



MASTER BUILDERS
A U S T R A L I A

Submission to the
Department of Employment and Workplace Relations'
Future Directions: Apprenticeship Support Services
Consultation Paper

May 2023



© Master Builders Australia Limited 2023.

Master Builders Australia Limited

ABN 68 137 130 182

Level 3, 44 Sydney Avenue, FORREST ACT 2603

T: +61 2 6202 8888, F: +61 2 6202 8877, enquiries@masterbuilders.com.au, www.masterbuilders.com.au

This submission is copyright and all rights are reserved. No part of it may be reproduced, stored, transmitted or otherwise distributed, in any form or by any means without the prior written permission of the copyright holder. Images on the cover are winners of Master Builders National Excellence in Building and Construction Awards.

Master Builders Australia (Master Builders) welcomes the opportunity to provide input to the Australian Government's proposed future directions for apprenticeship support services and non-financial supports.

Master Builders is broadly supportive of the proposed direction and is pleased to see that many of the recommendations made in our submission to the earlier stage discussion paper have been reflected in the proposal.

The proposed model is ambitious and has the potential to greatly improve apprentice outcomes. However, we are concerned that the provision of these services and therefore the outcomes will be constrained without additional funding.

This paper builds on [our submission](#) to the Australian Apprenticeship Services and Supports Discussion Paper, responds to the proposed support measures outlined in the consultation paper and identifies opportunities that may merit further consideration.

Should you seek clarification or further information on any of the points in this submission please contact:

Jennifer Lawrence
Manager Industry Policy, Master Builders Australia
0447 529 170, Jennifer.lawrence@masterbuilders.com.au

1. Focus support services on apprentices and employers to get the skills they need

Structured pre-commencement assessment of apprentice skill levels, gaps and occupational aptitude, focusing on LLND needs, to identify additional supports; assist employers, RTOs and apprenticeship service providers to collaboratively support apprentices; help apprentices to find the right employer and pathway; and identify and assist employers who need additional support.

Ensure services are provided proactively and issues are identified and addressed early.

Master Builders supports pre-commencement assessments. Master Builders advocated for developing a pre-commencement tool to assess a prospective apprentice's work-readiness, suitability to the pathway, and learning and support needs.

Given that employment related reasons are the most common reason apprentices give for not completing **it is critical that the proposed assessment tool include a work-readiness component.**

Employers in the building and construction industry look for apprentice candidates with broadly similar characteristics, these include a good work ethic, interest in the industry, realistic expectations of the work, basic social and communication skills, a good attitude to safety, a willingness to learn and follow directions, and a driver's licence (or being on the pathway to getting their licence).

RTOs are required under the 2015 Standards for RTOs (clause 1.7) to assess the support needs of the learner and provide access to educational and support services. **The pre-commencement assessment needs to complement, but not duplicate, the LLND assessment undertaken by RTOs.**

To ensure consistency of assessment and therefore access to support services a national tool should be developed and made available to apprenticeship service providers. The tool should be developed in consultation with RTOs, employers, and industry to make sure it appropriately assesses learning needs and work-readiness, which will vary depending on the industry of employment and the qualification being undertaken.

Pre-commencement assessments are an existing component of recruitment for GTOs. While the number of apprentices and trainees employed through GTOs is low, consideration should be given to ensure apprentices do not have to undertake duplicative assessment processes.

Master Builders supports identifying and assisting employers who need additional support.

In our earlier submission we recommended education and support for small employers and inexperienced supervisors to ensure they understand their role and responsibilities and have the skills to support and train the apprentice.

In the building and construction industry there are fantastic employers who understand what it means to support and nurture their apprentice to succeed. However, there are also employers that think because they were treated poorly during their apprenticeship, they can treat their apprentice that way. Thankfully the number of employers in this category is diminishing. It is more typical that employers want to do the right thing, but don't have the skills to do it, nor know where to go for help. This is the group of employers that will benefit from the additional support in the proposed model.

