack the practical skills.

Requiring apprentices to undertake superfluous off-the-job training can lead to frustration and is demotivating, as articulated recently by a NSW carpentry apprentice with a degree in architecture:

*"I found when I started TAFE it was a real battle just getting motivated to go because I felt like it was a waste of my time. I wasn't really learning anything.*

*I understand that other people haven't done this before and it's helpful for them. But, for myself, I felt there was no point to it. I tried to get recognised prior learning but couldn't because none of my courses exactly crossover to the carpentry courses.*

*There are times when I sit an exam, I'll do it in 10 minutes and then be sitting there for the next two hours."*

**Master Builders recommends exploring mechanisms to better recognise and credit students that have the existing theoretical knowledge or practical skills required for a unit of competency.** For example, allowing students with existing knowledge or skills to go straight to that component of the assessment, thereby reducing the time they have to spend in training.

### **Rewarding maturity**

In recognition that adult apprentices typically have prior experience and a more mature attitude to work and learning, Master Builders NSW developed a two-year accelerated adult apprenticeship program. This program was developed in response to host employers wanting mature age apprentices but not wanting it to take four years before they can work unsupervised, and adult apprentice applicants finding the prospect of apprentice wages for four years prohibitive against their existing financial commitments.

The accelerated program specifically targets mature age apprentices with building or construction experience, a white card, and the right attitude. The program starts with a two-week intensive training program, followed by the accelerated apprenticeship which involves block training of two-four days every seven to eight weeks. The program doesn't guarantee participants will complete in two years and makes it clear that sign-off from the workplace supervisor is also required.

### **Supporting regional apprentices**

The tyranny of distance means regional workers and apprentices face additional challenges to undertaking off-the-job learning.

One positive to come out of the pandemic was the accelerated adoption of online learning. Regional students are one of the key beneficiaries of this as the theory components of their training can now be completed online instead of having to travel to regional hubs or major cities for this.

When it comes to delivery of practical training that cannot be delivered online regional apprentices continue to face disadvantage. However, we are aware of solutions being implemented to ensure workers and apprentices in regional areas can access training.

In WA, for example, rather than requiring learners to come to the trainer in Perth, Master Builders WA runs demand driven training in regional centres whereby the training goes to the learner.

In the NT, regional apprentices are coming together to combine travel and accommodation when they have to go to Darwin for a training block, minimising expenses and strengthening networks.

## Section 6: Later stages of an apprenticeship

- Question 14. Are targeted supports later in training effective for employers and apprentices?
- Question 16. Employers disengage from taking on apprentices due to movement during the 'payoff period'?
- Question 17. Record employment levels and skills shortages are causing more cancellations later in the apprenticeship. What would encourage apprentices to complete their apprenticeship in this environment?
- Question 18. Are displacement registers useful and are there additional supports required?

Initiatives to support apprentices in the early stages of their apprenticeship present the best opportunity to improve retention. An apprentice that makes it to the end of the first year is far more likely to complete their apprenticeship than someone at the start of the journey.

In the current environment of workforce shortage apprentices can be lured away by the immediate money of casual labouring jobs. Appropriately targeting financial incentives and improving understanding of the long-term gains may assist retention.

### Poaching

In the current tight labour market the demand for apprentices is outstripping the supply. Employers that can offer higher wages are doing so to lure apprentices to their business.

Small employers and subcontractors are reporting that poaching is one of their biggest issues. Feedback indicates that this issue is most pronounced when the apprentice poached is in their third or fourth year. The small employer has spent the time and money to supervise and train the apprentice during their least productive years (first and second years) only to have another business, often a larger business, poach them during the 'payoff period' (third and fourth years).

The SA Government has introduced a transfer fee to compensate employers for the time they invested in an apprentice. Under the requirements, which came into effect on 1 July 2021, the new employer must pay the transfer fee to the previous employer with the amount of the fee dependent on the year of the apprentice and the size of the new employer's business. [Standard 9 of the South Australian Skills Standards](#) pertains to the transfer of training contracts and substitute employer.

