Submission To

Australian Government
Productivity Commission

on

Vocational Education and Training Workforce: Productivity Commission Issues Paper

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BACKGROUND

1. The Electrical and Communications Association (ECA) is the peak industry body for contractors who operate in the electrical, data, communications and fire sector of the Building and Construction and domestic services industry in Queensland.

2. The ECA is a major industry association, professionally managed and committed to the highest level of service. ECA is a non-profit organisation that is committed to advancing the electrotechnology sector by being the best source of information, representation, professional knowledge and commercial services, dedicated solely to the electrotechnology industry.

3. ECA established the ECA Training Group in response to the industry's increasing demand for training in the electrotechnology industry. The ECA Training Group comprises of:

    a. ApprenticeConnect
    b. SkillConnect
    c. BusinessConnect

    These services are a part of ECA's strategy to provide a one stop shop for all apprenticeship, skill training and assessment needs of the electrical contractors.

    ApprenticeConnect

4. ApprenticeConnect is a management tool that ECA members can employ into their business; the service entails the facilitation of the Australian Apprenticeship Centre induction, Supervising Registered Training Organisation (SRTO) Training Plan induction, eProfiling or on the job record registration, ensuring government incentives are received (where applicable), direction on disciplinary issues (in conjunction with relevant State authority) and implementation of supervision tools in the workplace. A Field Officer is assigned to member to provide this service from the beginning that is supported by six monthly monitoring visits with employer and apprentice throughout the duration of the apprenticeship. The Field Officer coordinates the completion process by ensuring all parties agree and the Apprentice applies for and receives the Electrical Workers License from relevant state regulator.

SkillConnect

5. ECA developed a streamlined skill assessment process that ensures that the assessment process is practical, efficient and relevant. SkillConnect is a specialist training entity catering for the skill needs of the electrotechnology industry in Queensland. SkillConnect delivers post trade training in an innovative and flexible manner. SkillConnect also has established a skill assessment centre for the electrotechnology industry to formally recognise existing skills and experience of electrotechnology workers.

6. Training is delivered and managed by qualified trainers with recent industry experience, using the latest industry technology. Industry will take direct control of the training delivered through an industry led governance council and advisory committee.

BusinessConnect

7. BusinessConnect is a one stop shop for all business management needs. The courses are tailored specifically to the targeted industries and provide practical and simple solutions to common problems experienced in the electrical and communications contracting industries.

8. ECA is appreciative of the opportunity to submit its views on the *Vocational Education and Training Workforce: Productivity Commission Issues Paper* (the 'Issues Paper'). Industry consultation is essential to ensure the viability of the VET industry, as industry participants can:

    a. provide impartial feedback on the current VET industry practices;
    b. identify the differences between public and private providers;
    c. highlight areas of concern; and
    d. make recommendations based on feedback provided directly from employers and employees who are utilising the VET system.

AN OVERVIEW OF THE VET WORKFORCE

9. ECA agrees with the findings in the Issues Paper[1] which states that the average age of VET practitioners (working in public VET providers) has increased over time and the private VET workforce is considerably younger than the TAFE workforce.

10. This may be due to public VET practitioners '*ageing 'on the job''*[2] as opposed to entering the profession at a later stage of their careers. Longevity in a workplace has considerable advantages such as loyalty, commitment, employment security, knowledge and experience. There can be disadvantages such as inability to adapt to changing market forces, lack of motivation, repetitive teaching material and training methods. These factors can have adverse effects on student's motivation to learn and the perception of the public VET industry for persons wanting to enter the profession.

11. SkillConnect and BusinessConnect engages practitioners who have been actively working in the industry or are still "on the tools" in some capacity. ECA has found that the practitioners are highly motivated and have knowledge in current industry practices. Additionally, these practitioners are able to bring their own unique teaching styles to the students while still adhering to the approved syllabus.

12. This also means that students are receiving quality training from industry experts who have the knowledge and experience gained through active participation in the industry. The students are able to engage in discussions with the practitioners about current industry practices, technology advancements and future trends.

13. As a contrast, some public VET practitioners have not been actively participating in the industry ("on the tools") for up to 20 years. This means that students do not receive the benefit of learning from real life examples on how to work in the contemporary industry.

[1] Vocational Education and Training Workforce: Productivity Commission Issues Paper, pp 11 and 12
[2] Vocational Education and Training Workforce: Productivity Commission Issues Paper, p12

14. ECA's apprenticeship management program, ApprenticeConnect, offers 'off site training' to apprentices that is delivered in a flexible manner. This program has been established in response to industry concerns regarding the:

    a. industry skill shortage;
    b. difficultly employers face in accommodating the block release system into the work schedule;
    c. inconsistency between the 'on the job' and classroom learning; and
    d. lack of training provided by Registered Training Organisations in current industry practices.