Master Builders suggested a direct message pilot providing small employers and supervisors with practical tips such as checking in and with links to helpful resources. In conversations the Department identified that through ADMS it will be possible to direct message apprentices and employers and that there is intention to utilise this capability. Consideration should be given to identifying if this service can be extended to apprentice supervisors as well as their employers.

Master Builders supports proactive engagement and early issue identification and resolution.

Master Builders advocated for service providers to touch base with all apprentices and their employer/supervisor in the initial months of the employment relationship to identify early issues that may arise, assist to open communication channels and refer people to support services that may be required.

2. Improve the support available for apprentices with additional barriers to completion

Ensure apprentices with additional barriers to completion receive proactive, inclusive, and culturally appropriate support through guaranteed access to personalised assistance and mentoring from commencement through to completion.

Master Builders supports apprentices facing additional barriers to completion being provided appropriate support.

Master Builders advocated for a national mentoring program to support and guide apprentices, help them to build confidence, address issues early and remain in their apprenticeship, with careful attention given to ensuring mentors and mentees are appropriately matched, particularly for under-represented apprentice cohorts.

Master Builders is a strong advocate for women in the building and construction industry. There are more female apprentices and trainees in-training than ever before, and ongoing efforts are needed to maintain this momentum. Initiatives such as Women Building Australia are actively supporting women to enter and remain in the building and construction industry.

The Women Building Australia program promotes non-traditional occupations and pathways in building and construction to women through education, career expos, and sharing the stories of women in the industry. It also provides mentoring services to new female entrants, carefully matching each mentee with an industry mentor that has relevant experience and provides training and resources for both mentee and mentor to maximise success.

3. Lift the profile of apprenticeships as a valuable career pathway

Assign an apprenticeship service provider to each secondary school to improve the visibility and promote the benefits of apprenticeship pathways.

Master Builders has long called for improved careers education in secondary schools and the need to reframe the apprenticeship story.

A VET qualification is the highest level of education for 80 per cent of construction workers that have undertaken post-school education. For many of these workers that pathway would have been an apprenticeship. Nearly half of the building and construction workforce are employed as technicians and trades and Master Builders workforce analysis conservatively estimates that nearly 230,000 technicians and trades will need to enter our industry by the end of 2026 to meet projected growth and replace workers that leave the industry.

Lifting the profile of apprenticeship pathways in schools will be critical to ensuring the building and construction industry can attract, train, and retain the next generation of tradies.

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 apprenticeship pathways. Young men and women need to be given the facts so they can make informed decisions.

Master Builders analysis of apprentice wages and university fees shows that an apprentice ends up between \$198,000 and \$351,000 financially ahead at the end of their qualification.

Comparison of financial position for apprentice and university student

| APPRENTICESHIP | UNIVERSITY |
|--|--|
| Earn while you learn (carpentry)* | Pay to study (built environment)** |
| Year 1: \$32,587-\$57,526 | Year 1: \$8301 student fees |
| Year 2: \$33,517-\$68,549 | Year 2: \$8301 student fees |
| Year 3: \$45,612-\$88,641 | Year 3: \$8301 student fees |
| Year 4: \$53,213-\$103,917 | Year 4: \$8301 student fees |
| Total earning potential over four years: \$164,931-\$318,634 | Total student debt over four years: -\$33,204 |
| THE APPRENTICE ENDS UP BETWEEN \$198,135 AND \$351,838 FINANCIALLY AHEAD. | |
| Average graduate earnings: \$63900*** | Average graduate earnings: \$64700**** |
| <p><i>*minimum is full-time Award rate for apprentice that has not completed year 12; maximum is union enterprise agreement in Victoria; both include tool, industry and travel allowance.</i></p> <p><i>**Student contribution in 2023 for built environment field of study. Actual contribution will be higher as fees are indexed each year.</i></p> <p><i>***NCVER, VET Student Outcomes 2022 for CPC qualification Cert II and above</i></p> <p><i>****QILT, Graduate Student Outcomes 2022 for built environment bachelor degree</i></p> | |

In addition to the financial benefits of undertaking an apprenticeship, survey data from the NCVER shows apprentices report higher satisfaction and improved employment outcomes when compared to university students (QILT survey).