**Master Builders recommends the Department liaise with the South Australian Skills Commission and local employers to assess the effectiveness of the transfer fee in reducing poaching and/or adequately compensating employers for their investment.**

### Labouring

Anecdotally we are hearing that apprentices are leaving in favour of higher paying labouring jobs. This isn't surprising when you consider an apprentice could be earning more than double their wage as a casual labourer on the Award. A casual entry level labourer earns \$29.51-\$29.89 per hour plus allowances. An apprentice in a four-year contract could earn as little as \$13.37 per hour as a painter.<sup>13</sup>

A key challenge to retaining apprentices is helping them to see the longer-term picture, such as wages and wage progression on completion, further study, or owning your own business. **Master Builders recommends financial incentives for apprentices be targeted at six-months, 12-months and completion of the apprenticeship.**

### Apprentices out of work

There are a range of job boards available for apprentices to seek employment. The challenge is that with a multitude of job boards neither apprentices nor employers know where to go. A centralised database would be beneficial. **Master Builders recommends the centralised database proposed in Section 3 be expanded beyond initial recruitment to enable apprentices that are part-way along their journey to find a suitable employer.**

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<sup>13</sup> Fair Work Ombudsman, Pay Guide – Building and Construction General On-Site Award, December 2022

## Section 7: Women in Trades

Question 22. What would improve workplace culture to ensure women in trade apprenticeships can succeed?  
 Question 23. What advice do key influencers need to support women to consider a career in trade occupations?  
 Question 24. How do we better retain women in trade occupations?

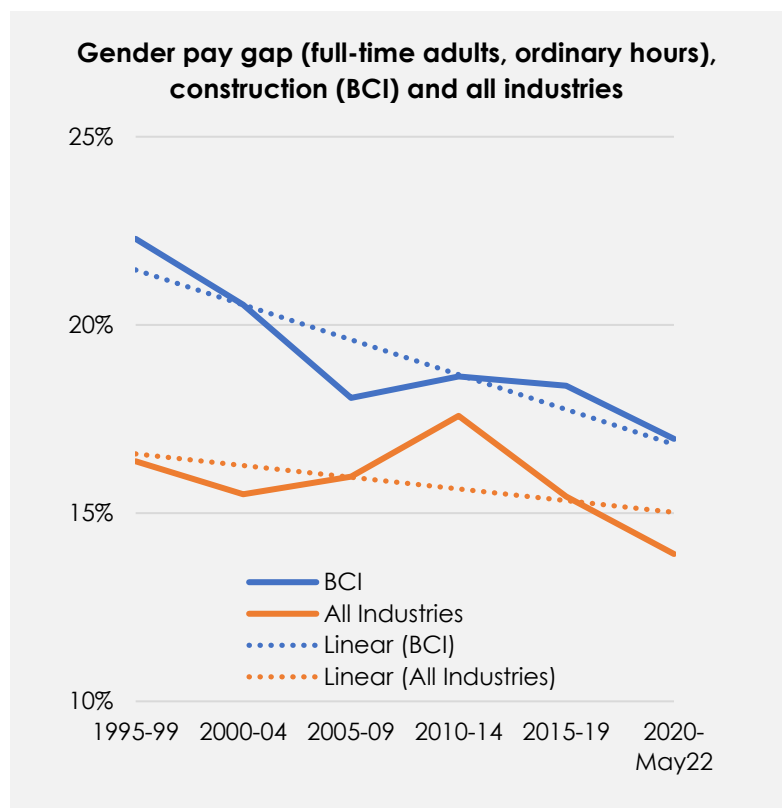
There are a wide range of initiatives being led by governments and industry to attract women to trade occupations, address barriers to entry such as workplace culture, and improve female retention. These include Master Builders Australia's Women Building Australia Program and Victoria's Women in Construction Strategy.