15. To meet the industry demands and ease the concerns a training package was developed to reduce off the job training and provide adequate on the job training projects for the apprentice to complete. This method did not reduce the scope of the syllabus. Rather it provides apprentices with more hand skills and on-site experience which is a key element to being a fully qualified electrical worker.

16. ECA is not advocating that private providers have the best training methods. However, it is clear from the concerns raised that public VET providers do not have the capacity to meet the needs and expectations of the industry. This has meant that private organisations, such as ECA, have found the need to develop programs such as ApprenticeConnect in order to fill a growing niche and provide a circuit breaker between industry and training.

SUPPLY OF THE VET WORKFORCE

17. ECA has found over the recent years that public VET practitioners did not have the technical expertise to sufficiently train students, in particular apprentices in industries where there are continual technological advancements. This may be due to the inadequate and insufficient training public VET providers offer to their practitioners. This affects the quality of the training and the ability for students to use their knowledge gained in the classroom and apply to real life work experiences.

18. Also the public VET provider system of remuneration for practitioners is not commensurate with industry standards, particularly with respect to the technical and trade training areas. It is likely that remuneration is one of the key barriers for persons who are considering entering the VET industry. The VET industry should take into consideration the necessary qualifications and experiences a trade practitioner must have in order to train. That is, the practitioner is required to:

    a. be qualified to the level they are training;
    b. have at least 5 years post-trade experience; and
    c. (as a minimum) a Certificate IV in Training and Assessment.

19. When comparing the remuneration a person would receive as a practitioner with the above qualifications to a tradesperson with the same level of expertise, the tradesperson would be earning significantly higher wages by remaining in the industry. The public VET provider will (generally) not be able to attract people to the training industry unless the remuneration issues are addressed.

20. A private provider, such as ECA, has the ability to negotiate a remuneration package which reflects the skills and abilities of the practitioner as well as being competitive in the open employment market.

INSTITUTIONAL ARRANGEMENTS

21. Statistical information ECA has received from the Queensland Department of Education and Training indicated that the total number of electrotechnology apprentices in training has grown from 899 in 2001 to 5865 in 2006. The increase was a staggering 630% over six years. This growth resulted in the demand for apprentice training exceeding supply. Many registered training organisations (RTOs), including TAFE, delivering electrotechnology apprentice training have insufficient facilities and practitioners to cater for the demand.

22. Anecdotal evidence from ECA members indicate that some first year apprentices are on eight to twelve month waitlists to commence their TAFE training, with many apprentices not commencing their off-the-job training until they are into their second year. This training time lag imposes significant economic costs to employers due to lost time attending training when

the apprentice is in their second year instead of their first as well as slower skill development due to the lag in apprentice training.

23. Anecdotal evidence also suggests that experienced second year apprentices undertaking their first year "block training" are subjected to completing the entire eight weeks of training when in many cases these apprentices have already learnt many of the skills on the job throughout their first year of employment.

24. Other industry feedback indicates that in some cases TAFE training is not sufficiently challenging for many apprentices with employers complaining that "*TAFE training is like a day off for the apprentice*". Other issues include complaints regarding customer service including incorrect call up notices due to timetabling problems. Some employers complain that the training is not relevant to modern industry with many outdated concepts being taught to apprentices.

25. ECA believes that training that is better delivered in a workplace environment will be undertaken on-the-job in consultation and coordination with the employer. Training is scheduled to suit seasonal down times where possible to maximise the apprentices' productivity.

Post Trade Skills Training

26. The electrotechnology industry has had to adapt to technological developments in electrical equipment, changes in regulatory requirements and the increasing onus on contractors and their employees to accept responsibility for work performed. The industry has responded by broadening the skills base of the traditionally blue collar field of electricians with the skills of the traditionally white collar area of information communications and technology, but not the other way around because of licensing and regulation issues. This integration of occupations has resulted in a specialised skilled workforce of around 60 000 employees Australia wide.

27. Technological change has driven training to a point where the electrotechnology industry has a well-trained workforce capable of planning, installing, configuring and troubleshooting installations. The industry is also using new technology to its advantage with, for example, the use of electronic devices in the field.

28. Research shows that where employees with dual skills in electrical and data-communications are required, the preferred strategy is to recruit electrical workers and then augment their skills with training in data communications rather than the other way around. It is much

easier to train an electrician in data communications via short courses then train a data communications employee up to electrical licensing standards.