To ensure that apprentice service providers can deliver value to students and schools, the National Careers Institute should work with industry and apprentice service providers to develop a national apprentice resource kit for secondary schools.

4. Streamline administration to provide apprentices and employers better access to support

Streamline administration to enable service providers to refocus efforts on providing personalised support to apprentices and employers, including better identification of apprentice needs at the outset and using direct messaging to keep in touch and build awareness of available support.

Master Builders supports streamlining administration processes. Improving productivity through digitisation of administration processes will free up resources for service providers to place greater emphasis on personalised support for apprentices and employers. However, given the ambitious support services outlined in the future directions proposal Master Builders has reservations about the ability to deliver within the pre-existing funding allocation and calls on the Government to commit more funding to ensure apprentices can access the support they need to complete their apprenticeship.

Master Builders supports the use of direct message to support apprentices and employers. Master Builders, in our earlier submission, recommended a direct message pilot to provide small employers and supervisors with practical tips such as checking in and with links to helpful resources.

5. Collaborate with states, territories and industry to improve apprenticeship completions

Clearly articulate roles and responsibilities of apprentices and employers, and improve information sharing and collaboration between apprenticeship stakeholders, including states, employers, service providers and RTOs, to support emerging apprentice needs.

Master Builders supports the clear articulation of roles and responsibilities and advocates this clarity be articulated across apprenticeship stakeholders along with improved information sharing and collaboration.

With limited funding and an ambitious scope of support services it will be critical that the apprenticeship services model is designed to leverage existing support services, not duplicate them.

Improved information sharing and collaboration should put the apprentice at the centre of their journey. The apprentice should have the autonomy and flexibility to access approved support services that best suit their needs with the funding for these services linked to the apprentice not the apprenticeship service provider.

For example:

- the proposed model calls for apprenticeship service providers to undertake pre-commencement assessments for all new apprentices and to regularly check-in with them. However, apprentices employed by a GTO will have likely undergone a similar assessment already and have GTO field officers that check in with them and their host employer. The system should be sufficiently flexible to facilitate these services through the GTO rather than duplicating what is available.
- the proposed model calls for the pre-commencement assessment to focus on LLND needs. RTOs are already required to assess the LLND capability of students before they commence. Ensuring that RTOs are adequately undertaking this assessment and are sharing the information with apprentice service providers and employers should negate the need for duplication.
- The proposed model calls for mentoring for at risk cohorts of apprentices. There are a wide range of industry and community organised programs that provide highly tailored mentoring programs specifically for many of these cohorts. The system should be designed to leverage and support these programs, and to enable apprentices to select a program that best suits their individual needs.

6. Improve transparency, reporting and performance of providers

Restructure the service provider model to support apprentices and employers over the life of the apprenticeship. Introduce a new performance framework, KPIs and clear reporting requirements to improve the transparency and quality of service provision, and drive provider performance.

Master Builders supports whole of apprenticeship support for both the apprentice and the employer.

However, we also note that the current system and funding is designed to support apprentices in the early stages of their apprenticeship when support needs are highest and cancellations are more likely. Without additional resources we fail to see how expanding the scope of support and diluting the funding across more services will result in better outcomes and higher completion rates.

Master Builders supports improvements to reporting frameworks that will improve transparency and lift the quality of services provided by apprenticeship service providers, particularly where information is made publicly available to ensure that apprentices and employers can make informed decisions.

Master Builders advocates for a similar approach to be adopted for RTOs. There is a lack of transparency regarding RTO quality and outcomes and this needs to be addressed. Improving access to information at the RTO level on training quality, satisfaction ratings and employment outcomes will enable students and their advisers to make informed decisions about the most appropriate training provider for their needs, assist governments to direct funding for training delivery to high quality providers, and incentivise RTOs to strive for excellence.