Progress is being made and there are more women in construction trades and apprenticeships than ever before. However, there is a long way to go to achieve gender parity and sustained efforts by government and industry is essential.

To meet future workforce needs the construction industry must ensure it is attractive to all workers regardless of their gender, age, or ethnicity.

The construction industry attracts more male than female workers. Improving the attractiveness of the industry to women presents a massive opportunity to increase the pool of potential workers. To fill job vacancies in the current environment of full employment and high workforce participation this is critical.

One concern is the gender pay gap in the building and construction industry. While the pay gap is higher than the average across all sectors, progress is being made and the gap is decline faster than average in construction.

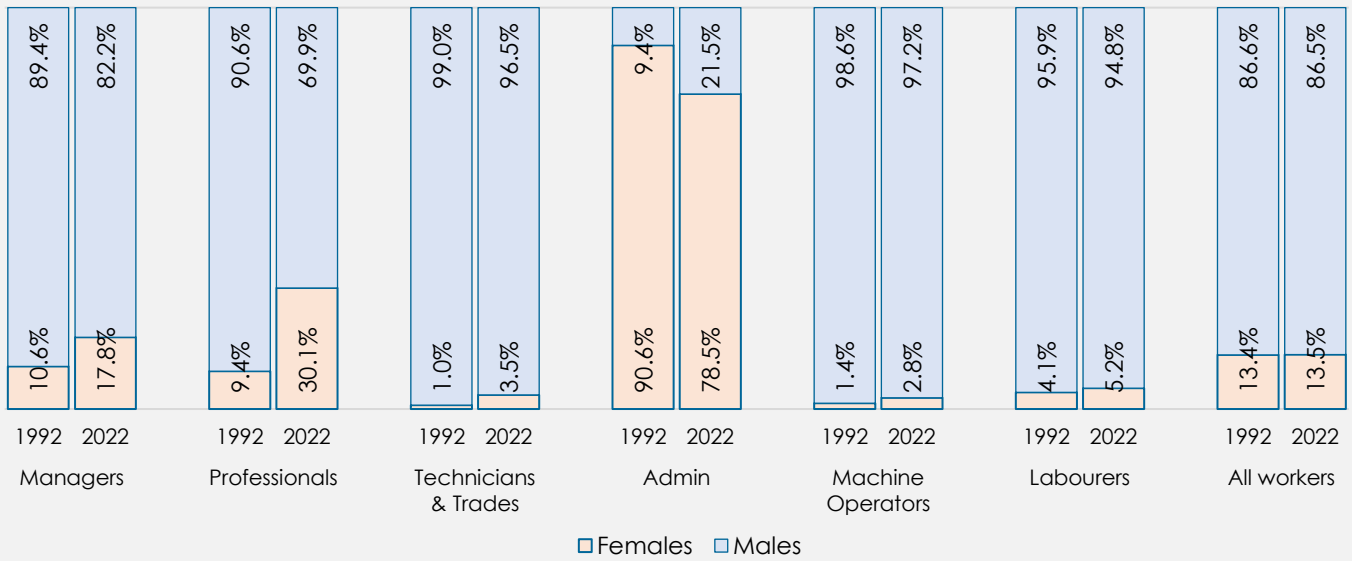


ABS, Average Weekly Earnings, 6302.0, May 2022.

Over the last 30 years, the proportion of women in the industry has remained in the 12 to 14 per cent range. At face value it may appear that progress is not being made, however this is not the case. As shown below, the gender gap in occupation groups was larger in 1992 than it is now. Over the last 30 years the divide has reduced. Proportionally more men now work in administrative roles, while more women work in all other occupation groups.<sup>14</sup>

<sup>14</sup> ABS, 2022. Labour Force, Australia, Detailed, November 2022.