29. Electrical contractors are either training their existing workforce, employing those with data communications and electrical skills or sub-contracting out the data communications elements of their work. Electrical contractors are increasingly faced with the need to integrate data communications work into what used to be predominantly electrical tasks. This has meant that they must either contract-out data communications elements of the work, or employ workers with the knowledge and skills to handle that aspect of the work.

30. For those contractors who elect to undertake the data communications work themselves, the most common solution is to train their existing electricians in the essential data communications skills to do the work (or alternatively to recruit such an electrician). Larger companies may employ a few data communications specialists, but this is not possible in smaller companies. For contractors generally, the preference appears to be to train electricians in the data communications rather than employ data communications specialists. This creates a more highly specialised workforce. Nevertheless, some larger companies are retaining electricians with less specialization and more detailed electrical knowledge to complement their more technically specialised counterparts.

31. Changing technology has meant that training has found distinctive niche markets such as TAFE providing core skills and vendors providing specialised training for new products as they come onto the market. The industry is demanding training in new technology that is appearing in systems and products. This is outstripping the ability of traditional training providers to develop and incorporate these elements into their curriculum, resulting in vendors providing the necessary training to ensure that their products are supported in the market by tradespersons with the necessary skills to install and service these products.

32. Contractors are often small businesses, or business owner-operated, and can ill-afford extensive time out for training in new products. Short courses are their preferred training option. Much of the training undertaken by existing workers within the electrotechnology training package is not for full qualifications, but for single units of competency (or modules).

33. ECA identified these issues and as a result SkillConnect also delivers a range of specialist post trade courses to meet the needs of tradespeople and contractors in the electrotechnology industries. These courses are delivered flexibly to meet the needs of busy contractors and tradespeople.

34. ECA, as a peak training body is at the cutting edge of the delivery of real world training to the electrical contractors through:
    - State of the art training facilities;
    - Use of current technologies in the delivery of training;
    - Use of current industry standard equipment in training (Electrical and Communications Technology) delivering real training and in real time with industry standards at the forefront of ECA's training;
    - Delivering training to the latest industry standards to meet the current regulatory requirements to industry.

35. ECA training has developed a strong industry based delivery framework that caters for the needs of industry and the ever changing electrical and communications market place, ensuring that workers who have the current knowledge and skills to do their work. ECA training has implemented as part of its training focus a client based approach to training clients in real work conditions. ECA training has developed courses using professional experts with many years of experience to undertake this form of training.

36. The demand for small business operations and management skills is significant in the electrotechnology and communications industries. Deregulation of the utilities industry creates greater opportunities for electrical contractors to tender for large scale contracts in the electrical supply industry segment as well as existing domestic and commercial construction projects. This creates greater pressure on predominantly small and micro businesses to develop more professional and sophisticated business operations, management systems and skills.

37. The Kearney 2000 Australian report "Evaluating Small Business Development Training Programs" established that the main small business interests were productivity, profits and survival. Training which sold economic outcomes (for example, 'How To Improve Your Bottom Line', 'Hygiene: It Means Business', 'Grow Your Business, Exceed Your Customers' Expectations, Win Against All Competitors') had more success and less difficulty recruiting small business participants than those selling 'training' or 'improved skills' (Kearney 1999).

38. It has been found that small businesses have specific education and training needs which change with the progressive development of their business. The business cycle includes stages, such as start-up, crisis, survival, expansion and growth.

39. A recent study undertaken by the NCVER "Education and Training That Meets the Needs of Small Business" identified the following business needs as likely to create a demand for education and training:
    - Resolving a specific problem, for example, of product, service, quality or delivery.
    - Understanding how to expand the business, for example, finding new opportunities or exporting.
    - Increasing productivity and profit, for example, improving customer service or computing skills.
    - Reversing the 'struggle to survive' especially in regard to cash flow problems, for example, needing to reduce costs or recognise new business opportunities.
    - Developing entrepreneurship, for example, identifying problems and opportunities, team building and the process of delegation by owner-managers.
    - Developing management and leadership skills, for example, team leadership, business planning, managing change, motivating staff, helping the business grow.
    - Implementing compliance with new legislation, regulation, licensing or standards.
    - Skilling new employees or employees whose role has changed. (NCVER, 2007)

40. ECA has identified that for the business training delivered by BusinessConnect to be successful it is essential that any environment used for education and training is one in which all participants are comfortable and where adult education principles are followed. ECA created an informal, interactive learning environment building upon the experience and knowledge of participants.