**Share of construction workforce by occupation and gender, August 1992 and August 2022**

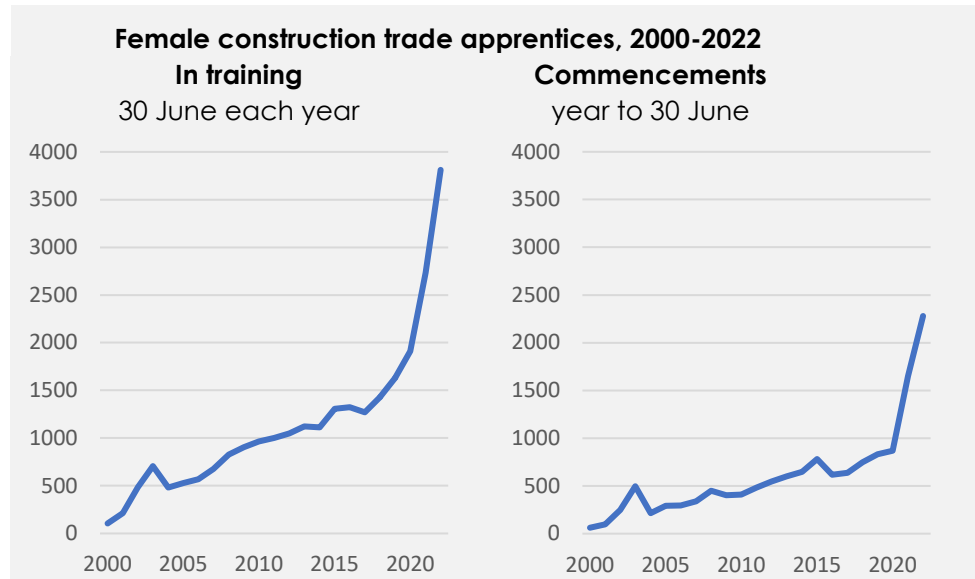


Source: ABS, Average Weekly Earnings, 6302.0. May 2022

The low proportion of women in some occupation groups presents an opportunity to meet future workforce needs. To harness this opportunity the barriers to female entry, recruitment and retention in the industry need to be addressed.

There are a wide range of initiatives being led by governments and industry to address these barriers to entry and encourage more women into the building and construction industry, and in particularly into traditionally male dominated roles.

These efforts are translating into more women in construction training pathways. In the year to 30 June 2022, 2,280 female construction trade apprentices commenced, the highest number on record and more than triple the 20 year average of 660 commencements recorded in 2016.<sup>15</sup>



While Master Builders and others have made head way on the gender balance in construction and getting more women into trade apprenticeships, continued efforts and commitment from all parties is required if we are to see long term and sustained change. The focus needs to be on attracting more women to the industry and addressing the barriers to their recruitment and retention.

<sup>15</sup> NCVER, 2022. Apprentices and Trainees, June 2022



## Women Building Australia

Women Building Australia (WBA) aims to attract the best workers to the building and construction industry, regardless of their gender, by promoting opportunities for women and employers and providing the information and support they need. WBA is an initiative of Master Builders Australia with funding from the Australian Government's Office for Women.

<b>WBA Influencers</b>	The WBA Influencers are tradespeople who understand and experience the realities of working in the industry, are successful, and have great passion for construction. These women are paving the way and supporting other women to enter the industry. Sharing their stories helps women outside the industry to understand what's possible and to see there are jobs and opportunities for women in building and construction.
<b>WBA Ambassadors</b>	The WBA Ambassadors are industry leaders who are passionate about changing the industry for the better by getting more women into careers in building and construction. Their personal stories and experience show that they lead by example.
<b>WBA Jobseeker Handbook</b>	The Jobseeker Handbook assists women to gain a better understanding of the building and construction industry and its career opportunities. It highlights a wide range of industry roles – including what's involved, their entry pathway, salary, demand, and more – and features the stories of the WBA Influencers and Ambassadors.
<b>WBA Career Expos</b>	WBA attends career expos around the country to educate female school students, career advisors, teachers and parents about the career pathways and opportunities within the building and construction industry. WBA actively encourages women to enter into and lead successful careers in the building and construction industry.
<b>WBA Mentoring</b>	The WBA mentoring program provides women in the building and construction industry with access to support, encouragement and advice from experienced individuals through a virtual and face-to-face mentoring relationship. Mentoring is an excellent way to help women to build confidence and to participate and succeed in the building and construction industry.
<b>WBA business coaching</b>	The WBA Business Coaching program provides training and coaching. <ul style="list-style-type: none"> <li>• Female business operators can access coaching from experienced business leaders offering tactical support to help navigate the key issues confronting their business.</li> <li>• WBA has partnered with MYOB to deliver free business operator resilience training for women running or operating a business in the building and construction industry. The seven part course covers the key areas of running a business including cashflow, bookkeeping, clients and suppliers, payroll, revenue and compliance.</li> </ul>
<b>Female led business register</b>	The register highlights female owned and managed businesses in the building and construction industry. It assists people in the community, particularly vulnerable women, that would prefer to engage female builders and tradies to find the right woman for their job.

## Victoria's Women in Construction Strategy

The Victorian Government and the Building Industry Consultative Committee (BICC) worked collaboratively to develop the Women in Construction Strategy.

The Strategy is designed to increase women's participation in the trades and semi-skilled work in Victoria's construction industry. It takes a no-nonsense approach to identifying the key inhibitors to female participation and present practical and implementable solutions to drive change.

The strategy identifies three priority areas – attracting women, recruiting women, and retaining women – articulating the barriers and solutions for each. A summary is on the next page and more information is available at: [www.vic.gov.au/victorias-women-construction-strategy](http://www.vic.gov.au/victorias-women-construction-strategy).

### Priority 1: Attracting women

<b>Barriers</b>	<p>The barriers to females seeking a career in the construction industry are:</p> <ul style="list-style-type: none"> <li>• failure to promote construction and trades as viable career options to girls</li> <li>• steering girls towards university rather than trades</li> <li>• lack of encouragement for girls interested in STEM</li> <li>• fewer role models for girls</li> <li>• traditional views of men's work and women's work and gender stereotypes</li> <li>• rigid workplace practices and cultures of prejudice that exclude women and treat them as 'other'.</li> </ul>
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<b>Solutions</b>	<p>Strategies that will attract females to the industry are:</p> <ul style="list-style-type: none"> <li>• schools giving more vocal and positive encouragement for girls in STEM</li> <li>• emphasis on unpacking the gender bias of careers counsellors and trades teachers in TAFE</li> <li>• promotion of female role models to girls</li> <li>• apprenticeship and training funding should be gender-sensitive and consider the unique barriers women face gaining access to the construction industry</li> <li>• a campaign, involving all construction workers, to eliminate the attitudes that underpin the culture of gender inequality</li> </ul>
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### Priority 2: Recruiting women

<b>Barriers</b>	<p>Barriers to women being recruited to roles in the industry include:</p> <ul style="list-style-type: none"> <li>• employers hiring through the traditional 'pipeline' – e.g. RTOs and networks that women do not have ready access to</li> <li>• employers' metric of cultural fit when hiring, which often excludes women</li> <li>• lack of commitment to hiring women by middle management and workers.</li> <li>• discrimination in hiring processes, such as believing the work is too hard for women or that they will need parental leave</li> </ul>
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<b>Solutions</b>	<p>Strategies that will lead to more women being recruited in the industry are:</p> <ul style="list-style-type: none"> <li>• more formalised hiring process, including an audit of metrics such as cultural fit to ensure they are not gendered</li> <li>• increase the prominence and visibility of female role models in the industry</li> <li>• programs that provide targeted support to women apprentices seeking employment in their trade</li> <li>• a holistic approach to cultural change the builds support across the workforce.</li> </ul>
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### Priority 3: Retaining women

<b>Barriers</b>	<p>The barriers to women staying in roles within the industry include:</p> <ul style="list-style-type: none"> <li>• An industry and workplace culture of prejudice that results in numerous incidents of gendered violence</li> <li>• Rigid workplace practices, e.g. excessive hours, inflexible arrangements and a lack of consideration for caring responsibilities</li> <li>• Women report feeling unsafe and uncomfortable on the job</li> <li>• OH&amp;S hazards, such as inappropriate equipment and clothing, the lack of adequate bathroom facilities and physicality of work</li> </ul>
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<b>Solutions</b>	<p>Strategies to assist in the retention of women in the industry include:</p> <ul style="list-style-type: none"> <li>• industry, workplace and social change to abolish gendered violence at work and traditional ideas of women's work</li> <li>• Introduce job-sharing, flexible working, childcare, and other workplace changes to accommodate caring</li> <li>• Women's networks for tradeswomen, mentoring, and a greater visibility of female role models in the industry.</li> </ul> <p>But:</p> <ul style="list-style-type: none"> <li>• Not without the support of employers, managers and the wider workforce, as part of a through, long-term campaign to affect social and workplace culture</li> <li>• Implementing strong accountability mechanisms that allow women and men to report and give feedback on progress towards achieving systemic change.</li> </ul>
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## Master Builders Australia

Master Builders Australia (Master Builders) is the nation's peak building and construction industry association. Master Builders' members are the Master Builder state and territory associations.

Over 130 years, the movement has grown to over 32,000 businesses nationwide, including the top 100 construction companies. Master Builders is the only industry association that represents all three sectors of the industry – residential, commercial, and engineering/civil construction.

## Australia's building and construction industry

Building and construction is one of the largest sectors in the Australia. Our industry packs its biggest punch when it comes to the provision of full-time employment and support for small business. During August 2022, there were 1.24 million people employed in the building and construction industry.

During the 2021-22 financial year, it is estimated that construction businesses paid out a total of \$66.1 billion in wages and salaries to their employees, with gross operating profits in the industry amounting to \$35.3 billion over the year. Industry turnover was \$384.2 billion during 2021-22, a sum which includes sales from construction businesses to other construction businesses.

The most up-to-date ABS data indicates that as at 30 June 2022, there was a total of 445,253 construction businesses in operation across Australia. This is more than every other sector of the economy. The most striking feature of construction businesses is their size: 98.6 per cent are small with less than 20 employees. The small size of construction businesses is reflected in their pattern of turnover. 58.5 per cent turn over less than \$200,000 per year and 1 in 5 earn less than \$50,000 annually. Just 1.4 per cent of construction businesses have annual revenues in excess of \$10 million.

The structure of construction activity means that the support offered by it to other parts of the economy is strong. This is because there is a high domestic content to our industry's inputs including building materials, labour and professional services. As a result, it is estimated that for every \$1 million worth of residential building activity the entire economy is better off to the tune of \$3 million. Similarly, \$1 million worth of building and construction activity is estimated to support a total of 9 full-time jobs across Australia's economy – including 3 jobs in other sectors outside of building and construction.

\$102.2 billion worth of civil and engineering construction was carried out over the year to September 2022. In addition to this, residential building work totalled \$83.5 billion over the same period and non-residential building activity was \$52.9 billion.

Latest figures show that work started on 207,955 new homes over the year to June 2022, of which 132,100 were detached houses (64 per cent of the total). Over the same period, 175,000 new homes were completed and became available to live in for the first time – meaning that a roof was put over the heads of an additional 454,000 Australians. Over the year to June 2022, building work began on 4,275 new units of public housing – up 15.7 per cent on a year earlier. But at just 2.1 per cent, the share of new home building accounted for by the public sector is low by historic standards and this represents a key challenge going forward.

The building and construction industry is at the fulcrum of mentoring our nation's next generation of trades workers. Over the year to March 2022, a total of 20,776 new construction apprenticeships were completed with a further 52,682 new construction apprentices and trainees beginning their journey. Encouragingly, apprentice involvement in the industry has grown strongly in recent years thanks to enhanced government support programs as well as favourable business conditions in the industry.